FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2211

DATE FILMED 8/27/90 CAMERA NO. 3

CAMERAMAN AS

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MUR 2211 IS A COMBINATION OF MURS 2128, 2190 AND 2210. MUR 2128 MERGED INTO MUR 2190, WHICH ULTIMATELY BECAME MUR 2211. MUR 2210 BEGAN ALMOST SIMULTANEOUSLY WITH MUR 2211 AND WAS EVENTUALLY MERGED INTO IT. THIS IS THE SEQUENCE THAT WAS USED TO ARRANGE THIS FILE.

6040795459

85NF-138

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: December 17, 1985

ANALYST: Brian Hancock

I. COMMITTEE: Populist Party
(C00186726)
Clara Sandahl, Treasurer
130 Third Street, SE
Washington, D.C. 20003

II. RELEVANT STATUTE: 2 U.S.C. §434(a)(4)(A)(iv)
11 CFR 104.5(c)(2)(i)(A)

III. BACKGROUND:

Non-Filing of the 1985 Mid-Year Report

The Populist Party ("the Party") failed to file the 1985 Mid-Year Report of Receipts and Disbursements covering the period from January 1, 1985 through June 30, 1985. The Party was notified on June 21, 1985 that the report was due on July 31, 1985 (Attachment 2).

A Non-Filer Notice was sent to the Party on August 22, 1985 (Attachment 3). On September 16, 1985 and September 17, 1985, the Reports Analysis Division ("RAD") analyst contacted two separate representatives of the Party concerning the non-filing of the Mid-Year Report.

In the initial conversation, the analyst spoke with Mr. Blaine Hudzel, who stated that the treasurer of record for the Party, Ms. Clara Sandahl, was no longer associated with their organization. Mr. Hudzel provided the analyst with the name and address of Ms. Faye Miller, the person whom he believed to be the new treasurer. In the subsequent conversation, the analyst was told by Ms. Miller that she had never been notified of, much less accepted, the appointment as treasurer of the Populist Party (Attachment 4). Neither Mr. Hudzel nor Ms. Miller had any idea when the delinquent report would be filed with the Commission.

As of this date, the 1985 Mid-Year Report has not been filed.

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

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FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C) (83-84)

DATE 4DEC85
PAGE 1

PARTY RELATED

COMMITTEE / DOCUMENT	RECEIPTS		DISBURSEMENTS		TYPE OF FILER / COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
POPULIST PARTY					PARTY NON-QUALIFIED		ID #C00186726
CONNECTED ORGANIZATION: NONE							
1984 STATEMENT OF ORGANIZATION					2JUL84	2	84FEC/318/2651
JULY QUARTERLY	196,843		183,890		15MAR84 -30JUN84	16	84FEC/321/2440
JULY QUARTERLY - AMENDMENT	235,512		184,774		1MAR84 -30JUN84	4	84FEC/339/1077
JULY QUARTERLY - AMENDMENT	-		-		1MAR84 -30JUN84	2	84FEC/356/2060
REQUEST FOR ADDITIONAL INFORMATION					15MAR84 -30JUN84	4	84FEC/340/5289
REQUEST FOR ADDITIONAL INFORMATION 2ND					15MAR84 -30JUN84	5	84FEC/348/355
OCTOBER QUARTERLY	268,872		317,057		1JUL84 -30SEP84	27	84FEC/339/141
OCTOBER QUARTERLY - AMENDMENT	-		-		1JUL84 -30SEP84	7	84FEC/357/0415
OCTOBER QUARTERLY - AMENDMENT	-		-		1JUL84 -30SEP84	2	85FEC/365/5153
REQUEST FOR ADDITIONAL INFORMATION					1JUL84 -30SEP84	4	84FEC/349/2146
REQUEST FOR ADDITIONAL INFORMATION 2ND					1JUL84 -30SEP84	7	84FEC/356/4569
REQUEST FOR ADDITIONAL INFORMATION					1JUL84 -30SEP84	3	85FEC/365/2108
REQUEST FOR ADDITIONAL INFORMATION					1JUL84 -30SEP84	1	85FEC/365/2445
REQUEST FOR ADDITIONAL INFORMATION 2ND					1JUL84 -30SEP84	2	85FEC/367/1698
REQUEST FOR ADDITIONAL INFORMATION 2ND					1JUL84 -30SEP84	1	85FEC/367/2537
PRE-GENERAL	32,750		8,544		10CT84 -17OCT84	6	84FEC/347/2806
PRE-GENERAL - AMENDMENT	-		-		10CT84 -17OCT84	1	84FEC/356/2057
PRE-GENERAL - AMENDMENT	-		-		10CT84 -17OCT84	2	85FEC/360/0544
REQUEST FOR ADDITIONAL INFORMATION					10CT84 -17OCT84	2	84FEC/349/2143
REQUEST FOR ADDITIONAL INFORMATION 2ND					10CT84 -17OCT84	1	84FEC/357/0211
REQUEST FOR ADDITIONAL INFORMATION					10CT84 -17OCT84	3	85FEC/365/2112
REQUEST FOR ADDITIONAL INFORMATION					10CT84 -17OCT84	1	85FEC/365/2446
REQUEST FOR ADDITIONAL INFORMATION 2ND					10CT84 -17OCT84	1	85FEC/367/2538
REQUEST FOR ADDITIONAL INFORMATION 2ND					10CT84 -17OCT84	1	85FEC/367/2539
POST-GENERAL	108,615		129,220		18OCT84 -26NOV84	9	84FEC/353/1212
POST-GENERAL - AMENDMENT	-		-		18OCT84 -26NOV84	2	84FEC/356/2058
REQUEST FOR ADDITIONAL INFORMATION					18OCT84 -26NOV84	2	85FEC/365/211
REQUEST FOR ADDITIONAL INFORMATION 2ND					18OCT84 -26NOV84	1	85FEC/367/254
YEAR-END	15,631		19,065		27NOV84 -31DEC84	11	85FEC/365/108
REQUEST FOR ADDITIONAL INFORMATION					27NOV84 -31DEC84	3	85FEC/368/0509
REQUEST FOR ADDITIONAL INFORMATION 2ND					27NOV84 -31DEC84	4	85FEC/369/3855
TOTAL	661,380	0	658,660	0		137	TOTAL PAGES

All reports have been reviewed
Ending cash on hand as of 12/31/84: $2,718
Debts and obligations owed by the committee as of 12/31/84: $174,116
Debts and obligations owed to the committee as of 12/31/84: $0

Attachment 1
Page 1 of 2

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FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C) (85-86)

PARTY RELATED

COMMITTEE / DOCUMENT	RECEIPTS	DISBURSEMENTS	TYPE OF FILER / COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
POPULIST PARTY			PARTY NON-QUALIFIED		ID #C00186726
CONNECTED ORGANIZATION: NONE					
1985 NOTICE OF FAILURE TO FILE			1JAN85 -30JUN85	1	85FEC/386/3153
TOTAL	0	0	0	1	TOTAL PAGES

Attachment 1
Page 2 of 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 21, 1985

SEMIANNUAL REPORT NOTICE
FOR UNAUTHORIZED COMMITTEES

WHO MUST FILE
ALL POLITICAL COMMITTEES currently registered with the Commission (except committees filing monthly) must file a semiannual report by July 31, 1985.

WHAT MUST BE REPORTED
All financial activity must be disclosed from the last report filed through June 30, 1985. Unauthorized political committees that have not previously filed a financial disclosure report should report all financial activity from date of registration, through June 30, 1985.*

WHEN TO FILE
Reports sent by registered or certified mail must be postmarked no later than midnight July 31, 1985. Reports hand delivered or mailed first class must be received no later than close of business July 31, 1985.

WHERE AND HOW TO FILE
Committees should consult the instructions on the enclosed FEC Form 3X for details.

MONTHLY FILERS
Committees filing on a monthly schedule need not file a semiannual report. Monthly reports are due by the twentieth of each month and should cover all financial activity of the previous month. The next monthly report must be filed by July 20, 1985, and should disclose all financial activity of the committee from June 1 through June 30, 1985.

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*The first report filed by a committee shall include all amounts received or disbursed prior to becoming a political committee; even if such amounts were not received during the current reporting period. See 11 CFR 101.3; 104.3(a) and (b). Activity which occurred prior to 1985 should be reported separately.

- over -

COMPLIANCE

Political committees are fully liable for failure to file any report required under the Act. Failure to file in a timely fashion is a serious violation. Committees are subject to enforcement action for late filing. Illegible reports which can not be clearly reproduced and reports submitted on non-FEC forms will not be accepted. Committees filing such documents will be required to refile.

FOR INFORMATION CALL: Information Services Division
202/523-4068
800/424-9530

9004079264

Attachment 3

FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

RQ-7

August 22, 1985

Clara Sandahl, Treasurer
Populist Party
130 Third Street, S.E.
Washington, DC 20003

Identification Number: C00186726

Reference: Mid-Year Report (1/1/85-6/30/85)

Dear Ms. Sandahl:

It has come to the attention of the Federal Election Commission ("the Commission") that you may be in violation of 2 U.S.C. §434(a) for failing to file the above referenced Report of Receipts and Disbursements. You were notified previously of the due date for this report.

It is important that you file this report immediately with the Federal Election Commission, 1325 K Street, NW, Washington, DC 20463 (or with the Clerk of the House or the Secretary of the Senate, as appropriate). A copy of the report or the relevant portions should also be filed with the Secretary of State or equivalent state officer. See 2 U.S.C. §439.

If the report in question was filed, please submit documentation for the public record. Although the Commission may take further legal steps concerning this matter, your prompt response will be taken into consideration.

If you have any questions, please contact Brian Hancock on our toll-free number (800) 424-9530. Our local number is (202) 523-4048.

Sincerely,

John D. Gibson

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Attachment 4

TELECON

ANALYST: Brian Hancock

CONVERSATION WITH: Blaine Hudzel/Faye Miller

COMMITTEE: Populist Party C00186726

DATE: 9/16/85 / 9/17/85

SUBJECT(S): Non-Filing of the 1985 Mid-Year Report

The Reports Analyst attempted to contact the Populist Party to discuss the non-filing of the Mid-Year Report. No officers of the committee were available, but the secretary stated that she would have someone from the Party return my call. Later in the day, the Analyst was phoned by Mr. Blaine Hudzel of the Populist Party. Mr. Hudzel informed the Analyst that Clara Sandahl, the treasurer of record, was no longer associated with the Populist Party. Mr. Hudzel gave me the address of Ms. Faye Miller, whom he believed to be the new treasurer, and suggested that I contact her concerning the non-filing problem. The Analyst agreed to do so, but reminded Mr. Hudzel that any change in treasurer would need to be filed with the FEC at the earliest possible date.

On 9/17 the Analyst contacted Ms. Miller as suggested by Mr. Hudzel. Ms. Miller expressed her surprise and concern at my statement that she was supposedly the new treasurer for the Populist Party. Ms. Miller stated that she had received some material from the Party, but that she never consented to be the treasurer for this particular committee. Ms. Miller stated that she was already connected to the Party through a local Populist Party organization which, she said, had registered with the Commission on August 6, 1985.* Ms. Miller said that she would speak with the (national) Populist Party and have Mr. Hudzel contact me when the situation was resolved.

* No committee fitting Ms. Miller's description has registered with the Commission in 1985.

ADDENDUM: Because the Analyst never heard from Mr. Hudzel, he tried, without success, on two seperate occasions, to reach Mr. Hudzel concerning both the non-filing and the treasurer problems.

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL BY OGC TO THE COMMISSION _____

MUR _____
Staff: Robert Raich

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

RESPONDENT'S NAME: Populist Party and its treasurer

RELEVANT STATUTES: 2 U.S.C. §§ 434(a)(4)(A)(iv) and 433(c)

INTERNAL REPORTS CHECKED: Index of Disclosure Documents

FEDERAL AGENCIES CHECKED: None

GENERATION OF MATTER

This matter was generated as a result of a referral by the Reports Analysis Division concerning the failure of the Populist Party ("the Committee") to file a 1985 Mid-Year Report. See Attachment 1.

SUMMARY OF ALLEGATIONS

On June 21, 1985 the Commission informed the Committee that its 1985 Mid-Year Report was due on July 31, 1985. On August 22, 1985 the Commission sent the Committee a Notice of Failure to File.

Due to the Committee's failure to respond to the Notice, a Reports Analyst contacted two agents of the Committee on September 16 and 17, 1985. On September 16, Blayne Hutzel stated that the Treasurer of record, Clara Sandahl, was no longer associated with the Committee, but that Faye Miller was probably the new treasurer. On September 17, Faye Miller stated that she had never consented to be the Committee's treasurer, and that

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she would speak to Hutzel to resolve the situation. Hutzel never contacted the Reports Analyst, despite the Analyst's efforts to reach Hutzel.

To date, the Committee has not filed its 1985 Mid-Year Report or an amended Statement of Organization.

FACTUAL AND LEGAL ANALYSIS

All political committees (other than authorized committees of a candidate) must file either regular monthly reports or a series of reports, including a report covering the period from January 1 through June 30 during years when there is no general election. 2 U.S.C. § 434(a)(4). That Mid-Year Report must be filed no later than July 31. 2 U.S.C. § 434(a)(4)(A)(iv).

The Committee's 1985 Mid-Year Report was due on July 31, 1985. The Committee has failed to file the Report. Accordingly, the Office of the General Counsel recommends that the Commission open a MUR and find reason to believe the Populist Party and its treasurer violated 2 U.S.C. § 434(a)(4)(A)(iv).

Each political committee must file a Statement of Organization which includes, inter alia, the name and address of the committee's treasurer. 2 U.S.C. § 433(a) and (b)(4). Any change in the information submitted in a Statement of Organization must be reported within ten days after the date of the change. 2 U.S.C. § 433(c).

The Committee appears to have changed its treasurer, but failed to file an amended Statement of Organization within ten

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days. Accordingly, the Office of the General Counsel recommends that the Commission find reason to believe the Populist Party and its treasurer violated 2 U.S.C. § 433(c).

Due to confusion concerning the identity of the Committee's treasurer, the Office of the General Counsel recommends that the Commission send the attached Questions, which are designed to determine who the Committee's treasurer is, and who it was on the relevant date.

RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe the Populist Party and its treasurer violated 2 U.S.C. § 434(a)(4)(A)(iv).
3. Find reason to believe the Populist Party and its treasurer violated 2 U.S.C. § 433(c).
4. Approve and send the attached letter, General Counsel's Analysis, and Questions.

Charles N. Steele
General Counsel

January 14, 1982
Date

BY: Kenneth A. Gross
Kenneth A. Gross
Associate General Counsel

Attachments
1. Referral
2. Letter to the respondents
3. General Counsel's Analysis
4. Questions

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) RAD 85NF-138 (M 2128)
Populist Party and its treasurer)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on January 17, 1986, the Commission decided by a vote of 6-0 to take the following actions in RAD 85NF-138:

1. Open a MUR.
2. Find reason to believe the Populist Party and its treasurer violated 2 U.S.C. § 434 (a)(4)(A)(iv).
3. Find reason to believe the Populist Party and its treasurer violated 2 U.S.C. § 433(c).
4. Approve and send the letter , General Counsel's Analysis, and Questions attached to the First General Counsel's Report signed January 14, 1986.

Commissioners Aikens, Elliott, Harris, Josefiak, McDonald and McGarry voted affirmatively for this decision.

Attest:

1-17-86
Date

Cheryl A. Harris
for Marjorie W. Emmons
Secretary of the Commission

Received in Office of Commission Secretary: Tues., 1-14-86, 5:04
Circulated on 48 hour tally basis: Wed., 1-15-86, 11:00
Deadline for vote: Fri., 1-17-86, 11:00

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 23, 1986

CERTIFIED MAIL--
RETURN RECEIPT REQUESTED

Treasurer, Populist Party
130 Third Street, S.E.
Washington, D.C. 20003

RE: MUR 2128
Populist Party and
its treasurer

Dear Sir/Madam:

On January 17 , 1986, the Federal Election Commission determined that there is reason to believe the Populist Party and its treasurer violated 2 U.S.C. §§ 434(a)(4)(A)(iv) and 433(c), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). The General Counsel's Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials, along with your answers to the enclosed Questions, within fifteen days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against you, 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 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 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, requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent will not be entertained.

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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 General Counsel is not authorized to 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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 Robert Raich, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosures
General Counsel's Factual and Legal Analysis
Questions
Procedures
Designation of Counsel Statement

2004079267 2

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
[redacted]
86 FEB 3 P3:55

MUR 2128

GCC# 9624

6803 Nesbitt Place
McLean, Virginia 22101

February 3, 1985

Received Chairman's office
86 JAN 3 P2:07
86 FEB 3 P2:04

Joan D. Aikens, Chairman
Federal Election Commission
Washington, D.C. 20463

Dear Ms. Aikens:

A copy of your letter of January 23, addressed to "Treasurer, Populist Party, 130 Third Street, SE, Washington, DC 20003," has been brought to my attention. In the Federal Election Commission's Summary of Allegations which accompanies that letter, the notation is made that I, Clara Sandahl, am the "Treasurer of record," in the FEC's collection of materials relating to the Populist Party.

My name should not appear in the records of the FEC as treasurer of the Populist Party at any time after March 9, 1985 at which time Mrs. Faye Miller of PO Box 277, Dauphin Island, Alabama 36528 was elected as national treasurer of the Populist Party.

After my departure as treasurer of the party, it was my assumption that as the new treasurer, Mrs. Miller would handle the responsibility of informing the FEC of her assumption of the duties and that she would abide by all FEC regulations regarding the report of the party's financial activities to the commission. In no way can I be held responsible for her failure to do so.

Mrs. Miller did receive a pre-prepared amended statement of organization noting the changes in the party's office location, its chairmanship, and in the office of treasurer. Mrs. Miller need simply have signed the document and forwarded it to the FEC.

(A photocopy of this amended statement of organization as forwarded by certfied mail to Mrs. Miller on September 19, 1985 and received by her on September 21, as well as a photocopy of the certified mail receipt signed by Mrs. Miller acknowledging that she in fact received the document is attached as Exhibit A).

That Mrs. Miller, neither at this time, nor previously, filed the appropriate information with the FEC is most unfortunate, but that, as I have already suggested, is neither my fault nor my responsibility.

The first notice that the FEC had of my status in its records as treasurer of the Populist Party came on June 29, 1984 at which time the party registered with the FEC and my name appeared as treasurer. The official address of the party at the time was the address to which your letter of January 23 was addressed. The current official address of the party, to the best of my knowledge, is as follows: 6065 Mission Gorge Road, Box 211, San Diego, California 92120, although Mrs. Miller has handled party finances from her Alabama address. The telephone number of the national committee, should you care to reach them, is (619) 282-5614.

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The history of the office of treasurer of the Populist Party is outlined as follows:

Upon the registration of the party with the FEC in June of 1984, I handled the duties of treasurer and administered party funds under the direction of the party's founding advisory committee.

I served in this capacity through March 9, 1985, although on AUgust 18, 1984 the Populist Party, at its first national convention which was held in Nashville, Tennessee, chose the late Emmett Miller as the party's first duly elected treasurer. (Mr. Miller was the husband of Mrs. Faye Miller, the current party treasurer).

As the party was in the midst of its first national organizational efforts, I continued to administer the party's financial matters, although during this period the party's affairs were in fact being directed by the newly-formed executive committee of the party's national committee, the latter composed of elected representatives of the party's state affiliates across the country. (Mr. Miller, as treasurer, served as a member of this executive committee).

Following the November election, the party's executive committee met for the first time since its establishment in Nashville. At the meeting, held in Washington, D.C. on November 24, 1984, Mr. Miller personally audited the books and records of the party and the executive committee voted unanimously to assume all debts and assets of the interim committee as the heir and continuation of the founding work performed since February of that year by the interim committee. On that date Mr. Miller began to prepare to assume his official duties and plans were made to send him all of the books and records as he was now the party's official treasurer.

Unfortunately, Mr. Miller was stricken shortly after the party's executive committee meeting and was hospitalized. He died in early January 1985 before ever actually assuming his responsibilities and taking command of the party's finances.

This unexpected void in the executive committee made it necessary for me to continue handling matters which otherwise would have been passed on to Mr. Miller as the party's elected treasurer.

I functioned as party treasurer until March 9, 1985 at which time the Populist Party National Committee, in its first national meeting, held in Chicago, elected Emmett Miller's widow, Mrs. Faye Miller, as his successor and national treasurer of the Populist Party.

During the subsequent period the party began relocating its national headquarters and its administrative affairs to Phoenix, Arizona. At this time Mrs. Miller was likewise assuming her duties as treasurer, and in order to assist her in this transition period, I continued to handle all party expenses which were incurred by the party through

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its account at the National Capital Bank, 316 Pennsylvania Avenue, S.E., Washington, D.C. 20003, the bank which is listed in the party's June 29, 1984 statement of registration as the depository in which party funds were being maintained.

Shortly after assuming her position as treasurer, Mrs. Miller established a second and separate bank account in the name of the Populist Party. Never did I have access to, or any information concerning, this second account, other than the name of the bank at which it was established.

The name and address of this bank is apparently as follows: "Am South Bank N.A. (Tillman's Corner office) PO Drawer 1628, Mobile, Alabama 36629." Control of Populist Party account maintained at this bank has been, to the best of my knowledge, in the hands of Mrs. Miller since it was first established (presumably on March 29, 1985 or around that period), at which time $30,000 was transferred to the account from the Washington, D.C. bank account at the instructions of the executive committee of the Populist Party National Committee, of which Mrs. Miller, as party treasurer, was now a member.

As a result of Mrs. Miller's election to the post of treasurer, it was determined that in order to comply with FEC regulations and to complete the transfer of accounting duties to the new treasurer, all party records maintained in the Washington office would be turned over to Mrs. Miller in Alabama.

In a certified letter dated June 28, 1985 and received by Mrs. Miller on July 3, she was informed that she would soon be receiving all Populist Party financial records for the period from January 1, 1985 forward. These were to be sent to her at her address in Alabama so that it would make it possible for her as new party treasurer to centralize party accounting procedures and to file all necessary reports with the FEC.

(A copy of the letter notifying Mrs. Miller of the procedural change and of the certified mail receipt signed by Mrs. Miller, acknowledging her receipt of the letter is attached as Exhibit B).

On July 30, 1985 all financial records of the Populist Party from January 1, 1985 through June 30, 1985 were sent to Mrs. Miller. She received these documents on August 5, 1985.

(A copy of the cover letter which accompanied these records, and which summarizes the contents of the records, as well as of the registered mail receipt signed by Mrs. Miller acknowledging that she in fact received the records is attached as Exhibit C).

On numerous subsequent occasions, among others, including August 14, 1985; August 23; September 21; November 4 and December 6, Mrs. Miller likewise

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received updated records of financial transactions which effected changes in the party's account in the National Capital Bank in Washington.

(Photocopies of the cover letter which accompanied these records, along with the certified mail receipts signed by Mrs. Miller acknowledging her receipt of the documents are attached as Exhibit D).

With these facts in mind, I am puzzled by Mrs. Miller's contention, as reported in the FEC's Summary of Allegations, that she "never consented to be the committee's treasurer, and that she would speak to (Blayne) Hutzel to resolve the situation."

Mrs. Miller not only consentedto be the committee's treasurer, when she was elected to the post at the party's national committee meeting, but she functioned and now functions in the capacity of treasurer, accepting party financial records sent to her by the aforementioned Mr. Hutzel, depositing checks sent from Washington and other places payable to the party and paying bills of the party.

I refer you to the attached documents (Exhibits E and F), both dated April 10, 1985. They are letters signed by Mrs. Miller, and the return address, as one can clearly see, reads "Office of the Treasurer - Populist Party" at PO Box 377, Dauphin Island, Alabama 36528. This address is, of course, the address of Mrs. Miller.

Please note that in the second line of the last full paragraph on page 3 of Exhibit E, Mrs. Miller makes a personal reference to herself in the first person as being the "treasurer" of the Populist Party.

(As a supplement to these exhibits, I am also providing you with Exhibit G, a letter dated March 27, 1985 and signed by then-Populist Party National Chairman Fred Seipold. The letter is addressed to "Mrs. Faye Miller, Populist Party Treasurer." The letter is the same letter to which Mrs. Miller refers in the third line of paragraph one in Exhibit F, dated April 10, 1985).

Clearly, as early as March 27, 1985 Mrs. Miller was accepting the responsibilities of the office of treasurer, acknowledging as much by receiving letters addressed to her in that capacity. And by April 10, 1985 she had already issued letters with the return address of "Office of the Treasurer" appearing prominently on the letters. As other previous evidence cited here indicates further, Mrs. Miller had likewise carried out other actions on behalf of the party in her capacity as treasurer, most specifically establishing the bank account in Mobile, Alabama, presumably in the party's name.

Lastly, I call your attention to the letterhead of the letterhead of the Populist Party which appears over a special memorandum to party leaders. The memorandum is dated July 1, 1985. Note that the name of Faye Miller is listed as "Treasurer." A copy of this memorandum

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is attached as Exhibit H.

Mrs. Miller, to the best of my knowledge, continues to serve as treasurer of the party, having indicated, as late as January 14, 1986 that she is functioning in this capacity. Exhibit I, attached, constitutes the first and last pages of a letter written by Mrs. Miller on Populist Party stationery (which, again, includes her name on its letterhead as the party "treasurer"). Note that beneath her signature, Mrs. Miller likewise includes the title "Treasurer."

Thus, in answer to FEC Question 1.a. (which appears in "Questions to the Populist Party"): THE TREASURER OF THE POPULIST PARTY ON JULY 31, 1985 WAS MRS. FAYE MILLER OF P.O. BOX 277, DAUPHIN ISLAND, ALABAMA 36528. HER HOME TELEPHONE NUMBER IS (205) 861-6462. HER BUSINESS NUMBER IS (205) 344-5975.

The answer to FEC Questions 2.a. and 2.b. are, of course, understood: MRS. FAYE MILLER (ADDRESS AND TELEPHONE NUMBERS LISTED ABOVE) IS THE PRESENT TREASURER OF THE POPULIST PARTY AND WAS THE TREASURER OF THE POPULIST PARTY ON JULY 31, 1985 AS NOTED IN THE ABOVE RESPONSE TO QUESTION 1.a.

In response to question 3, the person answering these questions is I, Clara Sandahl. My address is 6803 Nesbitt Place, McLean, Virginia 22101. My telephone number is (703) 356-9656.

I have chosen to respond to the FEC in hopes of clearing up any misunderstandings or error of record in relation to my association with the Populist Party and my service as its treasurer. I believe in this letter you will find a complete record of the circumstances surrounding my position with the party, the termination of my position, and a detailed record of Mrs. Faye Miller's assumption of the post and of her activities as treasurer.

I hope that this will resolve any questions regarding the matter. What appears to be Mrs. Miller's failure to file necessary reports with the FEC in her capacity as treasurer of the Populist Party is clearly beyond my scope of responsibility. Mrs. Miller received all necessary materials from the Washington office with which to prepare a complete and accurate summary of the party's financial dealings (through both its Washington bank account and through the account she established in Alabama) and should have, in my judgment, abided by FEC regulations, providing the commission with the requested information.

I regret that she did not do as she should have, but under no circumstances can I accept responsibility for her failure to do so.

004277

If there should be any further questions, please feel free to contact me at your convenience. I thank you for providing me this opportunity to answer the questions that you have addressed.

Sincerely,

Clara Sandahl

Clara Sandahl

9004079678

EXHIBIT A

GCC#9624
M2128

STATEMENT OF ORGANIZATION

(see reverse side for instructions)

1. (a) Name of Committee (in Full) ☒ Check if name or address is changed.

POPULIST PARTY

2. Date SEPTEMBER 19, 1985

(b) Address (Number and Street)

6065 MISSION GORGE RD. BOX 211

3. FEC Identification Number

C00186726

(c) City, State and ZIP Code

SAN DIEGO, CA. 92120

4. Is this an amended statement? ☒ YES ☐ NO

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 _____ and is NOT an authorized committee.
(name of candidate)

☒ (d) This committee is a NATIONAL committee of the POPULIST Party.
(National, State or subordinate) (Democratic, Republican, etc.)

☐ (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 nor a party committee.

6. Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship
NONE		

If the registering political committee has identified a "connected organization" above, please indicate type of 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, the person in possession of committee books and records.

Full Name	Mailing Address and ZIP Code	Title or Position
JOHN COUTURE	13131 WEST JANESVILLE RD. HALES CORNERS, WI. 53130	CHAIRMAN

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 and ZIP Code	Title or Position
MS. FAYE MILLER	P.O. BOX 377 DAUPHIN ISLAND, AL. 36528	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
THE NATIONAL CAPITAL BANK OF WASHINGTON Am SOUTH BANK N.A.	316 PENNSYLVANIA AVE. S.E. WASHINGTON, D.C. 20003 P.O. DRAWER 1628 MOBILE, AL. 36622

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete

FAYE MILLER
Type or Print Name of Treasurer

SIGNATURE OF TREASURER

Date

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this statement to the penalties of 2 U.S.C. §437g.

For further information contact: Federal Election Commission, Toll Free 800-424-9530, Local 202-523-4068

FEC FORM 1 (3/80)

C00407925 79

P 004 079 580

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● **SENDER:** Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
   - ☐ Show to whom and date delivered ..... ¢
   - ☐ Show to whom, date, and address of delivery.. ¢
2. ☐ RESTRICTED DELIVERY ¢
   (The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL $

3. ARTICLE ADDRESSED TO:
Ms. Faye Miller
P.O. Box 377
Dauphin Island, AL. 36528

4. TYPE OF SERVICE:
☐ REGISTERED ☐ INSURED
☐ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER

(Always obtain signature of addressee or agent)

I have received the article described above.

SIGNATURE ☐ Addressee ☐ Authorized agent

X Faye Miller

5. DATE OF DELIVERY
9-21-85

POSTMARK
SEP 21 1985

6. ADDRESSEE'S ADDRESS *(Only if requested)*

7. UNABLE TO DELIVER BECAUSE:

SEP 25 1985

7a. EMPLOYEE'S INITIALS
FD

EXHIBIT B

LIBERTY LOBBY

PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

85 FEB 5 P2:56

Ms. Faye Miller
P.O. Box 377
Dauphin Island, AL. 36528

June 28, 1985

Dear Ms. Miller:

Yesterday, I was informed that all financial records from Januaryl, 1985, for the Populist Party are to be sent to your attention for the purpose of centralizing the accounting and F.E.C. reporting.

As soon as our outside accountants complete their annual review, I will forward these records and advise you of the financial activity from this office on a monthly basis.

Your cooperation and understanding is very much appreciated.

Sincerely,

Blayne E. Hutzel

Blayne E. Hutzel
Controller

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
- ☐ Show to whom and date delivered ..... ¢
- ☐ Show to whom, date, and address of delivery.. ¢
2. ☐ RESTRICTED DELIVERY ¢
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL $1.00 1985

3. ARTICLE ADDRESSED TO:
Ms. Faye Miller
P.O. Box 377
Dauphin Island, AL. 36528

4. TYPE OF SERVICE:
☐ REGISTERED ☐ INSURED
☑ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
Faye D. Miller by Mm

5. DATE OF DELIVERY 7/3/85

POSTMARK

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

. . . USE IT!

LIBERTY LOBBY PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

EXHIBIT C

July 30, 1985

Ms. Faye Miller
P.O. Box 377
Dauphin Island, AL. 36528

Dear Ms. Miller,

Enclosed herewith are copies of the following financial records from January 1, 1985 through June 30, 1985, in accordance with my June 28, letter.

- Bank Statements from the National Capital Bank - January - June, 1985
- Bank Statements from Security National Bank - January - April, 1985
- Cash Receipts Journals - The National Capital Bank - January - June 1985
- Cash Disbursements Journal - The National Capital Bank
  January - May, 1985
  Check stubs for June, 1985 #1041 thru 1048
- Cash Disbursements Journal - Security National Bank
  January - April, 1985
- Cash Receipts and Disbursements Summary - The National Capital Bank
  January - June, 1985
- Cash Receipts and Disbursements Summary - Security National Bank
  January - April, 1985
- Chart of Accounts
- Opening Trial Balance at January 1, 1985
- Journal Entry reversing the payables at December 31, 1984
- Journal Entry settingup Accounts Payable at March 31, 1985
- Listing of Accounts Payables at March 31, 1985
- Journal Entry reversing the payables at March 31, 1985
- Journal Entry setting up Accounts Payables at June 30, 1985
- Listing of Accounts Payables at June 30, 1985
- Invoice to GEF at December 31, 1984
- Invoice to CDLL at December 31, 1984
- Invoice from BR at December 31, 1984
- Invoices from LL at December 31, 1984
- Invoice from CFC at December 31, 1984

Each month hereafter you will receive copies of the financial records and adjusting journal entries as soon as the bank statement is reconciled.

Regards,

Blayne E. Hutzel

BLAYNE E. HUTZEL
Controller

Copy - Fred Seipold

Your Influence Counts . . . USE IT!

PS Form 3811, July 1983

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:

Ms. Faye Miller
P.O. Box 377
Dauphin Island, AL. 36528

4. Type of Service:		Article Number
☒ Registered	☐ Insured	R019606564
☐ Certified	☐ COD	
☐ Express Mail		

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee
X Faye Miller

6. Signature — Agent
X

7. Date of Delivery
8/5/85

8. Addressee's Address *(ONLY if requested and fee paid)*

DOMESTIC RETURN RECEIPT

0 0 0 4 0 7 9 2 6 8 5

LIBERTY LOBBY PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

EXHIBIT D

Ms. Faye Miller
P.O. Box 377
Dauphin Island, AL. 36528

August 12, 1985

Ref: Fees and expenses for
Don Kimball and Rolland Victor

Dear Ms. Miller:

Don Kimball called me a few days ago asking our office to pay him and Rolland Victor fees and expenses for the month of July, 1985.

All such requests should be directed to your office.

Enclosed herewith is Mr. Victor's expense report for $501.74 which should be paid at your earliest convenience.

Thank you for your cooperation.

Sincerely,

Blayne E. Hutzel

Blayne E. Hutzel
Controller

0004027926284

SENDER: Complete items 1, 2, 3 and 4.
Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☐ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to: Ms. Faye Miller P.O. Box 377 Dauphin Island, AL 36528

4. Type of Service: ☐ Registered ☒ Certified ☐ Express Mail ☐ Insured ☐ COD
Article Number: 339766

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature – Addressee: X Faye B. Miller
6. Signature – Agent: X
7. Date of Delivery: 8/14/85
8. Addressee's Address (ONLY if requested and fee paid)

PS Form 3811, July 1983 DOMESTIC RETURN RECEIPT

LIBERTY LOBBY PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

Ms. Faye Miller
P.O. Box 377
Dauphin Island, Al. 36528

August 20, 1985

Dear Ms. Miller,

Enclosed herewith are copies of the following financial records for the Populist Party:

* Bank Statement-July, 1985
* Cash Receipts Journal-July, 1985
* Cash Disbursements Journal-June, 1985
* No Cash Disbursement-July, 1985
* Cash Receipts and Disbursements Summary- July, 1985

Regards,

Blayne E. Hutzel

Blayne E. Hutzel
Controller

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☐ Show to whom and date delivered ..... ¢
☐ Show to whom, date and address of delivery.. ¢
2. ☐ RESTRICTED DELIVERY ¢
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL $

3. ARTICLE ADDRESSED TO:
Ms. Faye Miller
P.O. Box 377
Dauphin Island, AL 36528

4. TYPE OF SERVICE:
☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER
339414

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
Faye D. Miller

5. DATE OF DELIVERY
8/23/85

POSTMARK

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

7a. EMPLOYEE'S INITIALS

LIBERTY LOBBY

PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

Ms. Faye Miller
P.O. Box 377
Dauphin Island, Al. 36528

September 18, 1985

Dear Ms. Miller:

Enclosed herewith are copies of the following financial records for the Populist Party:

* Bank Statement-August, 1985
* Cash Receipts Journal-August, 1985
* Check Stubs and Summary-August, 1985
* Cash Receipts and Disbursements Summary-August, 1985

Regards,

Blayne E. Hutzel
Controller

PS Form 3811, Dec. 1980

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☐ Show to whom and date delivered ..... ¢
☐ Show to whom, date, and address of delivery.. ¢
2. ☐ RESTRICTED DELIVERY ¢
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL $

3. ARTICLE ADDRESSED TO:
Ms. Faye Miller
P.O. Box 377
Dauphin Island, AL. 36528

4. TYPE OF SERVICE:
☐ REGISTERED ☐ INSURED
☐ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
+ Faye Miller

5. DATE OF DELIVERY
9-21-85

POSTMARK
SEP 21 1985

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

SEP 25 1985

7a. EMPLOYEE'S INITIALS
LD

LIBERTY LOBBY PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. Box 45302
LOS ANGELES, CALIFORNIA 90045

October 30, 1985

Ms. Faye Miller
P.O. Box 377
Dauphin Island, Al. 36528

Dear Ms. Miller:

Enclosed herewith are copies of the following financial records for the Populist Party:

* Bank Statement-September, 1985
* Cash Receipts Journal-September,1985
* Check Stubs and Summary-September, 1985
* Cash Receipts and Disbursements Summary-September, 1985
* Journal Entry-Reversing Accounts Payable at June 30, 1985
* Journal Entry-Setting up Accounts Payable At September 30, 1985
* Listing of Accounts Payable at September 30, 1985
* Miscellaneous Journal Entries for January, 1985

Regards,

Blayne E. Hutzel

Blayne E. Hutzel
Controller

PS Form 3811, Dec. 1980

● SENDER: Complete items 1, 2, 3, and 4.
Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☐ Show to whom and date delivered ..... ¢
☐ Show to whom, date, and address of delivery.. ¢
2. ☐ RESTRICTED DELIVERY ¢
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL $

3. ARTICLE ADDRESSED TO:
Ms. Fayne Miller
P.O. Box 377
Dauphin Island, AL. 36528

4. TYPE OF SERVICE:
☐ REGISTERED ☐ INSURED
☒ CERTIFIED ☐ COD
☐ EXPRESS MAIL

ARTICLE NUMBER
P 084309814

(Always obtain signature of addressee or agent)

I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
5. Faye D. Miller

DATE OF DELIVERY
11-4-85

POSTMARK

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

8. EMPLOYEE'S INITIALS
11-4-85

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

Influence Counts USE IT!

LIBERTY LOBBY PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D.C. 20003
PHONE: 202-LIBERTY 5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

December 6, 1985

Ms. Faye Miller
P.O. Box 377
Dauphin Island, Al. 36528

Dear Ms. Miller,

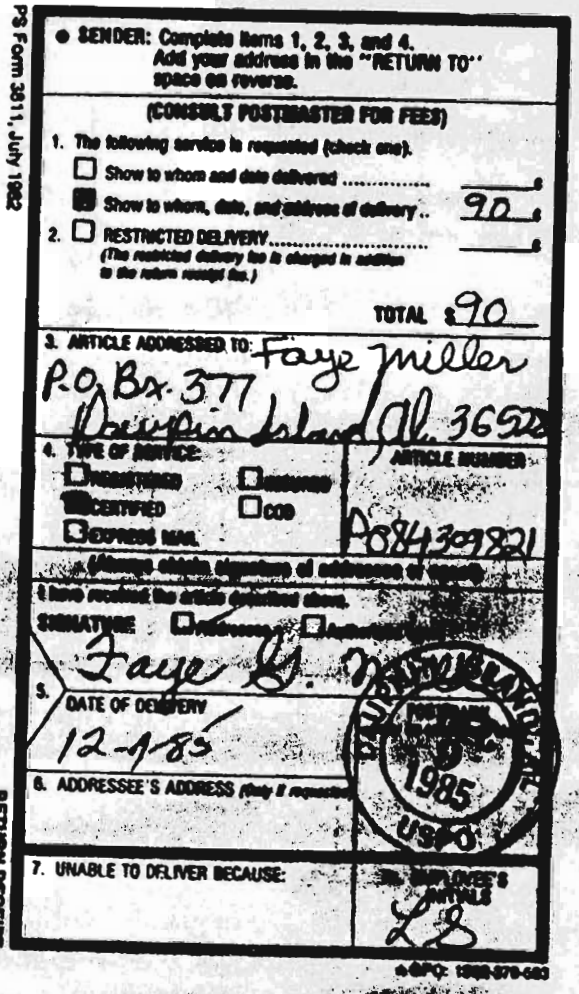
Enclosed herewith are copies of the following financial records for the Populist Party.

* Bank Statements-October, November, 1985.
* Cash Receipts Journal-October, November, 1985.
* Cash Receipts and Disbursements Summary-October, November, 1985.
* Miscellaneous Journal entries for February, March, April, May, June, July and August, 1985.

Regards,

Blayne E. Hutzel

Blayne E. Hutzel
Controller


PS Form 3811, July 1982

• SENDER: Complete items 1, 2, 3, and 4. Add your address in the "RETURN TO" space on reverse.

(CONSULT POSTMASTER FOR FEES)

1. The following service is requested (check one).
☐ Show to whom and date delivered ..... ___¢
☒ Show to whom, date, and address of delivery .. 90¢
2. ☐ RESTRICTED DELIVERY ..... ___¢
(The restricted delivery fee is charged in addition to the return receipt fee.)

TOTAL $ 90

3. ARTICLE ADDRESSED TO: Faye Miller
P.O. Bx. 377
Dauphin Island Al. 36528

4. TYPE OF SERVICE: ☐ REGISTERED ☐ INSURED ☒ CERTIFIED ☐ COD ☐ EXPRESS MAIL
ARTICLE NUMBER: P 084 309 821

(Always obtain signature of addressee or agent)
I have received the article described above.
SIGNATURE ☐ Addressee ☐ Authorized agent
Faye M. Miller

5. DATE OF DELIVERY 12-4-85

6. ADDRESSEE'S ADDRESS (Only if requested)

7. UNABLE TO DELIVER BECAUSE:

8. EMPLOYEE'S INITIALS LB

RETURN RECEIPT

GPO: 1982-370-865

...ience Counts . . . USE IT!

PP CORRESPONDENCE

EXHIBIT E

OFFICE OF TREASURER
POPULIST PARTY
P.O. Box 377
Dauphin Island, Ala. 36528

April 10, 1985

Mr. Fred Seipold, National Chairman
Populist Party
P.O. Box 7173
Boise, Idaho 83707

Dear Fred:

First, let me apologize for being so long getting back to Alabama from Chicago. I stopped off in Memphis and Arkansas to take care of business matters and was detained longer than I expected. Therefore, there is a lapse in getting the Party bank account set up and certain authorized bills paid.

Secondly, in answer to your letter of March 27 and our many telephone conversations over a period of the past days, I submit the following:

RE: YOUR LETTER

1. Paragraph 1 - your reference to the accounting procedures with which I am comfortable. I realize the IRS is somewhat lenient, as a rule, regarding the expense amounts of less than $25.00. Nevertheless, I do not feel it wise for us in the future to follow a procedure whereby any amount of expense is reimbursed without proper line item verification of each and every amount involved, regardless of the amount.

2. Paragraph 2 - Re: the $500.00 expense allotments authorized in Washington at the November meeting and your statement that both Jim and Don had received some reimbursement for their expenses prior to March. I am told by Blayne Hutzell that expenses for each of the two (Jim and Don) had been paid, with the exception of those he forwarded to me. These he (Blayne) sent to me in Don's case is less than the 3 months' allotment of $500.00 each - or $1500.00. Jim's expenses forwarded to me by Blayne exceed the $1500.00 for the three months. However, in your letter you state that the motion made at the Chicago meeting authorized an amount not to exceed $800.00 be paid Don and an amount not to exceed $700.00 be paid Jim, and that you were to be paid the amount of $2,214.95. Based on this statement as to the intent of the Minutes, each of the three of you have been paid accordingly.

0004079784

3. RE: MOTIONS PASSED BY THE EXECUTIVE COMMITTEE ON MARCH 10, 1985

(Above mentioned Letter)

a. Motion 1... I cannot mail the checks to the three attorneys until such time as I can secure the full names and addresses. Please send this information by return mail.

b. Motion 2...Checks have been mailed

c. Motion 3 ...Checks have been mailed

d. Motion 4 ...Checks have been mailed

e. Motion 5 ... No action on my part alone is required on this particular matter at this time. However, I do feel someone should set the wheels in motion on this as soon as possible. I am forwarding herewith copies of the invoices referred to which make up the $27,684.84. I do agree that the practical manner of handling this would be by phone conference. I trust you and Willis will make watever arrangments are necessary and advise me a few days ahead of time.

f. Motions 6, 7 and 8 require no action on my part. I do feel that the subjects discussed therein should be taken care of immediately. Assuming what I heard in Chicago to be true, we have quite a few lawsuits filed around the country and in at least one case, copy of which I received yesterday, there is a "Default Judgement" entered in the court in Indiana. It should go without saying that we can ill afford this kind of publicity, nor can we afford to have our own people suffer as a result.

g. Motion 9 ...

Salaries - checks to Jim Yarbrough and to you have been mailed. Regarding this matter, as I told you on the phone, I do not believe it to be sound business or accounting practice to prepay the month of April salaries until such time as services for same have been rendered.. at the end of the month.

Expenses - Checks to the three of you have been mailed for the month of March. Again, we discussed the method of future advances

0004079260

for
expenses. I do not feel disposed to advance an amount for the month of April until such time as I have received the proper accounting for those expenditures for the month of March. Inasmuch as I have not received any information from any of you as of this date, I have not mailed the checks for April. I believe this is the usual procedure followed by businesses who advance expense accounts and I do not feel we can do less.

In the next to the last paragraph of your letter you refer to the amount of preregistration you received and that you were enclosing a check in the amount of $2,766.00 to cover this. First and foremost, the check was not enclosed in the letter and secondly, the amount reported by Winnie Laymon, who took care of registrations in Chicago, the amount of preregistration was $2,930.00, or a difference of $164.00.

I trust the above will suffice in taking care of matters discussed in your above mentioned letter of March 27.

Regarding subjects discussed over the past few days by phone, I submit the following:

A. I do not feel it wise or prudent to in any manner attempt to amend the Minutes of the November meeting until such time as the Executive Committee can act on this. As to your statement that the right to amend these Minutes was reserved in the motion made to accept them, I do not feel this right to amend was intended to infer that any such amendments could be made without consideration of the Executive Committee.

Along this line, I am sure we can prevail on the Secretary to put a bit of a "rush act" on the Minutes in the future. Thus, we will have an opportunity for each and every Committee member to have access to the motions of the Minutes and we will thus not be faced with the questionable procedure of monies being paid out based on any one person's memory of what transpired. I find it risky, at best, and certainly not sound practice to at any time in the future follow any procedure other than that prescribed by the Minutes of the Meeting. Said Minutes are the "gospel" insofar as operating procedures are concerned, I believe.

Regarding this, and after careful consideration, I do not feel that I, as Treasurer, can continue to operate any further on telephone instruction for disbursement of monies unless I am assured by the majority of the Executive Committee, in writing, that I am to operate any differently. I am sure, Fred, you understand I am certainly not trying to be obstinate and uncooperative, or personal about this. Rather, it is purely a matter of trying to

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fulfill a fiduciary responsibility properly. What we have done in the past I am sure was done in good faith and for the sake of expediency; however, in the future, let us operate only on actions taken by the Executive Committee and recorded by the Secretary and circulated to all Committee members. Thus, if the "water gets warm" at the next annual meeting, as it did in Chicago, then you and I will have plenty of support to defend our actions.

I was not aware until yesterday that there was a Committee meeting in Idaho following the Chicago meeting. Perhaps some of the above gray areas were discussed. However, inasmuch as I was not privy to this meeting nor have had any information pertaining to same, I am not aware of any information which might shed any light on these subjects. Please advise if such is the case.

I have submitted the above to you as suggestions on the manner in which I feel the duties of the Treasurer should be handled. Certainly, if it is the wish of the majority of the Committee that these procedures be altered, I shall be happy to conform to any changes approved by them.

I feel that those people whose names are mentioned herein should have a copy of this letter. I will, also, forward a copy of the Financial Statement to each member of the Executive Committee as soon as the bank statement is received, which should be in the next few days.

Sincerely,

Faye Miller

Encl.

2004079265

EXHIBIT F

OFFICE OF TREASURER
POPULIST PARTY
P.O. Box 377
Dauphin Island, Ala 36528

April 10, 1985

TO: Jim Yarbrough
Don Kimbal
Blayne Hutzell ✓

FROM: Faye Miller

Re: Accounting Procedures

Inasmuch as matters discussed in the enclosed pertain to you, I feel you should be privy to the discussions therein. For that reason I am enclosing herewith a copy of letter from Fred Seipol to me and a copy of my letter in answer to same.

If, for any reason, any of you feel there is a need to improve on the matters discussed, I would appreciate your advising me.

Sincerely
Faye Miller
Faye Miller

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MILLER
P.O. Box 377
Dauphin Island, Ala. 36528

Personal & Confidential
Miller
as Treasurer

Mr. Blayne Hutzell
C/o Spotlight
300 Independence Ave S.E.
Washington, D.C. 20003

EXHIBIT G

THE POPULIST PARTY

Fred R. Seipold, National Chairman
P. O. Box 7173
Boise, Idaho 83707

March 27, 1985

Mrs. Faye Miller
Populist Party Treasurer
P. O. Box 377
Dauphin Island, Alabama 36528

Dear Faye:

Pursuant to our telephone conversations of yesterday and this morning regarding the authorized payment of Party operating expenses and accounts payable, I am herewith enclosing a variety of information in support of the conclusions we have drawn.

Included is my itemized expense accounting for the period of December, 1984, through February, 1985. As a matter of practice I usually record my expenses as they occur on audio tape and then compile them for reporting purposes at the end of each period. Since I am in the habit of working with clients who rarely keep receipts of less than $25.00--as the Internal Revenue permits--I have been a little lax in that area myself. Nonetheless, I can tell you that those sums, as submitted, are accurate and taken from my audio notes. If this is a procedure with which you are comfortable I will continue it. If, on the other hand, you would rather I keep every single receipt (regardless of how minor) then I would be happy to do so. Please let me know your working preferences.

As I explained to you, when the Executive Committee met in Washington, D. C. in November, 1984, expense allotments of $500.00 per month were authorized for each of Jim Yarbrough. Don Kimball and myself for the three months of December, 1984, January and February, 1985. Additionally, Jim Yarbrough and I were authorized to attend a special meeting with Libertarian Party leaders in Houston (December, 1984). The expenses for that trip were in addition to our regular allotment. My record here submitted is inclusive of the entire 3 month period and also shows the Houston trip. I have received no other reimbursement for expenses during that period.

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Each of Jim Yarbrough and Don Kimball have submitted similar expense accountings either directly to you or through Blayne Hutzell in the Spotlight office in Washington, D. C. I hope those have caught up with you by now. The only variation of which I am aware in the procedure is that Jim and Don have heretofore received some payment on those accounts as the weeks passed. Consequently, the expense submissions for each of us was discussed at our recent meeting in Chicago and acted upon by the Executive Committee. Those accounts, then, should be paid right away as commanded in the motions passed by The Committe in Chicago. I have set forth the detail of those motions from my notes taken at the time and included that information here.

MOTIONS PASSED BY THE EXECUTIVE COMMITTEE ON MARCH 10, 1985:

(1) Authorization to pay 3 outstandning legal bills that had previously been authorized for payment but neglected:

Atty Steiner	$510.00
Atty Longacre	
Atty Drake	495.08

(2) Authorization to pay Coordinator expenses for the period Dec/84 through Feb/85 as follows:

Yarbrough	As submitted in a sum not to exceed $700.00
Kimball	As submitted in a sum not to exceed $800.00
Seipold	As submitted for the full period in a sum not to exceed $1,500.00 plus the expenses from the December, 1984, Houston trip with Yarbrough ($2,214.95)

(3) Authorization to pay all expenses relating to the Chicago meeting--those expenses were borne by Bill Shearer and should be remitted to him. The amount we were aware of at the time we met was $1,294.48. Subsequently, Bill also paid an amount of just less than $100 in that same matter--late bills that trickled in. I have reviewed those and verified that they should also be included in this reimbursement. Bill will forward those to you forthwith, I'm sure.

(4) Authorization to pay outstanding accounts relating to the Salaman campaign:

Maureen Salaman	$ 931.00
Bill Shearer	2,649.80

3 E

(5) Instruction to establish a payoff schedule for $27,684.84 in various amounts primarily related to fundraising activities conducted by Mr. Carto since the December, 1984, Executive Committee meeting. Such a schedule is to be worked out between you, Mr. Carto and myself. Given the diversity of our present locations, I suggest that we accomplish this by mail and would request that you send me copies of those "trade payables" that have been sent to you. Until we have all three agreed upon a payment schedule as we were instructed, I think it would be inappropriate to pay any of the invoices included in that category.

(6) I was instructed to report to The Committe in writing on the appropriate and legally mandated procedures by which party accounts and funds are to be handled and accounts kept. Once I have done so, the Treasurer and the Chairman, if necessary, are ordered to implement those procedures immediately and without further action by The Executive Committee. In the interim you are to control those accounts and records to which we are privy according to the standards and practices of your profession.

(7) I was instructed to prepare legal documentation for measures relating to both the Washington D. C. and Chicago meetings.

(8) I was instructed to prepare a budget and operating projection for the new National Headquarters facility and present it to The Executive Committee for approval.

(9) Salaries were authorized for the periods of March and April, 1985, and for May, 1985, if such funds were available, as follows:

Jim Yarbrough	$1,500.00
Fred Seipold	4,000.00

Expense allotments were authorized for the same period as follows:

Don Kimball	$1,000.00 per month
Jim Yarbrough	1,000.00 per month
Fred Seipold	2,000.00 per month

It was determined that these expense allotments should advanced to each man and replenished upon the submission of proper reporting.

In Summary, then, Faye, I conclude that you should make disbursements according to the guidelines set forth in #(1), #(2), #(3), #(4) and #(9) above. Such payment is in keeping with the instructions of The Executive Committee and funds are so available. No other expenditures are, at this time, authorized.

On another matter, I am herewith enclosing a check in the amount of $2,766.00 which sum comprises the preregistration funds sent to me for the Chicago meeting.

Thanks for the help. It's a real relief to be able to communicate clearly on the money matters.

Respectfully,

Fred R. Seipold

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EXHIBIT H

THE POPULIST PARTY OF THE UNITED STATES

FRED R. SEIPOLD, Chairman
JOHN COUTURE, Vice-Chairman
DON KIMBALL, Secretary
FAYE MILLER, Treasurer
WILLIAM K. SHEARER, Parliamentarian

National Headquarters:
2303 N. 44th St.
Suite 14-345
Phoenix, AZ 85008
(602) 431-0747

SPECIAL POPULIST PARTY LEADERSHIP MEMORANDUM

To: State Populist Party Officers and Leaders

From: Fred R. Seipold, National Chairman

Date: July 1, 1985

Dear Fellow Populists:

This is the first of what will become a regular newsletter between our National Headquarters and select members of the leadership structure in each of our state party affiliates. It is my hope and intention to use this type of memorandum as a means of keeping the various state leaders up to date on the activities of the National organization and, to some extent, those of other states. By and large, the information contained in these communiques will be intended to give you some insight into the "behind the scenes" workings of our movement and, as such, should help you to prepare more effectively for matters of concern to your local party structure. As a general rule I will try to send these memoranda on a regular monthly basis. Naturally, when special circumstances warrant, I will try to address them in an extra newsletter of this type.

The road from our National Committee meeting in Chicago to Phoenix has been a hectic one. The effort required to transfer our National Headquarters here from Washington, D.C. has been enormous. Add to that the set-up of an entirely new office operation including staff and those of you who have accomplished similar tasks in your own business lives will be able to understand what we have been through these past 90 days. Finally, I am happy to report, we have made the complete transition and all is moving along quite smoothly.

Nancy Shearer, who worked as Maureen Salamans campaign manager in the 1984 election, has joined me in Phoenix and will serve as "Administrator" in the National Headquarters. Her primary responsibility will be the day to day supervision of office operations and the processing of requests from the states. Miss Shearer brings many skills to our party and we are pleased to be able to add her to our staff.

EXHIBIT I

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

FEDERAL EXPRESS - OVERNIGHT - RETURN RECEIPT REQUESTED

PERSONAL AND CONFIDENTIAL

January 14, 1986

Mr. Willis A. Carto
300 Independence Ave S.E.
Washington, D.C. 20003

Dear Mr. Carto:

As Treasurer of the national Populist Party, I am writing to you to communicate to you certain actions taken by the Executive Committee of the Party with regard to financial matters, and to clarif[illegible]in other mat[illegible]bout whi[illegible]

[illegible] you [illegible] [illegible] [illegible]

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86 MAR 27 AM : 14

2128

130 Third Street, SE
Washington, DC 20003
(202) 546-5611
March 21, 1986

86 MAR 27 P3:53

Robert Raich
Office of the General Counsel
Federal Election Commission
Washington, DC

Dear Mr. Raich:

Enclosed is a copy of a letter sent today to Brian Hancock of the FEC.

It addresses a number of matters pertaining to the status of the Populist Party and the newly-established Populist Party of the United States, both of which are now registered with the FEC.

As you probably recall, I worked with Clara Sandahl, the former treasurer of the Populist Party (whose position was assumed by Faye Miller, the individual who registered the Populist Party of the United States with the FEC) and discussed the matter of Mrs. Sandahl's letter of February 5, 1986 to the FEC with you via telephone.

I felt that you should perhaps see the enclosed letter in light of your involvement in the matter.

As I say in the letter to Mr. Hancock: "there are some rather confusing and complex questions involved here," and that is putting it lightly, to say the very least.

If you have any questions, please give me a call at your convenience. There is nothing we want more than to satisfy the requests of the FEC in this matter. I am quite familiar with many of the problems involved here and am willing to expedite matters for you in any way that I can.

Do you think that perhaps a meeting would be in order to discuss the matters face-to-face? Telephone calls can be confusing and considering the vital importance of documents, etc, which need to be reviewed, I would think that this would make matters easier.

Please let me know. And thank you again for your consideration in this matter.

Best wishes,

Mike

MICHAEL COLLINS PIPER

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86 MAR 27 P3:55

130 Third Street, Se
Washington, DC 20003
(202) 546-5611
March 21, 1986

Brian Hancock
Federal Election Commission
999 E Street, NW
Washington, DC

Dear Brian:

This is to confirm our telephone conversation of this afternoon, and to provide you, as promised, with a copy of the February 5, 1986 letter from Clara Sandahl, former treasurer of the Populist Party to the FEC.

Mrs. Sandahl's letter was written in response to a letter to her from the FEC dated January 23, 1986. You will note that the original letter to the FEC was accompanied by numerous pages of exhibits which support the statements which appear in Mrs. Sandahl's letter.

Robert Raich of the office of the FEC's General Counsel has confirmed to me in a telephone conversation that Mrs. Sandahl's letter has been received by the FEC.

For the record, please allow me to reiterate the basic position which Mrs. Sandahl has taken:

* That her duties as treasurer of the Populist Party were officially assumed by Mrs. Faye Miller when Mrs. Miller was elected Populist Party treasurer on March 9, 1985.

* That all Populist Party financial records from January through mid-year 1985 were transferred to Mrs. Miller, the new treasurer, at her office in Alabama so as to centralize party accounting procedures and to file all necessary reports with the FEC.

* That all subsequent party records compiled by the Washington office were likewise transferred to Mrs. Miller throughout 1985 in order that, as mentioned above, Mrs. Miller would be able to have a complete record of all party financial transactions so as to provide an accurate summation for the FEC.

* That the responsibility for providing all party records to the FEC for the 1985 period is that of Mrs. Faye Miller.

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In our conversation you indicated that Mrs. Miller told you that the Populist Party (of which Clara Sandahl is treasurer of record in the files of the FEC) handled party affairs only "for this part of the country" (i.e. the Washington area).

Nothing could be further from the truth.

If you refer to the Populist Party's filings with the FEC for the year 1984 (and in the records for 1985 which Mrs. Miller should have already provided you) you will see very clearly that the Washington office of the Populist Party at 130 Third Street, SE functioned as the NATIONAL headquarters of the Populist Party and that it disbursed funds to corporations, individuals, and party activists all over the United States. This was done for the purpose of administering the national organizational efforts of the Populist Party.

I am aware that Mrs. Miller has created a new Populist Party by registering a "Populist Party of the United States" with the FEC. However, the Populist Party based at 130 Third Street, SE is the same Populist Party which elected Faye Miller as its national treasurer, THEREBY DELEGATING HER THE RESPONSIBILITY OF FILING ALL PARTY RECORDS WITH THE FEC.

It is up to Mrs. Miller to explain her motivation in creating a new "Populist Party of the United States". However, if you refer to the financial records of the new organization, you will see that a number of fees were paid to individuals, most specifically attorney James Tamburro, who were retained by the Populist Party in 1984, and to whom the party was still in debt as late as mid-1985.

If the Populist Party of the United States is indeed a separate body from that of the Populist Party, why did Mrs. Miller's organization consent to assume the debts of a separate organization?

And if the Populist Party is, as Mrs. Miller seems to contend (based upon her suggestion that the Populist Party handled affairs "for this part of the country") a connected organization, why did she not list it as such when she established the Populist Party of the United States with the FEC?

Clearly, there are some rather confusing and complex questions involved here. However, if you read Mrs. Sandahl's letter closely, I think the matter will be solved with relative ease.

If you have any questions, by all means do not hesitate to call. I am quite familiar with most of the matters which would be of concern in this regard and am very willing to help set things straight.

Thanks again for calling.

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I am available at 546-5611 weekdays during business hours or can be reached at 130 Third Street, SE here in Washington. Rest assured that those of us here in Washington who have handled the party's affairs in one capacity or another are eager to assist in any way possible.

Cordially,

Mike

MICHAEL COLLINS PIPER

CC: Clara Sandahl, formerly of the Populist Party
Robert Raich, Federal Election Commission

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Mr. Raich:

To the best of my abiity the enclosed is that necessary to answer your questions. It is the opinion of those of us on the Executive Committee who want a properly run organiztion that this is necessary in order to fully explain events of the past many months.

You will note that William K. Shearer has in many instances contributed to this effort. He, in addition to being Parliamentarian, also serves as legal advisor to the Committee.

Faye Miller

FOIA 2007 0000

POPULIST PARTY OF THE UNITED STATES
OFFICE OF THE TREASURER
P.O. Box 377
Dauphin Island, Alabama 36528

Telephone (205) 861-6462

April 3, 1986

Mr. Robert Raich
General Counsel
Federal Election Commission
999 "E" Street NW
Washington, D.C.

Dear Mr. Raich:

You have inquired of me as to the various motions adopted by the national Executive Committee of the Populist Party with regard to the accounts operated by Mr. Carto and his employees in Washington, D.C. Also, your inquiries regarding the relationship between the Populist Party of the United States, of which I am the elected Treasurer, and the Populist Party operating out of the Liberty Lobby offices in Washington.

This letter is in response to your inquiries.

1. Prior to February 1984 the Populist Party did not exist. To the best of my knowledge the "formation" of the Party was announced in Mr. Carto's publication, "The Spotlight" on or about February 1984. Mr. Carto's publication indicated that a Mr. Robert Weems had been appointed party chairman.

Sometime in March 1984 Mr. Carto apparently established or activated a Virginia corporation named the Populist Party, Inc. He opened a bank account in the name of the Populist Party, Inc., and I believe also opened an account in the name of the Populist Party National Committee. From these accounts Mr. Carto proceeded to conduct financial affairs in the name of the Populist Party, rasising money in the name of the Party, depositing this money in the accounts he had established, and expending funds from these accounts at will.

In June or July 1984 Mr. Weems resigned as Chairman and Mr. Carto appointed William W. Baker as Chairman - to serve until officers could be elected by the delegates at a National Convention. Thus, there was no actual participation by the members in the conduct of the affairs of the national Populist Party until August 1984.

2. On August 18-19, 1984 a National Convention was held by the Populist Party All persons attending the convention were permitted to vote. At the convention presidential and vice-presidential candidates were nominated, by-laws were adopted which established a National Committee and provided for the election of party officers for a 4 year term in March of each year following a presidential election. National party officers were elected at this meeting to fill the five party offices until the first meeting of the National Committee in March of 1985.

Mr. Carto has stated himself that the adoption of these By-Laws at Nashville August 18-19 1984 constituted the formation of the legal and official Populist Party. Yet he has consistently refused to abide by the mandates of duly elected Executive Committee and has, of late, refused to participate

in the Board meetings. Rather, he has chosen to make an all-out attack on the character and intelligence of those of us who have refused to go along with his ideas and methods.

At the Nashville convention the following officers were elected - William W. Baker, Chairman; Jim Yarbough, Vice-Chairman; Don Kimbal, Secretary and my late husband, Emmett E. Miller, Treasurer; William K. Shearer was elected Parliamentarian. Following their election, these five officers met briefly as an Executive Committee, but did not have an opportunity to discuss the Party's finances. Their principal action was the appointment of two additional members of the Executive Committee, one of whom was Mr. Carto.

3. From August 20 through November 23, 1984 there were no meetings of the Executive Committee. Mr. Carto continued to act with regard to the finances exactly as he had operated prior to the Nashville convention. My husband, the duly elected National Treasurer WAS NOT made a signatory on any bank account and never received even one piece of information pertaining to receipts or disbursements of the Party. Nor was he ever contacted by the Washington office pertaining to any of the conduct of business regarding the finances. I am told that checks were sent out of the Washington office signed by employees of Mr. Carto and drawn on the Populist Party bank account in Washington. Further, there were apparently checks sent to persons by Mr. Hutzell, Mr. Carto's Comptroller, and drawn on Mr. Carto's entities' bank accounts. It does appear that then, as well as now, all Washington accounting for the Populist Party is taken care of by Mr. Hutzell.

4. Following the election - on November 24-25, 1984, the Executive Committee finally met in Washington, D.C. The Minutes of that meeting state that:

"Treasurer Miller stated that he had not been kept totally informed as to the status of the Party's funds. It was agreed without a Motion that the Treasurer be kept completely informed".

Following the convention of August my husband became concerned about the apparent disregard by the Washington office for following normally accepted procedures insofar as the fiancnes were concerned; namely the fact that the elected Treasurer was not permitted to perform the duties he would be expected to. However, it was his feeling that the above mentioned November meeting would iron out these problems and he therefore chose not to make an issue of this.

At this meeting in November in Washington Mr. Carto reported that during the year he had taken in $648,833.40 and disbursed $621,121.37, leaving cash on hand of $24,712.03. He also represented to the Committee that the Party had debts of $317,390.17. Of this sum, Mr. Carto represented to the Executive Committee that $264,888.80 was owed to entities which he controlled - Liberty Lobby and Cordite Fidelity Corp., publisher of "The Spotlight". At no time did Mr. Carto reveal to the Executive Committee that there was a Populist Party, Inc., with separate officers from those elected at the Nashville convention. The members of the Executive Committee were led to believe that all that had been done by Mr. Carto was done in the name of the national Populist Party. After much discussion, the Minutes reflect the adoption of the following motion:

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"Resolved, that the Executive Committee of the Populist Party accept obligations of $264,888.80 (due Liberty Lobby and Cordite Fidelity Corp.) as the valid and binding debt to be repaid to creditors through fund raising campaigns to be commenced at the option of the creditors with the advice and consent of the Executive Committee; and

"Resolved, that the Populist Party establish an operating account with the Security National Bank, Washington, D.C., which funds shall be used for day to day administration of the party; and

"Resolved, that the current account at the Capitol National Bank, Washington, D.C., be used as a debt retirement account and that all expenditures other than debt retirement be approved by the Executive Committee; and

"Resolved, that the individual members of the Executive Committee be absolved of any liability for debt..; and

"That all current bills be paid with existing monies as recommended by Mr. Miller's Expense Statement Memo... and the remainder of the obligations be paid when the funds become available, with the meeting of the obligations to be contingent upon each of the creditors providing each member of the Executive Committee with a written absolution of personal liability, and/or obligation..."

At this meeting, to the best of my knowledge, the Treasurer was not made a signatory to any of the bank accounts operated by Mr. Carto. The Minutes reflect that a separate account was to be set up under the direction of Chairman Banker with the checks "to be signed by the Chairman and the Controller, Mr. Hutzel." Obviously, in addition to Mr. Hutzel's being the Controller for the various Carto entities, he is also still conducting the financial business of the Populist Party. I base this statement on the fact that he is the person who contacts me regarding the Party matters and is the person who sends the "financial records" to me each month. These records I refer to here are those sent to me by Mr. Hutzell supposedly for the purpose of my filing the FEC Report. Attached hereto is a complete monthly set of these as forwarded to me. As you can see, these records are by no means those necessary for the proper filing. Yet, in spite of the fact that Mr. Hutzel has been advised, both by correspondence and by Executive COmmittee motions, that I will not file these reports for them, he insists on continuing to send these meager records to me.

5. It was the intention of at least some members of the Executive Committee that the Treasurer exercise control over the Populist Party accounts, but a few days after the meeting in Washington, my husband was hospitalized and he died January 10, 1985. Thus, from the time of his death until the National Committee meeting in Chicago on March of 1985 the Party had no elected Treasurer.

6. At the National Committee meting on March 9, 1985 I was elected to the office of Treasurer for a four year term. Fred Seipold was elected National Chairman of the Party. Other members of the Executive Committee remained as they were following the August 1984 meeting. On March 10, following the

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National Committee meeting, the Executive Committee met. The Minutes of that meeting reveal the following:

"The Executive Committee instructed Mr. Carto and Mrs. Miller to consider and coordinate the Party's checking accounts" I understand Mr. Carto discussed the bank accounts with Mr. Seipold later in the year; however, he did not discuss, at any time, any matters with me. And, as of this time, he has flagrantly refused to consider any of the correspondence either by me or the Executive Committee regarding the proper handling of these bank accounts.

"Mr. Shearer - the Parliamentarian - moved that the Treasurer be a necessary signatory to all accounts, and that the Chairman establish checking account procedures under the appropriate Federal laws, and our own By-Laws, and that these procedures be implemented without further action of the Executive Committee".

An amendment was offered by Mr. Carto that 90 days be allowed to implement any procedures to which the immediate Shearer motion alluded, and that no funds be drawn without authority of the Executive Committee"

The Minutes then reflect that Mr. Shearer objected to the Carto amendment to the Motion, and that Mr. Carto had to leave the meeting to catch a plane. Mr. Shearer then amended his Motion, which was adopted by a vote of 6 to 0 as follows:

"That the Chairman, as legal counsel, be instructed to do such research as necessary to determine how the Committee's accounts should be structured and administered to meet all requirements of Federal and other applicable law; to report his findings within 30 days;

and that his findings be implemented without the necessity of further Board action, to assure that the National Committee is functioning in conformity to the requirements of law".

The Minutes reflect that:

"Mr. Shearer referred to the Executive Commitee meeting in Washington of November 1984 and moved that the Chairman prepare the appropriate letters of absolution as heretofore ordered to exempt members of the Executive Committee from the creditors of the Populist Party of the United States. The Motion was seconded by Mr. Yarbrough and passed 6-0.

The Minutes also reflect that:

"The Chairman made a motion that such accounts be authorized to be opened as necessary for the deposit of Populist Party funds at such a place as approved, and that the Treasurer may pay money out of the said accounts as authorized by the Chairman. The Motion was seconded by Mrs. Salaman and passed 5-01.

As Treasurer, the receipts of the Chicago National Committee meeting were turned over to me, and with these I pened the first account of the Populist Party to which an elected Treasurer was signatory. Mr. Carto, who from January 1, 1985 thru August 31, 1985 collected some $173,000.00 in the name of the Populist Party, said at the Chicao Executive Committee

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that he would transmit to me the sum of $30,000.00 from what he had collected. He did so and I deposited this sum to the official Party account which I had opened at the Alabama bank. Shortly after receiving this $30,000.00 from Mr. Carto I also received from Mr. Hutzel several invoices labeled "Trades Payable", amounting to some $27,000.00. Many of these invoices from vendors were billed to Liberty Lobby, Inc., with no reference to their being Populist Party charges other than handwritten references in which the words "Liberty Lobby Inc" were scratched thru and "Populist Party" written in by pen.

7. The Executive Committee did not again deal with this subject by motion until a telephonic conference call meeting of the Committee on September 29, 1985. The Minutes of that meeting reflect that:

"Mr. Shearer made a motion that:

"(1) There are to be no more expenditures or obligations incurred and no new bills are to be incurred without specific authorization of the Executive Committee;

(2) All Populist Party mail and/or contributions are to be forwarded to the new San Diego administrative office for porcessing; and

(3) All funds or checks of any kind are to be forwarded to Mrs. Miller, the national Treasurer, in Alabama, for deposit only to the Populist Party account there".

The Minutes reflect that the motion was adopted by a vote of 6 to 0 The concern was, of course, Mr. Carto's continuing collection of money in the name of the Party, and expenditure of the funds outside the Party's official account, and without approval by the Party's elected governing board.

On October 20, 1985, there was a further conference call meeting of the Executive Committee. The Minutes reflect that:

"William Shearer moved that the Treasurer direct a letter to Willis Carto requesting a complete accounting of the Washington, D.C. account, including statments of deposits and cancelled checks. Motion carried unanimously.

The Minutes of October 20 reflect that:

"It was moved by William Shearer that the Chairman direct a letter to Willis Carto asking him to pay the Populist Party the approximate $500.00 still due on the rental of the Party mailing list used by the "The Spotlight" for its July fund raiser and that the $1,000.00 already paid to Fred Seipold for that rental be offset against anything found to be owing to Fred Seipold. Motion carried unanmiously.

These actions of the Executive Committee were ignored by Mr. Carto and on January 18, 1986, at a further conference call meeting of the Executive Committee, the following actions were taken, as reflected in the Minutes.

Mrs. Miller moved;

"That a demand be made upon the corporate officers of the Populist Party, Inc., a Virginia corporation, to do the following:

"(1) The coporation chartered in the State of Virgnia and known as Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia; or in lieu of the chrter being returned, the Corporation change its name, purpose and intent so as to differentiate it from the Populist Party of the United States, and make differentiation clear to the public.

(2) That all bank accounts in the name of the Populist Party, Inc be closed; and

(3) That any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc., immediately cease, along with any other reference to Populist Party which might confuse the corporation with the Populist Party of the United States."

Motion passed unanimously.

Mrs. Miller moved that:

"Based upon the information available to the Executive Committee at this time, the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or "The Spotlight". These entities are to abandon any and all claims of indebtedness to them by the Populist Party of the United States and furnish the Populist Party of the United States duly executed documents, signed by the officers and/or owners of such corporations, partnerships or proprietorships stating that the Populist Party of the United States is not indebted to them or 2nd or 3rd party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. Should the above mentioned statements of absolution from each of these entities not be obtained from the officers/owners of same by February 10, 1986, it shall be duty of these officers/owners to submit all financial records pertaining to any alleged activities at any time in the name of the Populist Party to complete and detailed audit by the Populist Party of the United States or its representative.

Motion passed unanimously.

Mr. Shearer moved that the Executive Committee support Mrs. Miller in her position that she is not responsible for filing any reports with the Federal Election Commission or any corporate forms in the name of the Populist Party, Inc., Liberty lobby, Cordite Fidelity Corp., or "The Spotlight".

Motion passed unanimously.

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Mrs. Miller moved:

"That any and all solicitation of funds, sales of merchandise, or use of logo by any entity without express approval of the Executive Committee of the Populist Party of the United States cease immediately and that Graphic Productions be requried to account for it unauthorized promotional activities, secure authorization from the Executive Committee share revenues with the Committee, and regularly account for the income from the sales of Party materials.

Motion passed unanimously.

Mr. Shearer moved that the Treasurer make a demand for the $1,500.00 owed to the Populist Party by "The Spotlight" for use of the mailing list, all money collected by the Populist Party, Inc. since September 29, 1985 and any balance presently in the Populist Party, Inc account.

Motion passed unanimously

8. At the 1986 annual meeting of the National Committee, held in Los Angeles, California on March 1-2, 1986 the National Committee unanimously adopted a resolution which states:

"Be it resolved that the National Committee of the Populist Party, having reviewd the conduct of the Party's business for the past year

.....

2. Commends the National Treasurer Faye Miller and the National Executive Committee for all actions they have taken to assure lawful and fiscally responsible management of the Populist Party's finances;

Ratifies the actions of the Treasurer and the Executive Committee, taken during the 1985-86 term with regard to the Party's finances; and instructs the Treasurer and the Executive Committee to continue the policies expressed in the fiscal motions already adopted by the Executive Committee."

9. On March 8, 1986 the Executive Committee held another conference call meeting. The Minutes of this meeting reflect that the following motion was adopted by a vote of 5 to 0 with one absentention:

"Mr. Shearer made a motion that Mr. Couture write Mr. Carto and inform him that the Executive Committee of the Populist Party does not consider an audit of the accounts maintained in Washington, D.C. in the name of the Populist Party necessary if ...

1. Other demands previously made are complied with

2. Any claim of indebtedness by the Populist Party to The Populist Party, Inc., Cordite Fidelity Corporation, "The Spotlight" and Liberty Lobby is abandoned; and

3. The Corporate entity, which created the Washington, D.C. accounts, reports and accounts to the Federal Election Commission for all transactions out of said accounts from start to finish.

4. If these conditons are not met, an audit by an independent accounting firm, selected by the Executive Committee will be required, with the expense to be borne by those who established these accounts in Washington."

Motion passed.

Mr. Shearer also asked that

"1. Mr. Couture send a letter to Mr. Pete Polkiewicz of Graphic Productions informing him that the promotional items he had been selling were not authorized by the Executive Committee and that he is to submit to the Executive Committee an accounting of his transactions so far, and if he wants to continue his business he must enter into an agreement with the Executive Commieee"

Motion passed

To date Mr. Carto has not complied with any of the directives of the Executive Committee.

I am enclosing certain additional information which I believe will be helpful to you in understanding the problems faced by the Executive Committee with regard to these matters, and which I have confronted as Treasurer in dealing with Mr. Carto and his entities.

Only recently, at the Los Angeles National Committee meeting, Mr. Carto widely circulated a letter in which he maintains that my late husband audited his Populist Party accounts during his presence in Washington in November 1984.Under no circumstances could an audit have been done during the short time my husband was in Washington for various reasons:

(1) He was only in Washington from Friday afternoon until Monday morning - hardly enough time to have even gotten into the records had they been readily available.

(2) The file he brought back with him would certainly have contained various information secured during audit research. This file he brought back had only reference to expense items obviously without any verification. Other Board members who were in Washington with my husband told me that there was no attempt at any audit whatsoever. Rather, that Mr. Carto and Mr. Hutzell recited the figures referred to to my husand and that he - my husband - wrote them down, added, subtracted, etc. These expense memos are the ONLY items contained in the file he brought back from Washington.

(3) I can state unequivocably that there would have been numerous exceptions by my husband to the financial procedures revealed in the FEC reports of 1984.

Mr. Carto must know that there was no audit of these accounts.

Mr. Fred Seipold, former Chairman of the Populist Party has in the past served as Mr. Carto's legal advisor in matters pertaining to the Federal Election Commission reports. He, in fact, was quoted at length in

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July of 1985 to the effect that he - Fred Seipold - took care of the audit that was at that time in progress by the FEC and that everything pertaining thereto was found to be in order. This is the same Fred Seipold with whom I spent months locked in battle over his total lack of cooperation in trying to keep the finances straight and acceptable. Also, this is the same person who was forced to resign his position as Chairman due in part, to his mishandling of Party matters as well as converting Party funds given him for payment of Party expenses to his own personal account.

I trust this is the information you requested. If we can be of further assistance, please advise. Inasmuch as all financial records are kept here, it would probably expedite matters if you direct your contact to me rather than the field office. However, our Board will lend any assistance necessary to clear up matters.

Very truly yours

POPULIST PARTY OF THE UNITED STATES

Faye G. Miller

Faye G. Miller
National Treasurer

Encl

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THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

Office of Treasurer
P.O. Box 377
Dauphin Island, Ala 36528

January 14, 1986

TO: Executive Committee Members

FROM: Faye Miller
Treasurer

PERSONAL AND CONFIDENTIAL

Attached is copy of letter to Mr. Carto which is self explanatory.

Sincerely,

Faye Miller

Faye Miller

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San Diego, CA 92108

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FEDERAL EXPRESS - OVERNIGHT - RETURN RECEIPT REQUESTED

PERSONAL AND CONFIDENTIAL

January 14, 1986

Mr. Willis A. Carto
300 Independence Ave S.E.
Washington, D.C. 20003

Dear Mr. Carto:

As Treasurer of the national Populist Party, I am writing to you to communicate to you certain actions taken by the Executive Committee of the Party with regard to financial matters, and to clarify certain other matters about which your employee, Mr. Hutzel, has written to me.

FIRST, it is the understanding of the Executive Committee that your publication, The Spotlight, agreed to pay the Populist Party $1,500.00 for the use of our mailing list for a mailing signed by Fred Seipold on behalf of The Spotlight in July 1985. You have confirmed this. The Party has not been paid for this use of its mailing list. This letter will serve as our formal request for payment.

The Executive Committee acted on this matter on October 20, 1985. At that time we had been led to believe that you were entitled to a credit of $1,000.00 toward the payment of this $1,500.00; this $1,000.00 having been transmitted to Fred Seipold. However, a review of the bank statements and the limited supporting information sent to me by Mr. Hutzel indicates that this $1,000.00 was sent to Mr. Seipold from the Populist Party account in Washington. Therefore, the entire $1,500.00 appears to be due the Party from The Spotlight, since you paid Mr. Seipold with funds raised in the name of the Party.

SECOND, on September 20, 1985 the Executive Committee approved a resolution which provided that:

1. There are to be no more expenditures or obligations incurred without specific authorization of the Executive Committee;

2. All Populist Party mail or contributions are to be forwarded to the new San Diego Administrative Office for processing;

3. All funds or checks of any kind are to be forwarded from the Administrative Office to the Treasurer in Alabama for deposit only in the Populist Party account in Alabama.

Although you were fully aware of this action (the Minutes show that you were present and abstained on passage of the Resolution after voting for an unsuccessful motion to table), the instructions of this Resolution have not been carried out by you or your Washington office.

I have received no funds direct from your office, and the Administrative Office in San Diego reports to me that only two membership checks have been transmitted there from your Washington office. In early December the San Diego office did receive a packet of material including correspondence noting that $59.00 in contributions, $405.00 in memberships, and $23.00 in sales of literature had been received. However, the money was not enclosed and has not to date been received either by me or the Party's Administrative Office.

Therefore, this letter will serve as my request that all funds received in your office for the benefit of the Populist Party from September 29, 1985 to date be immediately transmitted to the San Diego office for processing and forwarding to me in accord with the instructions of the Executive Committee.

FINALLY, there seems to be some confusion in your mind, and that of Mr. Hutzel, about my duty to file reports with the Federal Election Commission pertaining to the bank account which you have operated in Washington in the name of the Populist Party, Inc.

My duties are clearly spelled out in the Party's Bylaws which state: "The Treasurer shall account ~~for all funds~~ received and expended by the National Committee".

As Treasurer, I have opened a bank account from which all official Party business has been transacted since my election. In that account, I have deposited all funds I have "received", and from it I have paid all sums "expended".

The Populist Party is an unincorporated political party whose officers have been elected by the membership of the National Committee.

The account which you have operated in Washington is, I am reliably informed, held in the name of the Populist Party, Inc., a Virginia corporation, with officers different from those elected by the National Committee of the Party. Thus the Federal Elections Commission reporting responsibility is separate from that of the Populist Party.

Even if I was disposed to do so, I cannot properly account for the funds received and expended from your Washington account on the basis of the woefully inadequate and incomplete information provided to me by Mr. Hutzel. To do so I would have to have a complete record of all contributions received, and complete supporting information for all expenditures showing to whom the payment was made and with specificity the purpose for which each payment was made. I believe that no member of the Executive Committee, except you, has ever been privy to this information.

The limited information provided to me by Mr. Hutzel shows many expenditures from the Washington account which are unexplained, others which indicate the expenditure of funds for purposes not approved by the Executive Committee and, in addition, payment of large sums of money to other corporations and entities which you control, all without adequate explanation.

Based on what I have seen I am not prepared to attest to either the accuracy or propriety of the information presented; nor will I do so without a full audit of the account. This is in accord with my understanding of my duties as Treasurer, as well as the ethical requirements of the profession. Further, on the basis of information I have seen, I am not prepared to say that the Populist Party is now indebted in any sum or sums whatever to any of the entities which you control.

If you are prepared to submit the Washington account to a complete audit, please inform me so that arrangements can be made to promptly commence the audit. Until such audit is completed, responsibility for reporting the activities of the account is the duty of you and the corporate officers you have placed in control of the fund. Insofar as I am concerned the Corporation will have to assume the duty of meeting any obligations it has incurred to all other entities, particularly those which you control.

Very truly yours,

Faye Miller

Faye Miller
Treasurer

cc: Blayne Hutzel
All Members, National Executive Committee, Populist Party

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Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
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Parliamentarian
WILLIAM K. SHEARER

PERSONAL AND CONFIDENTIAL

January 14, 1986

To: All Members Of The National Executive Committee, Populist Party

From: William K. Shearer, Parliamentarian

Chairman John Couture has transmitted to me a copy of a letter he has received from Willis A. Carto, making a demand on the Populist Party for an apology from our Treasurer, Mrs. Faye Miller, for remarks she is alleged to have made at our last telephonic board meeting; or, in the alternative, payment by the party to entities controlled by Mr. Carto of the sum of $50,000.00 as "partial payment" on the debt Mr. Carto alleges is owed to his entities by the Populist Party. A copy of Mr. Carto's letter is attached as an exhibit to this memorandum.

Any demand for apology based on alleged remarks of an individual board member is not properly directed to the party, since the party is not responsible for the remarks of any individual during the course of a board meeting. Therefore, from the standpoint of the Populist Party, Mr. Carto's letter really constitutes a demand for $50,000.00, payment of which would substantially deplete the party's present treasury.

The bylaws of the Populist Party, which describe the duties of the parliamentarian, state in part:

> "The parliamentarian shall advise on all procedural matters."

Mr. Carto's demand is of such magnitude as to justify my commenting on it, and advising with regard to it, in my capacity as parliamentarian.

As members of the National Executive Committee, each of us, including Mr. Carto, has accepted a fiduciary duty with regard to the party and its members and contributors. The dictionary defines "fiduciary" as "of, relating to, or involving a confidence or trust." Mr. Carto, while serving as a member of the

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Executive Committee, has put this concept in clear focus by making a demand which, if agreed to, would effectively destroy the ability of the party to function. I do not believe that such a demand can be made by a member of the Executive Committee, or acquiesced in by the members of the Executive Committee without a clear breach of the fiduciary duty which each of us owes to the party, its members and contributors.

Mr. Carto may feel that he has a higher duty to other entities than he has to the Populist Party, and that his duty to these entities compels the demand he has made. If so, it seems to me that he is incapable of meeting the responsibility to the Populist Party which he assumed when he accepted membership on the Executive Committee.

In considering Mr. Carto's demand, it is appropriate to review the history of the financial transactions pertaining to the Populist Party since its inception on or about February, 1984. From February, 1984 until the National Convention of the Populist Party in Nashville, Tennessee in August, 1984, the party functioned without elected officers or member adopted bylaws. In this vacuum, Mr. Carto appointed chairmen, made commitments to candidates, hired personnel, and manipulated the finances of the new party exactly as he saw fit. Unbeknownst to me, and I think to most other participants in the party who believed it was an unincorporated entity, Mr. Carto set up a Populist Party corporation in Virginia and established a bank account in its name through which he transacted much of what we believed was the party's business.

At the National Convention in August, 1984, the National Committee of the party was formed as an unincorporated association. The convention delegates approved bylaws, a statement of critical issues, elected officers, and nominated candidates. The officers met and added two members to the board, one of whom was Mr. Carto. At no time were we informed that party business was being transacted by a separate corporate entity, which had been established by Mr. Carto, and over which the elected officers had no control, or that the bank account through which the party's affairs were allegedly being conducted was in fact the account of this corporate entity.

At the time the officers were elected in Nashville, less than 90 days remained until the 1984 general election, and the National Executive Committee did not meet during this period. Thus party affairs continued to be conducted from Mr. Carto's corporate account in Washington D.C. Party proceeds from the convention, memberships, etc. were all deposited in this account, rather than an account in the name of the party, an unincorporated association. The elected treasurer of the party was not made a signatory to Mr. Carto's corporate account.

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The elected officers of the party were also not told during this period that Mr. Carto was spending vast sums of money which were not covered by contributions; that a huge indebtedness was being incurred; and that most of this indebtedness was being held by other entities which Mr. Carto controlled (Liberty Lobby, and Cordite Fidelity Corporation, which publishes The Spotlight). This debt represented alleged "services" which the officers had not authorized and which were arranged for by Mr. Carto, purportedly representing all of the entities at the same time.

The officers of Mr. Carto's corporation have admitted in writing that the officers of the party, throughout this period, were "in no position to preview, assess, support or oppose any of the actions" taken with regard to the transactions from the corporate account. Further, the officers of the corporation have "acknowledged that this condition prevailed through no fault of" the elected officers of the party.

In November, 1984 the Executive Committee met in Washington, D.C. at Mr. Carto's offices. At this time, we learned to our shock that Mr. Carto claimed that the party owed $264,888.80 to Liberty Lobby and to Cordite Fidelity Corporation, which publishes The Spotlight. One member of the Executive Committee was so stunned by the news that he resigned from the Executive Committee at the meeting. At this meeting in Washington, Mr. Carto still did not reveal to the officers and members of the Executive Committee that the party's funds were held in the account of his Virginia corporation, which had officers different from those elected by the party convention to conduct the party's business.

At the Washington meeting, the Executive Committee attempted to make an audit of the alleged indebtedness, but, at best, the information provided was superficial. Finally, I made a series of motions under which the debt was acknowledged, but "to be repaid to creditors through fund raising campaigns to be commenced at the option of the creditors with the advise and consent of the Executive Committee." My motions also provided that the future conduct of party activities be conducted from a new bank account on which the elected treasurer would be signatory; that all expenditures other than debt retirement be approved by the Executive Committee; that the creditors (Liberty Lobby and Cordite Fidelity Corporation) absolve individual members of the Executive Committee from any liability for the debt; and that an austerity program be put into effect which would permit the party for the next 90 days to be operated in the black, on a pay as you go basis, with matters to be further reviewed at the National Committee meeting to be held approximately three months later in Chicago, Illinois. Had I known at the time that the alleged debt was actually that of a separate corporate entity, rather than that of the unincorporated party, I would not have made the motion to acknowledge the so-called indebtedness.

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Unfortunately, any attempt to further straighten out the finances of the party was delayed by the tragic death of our treasurer, Emmett Miller, in January, 1985. The office of treasurer remained vacant until the election of Faye Miller at the Chicago National Committee meeting in March, 1985.

Meanwhile, Mr. Carto conducted an extensive mailing in the name of the party in the January/February period of 1985, the proceeds of which were deposited in and expended from the corporate account over which the elected party officers and Executive Committee had no control.

In December, 1984, Liberty Lobby and Cordite Fidelity Corporation issued a set of invoices to the Populist Party showing an indebtedness of the party to these entities in the amount of $218,773.42. Of this sum $186,179.84 was for personnel. Interestingly, the invoices alleged that $19,161.14 was expended for personnel in November 1984, after the election was over, a sum almost equal to the amount expended in September, 1984, when the campaign, including the ballot access effort, was in full swing. Copies of the invoices are attached to this memorandum.

Following the National Committee meeting in Chicago, an Executive Committee meeting was held. The minutes of that meeting reflect that I made a motion that "the treasurer be a necessary signatory to all accounts and that the chairman establish checking account procedures under the appropriate Federal laws and our own bylaws and that the procedures be implemented without further action by the Executive Committee."

Mr. Carto moved to amend my motion to delay its implementation for 90 days. After discussion, the motion was modified to provide that the new chairman, as legal counsel, be instructed to do such research as necessary to determine how the Committee's accounts should be structured and administered to meet all requirements of Federal and all other applicable law; to report his findings in writing within 30 days; and that his findings be implemented without the necessity of further board action to assure that the National Committee is functioning in conformity to the requirements of law. In this form the motion was adopted.

It was agreed that the treasurer would open an account from which the party's operational expenditures would be paid, and this fund was initiated with the proceeds of the National Committee meeting in Chicago, and $30,000.00 transmitted to the treasurer by Mr. Carto from his Washington account. Again, at the Chicago meeting, the officers and Executive Committee members were not informed that the Washington account was held in the name of a separate corporation.

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I became aware of the corporate nature of the Washington bank account in a discussion with Mr. Carto which occurred in San Diego, California, later in the month of March, 1985. I expressed my concern to Mr. Carto, who brushed it aside.

The officers and Executive Committee formed in Chicago in March 1985 did not re-acknowledge any obligation for the 1984 debt alleged to be owed to Liberty Lobby and Cordite Fidelity Corporation, and so on March 16, 1985, Mr. Carto addressed a letter to Chairman Fred Seipold, with a copy to me, which sought to secure reacknowledgement of the debt, authorization for Mr. Carto to raise funds to repay the debt, and authorization to bill the party $2,500.00 each time a mailing was created. A copy of the letter is attached to this memorandum. The party wisely never acted to approve the contents of Mr. Carto's letter.

Meanwhile, the funds in the National Committee account were approaching depletion. With my volunteer cooperation, and that of Maureen Salaman, Fred Seipold put together a mailing which secured sufficient funding to sustain the party through the summer of 1985. However, in June, 1985, when the Executive Committee again met, austerity measures had to be continued in order for the party to survive. A month later, in July, 1985, I received a copy of a letter addressed by Blayne E. Hutzel to Fred Seipold, stating that the debt of the party to Liberty Lobby and The Spotlight was now $262,074.76. Thus, in spite of the fact that further expenditures from the Washington office had not been authorized by the Executive Committee, and in spite of the fact that a large sum had been raised and placed in the corporate account as a result of the January/February 1985 mailing, the party's alleged indebtedness to Mr. Carto's entities had grown larger, rather than smaller. A copy of the July 18, 1985 letter is attached to this memorandum.

Also, in July 1985, I received a copy of a communication from an organization, called Graphic Productions which claimed to have a right to supply Populist Party promotional materials. The president of Graphic Productions was an employee of Mr. Carto, and Mr. Carto confirmed that a loan was paid from the Washington account to this individual with which to start his promotional activity. The records available to me do not indicate that the loan was ever repaid. This fund raising activity was never authorized by the Executive Committee, nor has the Populist Party received any of the profits from the sale of Graphic Productions materials. A copy of the Graphic Productions mailing is attached to this memorandum.

In July, 1985, it was time for the party to again be thinking about another fund raising letter to the party's membership. Instead of concentrating on the party's needs, however, Mr. Carto induced Fred Seipold to permit the Populist Party's mailing list to be used in July for a fund raiser for The

Spotlight. A copy of the mailing is attached to this memorandum. No such use of the party's mailing list was ever submitted for approval to the Executive Committee, and our mailing list was milked by another entity at a time when the party was in serious need of funds.

I learned about the mailing after it had been disseminated. When I inquired of Mr. Carto and Mr. Seipold about the mailing, they both informed me that The Spotlight had agreed to pay $1,500.00 to the Populist Party for the use of the party's mailing list. The payment has never been received, although the Executive Committee has requested payment. In fact, we were led to believe by Mr. Carto that The Spotlight was entitled to an offset of $1,000.00 for use of the mailing list because $1,000.00 had been paid to Fred Seipold. However, a review of the financial information submitted to the treasurer by Blayne Hutzel, which I have personally reviewed, reveals that the $1,000.00 was actually paid to Mr. Seipold from funds raised in the name of the Populist Party and deposited in the Washington account, rather than by The Spotlight, and so no offset is appropriate.

At the meeting of the Executive Committee in Phoenix, Arizona in June, 1985, it was agreed that certain expense money be paid to Don Kimball and Rolland Victor for the months of June and July. This decision was made even though funds were extremely short, and only after Mr. Carto offered to pay the sum from the Washington account, if this became necessary. At a telephonic meeting of the Executive Committee on July 21, 1985, the Executive Committee requested that Mr. Carto make the payment. Instead of the payment being made, Blayne Hutzel wrote a letter to Mrs. Miller, the party treasurer, asserting that it was her duty to make the payment. A copy of the letter is attached to this memorandum.

A few days later, Mr. Carto directed a letter to Mr. Victor declining to send him the money "because of the low state of the exchequer in Washington." A copy of Mr. Carto's letter is attached to this memorandum. A review of the daily balances in the Washington account for the months of July and August, 1985 shows that at all times more than sufficient funds were there to meet the obligations to Mr. Kimball and Mr. Victor.

On or about August 1985, I received a copy of a document entitled "Agreement" which purported, on behalf of the Populist Party, Inc., to release the officers and Executive Committee members of the party from any liability on the debt alleged to be owed by the party to Liberty Lobby and Cordite Fidelity Corporation. This was apparently a belated attempt to feign compliance with the November, 1984 motion which I had offered with regard to the acknowledgement of the alleged, debt. The so-called Agreement, a copy of which is attached to this memorandum, is not in conformity to the instructions of my November, 1984

motion. The motion called for recognition of the non-liability of the officers and Executive Committee members by the creditors, Liberty Lobby and Cordite Fidelity Corporation, not from the debtor entity, which we now know to be the Populist Party, Inc., a Virginia corporation.

The fact that the Populist Party, Inc. is a separate entity from the Populist Party, the unincorporated association, is confirmed by a letter from the Federal Election Commission, dated August 22, 1985, to Clara Sandahl, Treasurer of the Populist Party, Inc. The letter points out to Ms. Sandahl that she "may be in violation of 2 U.S.C. Section 434(a) for failing to file" a midyear report for the period from January 1 through June 30, 1985. A copy of the F.E.C. letter is attached to this memorandum.

One of the great disappointments of 1985 was the failure of Fred Seipold to properly execute his duties as party chairman. By September, 1985, it was clear that Mr. Seipold's resignation must be secured. This was done, and the Executive Committee authorized the location of the administrative office of the party in San Diego, California. At the telephonic Executive Committee meeting on September 15, 1985, when we were attempting to marshal all of our resources to preserve the national office, and to finance a mailing to provide the funds necessary to keep the office open, Mr. Carto informed the Executive Committee that there was approximately $4,000.00 in the Washington account. Instead of turning this money over to the party for use in reestablishing the party headquarters, or for the party's mailing, he stripped the account, using the funds for expenditures of his own selection, and when next we inquired, he reported that the fund had been depleted. If I had not come forward with a loan to the party for the membership mailing of October/November, 1985, the headquarters would have folded, and there would have been no central direction to the party's activities. Clearly, Mr. Carto wanted the party's affairs back in his hands in Washington, and the Western office discontinued. The party has survived in spite of his activities, not because of them. He is now making a demand that the party pay over to him $50,000.00, the major proceeds of the October/November, 1985 mailing, which he not only did not help to produce, but actually sabotaged by confiscation of the funds which the Executive Committee expected, and had a right to expect, would be used to finance the mailing.

At the telephonic Executive Committee meeting on September 29, 1985 I made a motion which was approved and which provided that:

(1) There are to be no more expenditures on obligations incurred, and no new bills are to be incurred, without specific authorization of the Executive Committee;

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(2) All Populist Party mail and or contributions are to be forwarded to the new San Diego administrative office for processing; and

(3) All funds or checks of any kind are to be forwarded to Mrs. Miller, the national Treasurer, in Alabama, for deposit only in the Populist Party account there.

Mr. Carto's Washington office has not complied with the mandates of the cited resolution. On or about November 29, 1985, his office dispatched to the administrative office in San Diego correspondence and forms showing receipt by the Liberty Lobby-Spotlight office in Washington of memberships in the Populist Party totaling $405.00, contributions totaling $59.00, and proceeds of literature sales totaling $23.00. None of the money was transmitted to the party. In fact, since the adoption of the September 29, 1985 resolution, the party administrative office has received only $30.00 from Mr. Carto's office, representing two memberships.

On October 4, 1985, Mr. Carto responded to the September 29, 1985 resolution by letter to Chairman John Couture in which Mr. Carto in effect informed the chairman that it is not the "proper function" of the Executive Committee to concern itself with party finances or otherwise meet its fiduciary duties. A copy of Mr. Carto's letter is attached to the memorandum.

Mr. Carto's assertion that "my bank account in Washington" is "the one thing that has kept the party alive," is a gross exaggeration. Mr. Carto's expenditure of over a quarter of a million dollars more than the party's income in 1984 very nearly destroyed the party, and he has provided little or no assistance in funding the party since May 1985. In October, 1985, he deliberately applied to his own purposes $4,000.00 which should have come to the party for the support of its membership mailing.

On October 20, 1985, the Executive Committee again asked Mr. Carto to pay the party for his July use of the party's mailing list. The payment has still not been forthcoming.

It seems clear from this history that Mr. Carto objects to the Executive Committee conducting the business of the party, as it has a duty to do. With control of the party and its funding no longer in Mr. Carto's hands, we find his associates actively attempting to divert funds away from the national Populist Party. In this regard, I particularly call to your attention a news letter entitled "Populist Power" published by Baron Eichoff, whom Mr. Carto continually touts as the kind of leader the party should be promoting in the several states.

Mr. Eichoff, in "Populist Power" actively attempts to persuade party members not to support the national party. He states:

> " Many of you have been bombarded with requests from the national Populist Party for membership fees and monthly pledges. As a Florida Populist, you may disregard these mailings. They are primarily directed towards people who live in many states which do not have an organized state Populist Party. A member of the Populist National Executive Committee recently told me the Populists ought to support their state party, and that the state party ought to support the national organization.
>
> "Your state party is already financially supporting our national affiliate, so there is no need for you to feel torn between the two. All donations from Florida Populists should be made to the Florida State Populist Headquarters." (Emphasis added)

Mr. Eichoff's 1986 pledge card states:

> "Note: This pledge card will take the place of any previous National or State Populist pledge cards."

A copy of "Populist Power" and a copy of the pledge card are attached as exhibits to this memorandum.

Another matter which requires comment is the demand made by Mr. Carto and Blayne Hutzel that our treasurer, Mrs. Miller, account to the Federal Election Commission for the transactions from Mr. Carto's corporate account in Washington. I have reviewed the information provided to Mrs. Miller by Mr. Hutzel, and it is my conclusion that Mrs. Miller could not in good conscience report on the transactions from Mr. Carto's corporate account. Before she could do so, a complete audit of all aspects of the account would have to be conducted.

During the period since December, 1984, over $173,000.00 was deposited in the account. Mrs. Miller has not been provided information as to the sources of these funds. From the information provided to Mrs. Miller, it is impossible to determine the purpose of many thousands of dollars of the expenditures from the account. It is known, however, that while at least one third party creditor has not been paid, over $29,000.00 was diverted from the fund to Liberty Lobby, and over $12,000.00 was diverted from the account to The Spotlight.

Almost $8,000.00 was paid out for computer expense, a very questionable sum when contrasted with the small amount the San Diego administrative office will be required to pay to maintain the party's mailing list. Almost $1,400.00 was paid out as

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travel expenses for unidentified persons, and almost $1,500.00 was paid in travel expenses for persons who are not now nor have they ever been on the Populist Party payroll, and whose travel was unauthorized by the Executive Committee. These persons include Kris Bemis, $132.00; Velma Blekeberg, $132.90; John Pariah, $790.00; Isabel Taylor $90.00, and others.

Mr. Carto's recent letter to Mr. Couture, which prompted this memorandum, contains a number of serious inaccuracies.

First, he says that all records pertaining to the Washington account were turned over to Mrs. Miller. This is patently untrue.

He says that the Executive Committee validated the alleged debt to Liberty Lobby and to Cordite Fidelity Corporation. There has been no validation by the present Executive Committee, and the validation motion made by me in 1984, and approved by the prior Executive Committee, was made without knowledge of the separate corporate nature of the debtor, and without the kind of audit to which I believe the account must be subjected.

Mr. Carto says that the Federal Elections Commission audited his books. To the best of my knowledge, the F.E.C. has made no report of its investigation. If I am incorrect in this matter, I shall appreciate receiving from Mr. Carto any written documentation he has showing the results of the audit.

Mr. Carto asserts that he has raised more money for the party than anyone else, but he neglacts to remind us that he alleges that he spent more than a quarter of a million dollars more than he raised in 1984, and much of this debt appears to be the result of incestuous transactions between corporate entities which he entirely controls.

Mr. Carto has presented no basis for the removal of the party's treasurer from office, nor for his charges of "sabotage", and slurs on the party's leadership. The greatest sabotage that could be done the party would be to turn over to Mr. Carto the $50,000.00 upon which the party is dependent for its continued operation.

Further, I find offensive Mr. Carto's absolutely false assertion that the San Diego office made a recording of the December 30, 1985 telephonic Executive Committee meeting. No recordings of such meetings have ever been made by the administrative office or anyone else in San Diego. If such a recording had been made either by me or by the administrative office, this would have occurred only after notice to, and consent from the members of the Executive Committee participating on the call.

For the reasons set forth above, I offer the following recommendations to the Executive Committee:

There is a continuing danger in permitting Mr. Carto and his corporation to solicit funds in the name of the Populist Party. Contributors, when they donate to the party, do so in the belief that the funds will be received, accounted for, and expended by the party in conformity to the Federal election laws. Most of them would be surprised indeed if they learned that the money they believed they are contributing to the party was, in fact, going to a separate corporation whose officers have never stood for election in any party meeting, and whose names are totally unknown to the contributors.

I believe that there is substantial legal exposure in acquiescing in the solicitation of funds by Mr. Carto and his corporation under such circumstances. Therefore, I recommend that the Executive Committee demand of Mr. Carto that all Washington accounts which he now operates in the name of the Populist Party be closed; and that he either dissolve his corporation, Populist Party, Inc., or so alter its name and purpose as to make its differentiation from the Populist Party clear to the public.

For the reasons set forth in this memorandum, I do not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, or Cordite Fidelity Corporation. If Mr. Carto continues to assert a claim against the Populist Party for the alleged indebtedness, then he should submit to a thorough and detailed audit of all of the transactions from the accounts which he administered and in which were deposited funds contributed for the benefit of the Populist Party.

The Executive Committee should support the treasurer's position that she and the party have no duty to file reports with goverenmental agencies as to the activities of the Populist Party, Inc., over whose funds and accounts the party has exercised no control.

Under no circumstances should the Executive Committee acquiesce in the demands made by Mr. Carto in his recent January 3, 1986 letter to Chairman Couture.

Further, the Executive Committee should take all steps necessary to collect from Mr. Carto's entities: (1) the $1,500.00 owed the party for the July, 1985 use by The Spotlight of the party's mailing list; (2) all money received by the Populist Party , Inc. and deposited in its Washington account since September 29, 1985, as well as any remaining balance in said account; and (3) such funds as may be required to satisfy the claim of any third party creditor asserting a claim against the

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Populist Party for goods or services contracted for by the Populist Party, Inc. or Mr. Carto's other entities.

The Executive Committee should demand an accounting of all funds received by Graphic Productions for sale of Populist Party materials, and insist on negotiation of a contract providing the party a share of the revenue derived from the promotional activities, as well as regular accountings.

Finally, the Executive Committee should remove Baron Eichoff as a representative of the official Populist Party organization in response to his deliberate attempt to injure the national party's fund raising effort. Authority for this action is specifically provided in Article IX of the party's bylaws.

I have marked this memorandum confidential and personal and have limited its distribution to the members of the Executive Committee only. I do not believe that the interests of the party will be served by indiscriminant dissemination of this information. I specifically caution members of the committee against making a disclosure to those who have no legitimate interest in the party's internal affairs.

It is my hope that the problems discussed herein can be resolved within the confines of the Executive Committee. Of course, if any person chooses to make an issue of these matters in a different forum, I shall feel relieved of the obligation to withhold the contents of this memorandum from those with a proper interest in the party to whom inaccurate information has been presented by other sources.

W. K. Shearer

William K. Shearer
Parliamentarian

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LIBERTY LOBBY PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

January 3, 1986

Mr. John Couture, Chairman
Populist Party of the United States
13131 W. Janesville Road
Hales Corners, Wisc. 53130

Dear John:

I understand that immediately after I left the line at approximately 6:20 p.m., Monday, December 30, after our telephone conference call, the party treasurer, Mrs. Faye Miller, lit into me for various alleged failings and sins including stealing more than one hundred thousand dollars from the Populist Party.

Of course, Mrs. Miller knows or should know better than anyone that this is a lie out of the whole cloth because she has all of the party financial records, duly turned over to her office by this institution. She is also aware that her husband audited the accounts at the time of the last executive committee meeting he attended and that the executive committee then validated the debt due LIBERTY LOBBY for the party. She also has full access to all of the party filings with the FEC and knows or should know that they also audited the books. There is in other words no authority whatsoever for her statement.

I have not only not stolen a dime from the party I have put more work into it than anyone else and have never received anything whatsoever in return, including few kind words. No one has donated more creative effort, more leadership, more organizational talent and raised as much money for it than I.

In addition, I have supplied about 17,000 of the 20,000 members and supporters of the party. These people are or were supporters of LIBERTY LOBBY and The SPOTLIGHT and, before they were weaned to the Populist Party their support was not directed away from us. Eighty or ninety percent of the party's funding comes from these people I have influenced thusly.

Finally, we have heavily lost support from Republicans because of our promotion of the Populist Party. Our circulation has dropped many thousands because of this.

Businesswise, the fact is that my involvement with the party has been disastrous. I have not complained because other issues are involved which to me are more important. But I will not tolerate Mrs. Miller's vicious, malicious and unprincipled calumny.

When I am attacked as I consistently am by open enemies there is little I can do except tell the truth, and the media is uninterested in that. However, in this case I do have some recourse and intend to avail myself to it in the fullest.

Purely because of her office and not because of any personal qualifications, Mrs. Miller's statements as they relate to the finances of the Populist Party have apparent credibility. She is presumed to know what she is talking about. Thus, her statement that I am a thief is more damaging than just about anyone else's would be. And her office makes the party liable as well, for the party is responsible for her. My personal responsibility for her ended when my plan to remove her was sabotaged.

The following is what I require of Mrs. Miller and the party. One or the other of the two alternatives below must be in my hands at the Washington address, above, no later than Monday, January 20, 1986:

(a) Proof of Mrs. Miller's accusation, or
(b) A personal apology from her admitting that she lied and thankfully acknowledging my personal efforts to create and build the party. And if she chooses this latter alternative I want it written by her, not by a ghost writer as an earlier letter had to be written "straightening the record" after one of her tirades.

If I receive neither from her, or a statement which I cannot accept, this is what I require from the party:

The sum of $50,000 as partial payment on the legitimate debt the party owes to LIBERTY LOBBY, Inc. This sum must be wired to our bank account and received no later than Thursday, January 22, 1986. I shall in the meantime send you the data you will need to send this wire as well as a statement of what the party owes to us as of December 31, 1985.

In the meantime, I demand that you instruct your San Diego office to send me an audio copy of the transcript of the subject telephone conference of December 30 which as we know was recorded. Please send it to the above address as soon as possible.

Sincerely,

Willis A. Carto
Treasurer

0004077731

INVOICE

December, 1984

Liberty Lobby, Inc.
300 Independence Ave. S.E.
Washington, D.C. 20003

Populist Party
300 Independence Ave. S.E.
Washington, D.C. 20003

Support Services

	Personnel	Rent	Total
March, 1984	$7,893.74	$234.90	$8,128.64
April, 1984	31,803.13	1,022.93	32,826.06
May, 1984	17,247.71	695.65	17,943.36
June, 1984	8,131.85	276.40	8,408.25
July, 1984	13,201.61	622.51	13,824.12
August, 1984	20,291.79	607.27	20,899.06
Sepetmber, 1984	16,153.04	683.48	16,836.52
October, 1984	21,824.52	1,238.16	23,062.68
November, 1984	15,035.56	671.09	15,706.65
Total-	$151,582.95	$6,052.39	$157,635.34

Inter company

INVOICE

December, 1984

From: Cordite Fidelity Corporation
300 Independence Ave. S.E.
Washington, D.C. 20003

To: Populist Party
300 Independence Ave. S.E.
Washington, D.C. 20003

Support Services

	Personnel	Rent	Total
April, 1984	$101.46	$39.83	$141.29
May, 1984	5,459.50	196.65	5,656.15
June, 1984	2,466.51	69.00	2,535.51
July, 1984	3,862.91	111.60	3,974.51
Aug. 1984	5,226.82	112.50	5,339.32
Sept. 1984	4,876.74	131.25	5,007.99
Oct. 1984	8,477.37	276.90	8,754.27
Nov. 1984	4.125.58	132.60	4,258.18
TOTAL	$34,596.89	$1,070.33	$35,667.22

Computer Expense	874.25
Consultant Fees	952.38
Travel	2.772.89
	40,266.74
Less-Contributions $ 30.00	
Office Expense 183.36	213.36
TOTAL	$40,053.38

INTERCOMPANY

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INVOICE

December, 1984

m: Liberty Lobby, Inc.
300 Independence Ave. S.E.
Washington, D.C. 20003

o: Populist Party
300 Independence Ave. S.E.
Washington, D.C. 20003

Support Service

Merge/Purge		$1,544.72
Mailing List Rentals		12,417.35
Postage		15.00
Office Expense		156.19
Computer Expense		3,580.08
Professional Fees		250.00
Meeting Expense		33.00
Travel		607.95
Telephone		31.52
Printing		61.00
Publications		3.00
		$18,699.81
is-Contributions	$2,205.73	
puter Expense	1,790.04	3,995.77
	TOTAL	$14,704.04

P.O. 4/19/85

Fencompany

INVOICE

December, 1984

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From: Liberty Lobby, Inc.
300 Independence Ave. S.E.
Washington, D.C. 20003

To: Populist Party
300 Independence Ave. S.E.
Washington, D.C. 20003

Support Services

Telephone Expense

April, 1984	$544.43
May, 1984	523.56
June, 1984	664.55
July, 1984	605.86
Aug. 1984	852.82
Sept. 1984	1,479.20
Oct. 1984	877.56
Nov. 1984	832.68
TOTAL	$6,380.66

Inter company

LIBERTY LOBBY PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

March 16, 1985

Mr. Fred Seipold, Chairman
POPULIST PARTY OF THE UNITED STATES
373 West Fort Street
Boise, Idaho 83701

Dear Fred:

This will confirm our telecon of March 12 wherein I advised that the pressure of other activities will preclude my acceptance of a seat on the executive committee at this time. I fully believe that I can be a more effective booster for the party with no official position.

Thursday morning I asked Blayne to send a check for $30,000 out of the "old" party account to our new treasurer, Faye Miller. She will deposit this in her "new" account along with the receipts from registrations, national committee supporting membership fees and state assessments collected in Chicago. Henceforward, she will pay all invoices properly validated according to regular party procedures except for expenses in connection with my fundraising efforts in Washington, which will continue to be paid from the "old" account.

You will recall that at our first executive committee meeting that depository was designated as the debt retirement account and I plan to continue my efforts to raise money for that purpose, as well as for party organizational purposes.

Under the authority of the national committee, I will continue to prepare fundraising appeals, the net profit from which will be divided 75% for debt retirement and 25% for the working account unless the board would wish a different division. This will include responsibility for creation, writing, layout, bidding and mailing. I will select lists and secure credit for the printing. I will advance postage and be responsible for losses, if any. Handling the response (caging) will be done by LIBERTY LOBBY personnel at an at-cost basis, as will acknowledgement and list maintenance. Books will continue to be kept in a professional manner, subject to control of party treasurer. All mailings will have to be approved by you, as the designee of the party, both as to content and timing.

It seems to me that this will prove to be not only the best way to deal with the party debt, and at no cost to the party, but also it should establish a momentum which can be built up and maintained after the debt retirement.

As fee for this LIBERTY LOBBY will bill the party (debt retirement account) $2500 per mailing. This is half what is normally charged by professionals in the field.

At the next committee meeting--presumably next weekend in San Diego--we can specify the exact debt figure at this time. I'm looking forward to seeing you and the other committee members.

Sincerely,

Willis A. Carto
Treasurer

Your Influence Counts . . . USE IT!

0 0 0 4 0 7 9 2 7 3 0

LIBERTY LOBBY PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

Mr. Fred Seipold, Chairman
The Populist Party
2303 N. 44th St.
Suite 14-345
Phoenix, Az. 85008

July 18, 1985

Dear Fred:

Willis asked me to drop you a line and summarize the Populist Party payables to Liberty Lobby and the Spotlight.

Enclosed herewith are copies of the bills for the following:

*	Support Services-Personnel, Rent, Telephone, ect.	$205,448.87
*	Mailing List Rentals	35,013.98
*	Advertising	21,611.91
	TOTAL	$262,074.76

Regards,

Blayne E. Hutzel

Blayne E. Hutzel
Controller

Copy to: Willis A. Carto
William K. Shearer

0004027237

GRAPHIC PRODUCTIONS

PO BOX 914
LAUREL MD 20707

Dear State Committee;

We are the suppliers of promotional materials to the Populist Party (see The Spotlight-Dec 10, 1984, page 14). We have been supplying members with lapel pins, patches, decals, etc. for the last 6 months by advertising and direct mail in order to raise funds at the executive level.

We are now starting a distributor program that will give the opportunity to all participating state committees to raise funds at the state level.

Enclosed you will find our outlined proposal for your consideration. We hope you take the time to consider it carefully. You may contact:

FRANK JANACEK (Michigan state chairman).
PO Box 217
Colewater MI 49036 Ph. (517) 278-2019

As a reference. He will be happy to answer any questions you may have.

Thank you for your time and we wish you success with your state.

FOR AMERICA FIRST,

PETER S. POLKIEWICZ
PRESIDENT G.P.

0004027738

****

GRAPHIC PRODUCTION'S DISTRIBUTOR PROGRAM
Offered to all state committees

Here is your chance to raise extra funds for your state by buying our products at a reduced price to resell to your state members at a profit.

FOR EXAMPLE:
You sell our lapel pins for $5 each, but we charge you only $2 each! Your state makes $3 on every pin. You can see how this could easily be a great source of funds.

WHY ARE WE DOING THIS?
Distributor programs have a unique aspect--they reward it's participants with a part of the proceeds. This creates an unmatched incentive. Resultingly, the more distributors there are, the more money we make for the state and executive levels. We will also be able to charge you less as it expands. Note that your state committee can redistribute to your county and precinct levels!

OUR PRODUCTS AND YOUR PROFITS

ITEM	YOUR COST	YOUR SALES PRICE*	YOUR PROFIT
LAPEL PIN	$2 each	$5 each	$3 each
PATCH	$2	$3	$1
DECAL	.75¢	$1.25	.50¢
RUBBER STAMP	$2	$3	$1
COFFEE MUG	$4	$6.50	$2.50
T-SHIRT	$5.50	$7.50	$2

*the sales price is up to the distributor. These prices are what we have been listing them for.

New products are continually added and automatically included in the program.

HOW TO GET STARTED
You can start by simply filling out the enclosed form. You have the option of either waiting, ordering a sample of each product for examination & test marketing, or making your first distribution order right away. You can also choose not to participate and give the rights of distributorship to a neighboring state committee. PLEASE fill and return the enclosed form even if you do not wish to participate so that we can accurately project our production and financial requirements. Thank you for considering this offer.

****

TRIBUTION METHODS

There are two methods of operating this program. Which one you decide on, depends on which one you think wil work best for your state. They are known as the "CENTRAL DISTRIBUTION" and the "COUNTY RE-DISTRIBUTION" methods.

CENTRAL DISTRIBUTION METHOD

After receiving the products the state committee advertises through it's newsletter or does a "mailing" to it's members. It then, of course fills the orders. It reorders from the national distributor when it needs a new supply.

IMPORTANT FACTORS TO CONSIDER...
Because the state has to advertise and process all the orders, it should consider the additional time and exspense involved. It has the advatage of making all the profit for the state but, on the other hand, it should note that the cost of advertising, postage, packaging, etc, could cut into that profit. It is advised that both methods be tested. The Central method may be the only logical choice in some states where only a few counties have been organized.

* * * * * * * * * * * * * * * * * * *

COUNTY RE-DISTRIBUTION METHOD

This method, essencially, turns the state committee into the "middleman". After the state buys its order from the national distributor (us) it re-sells it to its county distributors. These distributors will by offered the same program you are being offered except that YOU will be the ones that will solicit the program. (We will provide you with the necessary forms automatically if you choose this method.)
Of course, the county distributors will pay more for the products than the state paid so that you can make a profit. After the county receives the the products, it sells them at its meetings, fund-raisers, petition drives. It reorders from the state, which reorders from the national distributor. This method has a few advantages. There is less work for the state since it is spread out. Sales are increased because the members can see what they are buying. The counties make a profit which is vitally important since they are the "back-bone" of the Party.

Later, after the counties are completely organized, they may redistribute the products at the precinct level. This is quite probable in the more densly populated areas of the country.

* * * * * * * * * * * * * * * * * * *

(fill & detach to obtain the necessary forms to operate your distributorship)

(Check one)

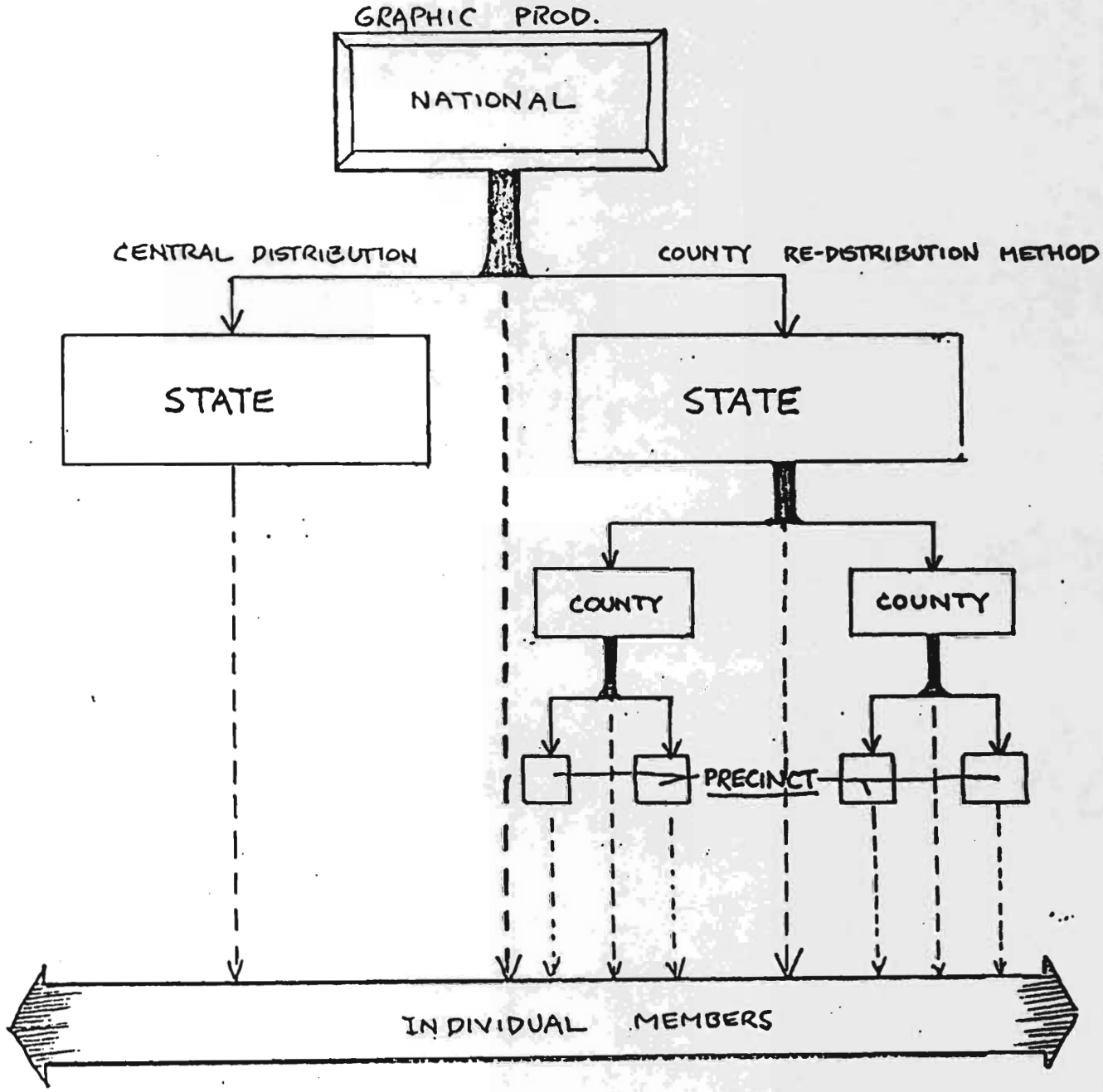
_____ I wish to try the central distribution method. Please send the the necessary forms so that I can advertise the products I have ordered on the attached pink "distributor response form".

_____ I wish to try the county re-distribution method. Please send the necessary forms so that I can offer county distributorships to interested county officials.

0004079240

DISTRIBUTION DIAGRAM

9 0 0 4 0 7 9 2 7 4 1



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DISTRIBUTOR OFFER RESPONSE FORM

DEAR SIRS,

WE HAVE CONSIDERED YOUR OFFER CAREFULLY, AND:

_____We wish to be recognized as the sole distributors for the state of _____. But, we arn't taking any action now. We will contact you when we are ready to make our first order. Thank you.

_____We wish to be the official distributors for our state. But first, send us one of each of the products for examination & test marketing. We have enclosed $25.00. Thank you.

_____We wish to start with the distribution program right away. We have filled in the lower portion of this form with our first order.

_____We are not interested. Please feel free to designate a neighboring state committee as the sole distributor for the state of_____.

****

NAME_____POSITION_____

STREET_____

CITY_____STATE_____ZIP_____

****

DISTRIBUTOR ORDER FORM

PLEASE SEND US:

_____	LAPEL PINS $2 ea.....	$_____
_____	PATCHES $2 ea.....	$_____
_____	DECALS 0.75¢ ea.....	$_____
_____	RUBBER STAMP $2 ea.....	$_____
_____	COFFEE MUG $4 ea.....	$_____
_____	T-SHIRTS $5.50 ea.....	$_____
	TOTAL AMOUNT ENCLOSED	$_____

Make checks payable to "GRAPHIC PRODUCTIONS"

****

00040792744

POPULIST PARTY • 2303 [redacted] 44th St., Suite 14-345 • Phoenix, Ariz. 85008

REPLY MEMO

TO: Fred Seipold, Chairman
Populist Party

FROM:

006222 8
JOYCE CRENNAN
PO BOX 80775
SAN DIEGO CA 92138

Dear Fred,

I agree 100%—Populist Party Members just can't sit by while Establishment Elitists try to run The SPOTLIGHT out of business.

The SPOTLIGHT is just too important a voice for our Populist philosophy. We can't be without it!

So here's how I'm helping The SPOTLIGHT and Populism:

☐ I'm entering my own personal 1 year subscription to The SPOTLIGHT. My check for $15 is enclosed.

☐ I'm entering a SPOTLIGHT gift subscription for a state or local government official. (Each gift is only $15.)

☐ I'm entering a SPOTLIGHT gift subscription for a college or public library. This way, I'll be educating hundreds of people on our Populist philosophy.

The number of SPOTLIGHT gift subscriptions I'm entering is:

☐ 1 library gift subscription at the special library rate of only $15.

☐ 2 library gift subscriptions at the special library rate of only $30.

☐ 3 library gift subscriptions at the special library rate of only $45.

☐ 4 library gift subscriptions at the special library rate of only $60.

☐ 5 library gift subscriptions at the special library rate of only $75.

(Please make all checks payable to The SPOTLIGHT.)

☐ Fred, I want you to select the college and public libraries where my gift subscriptions will do the most good.

☐ Instead, I want my SPOTLIGHT gift subscriptions to go to the libraries I've listed on the other side of this reply memo.

P.S. Fred, I'm returning your personal checks so you can enter 2 SPOTLIGHT subscriptions.

THE POPULIST PARTY OF THE UNITED STATES

:ED R. SEIPOLD, Chairman
)HN COUTURE, Vice-Chairman
)N KIMBALL, Secretary
\YE MILLER, Treasurer
ILLIAM K. SHEARER, Parliamentarian

National Headquarters:
2303 N. 44th St.
Suite 14-345
Phoenix, AZ 85008
(602) 431-0747

Dear Fellow Member of the Populist Party:

One of the best friends our Party has ever had--and probably ever will have--urgently needs our help . . . yours and mine . . . right now.

And to show you just how serious I am about helping this great and loyal friend of our Populist Party, please take a look at the enclosed personal checks I've just written.

These checks for $30 are out of my own personal account.

And my personal checks are not only going to help one of our Party's dearest friends, it's also going to help spread the Populist philosophy which you and I know is the only philosophy that can take America out of the hip pockets of the big bankers and internationalists and put her back into the hands of the people.

As you can see from my checks, the dear friend I'm talking about helping is The SPOTLIGHT--that courageous little national newsweekly that dares report how internationalism results in terrorism like the hijacking of TWA flight 847 . . . how taxpayers like you and me are gouged to bail out big banks and prop up foreign dictators . . . how America's working people are soon going to face economic ruin thanks to runaway cheap-labor foreign labor imports . . . and how America's family farms are literally being driven right out of existence.

And it's precisely because The SPOTLIGHT reports the truth on these and other crucial Populist issues, and because The

SPOTLIGHT loudly and proudly gives its editorial support to our Populist Party, that so-called "conservative Republican leaders" are frantically trying to discredit and silence this courageous little newsweekly.

Let me give you one big, big example of what an absolute tragedy it would be if The SPOTLIGHT weren't around to report the truth on Populist issues.

I'm talking about SPOTLIGHT coverage of the terrorist hijacking of TWA flight 847 and the hideous murder of an innocent young sailor on board that airplane.

Take another look now at the enclosed recent SPOTLIGHT editorial on terrorism.

Here you've got the only newspaper in America with guts enough to stand up and say that it's America's big-bank-oriented internationalist foreign policy that brings about terrorist attacks like the hijacking of TWA flight 847.

As this SPOTLIGHT editorial correctly and courageously says, America has no business at all meddling in the affairs of other nations.

But tell me, in all the media coverage you've read and heard on TWA 847--CBS, NBC, and ABC--has any of it ever explained how America's policy of internationalism inevitably leads to terrorist acts like those?

Of course not! The major media like CBS will never report how American internationalism leads to terrorism because it's not in the financial interest of their owners to do it.

Fact is, all 3 major networks are owned by multi, multi-millionaires who profit from America's internationalism.

But not The SPOTLIGHT . . . The SPOTLIGHT has been the only publication in America to give its readers the straight scoop on why America finds herself victimized by terrorists' attacks.

Not even the so-called "leading conservative publications" like National Review and Human Events have dared blow the whistle on the folly of internationalism.

That's why it would be such a great tragedy if The SPOTLIGHT weren't around.

As Chairman of your Populist Party, I'm determined to help fight the so-called "responsible Republican and conservative leaders" who don't want The SPOTLIGHT to continue publishing.

No, I'm not talking about sending contributions to The SPOTLIGHT.

The SPOTLIGHT is a proud, tough little paper that makes it on subscription sales--not contributions.

So instead of making a contribution to help The SPOTLIGHT, here's what I'm asking you and your fellow Populist Party members to do:

<u>First</u>, if you're not already a SPOTLIGHT subscriber, use the enclosed reply form to sign up right now at their special price for Populist Party members - only $15!

At only $15 for information-packed issues each year, The SPOTLIGHT is the very best news value any Populist Party Member could possibly invest in.

Why, just to read the cover-ups and the baloney dished out by <u>TIME</u> OR <u>NEWSWEEK</u> would cost a lot more than that.

So why not spend a lot less and instead get the truthful, hard-hitting, factual Populist news The SPOTLIGHT prints week in and week out?

<u>Second</u>, enter a gift subscription for a public or college library in your area - also for only $15.

There are approximately 8,800 public libraries and 4,900 college libraries across our great land and less than 1% of them get The SPOTLIGHT!

There are more than 25,300 state legislators, judges and other state officials in the U.S. and fewer than 1% of these get The SPOTLIGHT!

What a tragedy!

0 0 0 4 0 7 9 2 7 1 0

So what I've done--and what I'm counting on you to do, too--is to enter one or more gift subscriptions for a college or public library in your area or a state official ($15 is the special reduced rate The SPOTLIGHT makes available to libraries and state officials).

Can you think of a better, easier, faster or cheaper way to spread our Populist Party philosophy than by placing The SPOTLIGHT in libraries all over America?

Think about that--just for the price of a $15 gift subscription for the library of your choice, you personally will bring our Populist philosophy to dozens--maybe hundreds--of young readers each week.

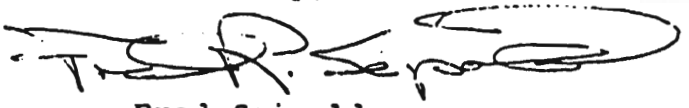
You can use the enclosed reply form to tell me which public or college library you want your gift subscription to go to.

Or if you prefer, we'll pick a library for you--a library in your area where your SPOTLIGHT gift subscription will do the most good.

Whether you're entering your own SPOTLIGHT subscription...or a gift subscription...or even <u>both</u>--please do it today.

As Populist Party members, it's in our own best interest to help boost SPOTLIGHT circulation--and at the same time spread our Populist philosophy.

Sincerely,



Fred Seipold
Chairman, Populist Party

P.S. I debated whether to tell you this or not, but I will be completely truthful. Since The SPOTLIGHT has been backing our party it has lost more than ten thousand subscribers as well as many advertisers! That's right--The SPOTLIGHT's firm commitment to the Populist Party has cost it dearly. The blind Republican loyalists who have failed to renew their subscriptions and canceled advertising will one day wake up to what the Republican administration is doing to them but in the meantime The SPOTLIGHT's having a tough go.

That's why The SPOTLIGHT needs your--and my--support.

FRED R. SEIPOLD
PHONE 431-0747
11844 S. TONOPAH
PHOENIX, ARIZONA 85044

1102

JULY 8, 1985

91-170/1221

Pay to the order of THE SPOTLIGHT $ 15.00

FIFTEEN & NO/100 Dollars

THE ARIZONA BANK / AHWATUKEE OFFICE 5065 ELLIOTT ROAD PHOENIX, ARIZONA 85044

For personal subscription

T. R. Seipold

⑆122101706⑆1102 085⑈713834⑈

FRED R. SEIPOLD
PHONE 431-0747
11844 S. TONOPAH
PHOENIX, ARIZONA 85044

1103

JULY 8, 1985

91-170/1221

Pay to the order of THE SPOTLIGHT $ 15.00

FIFTEEN & NO/100 Dollars

THE ARIZONA BANK / AHWATUKEE OFFICE 5065 ELLIOTT ROAD PHOENIX, ARIZONA 85044

For 1 GIFT SUBSCRIPTION

T. R. Seipold

⑆122101706⑆1103 085⑈713834⑈

LIBERTY LOBBY PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D.C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

Ms. Faye Miller
P.O. Box 377
Dauphin Island, AL. 36528

August 12, 1985

Ref: Fees and expenses for
Don Kimball and Rolland Victor

Dear Ms. Miller:

Don Kimball called me a few days ago asking our office to pay him and Rolland Victor fees and expenses for the month of July, 1985.

All such requests should be directed to your office.

Enclosed herewith is Mr. Victor's expense report for $501.74 which should be paid at your earliest convenience.

Thank you for your cooperation.

Sincerely,

Blayne E. Hutzel

Blayne E. Hutzel
Controller

Copy: Fred Seipold
William K. Shearer

0004079749

LIBERTY LOBBY
300 Independence Avenue, S.E.
Washington, D. C. 20003

from the desk of—

WILLIS A. CARTO

AUG 23 1985

Dear Rollie:

You'll recall that the other day I called you and said that I'd send you a check for your expenses which I jad sent to Faye. I'm sorry to say that I haven't done this because of the low state of the exchequer in Washington, and cannot do so.

I'm sure that Faye will be happy to take care of it.

Best,

0004079275O

AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

We, the undersigned, acknowledge and represent ourselves to be duly authorized officers of that corporation known as Populist Party, Inc., which is licensed to do business within the State of Virginia, and which lists as it's primary place of business 6803 Nesbitt Pl., McLean, Va., _____, and we further declare that we possess the power and authority to bind said corporation by our signatures hereon.

The above-named corporation does hereby agree to hold forever harmless and free from personal liability all those persons named in Appendix A, which is attached hereto and incorporated herein by reference, for any and all debts incurred by said corporation at the request of, on behalf of, or for the benefit of The Populist Party of The United States, any agent thereof, or any person(s) or group representing themselves to be The Populist Party of The United States.

The above-named corporation further agrees to hold forever harmless and free from personal liability all those persons named in Appendix A, which is attached hereto and incorporated herein by reference, for the consequences of any action taken, or service rendered by, said corporation at the request of, on behalf of, or for the benefit of The Populist Party of The United States, any agent thereof, or any person(s)

APPENDIX A

Mr. William W. Baker

Mr. James H. Yarbrough

Mr. Donald L. Kimball

Mr. Emmett Miller

Mr. William K. Shearer

Mr. Willis Carto

Mr. John Couture

Mr. Thomas L. Goodloe

Mrs. Eileen Shearer

Mrs. Maureen Kennedy Salaman

Mr. Fred R. Seipold

Mrs. Faye Miller

Mr. John Rarick

Mr. Rolland Victor

0004079754

The original of this APPENDIX is attached to, and incorporated therein by reference, the original of an AGREEMENT executed by officers of that corporation known as

Populist Party, Inc.,

dated the 12 day of August, 1985.

or group representing themselves to be The Populist Party of The United States.

The above-named corporation agrees that the freedom from liability granted herein shall cover the period of time beginning March 1, 1984, and continuing through March 10, 1985, inclusive, and said freedom shall extend in perpetuity.

The above-named corporation, through it's duly authorized representatives whose signatures appear hereon, recognizes that those persons to whom freedom from liability is granted by this AGREEMENT were, throughout the period of time over which this AGREEMENT holds binding, in no position to preview, assess, support or oppose any of the actions described above. Further, it is acknowledged that this condition prevailed through no fault of the persons herein excused from liability.

IN WITNESS WHEREOF, we have hereunto set our hands this 12 day of August, 1985.

Populist Party, Inc.
corporation

by: Lenora Jackson, title: President

by: Clara Sandeke, title: Secretary-Treasurer

by: Norman Finch, title: Vice President

0004077652

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-7

August 22, 1985

Clara Sandahl, Treasurer
Populist Party
130 Third Street, S.E.
Washington, DC 20003

Identification Number: C00186726

Reference: Mid-Year Report (1/1/85-6/30/85)

Dear Ms. Sandahl:

It has come to the attention of the Federal Election Commission ("the Commission") that you may be in violation of 2 U.S.C. §434(a) for failing to file the above referenced Report of Receipts and Disbursements. You were notified previously of the due date for this report.

It is important that you file this report immediately with the Federal Election Commission, 1325 K Street, NW, Washington, DC 20463 (or with the Clerk of the House or the Secretary of the Senate, as appropriate). A copy of the report or the relevant portions should also be filed with the Secretary of State or equivalent state officer. See 2 U.S.C. §439.

If the report in question was filed, please submit documentation for the public record. Although the Commission may take further legal steps concerning this matter, your prompt response will be taken into consideration.

If you have any questions, please contact Brian Hancock on our toll-free number (800) 424-9530. Our local number is (202) 523-4048.

Sincerely,

John D. Gibson

John D. Gibson
Assistant Staff Director
Reports Analysis Division

00040727 4

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PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

October 4, 1985

Mr. John Couture, Chairman
Populist Party National Committee
13131 W. Janesville Rd.
Hales Corners, Wisc. 53130

Dear John:

Because of extreme pressure on my time I shall not take an active part in executive committee meetings in the future.

To talk over expensive long distance conference call for more than an hour about the few measly dollars remaining out of the hundreds of thousands I have raised and to scheme how they can be taken rather than addressing the real problems and opportunities we face is an exercise I want no part of.

Our problem is essentially very simple: it is to find and utilize leadership. If we are successful, all other things--including money--will come. If we get bogged down in penny ante discussion over a few dollars, the future of the party is nil.

It is not the proper function of a board of directors or the executive committee to pay invoices. This is a task done by office personnel operating under firm guidelines.

It is not even the proper function of the executive committee to discuss fundraising, or the preparation of literature, or political campaigns. These matters should be done by capable personnel who are responsible to the governing body for their acts.

And if we do not have such personnel, it is time to find them. If the executive committee cannot put the horse before the cart everything else done will prove to be wasteful.

It is not very smart to seek to destroy the one thing that has kept the party alive--my bank account in Washington.

At this time we have perhaps the greatest opportunity in American history to build a party. Instead, we are haggling over the few remaining pennies left. We are a political party, not a fourth-rate small business. Without vision the people perish.

This decision has no effect on the support I will continue to give to the party even though it gives evidence of falling prey to the ills which have killed all new party efforts in the past.

Although I will not be available for any committee meetings in the future, I am not resigning. Of course, if you wish it I shall be happy to oblige.

Sincerely,

William Carto

POPULIST POWER

THE INDEPENDENT POPULIST PARTY OF FLORIDA
P.O. BOX 305
TITUSVILLE, FL 32781

SPECIAL DECEMBER-JANUARY NEWSLETTER

NEW POPULIST LITERATURE ! !

Enclosed, you'll find two of our first tracts: *"POPULISTS, Who we are, and What we stand for"*, and *"Homosexuals in Church and State"*. (The author and artists are Populists who have served our cause without pay.)

Gary Borton has done a great job in designing our new State Party logo. It was received with great enthusiasm at our State Mini-convention. The American bison, commonly known as the buffalo, will be readily recognized by all Americans as a symbol of our American heritage that reflects strength, pride, and the spirit of an American grass-roots movement!

Bob Mudge has done some excellent cartooning for our *"Homosexuals in Church and State"* flier, and we're sure that it will be a great tract for sending to your friends, colleagues, and members of clubs or organizations to which you belong. It attracts attention, and can be read quickly.

Our new slogan, "Proud of America, and Making Her Better", will emphasize to people that we love our country, and are only raising a fuss because we care about her. This is important because in the past, many Populists have been seen as anti-American complainers due to frequent criticism of our government. No matter how justified our criticism, we must preface it with an expression of love for our country and our fellow countrymen.

CELEBRATE THE NEW YEAR WITH US FROM YOUR HOME !

The Independent Populist Party of Florida is On the Move, and we want to start out this election year with a BANG! Help us set off some Populist 'New Year Fireworks' by mailing out some of our new literature. If each of you mail out 10 pieces of our new literature in December, over 25,000 Floridians will get word about the Populist movement. If each of you would make a new year's resolution to try doing this throughout the election year, almost half a million Floridians would get word. This would reach one out of ten adults in Florida! (And that's not counting other State party programs which will reach millions more!)

We all know that we won't have many more happy new years, if we don't spread the word. Let's join together and make this a Populist New Year!

A WORD FROM YOUR STATE CHAIRMAN

A Special Thanks

First, I want to thank those of you who have been actively supporting the Independent Populist Party of Florida.

The heart of our party's program must be a healthy cash flow. Let's face it, you can't accomplish much without money. Thanks to your generous contributions:

1) The many senior citizens who love our country, but cannot afford to make regular contributions, can join and receive our "Populist Power" newsletter at no charge. This enables them to keep up with what's happening. Many pray and give as they are able.

2) We can invite all patriotic Americans to freely join us, and learn about the Populist cause. Most new members start pledging once they realize that our organization stands for the right things, and spends its money on the right things! One new member recently sent in a $25 donation after reading our new *"Homosexuals in Church and State"* tract and pledged to send $25 in each month. (Many Populists believe we are producing the finest Populist literature in the country!)

3) Every Florida Populist will receive a few pieces of our new literature each month with their "Populist Power". Word is going to spread like wild fire, if we get our literature to the right people!

Let's Clear up Some of the Confusion

I apologize to those of you who feel that you have been bombarded by requests for money. Please, keep in mind that your Independent Populist Party of Florida is probably the only organization that you receive a free monthly newsletter and free literature from! Everyone's willing to take your money, but who besides us is willing to send you something each month, even if we receive nothing from you in return?

Many of you have been bombarded with requests from the National Populist Party for membership fees and monthly pledges. As a Florida Populist, you may disregard these mailings. They are primarily directed towards people who live

in the many states which do not have organized State Populist Party. A member of the Populist National Executive Committee recently told me that Populists ought to support their State party, and that the State Party ought to support the National organization.

Your state party is already financially supporting our national affiliate, so there is no need for you to feel torn between the two. All donations from Florida Populists should be made to the Florida State Populist Headquarters.

To help clear up some of the past confusion, we have sent you a special 'POPULIST New Year' pledge card. It is to take the place of all previous National or State pledge cards that you have filled out. If you will do us the honor of filling out your 'POPULIST New Year' pledge card as outlined below, we will do everything possible to see that you are not bombarded with any further requests during the coming year. (Note: We are not asking those of you who are on small fixed incomes to pledge.)

Here's What To Do

Fill out the special "Happy Populist New Year" pledge card, and mail it in to State Headquarters with your January donation (You may pay more than one month at a time if you wish. Many people pay three, or even the full 12 months, in one check). When we receive your pledge, we will mail you more of the new literature. Mail it out to some people that you feel are good prospects. (If you wish, you can print your last name in the upper corner of the 'Free Membership Form' on each flier before you mail it. This way, we could let you know in the newsletter which people's mailings the new members had responded to.) If you don't know who to mail your fliers to, enclose them with the monthly bills that you pay.

Each month you will receive some new literature, along with a return envelope for your monthly pledge. We understand that there are months when you may not be able to send in a donation. This is perfectly all right, as your pledge is a committment to help as your are able.

Your pledge is greatly needed, even if you can only afford a few dollars per month. If we all pitch in as we are able, a certian victory will be ours this coming new year!

Many Populist Victories this Coming Year ! !

WHEN A LOT OF PEOPLE GIVE A LITTLE, A LOT GETS DONE !

Here is why all Populists should make a monthly pledge for the coming year, even if it's only a few dollars.

New State-wide Membership Drive

We are supplying every pledging member with new literature each month, so that our members have tracts to mail or pass out. If Florida's Populists co-operate in this, we will get word out to Hundreds of Thousands of Floridians.

New "POPULIST POWER" Radio Broadcast

We have already been offered free studio and staff time to produce a "Populist Power" radio broadcast. Every pledging member will receive a cassette tape of the programs as they are produced, and a schedule of any stations on which they are aired.

New Populist VHS Tapes

We already have the exciting VHS tapes of Congressman George Hansen's TV commercials on IRS abuse. They are avialable for loan to any pledging members. Someone in our area has been working in connection with a local TV station for almost a year to learn the process of producing quality VHS video tapes. The Independent Populist Party of Florida hopes to produce an exciting Populist VHS tape series.

We'll Help You MAIL THOUSANDS of Populist Fliers to People in Your Area

If you, or the Populist chapter in your county wants to make a large mailing, State Headquarters will provide free literature and pay for the postage! The Supervisor of Elections in your county will sell mailing labels of registered voters to your county's Chairperson, Vice-Chairperson, or any City Coordinator. Some counties are buying several hundred mailing labels of registered Independent voters from the Supervisor of Elections, and plan to mail Populist literature to as many as possible. If you would like to personally do this for your county, or if you have a county organization that wants to do this, contact State Headquarters with any questions.

Our State Mini-Convention was a Huge Success !

The almost 100 active Populists who attended from around the state were so excited about our meeting, that several made a point to express their opinion that it was even better than the State Convention in May!

Don Cain, Chairman of Orange County, opened with prayer. Our State Chairman's 6 year old son, Joshua Eickhoff, led the pledge to the flag, and Bill Martin, Chairman of Pinellas County, issued a warm welcome and some stirring opening words.

State Treasurer, Melvyn Bain, gave a brief treasurer's report, and shared the good news that we are operating within our means (No outstanding debts, and money in the bank!)

HAPPY POPULIST NEW YEAR
1986 Pledge Card

(Note: This pledge card will take the place of any previous National or State Populist pledge cards. Please, promptly fill it out and mail it to State Headquarters. This card is good for all year. Thank You!)

for membership

NAME _____ PHONE _____

_____ _____

CITY _____ STATE _____ ZIP CODE _____

COUNTY _____

(PLEASE CHECK BOXES)

☐ MONTHLY PLEDGE OF $ _____ FOR ~~MONTH~~ _____

Your pledge is greatly appreciated and is not a promise to pay. It is only a generous offer to donate a certain amount as you are able.

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAURILYN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

PERSONAL AND CONFIDENTIAL

January 16, 1986

To: All Members of the Executive Committee, Populist Party

From: William K. Shearer, Parliamentarian

Since I dictated the memorandum addressed to you on January 14, 1986, substantial additional evidence has come into my hands which confirms the facts set forth in my earlier memorandum. Therefore, I am sharing this additional information with you on the same basis of confidentiality which is applicable to the contents of my January 14, 1986 memorandum.

1. In my prior memorandum, I questioned the validity of the debt arising from the 1984 campaign which Mr. Carto alleged to be due from the Populist Party to Liberty Lobby and Cordite Fidelity Corporation. At the Executive Committee Meeting in Washington, D.C. on November 24-25, 1984, Mr. Carto claimed that the party debt was the sum of $264,888.80, most of which was supposed to be owed to Liberty Lobby and Cordite Fidelity Corporation.

Twelve days later, on December 7, 1984, Lois Petersen, Mr. Carto's employee, addressed a letter to the Federal Election Commission on Populist Party stationary, which she signed as assistant treasurer, stating the following with regard to the alleged debt:

> "The POPULIST PARTY is heavily in debt to various creditors, among them firms who have supplied labor, professional services, and facilities. This total amounts to more than $100,000. A fundraising campaign is necessary to liquidate these debts.
>
> "The extreme pressures of the post-convention and pre-election period, along with our efforts to gain ballot status across the nation, have made it impossible for us to determine the exact amounts involved in all these catagories. Just as soon as we do, we will submit Schedule D to cover."

Twelve days earlier, at the national Executive Committee meeting, Mr. Carto asserted (without adequate documentation, of course) that the amount of the party's debt was fully ascertained, and in the fixed amount of $264,888.80. Twelve days later, in communicating with the Federal Election Commission, the debt was merely "more than $100,000.00," and "extreme pressures... have made it impossible for us to determine the exact amounts involved...."

A copy of Mrs. Petersen's letter is attached to this memorandum.

Approximately three months later, on March 13, 1985, the Federal Election Commission addressed a letter to Clara Sandahl, treasurer of Mr. Carto's Populist Party corporation, stating:

> "Schedule D of your report discloses Outstanding Balances Beginning this Period to various creditors. In addition, Line 10 of the Summary Page of your 30 Day Post-General Report discloses no Debts or Obligations Owed by the committee. Please amend all previous reports to note the periods in which the debts were incurred, and reflect that amount on Line 10 of the Summary Page. Be advised that an appropriate Schedule D should be filed to note the outstanding debts for each reporting period."

A copy of the F.E.C.'s March 13, 1985 letter is attached to this memorandum. Note that it states that "Line 10 of the Summary Page of your 30 Day Post-General Report discloses no Debts or Obligations owed by the committee."

2. The March 13, 1985 letter from the Federal Election Commission also discusses the loan made from the Washington Populist Party account to Graphics Production, Inc. This loan was, of course, never approved by the national Executive Committee. Schedule B of the corporation's filing with the Federal Election Commission identifies the loan. A copy of the schedule is attached to this memorandum.

3. On June 12, 1985 the Federal Election Commission addressed a letter to Clara Sandahl informing her that:

"On June 11, 1985, the Commission voted to undertake an audit of your committee pursuant to Section 438 (b) of Title 2 of the United States Code. This determination was based on an internal review of reports filed which indicated that your committee has failed to meet threshold requirements for substantial compliance with the Federal Election Campaign Act of 1971, as amended (the `Act')."

0004077760

The letter outlined in detail the records which Ms. Sandahl would be required to produce for the audit. No comparable records have ever been produced for the party's treasurer.

I am, at this time, unaware of any F.E.C. report of the results of it's audit of the corporation's records.

4. With regard to the $1,500.00 owed to the party by The Spotlight for the latter's use of the party's mailing list, Mr. Carto allowed us to believe that The Spotlight is entitled to a $1,000.00 offset for money sent by The Spotlight to Fred Seipold. In my January 14, 1986 memorandum, I pointed out that a review of the financial information submitted to the treasurer by Blayne Hutzel, which I have personally reviewed, reveals that the $1,000.00 was actually paid to Mr. Seipold from funds raised in the name of the Populist Party and deposited in the Washington account, rather than by the Spotlight, and so no offset is appropriate.

Attached to this memorandum you will find a copy of a sheet showing disbursements from the Populist account in Washington for August, 1985. This document was provided to the treasurer by Mr. Carto's office in Washington, and shows that on August 12, 1985, $1,000.00 was wired from the account to Fred Seipold. The bank statement of the Populist Party, Inc. for August, 1985, also attached, shows a $1,000.00 miscellaneous debit on August 12, 1985.

Attached hereto is a letter from Mr. Carto to Mr. Seipold, dated August 12, 1985, which states:

> "We wired you just about the last remaining cookies in the cupboard today. I am holding a lot more bills than cash. Future funds will have to come from Crazy Faye or your Phoenix account when you get it set up."

5. In his letter of August 12, 1985, to Mr. Seipold, Mr. Carto confirms that his mailing for The Spotlight to the Populist Party's membership list was a great success for The Spotlight, he states:

> "New SPOTLIGHT subs are coming in real well,
> thanks to your letter."

PLease recall that the list was being used by Mr. Carto and Mr. Seipold for a Spotlight mailing at a time when the financial condition of the party shoukd have compelled the use of the list to sustain the party's own efforts.

6. Finally, the party's administrative office in San Diego has received a letter from a contributor which inquires as follows:

0004027751

"Is it safer for us to address our corres. and cheques to Liberty Lobby and let them forward them to you? Mr. Piper sounded like I should do so. I've not been sure which way to do it so delayed sending money. Does Liberty Lobby handle the record keeping, etc. for you?" (Emphasis added)

For the protection of the contributor, I am not attaching a copy of the letter to this memorandum. The contributor's remarks, however, lend a strong inference that Populists who inquire of Mr. Carto's office as to where contributions should be sent are being advised to transmit their contributions to Washington, rather than to the party.

I believe the attached information reconfirms the necessity for the recommendations which I made to you in my memorandum of January 14, 1986.

William K. Shearer
Parliamentarian

0040727564

POPULIST PARTY
NATIONAL COMMITTEE

P.O. BOX 76737 WASHINGTON, D.C. 20013
(202) 546-5530

P3:05

December 7, 1984

Mr. Paul Kolesa
Federal Election Commission
1325 K St., N.W.
Washington, D.C. 20463

Dear Mr. Kolesa:

Re: ID C 00186726; report for period ending Oct. 17, 1984

In response to yours of November 21, we are glad to supply the following clarification and explanation:

1. This detail covers the payment to American Express of October 17:

9/7/84	Budget Rent A Car	Travel	$358.74
9/5	Taylor Travel	"	69.00
9/7	"	"	69.00
"	"	"	874.00
"	"	"	925.00
			$2,295.74

2. In all cases in which we used "party fee" on Schedule B, we should have said "POPULIST PARTY fee."

3. The POPULIST PARTY is heavily in debt to various creditors, among them firms who have supplied labor, professional services, and facilities. This total amounts to more than $100,000. A fundraising campaign is necessary to liquidate these debts.

The extreme pressures of the post-convention and pre-election period, along with our efforts to gain ballot status across the nation, have made it impossible for us to determine the exact amounts involved in all these categories. Just as soon as we do, we will submit Schedule D to cover.

We trust that this response will be satisfactory.

Sincerely,

Lois Petersen
Assistant Treasurer

brd

41

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Clara Sandahl, Treasurer
Populist Party
130 Third Street, SE
Washington, DC 20003

MAR 13 1985

Identification Number: C00186726

Reference: Year End Report (11/27/84-12/31/84)

Dear Ms. Sandahl:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule B of your report to clarify the following descriptions: Populist Party fee and travel to Operation Outreach. For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR 104.3(b)(3).

-Your report discloses a loan on Schedule B for Line 25 made to Graphics Production, Inc. Please be advised that although repayment of the loan would not be considered a contribution, the funds must be from sources permissible under the Act. 11 CFR 100.7(a)(1)(i)(E). In addition, Line 9 of your Summary Page shows no Debts or Obligations Owed to the Committee. Please amend your report to clarify this discrepancy.

-Schedule D of your report discloses Outstanding Balances Beginning this Period to various creditors. In addition, Line 10 of the Summary Page of your 30 Day Post-General Report discloses no Debts or Obligations Owed by the Committee. Please amend all previous reports to note the periods in which the debts were incurred, and reflect that amount on Line 10 of the Summary Page. Be advised that an appropriate Schedule D should be filed to note the outstanding debts for each reporting period.

An amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission

within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 523-4048.

Sincerely,

Paul Kolesa

Paul Kolesa
Reports Analyst
Reports Analysis Division

9004079413

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 of 1 for LINE NUMBER 25
(Use separate schedule(s) for each category of the Detailed Summary Page)

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)

POPULIST PARTY

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Graphics Prod. Box 914 Laurel, Md. 20707	Loan - due 3/14/85 10% int. Disbursement for: ☐ Primary ☐ General ☐ Other (specify): INC. 10/17/84	12/14/84	600.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement 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 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 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 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 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 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 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 Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			$600.00

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

A85-25

June 12, 1985

Ms. Clara Sandahl, Treasurer
Populist Party
130 Third Street, SE
Washington, D.C. 20003

Dear Ms. Sandahl:

On June 11, 1985, the Commission voted to undertake an audit of your committee pursuant to Section 438(b) of Title 2 of the United States Code. This determination was based on an internal review of reports filed which indicated that your committee has failed to meet threshold requirements for substantial compliance with the Federal Election Campaign Act of 1971, as amended (the "Act").

The audit will include a review of the committee disclosure reports for completeness and mathematical accuracy; reconciliation of bank accounts to reports filed; a test of individual receipt and disbursement transactions for compliance with limitation and reporting requirements; a review of committee debts and obligations and other audit procedures as deemed necessary.

The Commission would like to commence the audit on July 8, 1985. A member of the Commission's Audit staff will contact you by telephone to arrange a mutually agreeable date to begin the audit and to establish a convenient location for the audit. If your committee should be unable to provide convenient work space for the audit, the staff person will arrange for adequate work space at Commission expense. All financial records of your committee from March 15, 1984, through December 31, 1984, including bank statements together with deposit slips and cancelled checks, contribution records, invoices or receipted bills, journals and/or ledgers maintained by the committee, as well as the committee's by-laws and/or charter and minutes of meetings, if any, and the committee's solicitation material, brochures and other publications should be available for inspection when the audit begins. Certain records and other documents, although dated outside the audit period, may be requested if they relate to activity during the audit period.

2004077761

We look forward to working with you and are hopeful that you will find the audit both helpful and informative. If you have any questions concerning any of the matters discussed above, please do not hesitate to contact Mr. Joe Stoltz at (202) 523-4155.

Sincerely,

Robert J. Costa
Assistant Staff Director
for the Audit Division

CERTIFIED MAIL:
RETURN RECEIPT REQUESTED

00040727568

Regular
Checks
Air Age
August 31, 1965

(1020)

	Initials	Date
Prepared By		
Approved By		

	PAYEE	CHECK NO	CHECK DATE	AMOUNT	ACCT. NO.	DISTRIBUTION DR.	DISTRIBUTION CR.
1	Trimmer	1044	8-12-65	11-	5538		11-
2	Ja. Pells	1050	8-12-65	169 44	5504		169 44
3	System Publications Inc.	1052	8-12-65	20 28 -	5827		20 28 -
4	Capitol Hill Assn	1053	8-12-65	1 98 -	7417		1 98 -
5	Sisk Mailing Service, Inc	1054	8-12-65	753 75	5868		753 75
6	Executive Systems Inc.	1055	8-12-65	292 90	5508		292 90
7	Park Lane Paper, Inc	1056	8-12-65	7 14 -	5821		7 14 -
8	Printers II Inc.	1057	8-12-65	200 864	5827		200 864
9	Direct Mail Lithographers	1058	8-12-65	66 850	5827		66 850
10	Wire Fred Sigrest	Wire	8-12-65	1000 -	7278		1000 -
11	State Corp. Commission 2/19/66	1937	8-30-65	< 5 - >	6977	5 -	
12	Clerk of the Court of Arlington 2/19/66	1939	8-30-65	< 5 - >	6977	5 -	
13	Pacific Bell 2/26/66	1946	8-30-65	< 178 65 >	7318	178 65	
14	TOTAL			10 289 58			
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8242 :: COL Rite-Form

THE NATIONAL CAPITAL BANK
OF WASHINGTON
WASHINGTON, D.C.

PLEASE EXAMINE. IN CASE OF ERRORS OR INQUIRIES CALL 546-8000

THE POPULIST PARTY, INC.
P.O. BOX 76737
WASHINGTON, D. C. 20013

CUSTOMER NUMBER	PAGE NUMBER
10-048747-00	1
STATEMENT PERIOD FROM 7-31-85	TO 8-30-85

ACCOUNT NUMBER	BALANCE FORWARD	TOTAL CREDITS NUMBER	TOTAL CREDITS AMOUNT	TOTAL DEBITS NUMBER	TOTAL DEBITS AMOUNT	SERVICE FEE	CLOSING BALANCE
01 CHECKING	5,450.90	8	9,465.92	10	10,474.23	.00	4,442.59

01 CHECKING

AVERAGE BALANCE 5,623.28 AVERAGE COLLECTED BALANCE 6,147.21

DATE	DESCRIPTION	AMOUNT	DAILY BALANCE
8-01	DEPOSIT	304.00	5,754.90
8-06	MISCELLANEOUS CREDIT	569.28	6,324.18
8-09	DEPOSIT	471.00	6,795.18
8-12	DEPOSIT	7,187.64	13,982.82
8-12	MISCELLANEOUS DEBIT	1,000.00	12,982.82
8-13	DEPOSIT	181.00	13,163.82
8-14	1054	753.75	12,410.07
8-14	1052	2,028.00	10,382.07
8-15	1049	11.64	10,371.07
8-15	1057	2,008.64	8,362.43
8-16	DEPOSIT	60.00	8,422.43
8-20	1055	2,922.90	5,499.53
8-22	1053	198.00	5,301.53
8-22	1058	668.50	4,633.03
8-23	DEPOSIT	359.00	4,992.03
8-23	1050	169.44	4,822.59
8-26	1056	714.00	4,108.59
8-30	DEPOSIT	334.00	4,442.59

LIBERTY LOBBY 300 Independence Avenue, S.E. Washington, D. C. 20003

from the desk of—

WILLIS A. CARTO

AUG 1 2 1985

FRED: Mike told me that people have called him saying that they have called your number and reached another party. You will recall that recently many calls were not getting through at all. I wonder if now the phone company is ringing a wrong number when yours is dialed?

We wired you just about the last remaining cookies in the cupboard today. I am holding a lot more bills than cash. Future funds will have to come from Crazy Faye or your Phoenix account, when you get it set up.

New SPOTLIGHT subs are coming in real well, thanks to your letter. The girls almost deposited hundreds of your checks which are flooding in. If any sneak through, tell me and I'll reimburse you! (It's a great reproduction by the printer.)

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

January 27, 1986

Mr. Willis A. Carto
300 Independence Ave. S.E.
Washington, D.C. 20003

Dear Willis:

This will acknowledge receipt of your Western Union Mailgram, addressed to me, and dated January 21, 1986.

I have had an opportunity to rethink my position many times since November, 1984, and I have repeatedly attempted to resolve the party's financial problems amicably and without confrontation. All of these efforts have been ignored or circumvented, culminating in your demand that the party turn virtually all of its present funds - which you did not assist in raising - over to entities controlled by you. I do not believe that any course other than the one the Executive Committee has adopted, and which I recommended, would be consistent with our fiduciary duty to the party, and its contributors, a duty which you share as an Executive Committee member.

The record will not reflect that your corporation has functioned as the Virginia state party. On the contrary, the funds solicited by mail by your corporation were solicited in the name of the national Populist Party, and when the contributors made their donations, they believed, based on your representations, that they were contributing to the national party, not the Virginia state party.

Your assertions and implied threats addressed to me and to my wife are rejected in entirety. We have done nothing illegal or otherwise which would subject us to fines, and even if I had a personal interest in protecting what you have done in dealing with the party's funds, which I do not, that interest would not override my fiduciary duty to the party as an officer and Executive Committee member of the National Committee.

Since, to date, I have carefully limited circulation of my reports on the party's finances only to the members of the Executive Committee, I fail to see how any act of mine could generate "massive confusion for supporters", "loss of support" for the party, or "expensive Federal investigations and suits." If these problems result, they will be a consequence of actions taken by you, such as your current open discouragement of contributions to the party, or a more widespread dissemination by you, or others than myself, of my reports, and/or the subjects discussed therein.

On January 18, 1986, the Executive Committee of the national Populist Party met and considered the recommendations made in my January 14, 1986 report. The Executive Committee unanimously adopted most of these recommendations. I believe that a copy of the minutes has already been transmitted to you, but I am enclosing an additional copy in case you have not yet received this information. The actions set forth in the January 18 minutes clearly express the position of the Executive Committee, a position in which I completely concur.

The Executive Committee does not desire to pursue punitive action against you or any of your entities, but we intend to defend the financial integrity of the institution we were elected to serve, and we do not believe that the Populist Party is indebted to any of the entities you control. You have told me, and others, on a number of occasions since the November, 1984 Executive Committee meeting, that you were prepared, if necessary, to forget the claim your entities have asserted against the Populist Party. I would suggest that, to the extent you believe any indebtedness exists from the party to these entities, you formally abandon these claims.

The other actions required of you and your entities, per the motions approved by the Executive Committee, are quite reasonable. They reflect the Executive Committee members' recognition of their obligation under the law to raise, control expenditure of, and account for the use of the party's funds.

As an individual member of the Committee, I am willing to meet and discuss with you mutually agreeable procedures through which the actions mandated by the Executive Committee can be implemented. We are all interested in maintaining harmonious relationships wherever this can be accomplished without breach of our fiduciary duty to the party. I do not know to whom you are referring by the reference in your Mailgram to "neutral parties," but I doubt that the involvement of outside parties in the dispute would serve any useful purpose. No recommendation by any party, "neutral" or otherwise, would be acceptable if it proposed that the Executive Committee ignore or breach its legal or fiduciary duties.

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With this qualification, I know no reason why reasonable men cannot amicably resolve whatever disputes exist. I would, of course, expect you to discontinue your public discouragement of contributions to the lawfully constituted National Committee of the party.

Sincerely yours,

William K. Shearer

Copy: Only to all members,
Executive Committee,
Populist Party

0004079277 4

POPULIST PARTY - NATIONAL EXECUTIVE COMMITTEE

The following are the minutes of the Executive Committee Meeting which took place by telephone conference on January 18, 1986 at 8:00 AM Pacific time.

On line for the call were executive committee members John Couture, Don Kimball, Faye Miller, William Shearer, Jerry Pope, Rolland Victor, Richard Weimer, and National Administrator, Nancy Shearer.

Mr. Kimball asked for unanimous consent to change his vote at the previous meeting on adding Mr. Weimer to the executive committee from "no" to "yes".

Mr. Shearer objected to going back in the records and changing votes, but said Mr. Kimball's statement should be added to the record of this meeting.

Mrs. Miller moved:

That a demand be made upon the corporation officers of the Populist Party, Inc., a Virginia corporation, to do the following:

(1) The corporation chartered in the state of Virginia and known as Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia; or, in lieu of the charter being returned that the corporation change it's name, purpose and intent so as differentiate it from the Populist Party of the United States, and make this differentiation clear to the public.

(2) That all bank accounts in the name of the Populist Party, Inc. be closed; and

(3) That any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc. immediately cease; along with any other reference to Populist Party which might confuse the corporation with the Populist Party of the United States.

Mr. Victor seconded the motion and it passed unanimously.

Mrs Miller moved that:

Based upon the information available to the executive committee at this time, the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. These entities are to abandon any and all claims of indebtedness to them by the Populist Party of the United States, and furnish the Populist Party of the United States duly executed documents, signed by the officers and/or owners of such corporations, partnerships or proprietorships stating that the

0004079273

Populist Party of the United States is not indebted to them, or 2nd or 3rd party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. Should the above mentioned statements of absolution from each of these entities not be obtained from the officers/owners of same by February 10, 1986, it shall be the duty of these officers/owners to submit all financial records pertaining to any alleged activities at any time in the name of the Populist Party to complete and detailed audit by the Populist Party of the United States or its representative.

The motion was seconded by Mr. Shearer and passed unanimously.

Mr. Shearer moved that the executive committee support Mrs. Miller in her position that she is not responsible for filing any reports with the Federal Election Commission or any corporate forms in the name of the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp. or The Spotlight.

Mr. Victor seconded the motion and it passed unanimously.

Mrs. Miller moved:

That any and all solicitation of funds, sales of merchandise, or use of logo by any entity without express approval of the Executive Committee of the Populist Party of the United States cease immediately and that Graphic Productions be required to account for its unauthorized promotional activities, secure authorization from the Executive Committee, share revenues with the committee, and regularly account for the income from its sales of party materials.

Mr. Shearer seconded the motion and it passed unanimously.

Mr. Pope moved that any state party that tells its people not to contribute to the national be removed, and new officers installed with implementation of the motion to be handled by the chairman.

Mr. Shearer seconded the motion and it passed unanimously.

Mr. Shearer moved that the treasurer make a demand for the $1,500.00 owed to the Populist Party by the Spotlight for use of the mailing list, all money collected by the Populist Party, Inc. since September 29, 1985, and any balance presently in the Populist Party, Inc. account.

The motion was seconded by Mr. Weimer and passed unanimously.

Mr. Shearer moved that the party take all steps necessary to see that the Populist Party mailing list is not used by any one but the Populist Party without consent of the executive committee.

Mrs. Miller seconded the motion and it passed unanimously.

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Mr. Shearer moved that $2,500.00 be alloted for the printing of new literature.

Mr. Pope seconded the motion and it passed unanimously.

Mr. Shearer moved that Mr. Couture be allowed reimbursement for actual expenses incurred for travel while doing Populist Party work, and that Miss Shearer be allowed reimbursement for actual expenses incurred on trips to Oregon and Colorado to organize state parties there, under the supervision of the chairman.

Mr. Kimball seconded the motion and it passed unanimously.

Mr. Kimball moved that Mr. Victor be allotted $500.00 for travel on Populist Party business, to be accounted for to Mrs. Miller.

Mr. Pope seconded the motion and it passed unanimously.

The possible employment of Howard Carson was discussed, but no motion was offered and the matter was dropped.

The meeting was adjourned with the option of another meeting left to call of the chairman if needed before the National Committee meeting on March 1st and 2nd in Los Angeles, California.

Respectfully submitted,

Nancy Shearer

Nancy Shearer, National Administrator

0004077777

LIBERTY LOBBY
300 INDEPENDENCE AVE S[redacted]
WASHINGTON DC 20003 21[redacted]

Western Union Mailgram

4-038960S021 01/21/86 ICS IPMMTZZ CSP SDGB
2025465611 MGMB TDMT WASHINGTON DC 154 01-21 0558P EST

WILLIAM K SHEARER
8158 PALM ST
LEMON GROVE CA 92045

PLEASE RETHINK YOUR POSITION VERY CAREFULLY OR YOU WILL OPEN A REAL CAN OF WORMS. AS I HAVE TOLD YOU, THE VIRGINIA CORPORATION IS AND ALWAYS HAS BEEN THE VIRGINIA STATE PARTY. IF YOUR THESIS IS CORRECT THE CONTRIBUTIONS MADE TO THE NATIONAL COMMITTEE BY D.C. HAVE BEEN ILLEGAL AND MUST BE REPAID, INCLUDING AT LEAST $15,715.72 DISPURSED TO YOU AND EILEEN. THE TOTAL OF ILLEGAL CONTRIBUTIONS WOULD BE FAR MORE THAN THE EXISTING DEBTS. YOUR THESIS MAKES YOU LIABLE FOR FINES. IT WILL RESULT NOT ONLY IN MASSIVE CONFUSION FOR SUPPORTERS AND LOSS OF SUPPORT BUT EXPENSIVE FEDERAL INVESTIGATIONS AND SUITS, ALL IN ALL A TREMENDOUS SETBACK FOR THE PARTY. I SUGGEST WE WORK OUT A REASONABLE SETTLEMENT BEFORE TOO LATE. I AM SURE YOU ARE NOT TRYING TO DESTROY THE PARTY. I AM PERFECTLY WILLING TO LET NEUTRAL PARTIES DECIDE.
WILLIS CARTO

17:59 EST

MGMCOMP

P0040077778

TO REPLY BY MAILGRAM MESSAGE, SEE REVERSE SIDE FOR WESTERN UNION'S TOLL - FREE PHONE NUMBERS

LIBERTY LOBBY

300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202 LIBERTY 6-5611

February 27, 1986

William K. Shearer
8158 Palm Street
Lemon Grove, CA 92045

Dear Bill:

I am in receipt of your open letters to the executive committee of January 14 and 16 and to me of January 27 in reply to my wire to you of January 21. It is with genuine regret that I am forced to write this letter, not only because of the totally unnecessary waste of time but because it means essentially that I have to play your game, the only result of which must be to add to the mistrust, disorganization and paralysis of the national office of the Populist Party.

From the time that Bob Weems and I set the party in motion back in February of 1984 I have received warnings too numerous to cite that involving you in the party would inevitably lead to the state of affairs now evident.

Despite these warnings I moved forward believing that this time--my second attempt to work with you over the years--we would establish a relationship of candor and trust in pursuit of what I believed was a goal you shared with me: to build a viable and powerful third party.

This conviction was emphasized by the fact that you and I have never had the slightest disagreement over political philosophy and the party platform Bob and I drew up two years ago. Nor have we had any conceptual difference to amount to anything over strategy. Indeed, numerous times when there appeared to be a difference between us I always capitulated to you in the interests of unity. In fact, I told a number of people in confidence that it was my intention to play "second fiddle" to you whenever necessary, to give the responsible and stable leadership populists have a right to expect. I feel I have walked the extra mile with you to try to avoid this dispute. It is entirely your actions, not mine, which have resulted in the present impasse.

You have created a confused and complex situation which is impossible to understand without patiently going through developments from the beginning and this, is the purpose of this letter, copies of which I shall send to interested parties. I have no other choice than to publicly lay out the following; otherwise those sincerely interested in the party will have insufficient and false information from you as a basis for action at the upcoming national committee meeting.

(Incidentally, your marking your two letters of January 14 and 16 as "PERSONAL AND CONFIDENTIAL" was a hypocritical attempt to piously avert your eyes from the problems which you yourself created. You knew very well that some of the people you sent these letters to are temperamentally incapable of keeping a confidence and that within hours after receipt of these letters these gossips would see to it that their contents would be public knowledge).

The beginning of the Populist Party (of course, I do not refer to the original party of the 19th century) was October 25, 1982 when the constitution was signed by me, Clara Sandahl and Lois Petersen in Washington, D.C. For some before that it had been my hope to organize a new party and by establishing the name we would have a claim on it should certain promoters, such as Richard Viguerie, try to start a Populist Party merely for the purpose of fundraising.

In February of 1984 it appeared to me that if prompt and decisive action was taken a new party could use the balance of the year organizing and might, if we were able to get a decent candidate, get a significant vote in the presidential election only nine months away.

Further, I was confident that many thousands of Spotlight subscribers would enthusiastically welcome the call for a new party founded on the best of American principle (as indeed they did, supplying virtually all of the membership and money) although I did not realize that so many others--Republican loyalists--would reject the new party and, in fact, cancel or fail to renew their subscriptions to The Spotlight.

But our loss of subscribers is not the point because I did not found the party for business reasons. I felt that by getting started in early 1984--as late as it was for the upcoming presidential election--we would be in a position to field congressional candidates in 1986 and then, in 1988, could make a significant attempt to elect a president. Nothing is more sad to me than to see that the inaction of the executive committee over the past 14 months--mostly due to your obstruction of every positive plan set forth--has laid these plans to rest.

Of course, we have had other setbacks. The selection of Bob Richards as our candidate in 1984 was a serious blunder, and there is no one to blame for that but me. I also selected Bill Baker, another blunder. These two mistakes were my fault completely and I offer no excuses. But they were the only ones I made, and both were recoverable, not mortal. The blame for the present paralysis, which can only result in the total eclipsing of the party unless it is promptly healed, is certainly not mine; it is yours and yours alone.

To get back to the beginning, in February of 1984 I asked Bob Weems to help get the party under way and to serve as chairman until we could give legal and permanent form to the party. He--one of the most dedicated and honest men I know--came to Washington and cooperated in every way. In a few days we together worked out the platform for "The Populist Party of the United States" which I believe to be the finest statement of political principle of our day.

On February 24 we opened post office box 76737 and on March 5 we established the bank account. Note that all this was done by LIBERTY LOBBY and Spotlight personnel. Neither this nor anything else which followed would have been possible without the full backing--including financial--of these entities.

On March 6, Bob made an emergency trip to Richmond to formally lay legal claim to the name by incorporating. The purpose of this--as you know very well from previous discussions--was to shortstop Viguerie who newspaper accounts at the time hinted was thinking about setting up a "Populist Party" as a fundraising gimmick. As you also know, this incorporation was never activated, either by

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myself or even by the Virginia state chairman, Steve Giles. I have always considered it to be "on the shelf"--property of the executive committee to give to whoever formed a viable state party. In fact, it died after the state notified John Tiffany--the registered agent for the state--that no annual report had been filed.

The legal and official existence of the structured party began the instant Fleming Lee, at the party's first national convention in Nashville, on August 18, 1984, read the bylaws, took a vote and proclaimed their adoption. Later that day the national committee elected the first executive committee: Bill Baker as chairman, Jim Yarbrough as vice chairman, Don Kimball as secretary, Emmett Miller as treasurer, you as parliamentarian and John Couture, Tom Goodloe and Fred Seipold as members. Maureen Salaman and I were asked to serve and Eileen also as ex-officio.

The first meeting was held in Washington on November 24, 1984, immediately after the election. At that time the committee audited the party's books and arrangements were made to send all business records to Emmett Miller. After thorough discussion, the committee voted to accept the debt then existing of $264,888.80. I attach a copy of Emmett's audit written in his own hand.

I recall vividly the lecture you gave in which you emphasized your personal integrity and concern for clear and accurate business records in every respect. You said that you did not realize how much the debt was but that you were satisfied that it was all accounted for but from thenceforth you demanded total control.

This was to become a constant theme of yours: how important it was for the executive committee to review each and every detail of business and approve literally every dime spent. Until very recently I interpreted this as resulting from your pettifogging instincts as a lawyer and an inexplicable blindness of being unable to see the forest for the trees.

Obviously, attempting to run a successful political campaign pay-as-you-go is totally unrealistic and can be productive of nothing but infinite impotence. As I have told you and the executive committee many times, the important thing is to think about growth, organization, membership, planning ahead and raising funds. If we do this, all debts can easily be repaid.

Your novel theory that there have been two parties ever since you secretly--and without approval of the executive committee--registered something called "The Populist Party of the United States" with the FEC on August 5, 1985 is hard to understand, coming from a man who has for so long and very loudly declaimed to anyone and everyone his praise for his own honesty, integrity, responsibility and strict "old fashioned morality."

Frankly, Bill, this sneaky act not only makes you look like a deadbeat (and I am sure you are not) but it would be clearly illegal according to federal election laws even if the national committee or the executive committee had approved it, which they did not. Hence, your unauthorized registration is invalid because it was done on your own and has no effect whatsoever because the party has been fully and properly registered with the FEC since early 1984.

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This is very odd. I know of no one more a stickler for legalistic detail and due process than you. You have defeated many suggestions for positive action I and others made on the executive committee because of minor, technical details. Indeed, this is your typical modus operandi. But you took the huge step--or rather told Faye Miller to do so--of re-registering the party with the FEC without any authority to do so, creating a very serious problem which can only result in federal interference in our internal affairs, the loss of much time and probably thousands of dollars in legal fees.

On January 21 I sent you the following wire in response to your two open (so-called "confidential") letters of January 14 and 16:

> Please rethink your position very carefully or you will open a real can of worms. As I have told you, the Virginia corporation is and always has been the Virginia state party. If your thesis is correct the contributions made to the national committee by D.C. have been illegal and must be repaid, including at least $15,715.72 disbursed to you and Eileen. The total of illegal contributions would be far more than the existing debts. Your thesis makes you liable for fines. It will result not only in massive confusion for supporters and loss of support but expensive federal investigations and suits, all in all a tremendous setback for the party. I suggest we work out a reasonable settlement before too late. I am sure you are not trying to destroy the party. I am perfectly willing to let neutral parties decide.

After thinking this over for five days you replied on January 27 in a far more conciliatory vein, but rejecting my proposal for arbitration by neutral persons, the only method that can be used to settle this outside of litigation. I can understand that as a prosperous lawyer you feel at home in the courts but other people have reason to intensely dislike the delay, expense and waste of litigation, especially when it is totally unnecessary.

Bill, the more I think of your truly indefensible actions the more I suspect that you have been innocently misled. You state that party records have not been sent to Faye Miller. Perhaps you are unaware of the volume of material Blayne Hutzel has sent to your treasurer, each one via certified or registered mail, and we have the return receipts to prove it. She has been supplied with literally everything yet we have yet to receive the courtesy of even an acknowledgement. For example, time after time we have been forced to pay party bills rather than see our credit with printers and other suppliers go down the drain and we have asked her to return the invoice so that we could cancel it: she has never done so. To give a complete recap of all of the papers we have sent her, including copies of our filings with the FEC and even, on one occasion, a form she only had to sign and post to the FEC in the envelope we provided, would take too much time and this letter is already too long.

I could take many pages citing inaccuracies and outright misstatements in your letters. For example, you state: "The fact that the Populist Party, Inc. is a separate entity from the Populist Party, the unincorporated association, is confirmed by a letter from the FEC dated August 22, 1985, to Clara Sandahl, treasurer of the Populist Party, Inc." Your statement is untrue. The letter is addressed not as you state but to, "Treasurer of the Populist Party."

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Contrary to your numerous misstatements, there is and has been only one Populist Party. I am sure that the membership of the party will agree with me. Your attempt to change the record can result only in grave harm to the party.

I have neither the time nor the interest to seek to dominate the Populist Party. On the contrary, my aim from the start has been to create strong state and national leadership. I want the party to become a viable political entity, not a debating club or a forum through which one individual can exert his own authority as though he were a two-bit Chicago machine politician.

I could abandon the party and allow it to self-destruct under its present leadership. However, I do not wish to do that. I shall not sit by and allow the many thousands of members of LIBERTY LOBBY's board of policy and readers of The Spotlight who have spent much of their own time, energy and financial resources helping build the party at both the state and national level to be abandoned. I feel a personal responsibility to these many people who have supported LIBERTY LOBBY and The Spotlight (some for as long as thirty years) and I do not intend to permit them to be exploited by any organization or group of individuals.

The Populist Party, by its very nature, is, and should be, a grassroots movement. There is no way it can ever succeed if its executive committee refuses to work toward developing the party at the state level, and this is exactly what is happening. This is an impression shared by many party members who have, in calls and letters to me personally and to LIBERTY LOBBY and The Spotlight, expressed their dissatisfaction with the failure of the executive committee and its national administrative office to expedite efforts to build the party.

Inexplicably, Bill, you have denounced state party leaders who have waged successful fund-raising and organizational efforts. I refer specifically to your amazing proposal that Baron Eickhoff, the young and energetic state chairman of the Florida party, be removed from his position.

In your letter of January 14 you charge that Eickhoff "actively attempts to persuade party members not to support the national party." You charge in your letter that "With control of the party and its funding no longer in Mr. Carto's hands, we find his associates actively attempting to divert funds away from the national Populist Party."

First of all, to suggest that he is one of my "associates" more so than any other party leader is stretching a point. Secondly, and more importantly, I find it hard to understand why you object to Eickhoff's efforts to raise funds at the state level where the funds are needed most. There can be no successful national party if there are no strong, well-funded and effective state parties.

I would think that many state party organizations would be more than happy to be able to set in place in their states the kind of successful fundraising drive that Eickhoff has waged in Florida. It is my hope that many more state party organizations will do as well as Eickhoff has done, not just in raising funds, but in producing party literature, winning publicity for the state party's efforts, and in building party unity within party ranks, all of which Eickhoff has done successfully.

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At this time, I'm sorry to say, contributions to the national Populist Party by good-hearted patriots seem to be going down a rathole. I find it hard to cite any party-building activities on the part of the national administrative office of the executive committee during the past six months. I contrast this with Baron Eickhoff's efforts in Florida and with those of other party leaders in the various states. All of this has been done without the help of the executive committee, and apparently against its wishes.

There is no other word but sabotage to describe the shameful rejection of a national organizer by vote of the executive committee on December 30, 1985. This is so important I shall lay down the incredible succession of events here.

It was in October or November when I was contacted by a young and successful businessman who wished to work for the party full time. Having first met this man at the Nashville convention, and being even then impressed by his undoubted abilities, although his political experience was limited, I was extremely pleased. In discussing the matter with him--including a special trip I made to meet him in a distant town--I became even more convinced that he could be just what was needed to get the party back in motion after you fired Fred Seipold.

This man agreed to take the position of national director working under the executive committee and would spend his full time traveling around the country working with state organizations, finding candidates and raising funds. He would be paid only if he could raise the money. The most we could have lost would be a mere $6,000 for a six-month trial period and we could fire him in 30 days or 60 days if we wanted to.

This seemed to me like an answer to a prayer. I asked him for some resumes to send to you and John Couture and I checked him out myself. He seemed almost perfect for the job.

I then persuaded him to fly at his own expense to Los Angeles from the east coast to meet you and John during the meeting you had November 8 and 9, 1985 at the Viscount Hotel. He did so and we all had a full and complete opportunity to evaluate him personally. At that time you and John led us to expect that the matter would be brought to a vote by the executive committee immediately. At no time did you express any objections about him, although it was evident to me that you were definitely not enthusiastic about the thought of someone whom you did not totally control having any authority.

As you know, absolutely nothing happened until I finally forced a vote on December 30 during the telephone conference then. Both you and John offered amendments to my motion which I accepted. I made it clear that I would accept any amendments just to get him started. Finally, unable to think of anything better, you gave the transparently insincere excuse that you had to have a copy of the motion before you so that you could study it before you could vote favorably and you accused me of acting hastily. You, John, Miller and Rolland Victor voted against it; Maureen, Don Kimball, Jerry Pope and I voted for it. A tie so the motion was rejected.

It was patently obvious that your and John's opposition was personally motivated and was contrary to the interests of the party. Neither of you want anyone else to have any authority even if means the continued immobility of the party. Apparently, you do not want any young, new blood in a leadership position, unless it's Nancy Shearer.

You will recall that after I left the line in disgust on December 30 Faye Miller accused me behind my back of stealing money from the party. If she were not the party treasurer (thanks entirely to you, who have sought to keep her in this position for which she is not qualified) no one would listen to her. (Incidentally, her failure to apologize is still an open issue which I shall not drop, nor do I appreciate your part in encouraging her slander, which you know is totally unjustified).

Another matter which you have addressed in a manner which indicates that you are clearly suggesting impropriety in the handling of party funds deals with the question of disbursement of funds to various individuals whom you say "are not now nor have they ever been on the Populist Party payroll, and whose travel was unauthorized by the executive committee."

You cite, among others, Velma Blekeberg who received $132.90. Mrs. Blekeberg, it so happens, is a loyal Populist Party member who came to the convention in Nashville, having contributed to the Bob Richards for President campaign, expecting her hotel costs to be covered during her trip to Nashville, as was promised by the Richards campaign to all who contributed $250 or more to the fund.

Unfortunately, due to an administrative foul-up at the hotel where she stayed, Mrs. Blekeberg was charged, on her credit card, $132.90 for her lodging, even though it should have been charged to the Richards campaign. Mrs. Blekeberg brought the matter up with the Washington office, and when the funds were available, I authorized her reimbursement so as to avoid having a loyal party member unfairly charged for an error of the Richards campaign. Only a deadbeat would object to this disbursement.

As for the $90 disbursed to Mrs. Isabel Taylor, these funds were made in payment to Mrs. Taylor who provided lodging for, among others, Bill Baker, the party's national chairman, when he was visiting Washington. Mrs. Taylor operates a clean, inexpensive rooming house close to LIBERTY LOBBY headquarters, and in an attempt to save the party from having to provide expensive hotel lodging for Mr. Baker, Lois Petersen of the LIBERTY LOBBY staff arranged for Baker to stay at Mrs. Taylor's guest house during his stay in Washington.

I might note, as an aside, that I suggested that you and Eileen stay at Mrs. Taylor's guest house during your Washington visit for the executive committee meeting in November of 1984, but you summarily rejected this, preferring to take quarters at the vastly expensive Capitol Hill Hotel, at the party's expense, of course.

Your condemnation of Peter Polkiewicz for designing and manufacturing party emblems and paraphernalia is grotesque and contemptible. The deal with him would have brought not only profit to the party but a long list of items to improve party identification and morale. Thanks to your criticism, Peter has thrown up his hands in disgust. He thought he was helping us. I did, too.

I cannot help but recall, in this context, that you told me in 1968, and that you have told others, that you fully expected to make plenty of money out of the American Independent Party, and that your political experience had taught you how money could be made out of the game. Although you never explained to me what you meant, I have from time to time wondered, as I do now.

It seems to me that others might also wonder about this to the point that it could well be a cause of concern among everyone in the party who senses that someone or something seems to keep the party in turmoil (much as the American Independent Party always seemed to be in turmoil), thereby preventing effective action. I have often noted that when a troublemaker accuses someone else of an evil act, he is usually guilty of what he accuses others of.

The history of your perennial, perpetual squabbles with others in the third party movement is too deep and too murky to go into here, but those with long memories cannot help but be reminded by current events of the troubles which plagued the AIP from the very start. I regret that the Populist Party is, unfortunately, falling prey to these same difficulties. I do not regret, though, that I made an honest personal effort to help set the Populist Party in motion, throwing the resources of LIBERTY LOBBY and The Spotlight behind this effort. It is sad to see, however, that a good thing is going sour before the very eyes of the many Americans who gave the party's efforts their all.

You have brought me to the point where I would like to get out and leave the mess to you, who deserve it. Unfortunately, I cannot. You have contrived a tortured situation with the FEC which will require hours of work by someone and probably thousands of dollars in legal fees. You have disaffected the strongest supporters of the party. You have tried to set up a party to "compete" with the real Populist Party. You have set back our progress more than a year. You have made many populists throughout the nation and my associates on The Spotlight disgusted with the whole concept of a third party. Finally, there is the matter of the personal insult and lie Faye Miller is guilty of in accusing me--who has given far more to the party than anyone else and who has not received a dime for it--of stealing money--and this lie left uncontroverted by you and some of the other dignitaries on the executive committee.

These matters must be worked out. I hereby renew my suggestion that it be done speedily. This coming weekend the national committee will elect a new executive committee. If you and any of your puppets are not part of it I invite either the whole committee or its designees to Washington to inspect our records, straighten out the mess with the FEC and work out a solution that will make it possible for me to continue backing the party, as I so want to do. These matters must be addressed this coming weekend to avoid complete suffocation by them.

It is just a damn shame that your mishandling of party affairs has brought on these totally avoidable, time-wasting problems.

I also hope that this coming weekend will see some improvement in the dismal California picture. You deserve credit for founding the AIP and keeping it on the ballot but can be given no credit at all for your consistently negative

attitude toward fielding the best possible candidates--one example of which is the decision of Maureen Salaman not to run for the governorship because of your refusal to supply her with the minimum possible support--a secretary. Fortunately, the very able and dedicated Gary Miller has agreed to run. He deserves support--including financial support--from the AIP.

At this time we have tremendous opportunities in California. With the great influx of new blood by Spotlight people you should have candidates running for every congressional seat. Is it that you fear that strong candidates or too many "outsiders" would threaten your control of the party?

Many people feel that the AIP is not a political party--it is a cocktail party for you and your cronies to have fun at, a hobby and to provide you with a captive audience for your filthy jokes. Yes, the AIP is a joke to the Republicans and Democrats. Seriously, is the AIP a means to an end or the end in and of itself?

If the Populist Party can get itself straightened out and begin putting first things first: leadership (always first), organization, candidates and fundraising rather than groveling in the political gutter in the sport of character assassination, rumor mongering, jockeying for meaningless titles and seeking personal advantage at the expense of the party, we may still make some progress this year and in 1987 and 1988. But the time to put away childish things and get moving is now. Right now.

Sincerely,

Willis A. Carto
Treasurer

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THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

March 26, 1986

To: All Populist Party Leaders

From: William K. Shearer, National Parliamentarian

Dear Populist Party Leader:

No doubt you are wondering why "The Spotlight" has, in its most recent edition, published a front page attack on the Populist Party; and why almost all other coverage of the party has been cut off in "The Spotlight" for the last three months. You may also have received the communications which Willis Carto is circulating, and which unjustly attack me and other officers of the party.

The cause of these attacks was simply the demand of the Populist Party that Willis Carto properly account for money which he has raised and expended in the name of the Populist Party; and that he cease soliciting funds and expending them for his own purposes, contrary to Federal law, outside the bank account established by the party's elected treasurer.

Not only has Mr. Carto continued to collect funds in the party name without accounting for them to the Populist Party, but he has refused to fully account for some $173,000 which he collected since December 1984. I believe that a full audit of the accounts which Mr. Carto has maintained in the name of the Populist Party, Inc. will show a substantial co-mingling of funds raised in the name of the party with those of several of Mr. Carto's business corporations.

Mr. Carto, although a member of the Executive Committee, has refused to participate in most of the telephonic meetings of the Committee where this subject was discussed. He further displayed his cowardice by refusing to come and account for his stewardship at the party's March 1-2, 1986 National Committee meeting where he knew questions about his activities would be asked.

The documents which you will find enclosed include confidential communications to the members of the Executive Committee from Treasurer Faye Miller, and from me pertaining to the party's financial concerns as a result of Mr. Carto's activities. In order to avoid any unfavorable publicity to the party, it was our intention to keep these memoranda confidential within the Executive Committee. However, in my memorandum of January 14, 1986, I said:

"It is my hope that the problems discussed herein can be resolved within the confines of the Executive Committee. Of course, if any person chooses to make an issue of these matters in a different forum, I shall feel relieved of the obligation to withhold the contents of this memorandum from those with a proper interest in the party to whom inaccurate information has been presented by other sources."

This is precisely what Mr. Carto has done in falsely attacking the Populist Party and its elected leadership, first through his personal communications, and now through "The Spotlight". Consequently, I believe you have a right to the information enclosed so that you will know Mr. Carto's motivation for his attacks, and the reasons why the Executive Committee cannot, either legally or morally, allow Mr. Carto to continue to solicit and expend funds in the party's name without proper accounting, and outside the control of the party's Treasurer who is required by law to account to our members and the Federal Election Commission for the collection and use of the party's funds.

Sincerely yours,

Bill Shearer

William K. Shearer
Parliamentarian

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Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

C00427720

March 31, 1986

Mr. Willis A. Carto
300 Independence Ave. S.E.
Washington D.C. 20003

Dear Willis,

I am writing to you, in accord with the wishes of the national Executive Committee of the Populist Party, to officially inform you of the actions taken by the Committee with regard to the issues wherein you are at odds with the majority of the members of the Executive Committee, and to seek your compliance with the Committee's mandates. I also hope that this letter will help to resolve, rather than enlarge, the existing problems.

Before going into the position of the Executive Committee, let me say on a personal basis that I am deeply disappointed that you have attacked the Populist Party, and its Executive Committee, charging that we are in "disarray", and have failed to provide leadership, when, in fact, during my six month tenure as chairman, we have made great strides in developing the party. Among the accomplishments of my term, thus far, are the following:

1. When I became chairman, the party had only a little over $1,000.00 in the bank. We now have almost $50,000.00 in the bank, are operating in the black, and have fully met all of our obligations to legitimate creditors.

2. We have established a full time, completely functioning, totally responsible national administrative office. This office functions at minimum cost with one full time administrator and one assistant. It has an appropriate computer, copier, typewriters, and all other necessary, modern operating equipment, and is providing an increasing number of services to the party.

3. My law and business offices in Wisconsin serve as the national office of the party. My office is open from 9:00 AM till usually 6:30 PM (and frequently from 8:00 PM to 10:30 PM) six days per week and often on Sunday afternoons and

evenings. My personal services, my office, secretary, and supporting services cost the party absolutely nothing, except the cost of mailings, and party telephone calls. Unlike the previous chairmen, I have served without pay. Yet, frankly, I believe I have accomplished more for the party in six months than did the previous chairmen during their terms.

4. Ten days after taking office, in a lengthy letter to the New York Times and Milwaukee Journal, I served notice on those who had attacked the Populist Party that the party would not supinely accept any further libels. I received a conciliatory response from the New York Times, and the Milwaukee Journal printed a special editorial letter which extolled the merits of the Populist Party and decried the libelous article complained of. I am not aware of any further libels by the New York Times News Service or the Milwaukee Journal. My letter to these papers was mailed to every state leader of the Populist Party with a cover letter, requesting that each leader direct a copy of my letter to the New York Times to any publication in his or her state which libels the Populist Party.

5. Organization is now going on in the field, and new state organizations are being formed and officially recognized. I have attempted to restore unity to the party. In November, 1986, after numerous phone conferences with Jim Yarbrough, I mailed an "open letter" of reconciliation to Jim, with copies to state leaders, in a beginning effort to heal the wounds resulting essentially from Jim's clashes with former chairman Fred Seipold. My efforts on behalf of unity and reconciliation are continuing.

6. During my administration, for the first time, a comprehensive dues notice mailing, together with membership cards, went out to every recorded member of the Populist Party. This has resulted in strong support in terms both of finances and organization.

7. On March 1-2, 1986, I presided over the annual meeting of the National Committee, which was well attended, and at which the members of the National Committee unanimously confirmed my chairmanship, ratified the acts taken by the Executive Committee during the past year, and commended the efficient functioning of our national administrative office.

8. On November 9, 1985, I participated in conducting a successful Western Regional Conference of the Populist Party.

9. On November 20, 1985 I wrote, printed, and mailed to all state party leaders an 18 page detailed memorandum outlining the organizational programs, and fundamental growth policies of the Populist Party. This was intended, as a "how to do it" manual for the (a) structural organization, and (b) full fleshing out of

every state party. These specified tried and true techniques, if followed, will result in very rapid party growth, and which, if followed, will make swift victory inevitable.

10. On January 6, 1986, I completed a suggested, complete, and detailed model constitution for state parties, and mailed copies of the same to all state party leaders. This will provide guidance and direction for the conduct of state party affairs.

11. The National Committee, under my direction, has prepared new post-election literature for the party, and we are continuing to expand the availability of party building materials.

This does not constitute an exhaustive list of the party's accomplishments during my term to date, but will certainly suffice to show the tremendous progress being made, and that neither the Populist Party, nor its national leadership are in a state of "disarray". I am disappointed that you, although you are a member of the Executive Committee, have refused to participate in the recent telephonic meetings of the Executive Committee. Also, knowing that your stewardship was in question, I am surprised that you did not attend the National Committee meeting, this month, in order to answer questions from members of the National Committee, or, at least, to explain your position on the matters in controversy.

For over a year, the Executive Committee has sought to conform our fiscal affairs to the requirements of the party's membership adopted bylaws, and Federal election laws. At the Executive Committee meeting on March 10, 1985, the Executive Committee adopted a motion directing the then chairman, Fred Seipold, as legal counsel, to do such research as was necessary to determine how the Committee's accounts should be structured and administered to meet all requirements of Federal and other applicable law; to report his findings in writing within 30 days; and implement these findings without the necessity of further Board action to assure that the National Committee was functioning in conformity to the requirements of law.

The intent of the motion, of course, was to bring all of the bank accounts being operated in the name of the Populist Party under the direct control of the elected treasurer. In spite of the Executive Committee's clear intent, you continued to operate the account or accounts which you had established, using the Populist name, as separate and independent from the official account established by the elected treasurer.

The Executive Committee again considered this problem at the telephonic meeting of September 29, 1985, at which time a motion was adopted that there be no more expenditures on obligations incurred, and no new bills incurred without specific

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authorization of the Executive Committee; that all Populist Party mail and or contributions are to be forwarded to the San Diego administrative office for processing; and that all funds or checks of any kind are to be forwarded to the national treasurer, Mrs. Faye Miller, for deposit only in the Populist Party account which she administers.

Although, you were present for the part of the conference call during which this motion was adopted (the record reflects that you abstained from voting on the motion, which was approved 6 to 0), you did not comply with this policy of the Executive Committee, as is confirmed by your recent letter to me, in which you state that you are continuing to collect funds and operate a quote "Populist" bank account independent of the National Committee and the elected treasurer.

On October 20, 1985, in a telephonic meeting of the Executive Committee, a motion was adopted by vote of 6 to 0 that the treasurer direct a letter to you requesting a full accounting of the Washington D.C. account, including statements of deposits and cancelled checks. This material has never been made available by you to the national treasurer.

Finally, having failed to receive your cooperation, on January 18, 1986, the Executive Committee adopted a series of motions, on the accounting problems which your continued operation of one or more "Populist" bank accounts in Washington has generated. Specifically, in order to avoid any confusion among contributors, the Executive Committee now requires of you:

1. That the corporation chartered in the State of Virginia and known as Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia, or, in lieu of the charter being returned, that the corporation change it's name, purpose and intent so as to differentiate it from the Populist Party of the United States;

2. That all bank accounts in the name of the Populist Party, Inc. be closed; and

3. That any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc. immediately cease; along with any other reference to Populist Party which might confuse the corporation with the Populist Party of the United States.

At the January 18, 1986, meeting, the Executive Committee also unanimously approved a motion that " the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. The Executive

Committee, therefore, directs that you and these entities abandon any and all claims of indebtedness to them by the Populist Party of the United States, and furnish the Populist Party duly executed documents, signed by the officers of such entities stating that the Populist Party is not indebted to them, or to second or third party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. The motion stated that these acknowledgements must be received by February 10, 1986, and that if the acknowledgements were not forthcoming by said date, the Executive Committee formally demands that all financial records pertaining to any alleged activities at any time in the name of the Populist Party, by any of the described entities, be submitted to a complete and detailed audit by the Populist Party or its representative.

The Executive Committee, by motion, further expressed support of the position taken by the treasurer, Faye Miller, that she is not responsible for filing any reports with the Federal Election Commission, or any corporate forms in the name of the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. This letter will confirm that Mrs. Miller will make no such filings on behalf of these entities.

The Executive Committee has also authorized me to make a demand on you and The Spotlight for the $1,500.00 owed by The Spotlight to the Populist Party for use of the party's mailing list in 1985. In addition, the Executive Committee demands that you pay to the Populist Party all money collected by the Populist Party, Inc. since September 29, 1985, and any balance presently in the Populist Party, Inc. account.

Finally, the Executive Committee has unanimously adopted a motion requiring that any and all solicitation of funds, sales of merchandise, or use of logo by any entity without express approval of the Executive Committee of the Populist Party cease immediately. The conduct which caused this concern is that of Graphic Productions, which is operated by one of your employees. The motion directs Graphic Productions to account for its unauthorized promotional activities, secure authorization from the Executive Committee for any future activities, enter into a revenue sharing arrangement with the committee, and regularly account for the income from its sales of party materials.

On March 8, 1986, at the Executive Committee's most recent telephonic meeting, an additional motion was adopted with regard to the audit which was conditionally demanded on January 18, 1986. The Executive Committee is prepared to withdraw its request for an audit if you and the entities you control promptly comply with the balance of the above stated directives of the Executive Committee. If you are not willing to comply with these mandates, then the Executive Committee insists upon an audit of

00040727294

all bank accounts which you have established using the words "Populist Party" as all or part of the name of such account, with the audit to be conducted by an independent auditor, selected by the Executive Committee, and with the audit paid for by those who opened the accounts, and are thus the cause of the expenditure for the audit.

The Executive Committee believes that the actions we have taken are necessary in order to assure that the conduct of the party's fiscal affairs be in compliance with the bylaws, duly adopted by the membership at the National Convention in Nashville, Tennessee, in 1984, and the requirements of the Federal election laws.

Your compliance with these reasonable requests would do the Populist Party a far better service than the sewing of confusion through attacks on the Populist Party and its Executive Committee, in the pages of "The Spotlight". I certainly do not have any desire to quarrel with you personally, and I believe this is the feeling of the vast majority of those on the Executive Committee. We have taken the steps set forth above only in an effort to assure that the financial affairs of the party are conducted lawfully. I hope you will overcome any hostility which you may feel, and comply with the expressed wishes of the Executive Committee in the interest of compliance with the law, and the wishes of the party's membership as expressed through the bylaws. At the recent meeting of the National Committee the members unanimously ratified the acts of the Executive Committee which I have described in this letter.

Very truly yours,

John M. Couture
National Chairman

0004079273

LIBERTY LOBBY 300 INDEPENDENCE AVENUE, S.E. WASHINGTON, D. C. 20003 [illegible] 7790

from the desk of—

WILLIS A. CARTO

FEB 28 1986

Dear Dick:

I don't know what Bill has told you about what has been going on, but this letter to him will probably give youa different view.

His registering of a "new" party with the FEC is incredible and without any effect because it was not authorized by anyone, certainly not by vote of the executive committee.

I know you as a prudent man and hope that you can add your wisdom to get this straightened out before we are bogged down hopelessly. To do this I can work with about anyone, specifically excluding Bill, Faye Miller or Roland Victor.

Best,

Willis

Mr. Rauch -
This note from Willis Carto is addressed to "DICK", Richard Weimer, an Executive Committee member and was the cover letter accompanying his (Carto's) letter of February 26.

fgm

[redacted]

LIBERTY LOBBY

300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202 LIBERTY 6-5611

Ms. Faye Miller
P.O. Box 377
Dauphin Island, Al. 36528

March 26, 1986

Dear Ms. Miller,

Enclosed herewith are copies of the following financial records for the Populist Party.

* Bank Statement-February, 1986
* Cash Receipts Journal-February, 1986
* Check Stubs for February, 1986-No 1061
* Cash Summary-February, 1986

ALSO

* A copy of the FEC booklet (Campaign Guide for Political Party Committees)
* A copy pf the FEC form 3X (Report of Receipts and Disbursements)

These are representative of the documents sent me each month - first being July 1985 (Jan. 85 thru June 85) Never any other back-up -

Sgm

Regards,

Blayne E. Hutzel
Controller

Your Influence Counts . . . USE IT!

THE NATIONAL CAPITAL BANK
OF WASHINGTON
WASHINGTON, D.C

MAIN OFFICE: 316 PENNSYLVANIA AVE., S.E.
WASHINGTON, D.C. 20003
546-8000

HIGHLANDS BRANCH: 2701 PENNSYLVANIA AVE., S.E.
WASHINGTON, D.C. 20020
583-3000

A ENTER FINAL BALANCE FROM FRONT OF STATEMENT HERE $ 5,291.31

B LIST AND TOTAL DEPOSITS (IF ANY) MADE AFTER STATEMENT DATE

\+
\+
\+
2. = TOTAL $

22. −

$ 5,269.31

IF YOU NEED MORE SPACE ATTACH ANOTHER SHEET

TO HELP US PROCESS YOUR REQUEST PLEASE PROVIDE YOUR NAME AND ACCOUNT NUMBER
DESCRIBE THE ERROR OR THE TRANSFER YOU ARE UNSURE ABOUT AND EXPLAIN AS CLEARLY AS YOU CAN WHY YOU BELIEVE IT IS AN ERROR.

FIRST

Populist Party NCB Receivables

	1986			Deposits		P.P.	Miscellaneous	
				Checks	Cash	Contribution	Amount	Description
1			February, 1986					
2								
3	2	7		110 -		110 -		
4		21		350 -		350 -		
5		28		30 -		30 -		
6			Total	490 -		490 -		
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25								
26								
27				490 -		490 -		
28								

5

1061

FEB 27 1986

( )

TO Postmaster, Washington D.C.

FOR Box # 19737

BAL BRO'T FOR'D	
19	
DEPOSITS	
TOTAL	
THIS CHECK	33 -
BALANCE	

0004077800

Populist Party

	Date 1986			Checks Deposits	Checks Written	Balance		Office	Printing Services
1			February, 1986			4801 31			
2									
3	2	7		115 -					
4	2	21		350 -					
5	2	27	Postmaster Washington D.C. 1061		22 -				
6	2	28		25 -					
7				490	22 -				
8			February Total	490 -	22 -				
9						5269 31			
10									
11									
12									
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27									
28				1 0 8 7 6 7 0 4 0 0 0					

POPULIST PARTY
NATIONAL COMMITTEE

P.O. BOX 76737 WASHINGTON, D.C. 20013
(202) 546-5530

March 17, 1986

John Couture
13131 W. Janesville Rd.
Hales Corners, WI 53130

Dear John:

As you are aware, many party members, as well as people who have picked up some party literature or seen a bumper sticker, continue to write in to this address. Many of them wish to pay their dues, others purchase literature, make contributions, ask questions or offer their services.

Due to the present disarray on the executive committee, and the extremely uncertain future of the party as a unified movement, I have asked our staff to resume servicing these inquiries and orders.

It has always been my personal aim, throughout some 30 years of public service, to see that people who support a movement in good faith receive that same commodity back.

A full record will be kept, as always, of action taken in each individual instance.

Sincerely,

Willis A. Carto
Member, Executive Committee

RECEIVED MAR 2 0 1986

Summary of Obligations

- Populist Party 11/24/84.

Obligations		Resources	
Liberty Lobby + Spotlight	264,888.80	Cash on Hand	27,442.03
Expense Reimbursements	28,467.53		
Payables	15,404.52		
	308,760.85		
Less - Cash on Hand	27,442.03		
Party Deficit	281,318.82		

This first page "Summary of obligations" is the page attached to the Carto letter of February 26 and referred to as an "Audit."

Pg 1 - my husband's handwriting
2 - someone's typewriter, not my husband
3 - top part is Blayne Hutzells bottom part - my husband
4 - Blayne Hutzell handwriting

Bergeron 593-0941 Sandy

2/

Populist Party
Cash Receipts, Disbursements and Obligations
(Inception) March 1 through November 23, 1984

	Receipts	Disbursements	Balance
3/1-6/30/84	$235,512.03	$184,774.63	
7/1-9/30/84	268,872.87	317,057.81	
10/1-11/23/84	141,448.50	119,288.93	
Total	$645,833.40	$621,121.37	
Cash on Hand 11/23/84			$24,712.03

Obligation Over Cash on Hand 11/23/84

Liberty Lobby and Spotlight

Advertising	$16,612.71	
List Rentals (names)	46,440.86	
Support Services (personnel)	176,255.54	
Support Services (rent)	6,689.96	
Support Services (telephone)	5,316.46	
Support Services (office & other)	13,573.27	$264,888.80
Expense Reimbursements		22,222.69
Trade Payables		15,404.52
Total Obligations		302,516.01
Cash on Hand 11/23/84		24,712.03
Cash Undeposited-Pending New Bank Account		-2,730.00
Obligation over available cash on hand		$275,073.92

ADDITIONAL OBLIGATIONS.

90040772804

3/ 11/2/84

Expense Reimbursements

	1	2	3	4
				Amount
1	Lawyers			
2	Bud Brown / Richard McCoy		O -	~~28173~~
3	John C. Korn		O -	~~26040~~
4	Robert Monroe			25062
5	Hal Beck			13026
6	F. Hunsticker			7860
7	VISA - Salaman	To VISA	✓	46200
8	Don Kimball		✓	32778
9	Bill Petiche			31123
10	Fred Seipold - Legal		✓	21866
11	Bernard - Legal			6680
12	Contel - Telephone		✓	56696
13	Jim Yarbrough - Telephone		✓	27149
14	Nancy Shearer - Salaman	To AMX	✓	44257
15	— —			~~267~~
16		SUB-TOTAL		1469697
17	Jim Yarbrough - Salary			14450
18	✓ ✓ - Exp.			3968
19	Don Kimball			10000
20	Shearer Offices (OPR. overreach)			24000
21	Don Kimball (Add'l Exp. not submitted: Est.			5000
22	Salaman Campaigns	To AMX		91368
23	Fred Seipold - Legal Add'l.		✓	38134
24	Steve Giles			9380
25				
26	Legal Fees: (Authorized)			
27	Roy Longacre	Alaska ✓	6540	
28	Jim Tamburro	New Jersey	97590	
29	Linda Steiner	Wyoming	5000	
30	Tom Lee	S. Dakota	2515	
31	Brian Barnard	Utah	9000	
32	✓ ✓	✓	5000	
33	Wm. Drake	Virginia	4950	406013
34				
35	Misc. - Phone Bills, Etc.			156437
36				
37				2846753
38				
39				
40				

0 0 0 7 4 0 1 0 0

Jefferson County Payables Trade

11/21/84

	Payee		Invoice No.	Invoice Date	Amount
1	Amos Press	Printing	100334	10-10-84	65.930
2	Duplex	"	40 9064	10-30-84	106.76
3	District Courier Printing	"	-	10-25-84	116.200
4	" " "	"	790	9-25-84	43.200
5	Systems Publications	"	23507	9-30-84	183.100
6	" " "	"	23407	8-24-84	153.100
7	Olson + Co	Electric	116573	10-19-84	15.000
8	Sure Mailing Service	Postage	350	10-24-84	115.00
9	" " "	"	345	"	24.00
10	ESI	Computer	41095	10-31-84	125.846
11	PR Newswire	News Service	1173	8-27-84	40.00
12	" "	"	1221	8-29-84	7.500
13					1540.452
14					
15					
16					
17					
18					
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22-604

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REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: 25 April 1986

ANALYST: Brian J. Hancock

I. **COMMITTEE:** Populist Party (C00186726)
Clara Sandahl, Treasurer
130 Third Street, S.E.
Washington, D.C. 20003

II. **RELEVANT STATUTE:** 2 U.S.C. §434(a)(4)(A)(iv)
11 CFR 104.5(c)(2)(i)(B)

III. **BACKGROUND:**

Non-Filing of the 1985 Year End Report

The Populist Party ("the Party") failed to file the 1985 Year End Report of Receipts and Disbursements covering the period from July 1, 1985 through December 31, 1985. The Party was notified on December 20, 1985 that the report was due on January 31, 1986 (Attachment 2).

A Non-Filer Notice was sent to the Party on February 25, 1986 (Attachment 3). On March 21, 1986, the Reports Analysis Division ("RAD") analyst spoke with Mr. Michael Piper, a representative of the Party, concerning the non-filing of the Year End Report.

Mr. Piper stated that Clara Sandahl, the treasurer of record for the Party, had retired, and that her duties as treasurer for the Populist Party were officially assumed by Ms. Faye Miller on March 9, 1985. He went on to say that all financial records for the Party were subsequently transferred to Ms. Miller in order for her to have a complete record of the Party's financial activity. Mr. Piper stated his belief that the Party (C00186726) was the single national committee for the Populist Party, and as its national treasurer, Ms. Miller was responsible for providing all Party records and reports to the Commission. Mr. Piper stated that he would forward to the analyst documentation supporting these contentions (Attachment 4).

On March 26, 1986, the analyst received materials supporting Mr. Piper's statements (Attachments 5 and 6).

As of this date, the 1985 Year End Report has not been filed.

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

3004072807

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FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C) (83-84)

PARTY RELATED

COMMITTEE / DOCUMENT	RECEIPTS		DISBURSEMENTS		TYPE OF FILER / COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
POPULIST PARTY					**PARTY NON-QUALIFIED**		**ID #C00186726**
CONNECTED ORGANIZATION: NONE							
1984 STATEMENT OF ORGANIZATION					2JUL84	2	84FEC/318/2651
JULY QUARTERLY	196,843		183,890		15MAR84 -30JUN84	16	84FEC/321/2440
JULY QUARTERLY - AMENDMENT	235,512		184,774		1MAR84 -30JUN84	4	84FEC/339/1077
JULY QUARTERLY - AMENDMENT	-		-		1MAR84 -30JUN84	2	84FEC/356/2060
REQUEST FOR ADDITIONAL INFORMATION					15MAR84 -30JUN84	4	84FEC/340/5289
REQUEST FOR ADDITIONAL INFORMATION 2ND					15MAR84 -30JUN84	5	84FEC/348/3551
OCTOBER QUARTERLY	268,872		317,057		1JUL84 -30SEP84	27	84FEC/339/1418
OCTOBER QUARTERLY - AMENDMENT	-		-		1JUL84 -30SEP84	7	84FEC/357/0415
OCTOBER QUARTERLY - AMENDMENT	-		-		1JUL84 -30SEP84	2	85FEC/365/5153
REQUEST FOR ADDITIONAL INFORMATION					1JUL84 -30SEP84	4	84FEC/349/2146
REQUEST FOR ADDITIONAL INFORMATION 2ND					1JUL84 -30SEP84	7	84FEC/356/4569
REQUEST FOR ADDITIONAL INFORMATION					1JUL84 -30SEP84	3	85FEC/365/2108
REQUEST FOR ADDITIONAL INFORMATION					1JUL84 -30SEP84	1	85FEC/365/2445
REQUEST FOR ADDITIONAL INFORMATION 2ND					1JUL84 -30SEP84	2	85FEC/367/1698
REQUEST FOR ADDITIONAL INFORMATION 2ND					1JUL84 -30SEP84	1	85FEC/367/2537
PRE-GENERAL	32,750		8,544		10CT84 -17OCT84	6	84FEC/347/2806
PRE-GENERAL - AMENDMENT	-		-		10CT84 -17OCT84	1	84FEC/356/2057
PRE-GENERAL - AMENDMENT	-		-		10CT84 -17OCT84	2	85FEC/360/0544
REQUEST FOR ADDITIONAL INFORMATION					10CT84 -17OCT84	2	84FEC/349/2143
REQUEST FOR ADDITIONAL INFORMATION 2ND					10CT84 -17OCT84	1	84FEC/357/0211
REQUEST FOR ADDITIONAL INFORMATION					10CT84 -17OCT84	3	85FEC/365/2112
REQUEST FOR ADDITIONAL INFORMATION					10CT84 -17OCT84	1	85FEC/365/2446
REQUEST FOR ADDITIONAL INFORMATION 2ND					10CT84 -17OCT84	1	85FEC/367/2538
REQUEST FOR ADDITIONAL INFORMATION 2ND					10CT84 -17OCT84	1	85FEC/367/2539
POST-GENERAL	108,615		129,220		18OCT84 -26NOV84	9	84FEC/353/1212
POST-GENERAL - AMENDMENT	-		-		18OCT84 -26NOV84	2	84FEC/356/2058
REQUEST FOR ADDITIONAL INFORMATION					18OCT84 -26NOV84	2	85FEC/365/2116
REQUEST FOR ADDITIONAL INFORMATION 2ND					18OCT84 -26NOV84	1	85FEC/367/2540
YEAR-END	15,631		19,065		27NOV84 -31DEC84	11	85FEC/365/1085
REQUEST FOR ADDITIONAL INFORMATION					27NOV84 -31DEC84	3	85FEC/368/0509
REQUEST FOR ADDITIONAL INFORMATION 2ND					27NOV84 -31DEC84	4	85FEC/369/3855
TOTAL	661,380	0	658,660	0		137	TOTAL PAGES

Debts and obligations owed by the committee: $174,116.42

Debts and obligations owed to the committee: $0

Ending cash on hand as of 12/31/84: $2,718.63

All reports have been reviewed.

9 0 0 4 0 7 4 4 8 0 4

FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C) (85-86)

PARTY RELATED

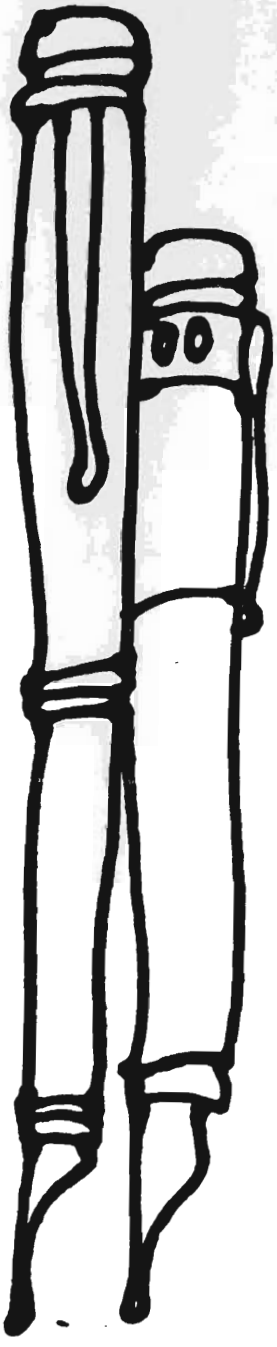
COMMITTEE / DOCUMENT	RECEIPTS	DISBURSEMENTS	TYPE OF FILER / COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
POPULIST PARTY			PARTY NON-QUALIFIED		ID #C00186726
CONNECTED ORGANIZATION: NONE					
1985 NOTICE OF FAILURE TO FILE			1JAN85 -30JUN85	1	85FEC/386/3153
NOTICE OF FAILURE TO FILE			1JUL85 -31DEC85	1	86FEC/403/3696
TOTAL	0	0	0	2	TOTAL PAGES

ATTACHMENT 1 Page 2 of 2

YEAR-END
REPORT NOTICE

FEDERAL ELECTION COMMISSION

PARTIES AND PACS December 20, 1985



WHO MUST FILE
ALL PARTY COMMITTEES, NON-CONNECTED COMMITTEES, AND SEPARATE SEGREGATED FUNDS must file a year-end report by January 31, 1986.

WHAT MUST BE REPORTED
The report must disclose all financial activity that occurred from the close of books for the last report through December 31, 1985. Political committees which have not previously filed a financial disclosure report should report all financial activity from the date of registration* through December 31, 1985. For more detailed instructions, consult your campaign guide.

FILING DATE
Reports sent by registered or certified mail must be postmarked no later than midnight January 31, 1986. Reports hand delivered or mailed first class must be received no later than close of business January 31, 1986.

WHERE TO FILE
Committees should consult the instructions on the enclosed FEC Form 3X for details.

COMPLIANCE
Political committees are fully liable for failure to file any report required under the Act. Failure to file in a timely fashion is also a serious violation. Offending committees are subject to enforcement action. Committees must also submit legible reports which can be clearly reproduced. Illegible reports and reports submitted on non-FEC forms will not be accepted, and committees filing such documents will be required to refile.

1986 FILING REQUIREMENTS
See the January 1986 issue of the FEC Record for filing requirements during 1986. A committee that wishes to change its reporting schedule (e.g. from semiannually in 1985 to monthly--rather than quarterly in 1986) must notify the Commission by submitting a letter with the next report due under its current reporting schedule.

*The first report filed by a committee shall include all amounts received or disbursed prior to becoming a political committee, even if such amounts were not received during the current reporting period. See 11 CFR 104.3(a) and (b).

FOR INFORMATION CALL: Information Services Division
202/523-4068 or 800/424-9530

ATTACHMENT 3

FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

RQ-7

February 25, 1986

Clara Sandahl, Treasurer
Populist Party
130 Third Street, S.E.
Washington, DC 20003

Identification Number: C00186726

Reference: Year-End Report (7/1/85-12/31/85)

Dear Ms. Sandahl:

It has come to the attention of the Federal Election Commission ("the Commission") that your committee may be in violation of 2 U.S.C. §434(a) for failing to file the above referenced Report of Receipts and Disbursements. You were notified previously of the due date for this report.

It is important that you file this report immediately with the Federal Election Commission, 999 E Street, NW, Washington, DC 20463 (or with the Clerk of the House or the Secretary of the Senate, as appropriate). A copy of the report or the relevant portions should also be filed with the Secretary of State or equivalent state officer. See 2 U.S.C. §439.

Although the Commission may initiate an audit or legal enforcement action concerning this matter, your prompt response and a letter of explanation will be taken into consideration.

If you have any questions, please contact Brian Hancock on our toll-free number (800) 424-9530. Our local number is (202) 376-2480.

Sincerely,

John D. Gibson

John D. Gibson
Assistant Staff Director
Reports Analysis Division

TELECON ATTACHMENT 4

ANALYST: Brian J. Hancock

CONVERSATION WITH: Michael Piper

COMMITTEE: Populist Party (C00186726)

DATE: 3/21/86

SUBJECT(S): Non-Filing of 1985 Year End Report and Other Matters

The analyst attempted to call Clara Sandahl, the treasurer of record for the Populist Party, in an effort to help the Party file its delinquent 1985 Year End Report. After several unsuccessful attempts to contact Ms. Sandahl at various locations, the analyst contacted the Liberty Lobby, a group with which Ms. Sandahl was apparently affiliated. The receptionist at Liberty Lobby stated that Ms. Sandahl was unavailable, but that she would forward my number to an individual familiar with the dealings of the Populist Party.

Later in the day, the analyst received a call from Mr. Michael Piper. Mr. Piper informed the analyst that Ms. Sandahl was retired, but because he had assisted Ms. Sandahl in her former capacity as treasurer of the Populist Party, he could be of some help.

Mr. Piper stated that the Populist Party (C00186726) which was set up in 1984 is, in fact, the national committee of the Populist Party. Mr. Piper went on to say that Ms. Sandahl was succeeded as duely elected treasurer by Ms. Faye Miller. (Ms. Miller has set up the Populist Party of the United States (C00201343), and claims that the two organizations are totally separate.). Mr. Piper also stated that after Ms. Miller was elected treasurer, all funds and records were transfered to her and therefore, that Ms. Miller was responsible for filing all 1985 FEC reports. Mr. Piper made it quite clear that no matter what Ms. Miller claimed, the two committees are really one-in-the-same. In conclusion, Mr. Piper stated that he would forward to the analyst documentation (already possessed by OGC and the Audit Division) supporting these contentions.

0004072814

ATTACHMENT 5 (1 of 3)

89 MAR 26 09:23

130 Third Street, Se
Washington, DC 20003
(202) 546-5611
March 21, 1986

Brian Hancock
Federal Election Commission
999 E Street, NW
Washington, DC

Dear Brian:

This is to confirm our telephone conversation of this afternoon, and to provide you, as promised, with a copy of the February 5, 1986 letter from Clara Sandahl, former treasurer of the Populist Party to the FEC.

Mrs. Sandahl's letter was written in response to a letter to her from the FEC dated January 23, 1986. You will note that the original letter to the FEC was accompanied by numerous pages of exhibits which support the statements which appear in Mrs. Sandahl's letter.

Robert Raich of the office of the FEC's General Counsel has confirmed to me in a telephone conversation that Mrs. Sandahl's letter has been received by the FEC.

For the record, please allow me to reiterate the basic position which Mrs. Sandahl has taken:

* That her duties as treasurer of the Populist Party were officially assumed by Mrs. Faye Miller when Mrs. Miller was elected Populist Party treasurer on March 9, 1985.

* That all Populist Party financial records from January through mid-year 1985 were transferred to Mrs. Miller, the new treasurer, at her office in Alabama so as to centralize party accounting procedures and to file all necessary reports with the FEC.

* That all subsequent party records compiled by the Washington office were likewise transferred to Mrs. Miller throughout 1985 in order that, as mentioned above, Mrs. Miller would be able to have a complete record of all party financial transactions so as to provide an accurate summation for the FEC.

* That the responsibility for providing all party records to the FEC for the 1985 period is that of Mrs. Faye Miller.

2004079313

In our conversation you indicated that Mrs. Miller told you that the Populist Party (of which Clara Sandahl is treasurer of record in the files of the FEC) handled party affairs only "for this part of the country" (i.e. the Washington area).

Nothing could be further from the truth.

If you refer to the Populist Party's filings with the FEC for the year 1984 (and in the records for 1985 which Mrs. Miller should have already provided you) you will see very clearly that the Washington office of the Populist Party at 130 Third Street, SE functioned as the NATIONAL headquarters of the Populist Party and that it disbursed funds to corporations, individuals, and party activists all over the United States. This was done for the purpose of administering the national organizational efforts of the Populist Party.

I am aware that Mrs. Miller has created a new Populist Party by registering a "Populist Party of the United States" with the FEC. However, the Populist Party based at 130 Third Street, SE is the same Populist Party which elected Faye Miller as its national treasurer, THEREBY DELEGATING HER THE RESPONSIBILITY OF FILING ALL PARTY RECORDS WITH THE FEC.

It is up to Mrs. Miller to explain her motivation in creating a new "Populist Party of the United States". However, if you refer to the financial records of the new organization, you will see that a number of fees were paid to individuals, most specifically attorney James Tamburro, who were retained by the Populist Party in 1984, and to whom the party was still in debt as late as mid-1985.

If the Populist Party of the United States is indeed a separate body from that of the Populist Party, why did Mrs. Miller's organization consent to assume the debts of a separate organization?

And if the Populist Party is, as Mrs. Miller seems to contend (based upon her suggestion that the Populist Party handled affairs "for this part of the country") a connected organization, why did she not list it as such when she established the Populist Party of the United States with the FEC?

Clearly, there are some rather confusing and complex questions involved here. However, if you read Mrs. Sandahl's letter closely, I think the matter will be solved with relative ease.

If you have any questions, by all means do not hesitate to call. I am quite familiar with most of the matters which would be of concern in this regard and am very willing to help set things straight.

Thanks again for calling.

I am available at 546-5611 weekdays during business hours or can be reached at 130 Third Street, SE here in Washington. Rest assured that those of us here in Washington who have handled the party's affairs in one capacity or another are eager to assist in any way possible.

Cordially,

Mike

MICHAEL COLLINS PIPER

CC: Clara Sandahl, formerly of the Populist Party
Robert Raich, Federal Election Commission

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6803 Nesbitt Place
McLean, Virginia 22101
February 5, 1986

Joan D. Aikens, Chairman
Federal Election Commission
Washington, D.C. 20463

Dear Ms. Akins:

A copy of your letter of January 23, addressed to "Treasurer, Populist Party, 130 Third Street, SE, Washington, DC 20003," has been brought to my attention. In the Federal Election Commission's Summary of Allegations which accompanies that letter, the notation is made that I, Clara Sandahl, am the "Treasurer of record," in the FEC's eollection of materials relating to the Populist Party.

My name should not appear in the records of the FEC as treasurer of the Populist Party at any time after March 9, 1985 at which time Mrs. Faye Miller of PO Box 277, Dauphin Island, Alabama 36528 was elected as national treasurer of the Populist Party.

After my departure as treasurer of the party, it was my assumption that as the new treasurer, Mrs. Miller would handle the responsibility of informing the FEC of her assumption of the duties and that she would abide by all FEC regulations regarding the report of the party's financial activities to the commission. In no way can I be held responsible for her failure to do so.

Mrs. Miller did receive a pre-prepared amended statement of organization noting the changes in the party's office location, its chairmanship, and in the office of treasurer. Mrs. Miller need simply have signed the document and forwarded it to the FEC.

(A photocopy of this amended statement of organization as forwarded by certfied mail to Mrs. Miller on September 19, 1985 and received by her on September 21, as well as a photocopy of the certified mail receipt signed by Mrs. Miller acknowledging that she in fact received the document is attached as Exhibit A).

That Mrs. Miller, neither at this time, nor previously, filed the appropriate information with the FEC is most unfortunate, but that, as I have already suggested, is neither my fault nor my responsibility.

The first notice that the FEC had of my status in its records as treasurer of the Populist Party came on June 29, 1984 at which time the party registered with the FEC and my name appeared as treasurer. The official address of the party at the time was the address to which your letter of January 23 was addressed. The current official address of the party, to the best of my knowledge, is as follows: 6065 Mission Gorge Road, Box 211, San Diego, California 92120, although Mrs. Miller has handled party finances from her Alabama address. The telephone number of the national committee, should you care to reach them, is (619) 282-5614.

The history of the office of treasurer of the Populist Party is outlined as follows:

Upon the registration of the party with the FEC in June of 1984, I handled the duties of treasurer and administered party funds under the direction of the party's founding advisory committee.

I served in this capacity through March 9, 1985, although on AUgust 18, 1984 the Populist Party, at its first national convention which was held in Nashville, Tennessee, chose the late Emmett Miller as the party's first duly elected treasurer. (Mr. Miller was the husband of Mrs. Faye Miller, the current party treasurer).

As the party was in the midst of its first national organizational efforts, I continued to administer the party's financial matters, although during this period the party's affairs were in fact being directed by the newly-formed executive committee of the party's national committee, the latter composed of elected representatives of the party's state affiliates across the country. (Mr. Miller, as treasurer, served as a member of this executive committee).

Following the November election, the party's executive committee met for the first time since its establishment in Nashville. At the meeting, held in Washington, D.C. on November 24, 1984, Mr. Miller personally audited the books and records of the party and the executive committee voted unanimously to assume all debts and assets of the interim committee as the heir and continuation of the founding work performed since February of that year by the interim committee. On that date Mr. Miller began to prepare to assume his official duties and plans were made to send him all of the books and records as he was now the party's official treasurer.

Unfortunately, Mr. Miller was stricken shortly after the party's executive committee meeting and was hospitalized. He died in early January 1985 before ever actually assuming his responsibilities and taking command of the party's finances.

This unexpected void in the executive committee made it necessary for me to continue handling matters which otherwise would have been passed on to Mr. Miller as the party's elected treasurer.

I functioned as party treasurer until March 9, 1985 at which time the Populist Party National Committee, in its first national meeting, held in Chicago, elected Emmett Miller's widow, Mrs. Faye Miller, as his successor and national treasurer of the Populist Party.

During the subsequent period the party began relocating its national headquarters and its administrative affairs to Phoenix, Arizona. At this time Mrs. Miller was likewise assuming her duties as treasurer, and in order to assist her in this transition period, I continued to handle all party expenses which were incurred by the party through

its account at the National Capital Bank, 316 Pennsylvania Avenue, S.E., Washington, D.C. 20003, the bank which is listed in the party's June 29, 1984 statement of registration as the depository in which party funds were being maintained.

Shortly after assuming her position as treasurer, Mrs. Miller established a second and separate bank account in the name of the Populist Party. Never did I have access to, or any information concerning, this second account, other than the name of the bank at which it was established.

The name and address of this bank is apparently as follows: "Am South Bank N.A. (Tillman's Corner office) PO Drawer 1628, Mobile, Alabama 36629." Control of Populist Party account maintained at this bank has been, to the best of my knowledge, in the hands of Mrs. Miller since it was first established (presumably on March 29, 1985 or around that period), at which time $30,000 was transferred to the account from the Washington, D.C. bank account at the instructions of the executive committee of the Populist Party National Committee, of which Mrs. Miller, as party treasurer, was now a member.

As a result of Mrs. Miller's election to the post of treasurer, it was determined that in order to comply with FEC regulations and to complete the transfer of accounting duties to the new treasurer, all party records maintained in the Washington office would be turned over to Mrs. Miller in Alabama.

In a certified letter dated June 28, 1985 and received by Mrs. Miller on July 3, she was informed that she would soon be receiving all Populist Party financial records for the period from January 1, 1985 forward. These were to be sent to her at her address in Alabama so that it would make it possible for her as new party treasurer to centralize party accounting procedures and to file all necessary reports with the FEC.

(A copy of the letter notifying Mrs. Miller of the procedural change and of the certified mail receipt signed by Mrs. Miller, acknowledging her receipt of the letter is attached as Exhibit B).

On July 30, 1985 all financial records of the Populist Party from January 1, 1985 through June 30, 1985 were sent to Mrs. Miller. She received these documents on August 5, 1985.

(A copy of the cover letter which accompanied these records, and which summarizes the contents of the records, as well as of the registered mail receipt signed by Mrs. Miller acknowledging that she in fact received the records is attached as Exhibit C).

On numerous subsequent occasions, among others, including August 14, 1985; August 23; September 21; November 4 and December 6, Mrs. Miller likewise

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received updated records of financial transactions which effected changes in the party's account in the National Capital Bank in Washington.

(Photocopies of the cover letter which accompanied these records, along with the certified mail receipts signed by Mrs. Miller acknowledging her receipt of the documents are attached as Exhibit D).

With these facts in mind, I am puzzled by Mrs. Miller's contention, as reported in the FEC's Summary of Allegations, that she "never consented to be the committee's treasurer, and that she would speak to (Blayne) Hutzel to resolve the situation."

Mrs. Miller not only constend to be the committee's treasurer, when she was elected to the post at the party's national committee meeting, but she functioned and now functions in the capacity of treasurer, accepting party financial records sent to her by the aforementioned Mr. Hutzel, depositing checks sent from Washington and other places payable to the party and paying bills of the party.

I refer you to the attached documents (Exhibits E and F), both dated April 10, 1985. They are letters signed by Mrs. Miller, and the return address, as one can clearly see, reads "Office of the Treasurer - Populist Party" at PO Box 377, Dauphin Island, Alabama 36528. This address is, of course, the address of Mrs. Miller.

Please note that in the second line of the last full paragraph on page 3 of Exhibit E, Mrs. Miller makes a personal reference to herself in the first person as being the "treasurer" of the Populist Party.

(As a supplement to these exhibits, I am also providing you with Exhibit G, a letter dated March 27, 1985 and signed by then-Populist Party National Chairman Fred Seipold. The letter is addressed to "Mrs. Faye Miller, Populist Party Treasurer." The letter is the same letter to which Mrs. Miller refers in the third line of paragraph one in Exhibit F, dated April 10, 1985).

Clearly, as early as March 27, 1985 Mrs. Miller was accepting the responsibilities of the office of treasurer, acknowledging as much by receiving letters addressed to her in that capacity. And by April 10, 1985 she had already issued letters with the return address of "Office of the Treasurer" appearing prominently on the letters. As other previous evidence cited here indicates further, Mrs. Miller had likewise carried out other actions on behalf of the party in her capacity as treasurer, most specifically establishing the bank account in Mobile, Alabama, presumably in the party's name.

Lastly, I call your attention to the letterhead of the letterhead of the Populist Party which appears over a special memorandum to party leaders. The memorandum is dated July 1, 1985. Note that the name of Faye Miller is listed as "Treasurer." A copy of this memorandum

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is attached as Exhibit H.

Mrs. Miller, to the best of my knowledge, continues to serve as treasurer of the party, having indicated, as late as January 14, 1986 that she is functioning in this capacity. Exhibit I, attached, constitutes the first and last pages of a letter written by Mrs. Miller on Populist Party stationery (which, again, includes her name on its letterhead as the party "treasurer"). Note that beneath her signature, Mrs. Miller likewise includes the title "Treasurer."

Thus, in answer to FEC Question 1.a. (which appears in "Questions to the Populist Party"): THE TREASURER OF THE POPULIST PARTY ON JULY 31, 1985 WAS MRS. FAYE MILLER OF P.O. BOX 277, DAUPHIN ISLAND, ALABAMA 36528. HER HOME TELEPHONE NUMBER IS (205) 861-6462. HER BUSINESS NUMBER IS (205) 344-5975.

The answer to FEC Questions 2.a. and 2.b. are, of course, understood: MRS. FAYE MILLER (ADDRESS AND TELEPHONE NUMBERS LISTED ABOVE) IS THE PRESENT TREASURER OF THE POPULIST PARTY AND WAS THE TREASURER OF THE POPULIST PARTY ON JULY 31, 1985 AS NOTED IN THE ABOVE RESPONSE TO QUESTION 1.a.

In response to question 3, the person answering these questions is I, Clara Sandahl. My address is 6803 Nesbitt Place, McLean, Virginia 22101. My telephone number is (703) 356-9646.

I have chosen to respond to the FEC in hopes of clearing up any misunderstandings or e-ror of record in relation to my association with the Populist Party and my service as its treasurer. I believe in this letter you will find a complete record of the circumstances surrounding my position with the party, the termination of my position, and a detailed record of Mrs. Faye Miller's assumption of the post and of her activities as treasurer.

I hope that this will resolve any questions regarding the matter. What appears to be Mrs. Miller's failure to file necessary reports with the FEC in her capacity as treasurer of the Populist Party is clearly beyond my scope of responsibility. Mrs. Miller received all necessary materials from the Washington office with which to prepare a complete and accurate summary of the party's financial dealings (through both its Washington bank account and through the account she established in Alabama) and should have, in my judgment, abided by FEC regulations, providing the commission with the requested information.

I regret that she did not do as she should have, but under no circumstances can I accept responsibility for her failure to do so.

If there should be any further questions, please feel free to contact me at your convenience. I thank you for providing me this opportunity to answer the questions that you have addressed.

Sincerely,

Clara Sandahl

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ELECTION COMMISSION
99 E Street, N.W.
shington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

IME OF TRANSMITTAL
O THE COMMISSION _____

MUR: _____
STAFF MEMBER: Robert Raich

D
E OF MUR: I N T E R N A L L Y G E N E R A T E D

ESPONDENTS' NAMES: Populist Party and Blayne E. Hutzel, acting as treasurer

RELEVANT STATUTE: 2 U.S.C. § 434(a)(4)(A)(iv)

INTERNAL REPORTS CHECKED: MUR 2128

FEDERAL AGENCIES CHECKED: None

GENERATION OF MATTER

This matter was generated as a result of a referral by the Reports Anlysis Division ("RAD"). See Attachment 1.

SUMMARY OF ALLEGATIONS

This referral alleges that the Populist Party ("PPDC") has failed to file its 1985 Year-End Report.

FACTUAL AND LEGAL ANALYSIS

All political committees (other than authorized committees of a candidate) must file either regular monthly reports or a series of reports, including a report convering the period from July 1 through December 31 during years when there is no general election. 2 U.S.C. § 434(a)(4). That Year-End Report must be filed no later than January 31 of the following calendar year. 2 U.S.C. § 434(a)(4)(A)(iv). PPDC's 1985 Year-End Report was due on January 31, 1986. Although PPDC is registered with the Commission as a political committee, PPDC failed to file its 1985 Year-End Report.

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

RECEIVED
FEC - OFFICE OF THE
COMMISSION SECRETARY

88 JUN 19 P4:18

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

DATE AND TIME OF TRANSMITTAL BY OGC TO THE COMMISSION _____

MUR: _____

STAFF MEMBER: Robert Raich

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

RESPONDENTS' NAMES: Populist Party and Blayne E. Hutzel, acting as treasurer

RELEVANT STATUTE: 2 U.S.C. § 434(a)(4)(A)(iv)

INTERNAL REPORTS CHECKED: MUR 2128

FEDERAL AGENCIES CHECKED: None

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Based on information obtained in the context of MUR 2128, it appears that this failure to file is a result on an ongoing dispute between two factions of the Populist Party. Both factions have committees registered with the Commission. One faction (PPDC) is headquartered in Washington, D.C., and is registered under the name "Populist Party." The other faction has a treasurer located in Dauphin Island, Alabama, and is registered under the name "Populist Party of the United States" ("PPUS"). PPDC contends that it and PPUS are actually one organization, and that personnel at PPUS are responsible for filing FEC reports concerning the financial activity of PPDC's operations. PPUS contends that it and PPDC are two separate entities. PPUS has asked PPDC to close its bank account and to cease its operations, but PPDC has refused to comply with that request. PPDC has sent PPUS some of PPDC's financial information; however, it appears that the information sent is not sufficiently detailed to meet either the reporting or recordkeeping requirements of the Act. As a result of the dispute between PPDC and PPUS, there has been no reporting or public disclosure of PPDC's financial activity, which, according to the evidence available, approximated $200,000 in 1985.

Clara Sandahl is listed as PPDC's treasurer of record with the Commission. In connection with the investigation in MUR 2128 and AR85-45/AR86-9 (the Interim Audit Report on PPDC), Ms. Sandahl informed the FEC that she no longer works at PPDC and is not its treasurer. From information obtained in the MUR 2128 investigation, this Office notes that each month since July 1985

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Blayne E. Hutzel, as "controller", has sent certain PPDC financial records to PPUS's treasurer. This Office also notes that during the audit fieldwork in AR85-45/AR86-9 Blayne E. Hutzel served as PPDC's spokesman. Accordingly, the Office of the General Counsel believes that Blayne E. Hutzel is acting as treasurer of PPDC. This approach is consistent with the Commission's actions in other MURs. See, e.g., MUR 1735 (Northeast Conservative PAC), MUR 1927 (Connor), MUR 2002 (Batts), and MUR 2083 (Richards).

Despite the dispute between the organizations, PPDC is registered with the Commission as an ongoing committee. It has not filed a termination report nor amended its Statement of Organization to indicate it is the same committee as PPUS. This Office believes, therefore, that the dispute between the organizations does not absolve PPDC from its reporting responsibilities. Consequently, this Office recommends the Commission find reason to believe that the Populist Party (PPDC) and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file a 1985 Year-End Report.

Because the issues and parties are similar to those in MUR 2128, this Office recommends that the Commission merge this matter with MUR 2128.

RECOMMENDATIONS

1. Open a MUR
2. Find reason to believe the Populist Party and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file a 1985 Year-End Report.
3. Merge this matter with MUR 2128.

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4. Approve the attached General Counsel's Factual and Legal Analysis.

5. Approve and send the attached letter.

Charles N. Steele
General Counsel

June 19, 1986
Date

BY: Lawrence M. Noble
Deputy General Counsel

Attachments
1. Referral
2. General Counsel's Factual and Legal Analysis
3. Letter

0004074820

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) RAD 86NF-4 (M2190)
Populist Party and Blayne E. Hutzel,)
acting as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 24, 1986, the Commission decided by a vote of 6-0 to take the following actions in RAD 86NF-4:

1. Open a MUR.

2. Find reason to believe the Populist Party and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file a 1985 Year-End Report.

3. Merge this matter with MUR 2128.

4. Approve the General Counsel's Factual and Legal Analysis, as recommended in the First General Counsel's Report signed June 19, 1986.

5. Approve and send the letter attached to the First General Counsel's Report signed June 19, 1986.

Commissioners Aikens, Elliott, Harris, Josefiak, McDonald and McGarry voted affirmatively for this decision.

Attest:

6-24-86
Date

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

Received in Office of Commission Secretary: Thurs., 6-19-86, 4:10
Circulated on 48 hour tally basis: Fri., 6-20-86, 2:00
Deadline for vote: Tues., 6-24-86, 4:00

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 1, 1986

CERTIFIED MAIL --
RETURN RECEIPT REQUESTED

Blayne E. Hutzel
Populist Party
130 Third Street, S.E.
Washington, D.C. 20003

RE: MUR 2190
Populist Party and Blayne E. Hutzel, acting as treasurer

Dear Mr. Hutzel:

On June 24, 1986, the Federal Election Commission found reason to believe Populist Party and you, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file a 1985 Year-End Report. The General Counsel's Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. Also on that date, the Commission determined to merge this matter with MUR 2128. In the future both these matters will be referenced as MUR 2190.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within fifteen days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against you, 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

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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, requests for pre-probable cause conciliation will not be entertained 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 is not authorized to 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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 Robert Raich, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Joan D. Aikens

Joan D.Aikens
Chairman

Enclosures
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

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SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Populist Party and Blayne E. Hutzel, acting as treasurer	)	MUR 2190 (formerly MUR 2128)

GENERAL COUNSEL'S REPORT

BACKGROUND

On January 17, 1986, the Commission found reason to believe the Populist Party committee ("PPDC") and its treasurer violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file a 1985 Mid-Year Report and 2 U.S.C. § 433(c) by failing to amend its Statement of Organization. The Commission also approved questions to PPDC.

It appears that PPDC's failure to file was the result of an ongoing dispute between two factions of the Populist Party. Both factions have political committees registered with the Commission. One faction is headquartered in Washington, D.C., and has registered its political committee under the name "Populist Party." It is controlled by the group of persons who started the party and ran it before the party's "national committee"[1/] elected officers. The other faction has a treasurer located in Dauphin Island, Alabama, and has a political committee registered under the name "Populist Party of the United States" ("PPUS"). It is controlled by the group of persons who were elected by the party's "national committee."

1/ That is a designation given by the party itself. It does not reflect a determination by the Commission that any group connected with the Populist Party qualifies as a national committee within the meaning of 2 U.S.C. § 431(14).

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By letter from Clara Sandahl, treasurer of record for PPDC (Attachment 1), PPDC responded to the reason to believe notification and the Commission's questions. In a subsequent letter from Michael Piper, who claims to be ex-executive director of the Populist Party (Attachment 2), Piper reiterated many of the contentions made by Sandahl. Essentially, PPDC contends that Clara Sandahl served as its treasurer only until March 9, 1985 when the Populist Party's "national committee" elected Faye Miller as treasurer of the party, and that it is Faye Miller's responsibility to file the reports for PPDC. In a second letter to the Commission, Mr. Piper states that the PPUS officers created a separate political committee in an endeavor to avoid responsibility for party debts "to a number of corporate entities to the tune of some $300,000." (Attachment 2a, p.1) This Office notes that Faye Miller, treasurer of record for PPUS, has filed reports for PPUS with the Commission. Those reports do not reflect the financial activity of PPDC.

Following receipt of Clara Sandahl's response, this Office held telephone conversations with Faye Miller, and Miller recently sent the Commission voluminous documents (Attachment 3) concerning the relationship between PPDC and PPUS. Essentially, PPUS contends that it and PPDC are separate entities, and that PPUS has no responsibility for filing reports disclosing PPDC's financial activity.

Based on the information provided, it appears that additional violations of the Act may have occurred. The

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following summarizes and analyzes the relevant information provided to date.

SUMMARY OF ALLEGATIONS

The Populist Party was founded in October 1982 by Willis Carto and Clara Sandahl. (Attachment 3, p. 87) It began operations in February 1984, in conjunction with Liberty Lobby, Inc. and The Spotlight. 2/ (Id. and Attachment 3, p. 2) On July 2, 1984, a Statement of Organization (Attachment 4) was filed for a political committee of the Populist Party namely, PPDC.3/ The Statement of Organization listed the committee's name as "Populist Party" and it listed Clara Sandahl as treasurer. That Statement of Organization has never been amended. Carto and his followers continued to manage the party's financial affairs until March 1985. (Attachment 3, p. 4 and 23; Attachment 1, p. 2).

On March 9, 1985, the party's "national committee" elected some new party officers, including Faye Miller as treasurer.4/ PPDC did not amend its Statement of Organization to

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2/ Liberty Lobby, Inc. previously published The Spotlight, a weekly newspaper. Willis Carto is the principal in Liberty Lobby, Inc. and The Spotlight, as well as in various other entities, including Cordite Fidelity Corporation (present publisher of The Spotlight) and Committee to Defend the Liberty Lobby, Inc.

3/ PPDC is the political committee for which the Commission recently approved an Interim Audit Report (AR85-45/AR86-9) for the period covering March 1, 1984 through December 31, 1984.

4/ At the Populist Party national convention in August 1984, Emmett Miller was elected treasurer of the party. Before assuming the duties of the treasurer, however, Emmett Miller died.

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show any change of information. The new officers filed an original Statement of Organization for PPUS naming Faye Miller as treasurer, reportedly to distinguish that committee from PPDC, which is controlled by the faction of the party headquartered in Washington, D.C. and headed by Willis Carto. According to Miller, the new board of PPUS wanted to centralize financial operations with Miller because of concerns that various monies previously spent by PPDC out of its Washington, D.C. account were not for bona fide party activities.

It is apparent that PPDC is operating independently from PPUS and possibly from the party itself. The Populist Party executive committee has passed several motions concerning the financial affairs of the party and PPDC. Mr. Carto and PPDC have consistently ignored those motions. Dates and descriptions of two of the most significant motions follow:

> September 29, 1985 -- The executive committee passed a motion providing that: 1) No expenditures, obligations, or bills "are to be incurred without specific authorization of the Executive Committee;" 2) "All Populist Party mail and/or contributions are to be forwarded to the new San Diego administrative office for processing;" 3) "All funds or checks of any kind are to be forwarded to Mrs. Miller." With the exception of $30 sent by Carto to the San Diego office, PPDC has entirely refused to comply with this motion. (Attachment 3, p. 26, 27, 6, 63, 100, 101) In fact, in defiance, Carto has stated that his staff will continue servicing inquiries and orders involving dues, purchases, contributions, and questions. (Attachment 3, p. 95)

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> January 18, 1986 -- The executive committee passed a motion demanding that: 1) "The corporation chartered in the State of Virginia and known as Populist Party, Inc.[5/] be immediately dissolved . . . or . . . change its name, purpose and intent so as to differentiate it from the Populist Party of the United States, and make this differentiation clear to the public;" 2) All "bank accounts in the name of the Populist Party, Inc. be closed;" 3) All operations "by the Populist Party, Inc. immediately cease, along with any other reference . . . which might confuse the corporation with the Populist Party of the United States." (Attachment 3, p. 81, 7, 101) No part of the motion has been complied with.

Because PPDC maintains that PPUS is responsible for filing FEC reports disclosing PPDC's financial activity, every month since July 1985, PPDC has sent Faye Miller certain information concerning PPDC's financial affairs. On every occasion the financial information has been accompanied by a cover letter signed by Blayne E. Hutzel, as "Controller." (Attachment 3, p. 11; Attachment 1, p. 9-16) Miller, however, informed Carto that the information provided her was incomplete for purposes of filing FEC reports concerning PPDC's financial activity.

5/ PPDC operates its bank account under the name "Populist Party, Inc." According to personnel at the Virginia Corporation Commission, an entity by that name became incorporated on March 6, 1984 as a "non-stock corporation" (i.e. a Virginia non-profit corporation without capital stock). Populist Party, Inc. lists its chairman and vice chairman as Norman Fines of 124 Third Street, S.E., Washington, D.C., and it registered agent and secretary/treasurer as Clara Sandahl. The corporation lists its principal place of business as 6803 Nesbitt Place, McLean, Virginia 22101 -- Clara Sandahl's home address.

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She also informed Carto that she would not file PPDC's reports. (Attachment 3, p. 63, 64) PPUS's officers and the Populist Party's "national committee" support Miller in her position that she is not responsible for filing PPDC's financial disclosure reports. (Attachment 3, p. 82, 99, 102, 103)

As a result of the dispute between the two factions of the Populist Party, there has been no public disclosure of a sizable amount of political financial activity. Between January 1, 1985 and August 1, 1985, the Washington, D.C. organization allegedly collected $173,000 in the name of the Populist Party. (Attachment 3, p. 5) That information has still not been reported and is not part of the public record.

Corporations controlled by Willis Carto in Washington claim that the Populist Party presently owes them about $300,000, primarily for services rendered during 1984. PPUS's officers refuse to recognize that debt. In March 1985 PPDC sent PPUS $27,000 worth of invoices for goods and services allegedly provided on behalf of the party. Miller asserts that because the executive committee never approved the purchase of the goods or services represented by those invoices, they were not legitimately provided on behalf of the Populist Party. Many of the invoices were billed to Liberty Lobby, Inc., with the words "Populist Party" handwritten in by pen. (Attachment 3, p. 6) Miller says that Carto controls his Washington, D.C. operations

very loosely, and, based on the invoices, financial records she has seen, and other information, she believes there is significant commingling of funds between PPDC and several of Mr. Carto's corporations. (See also Attachment 3, p. 96)

FACTUAL AND LEGAL ANALYSIS

PPDC has not filed a termination statement nor an amended Statement of Organization. PPDC continues to be an ongoing enterprise, despite requests from the Populist Party executive committee that PPDC cease its operations. Although there are disputes between the two factions of the Populist Party concerning party organizational responsibilities, the fact remains that there are two separate political committees registered with the Commission. Whether there is one party organization or two, each political committee and its treasurer have reporting responsibilities of their own. See 2 U.S.C. § 434. This Office, therefore, believes that the Commission properly found reason to believe against PPDC and its treasurer on January 17, 1986 concerning PPDC's failure to file a 1985 Mid-Year Report, in violation of 2 U.S.C. § 434(a)(4)(A)(iv).

Because the information at hand indicated that Clara Sandahl, PPDC's treasurer of record, was no longer involved with PPDC, the Commission's reason to believe findings did not name her as a respondent. Blayne E. Hutzel has been sending certain PPDC financial records to Faye Miller on a monthly basis. This Office also notes that during the audit fieldwork in AR85-45/AR86-9, Mr. Hutzel served as PPDC's spokeman. Because Blayne E. Hutzel appears to be handling PPDC's financial affairs,

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this Office now recommends that the Commission find reason to believe Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv) (by failing to file a 1985 Mid-Year Report on behalf of PPDC) and 2 U.S.C. § 433(c) (by failing to amend PPDC's Statement of Organization to list Hutzel as treasurer). This approach is consistent with the Commission's actions in other MURs. See, e.g., MUR 1735 (Northeast Conservation PAC), MUR 1927 (Connor), MUR 2002 (Batts), and MUR 2083 (Richards).

It is unlawful for any corporation to make a contribution or expenditure in connection with any federal election or for any person knowingly to receive any such contribution, or for any officer or director of any corporation to consent to any such contribution or expenditure. 2 U.S.C. § 441b(a). In light of allegations that PPDC has been commingling its funds with those of corporations, this Office recommends that the Commission find reason to believe PPDC and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. § 441b(a).6/

Each political committee must maintain at least one checking account at a depository designated by such committee. All receipts of a political committee must be deposited in such an

---

6/ Because it is unclear which corporations may be involved in any possible violations of 2 U.S.C. § 441b, this Office makes no recommendations concerning the corporations at this time. Further recommendations will be made where appropriate following investigation into this issue.

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account. No disbursements may be made by a political committee except by check drawn on such an account. 2 U.S.C. § 432(h)(1) In light of allegations that PPDC has been commingling its funds with those of other entities, this Office recommends that the Commission find reason to believe PPDC and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. § 432(h)(1).

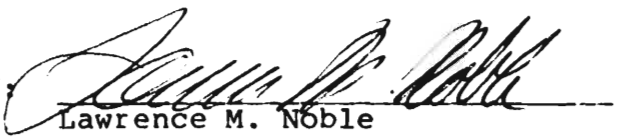
Because of the confusing evidence presented in this matter, it is necessary to understand better the facts involved. The attached Questions and Document Requests concern the relationship between PPUS and PPDC and the possible commingling of PPDC funds with corporate funds. This Office recommends that the Commission approve the attached Questions and Document Requests for PPDC and PPUS.

RECOMMENDATIONS

1. Find reason to believe Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. §§ 434(a)(4)(A)(iv) and 433(c).
2. Find reason to believe the Populist Party and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. §§ 441b(a) and 432(h)(1).
3. Approve the attached Factual and Legal Analysis.
4. Approve the attached Questions and Document Requests.
5. Approve and send the attached letters.

Charles N. Steele
General Counsel

7/7/86
Date

BY: 
Lawrence M. Noble
Deputy General Counsel

0004079248

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Populist Party and	)	MUR 2190
Blayne E. Hutzel, acting as treasurer	)	(Formerly MUR 2128)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on July 10, 1986, the Federal Election Commission decided by a vote of 6-0 to take the following actions in the above-captioned matter:

1. Find reason to believe Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. §§ 434(a)(4)(A)(iv) and 433(c).

2. Find reason to believe the Populist Party and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. §§ 441b(a) and 432(h)(1).

3. Approve the Factual and Legal Analysis attached to the General Counsel's report dated July 7, 1986.

4. Approve the Questions and Document Requests attached to the General Counsel's report dated July 7, 1986.

5. Approve and send the letters attached to the General Counsel's report dated July 7, 1986.

Commissioners Aikens, Elliott, Harris, Josefiak, McDonald, and McGarry voted affirmatively for the decision.

Attest:

7-10-86
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 17, 1986

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Blayne E. Hutzel
Populist Party
130 Third Street, S.E.
Washington, D.C. 20003

RE: MUR 2190 (formerly MUR 2128)
Populist Party and Blayne E. Hutzel, acting as treasurer

Dear Mr. Hutzel:

On January 23, 1986, the Commission notified the Populist Party and its treasurer that the Commission found reason to believe they violated 2 U.S.C. §§ 434(a)(4)(A)(iv) and 433(c), provisions of the Federal Election Campaign Act of 1971, as amended. On July 10 , 1986, the Commission additionally found reason to believe that you, acting as treasurer, violated 2 U.S.C. §§ 434(a)(4)(A)(iv) and 433(c), and that the Populist Party and you, acting as treasurer, violated 2 U.S.C. §§ 441b(a) and 432(h)(1). The General Counsel's Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and your committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials, along with your response to the enclosed Questions and Document Requests, within fifteen days of your receipt of this letter. Statements must be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against you or your committee, 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 General

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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 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, requests for pre-probable cause conciliation will not be entertained 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 General Counsel is not authorized to 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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 again enclosed a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Robert Raich, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosures
General Counsel's Factual and Legal Analysis
Questions and Documents Requests
Designation of Counsel Statement
Procedures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 17, 1986

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Faye Miller, Treasurer
Populist Party of the United States
P.O. Box 377
Dauphin Island, Alabama 36528

RE: MUR 2190 (2128)

Dear Ms. Miller:

The Federal Election Commission, established in April, 1975, has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. In connection with an investigation being conducted by the Commission, the attached Questions and Document Requests which require you to provide certain information have been issued. The Commission does not consider you a respondent in this matter, but rather a witness only.

Since this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provisions of 2 U.S.C. § 437g(a)(12)(A) apply. That section of the Act prohibits the making public of 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 and Document Requests. However, you are required to submit the information under oath within fifteen days of your receipt of this letter.

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If you have any questions, please direct them to Robert Raich, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

Enclosure
Questions and Document Requests

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Mrs. Faye Miller's response to the Commission's letter dated July 17, 1986 was received August 21, 1986. It has been excluded from the summary file, due to its bulk and its repetition of the matters stated in the complaint she filed with the Commission on July 23, 1986. This response is available for review with consent from the General Counsel's office.

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DUKE, GERSTEL, SHEARER & BREGANTE
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS
ATTORNEYS AT LAW
WELLS FARGO BANK BUILDING
101 WEST BROADWAY, SUITE 400
POST OFFICE BOX 85470
SAN DIEGO, CALIFORNIA 92138-5470
TELEPHONE - (619) 232-0816
TELECOPIER - (619) 232-4661

CLIFFORD L. DUKE, JR.*
BRYAN R. GERSTEL*
WILLIAM K. SHEARER*
RICHARD O. BREGANTE
LAURIE E. WRIGHT
STEPHEN V. RUPP*
DAVID R VARGAS
J. MICHAEL REED
ANDREW F. LLOYD
DAVID T. PURSIANO
DANIEL J. PERWICH
JOYCE J. BURROWS
ALAN R. JOHNSTON
ANN M. McMENOMY
ANNE M. BRAUDIS
*A PROFESSIONAL CORPORATION

OF COUNSEL
ANDREW A. KURZ
JOHN S. HUISKAMP
ROSALIE SHANKS

OUR FILE NUMBER

August 4, 1986

Lawrence M. Noble, Esq.
Deputy General Counsel
Federal Election Commission
Washington, D.C. 20463

FEDERAL EXPRESS

86 AUG 5 P3:45
RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL

Re: MUR2190(2128)

Dear Mr. Noble:

Mrs. Fay Miller, Treasurer of the Populist Party of the United States, has transmitted to me your letter of July 17, 1986, requesting further information with regard to the above-entitled matter.

It is our desire to provide you with this information, and we are in the process of gathering same.

However, I must seek an extension of time of 15 days in which to respond to your questions and document request. I was only recently released from the hospital after surgery, and, frankly, this has interfered with my ability to get things done as rapidly as I would like.

All of the information which you request will be made available to you, but the persons from whom it must be secured are all over the country at the moment, and I will need the additional time in order to get it all together, secure the necessary signatures on the affidavits, and return the information to you.

Your cooperation in this matter will be much appreciated.

Sincerely yours,

WILLIAM K. SHEARER

WKS:mcm
cc: Mrs. Fay Miller, Treasurer

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 14, 1986

Mr. William K. Shearer
Duke, Gerstel, Shearer & Bregante
101 West Broadway, Suite 400
Post Office Box 85470
San Diego, California 92138

Re: MUR 2190 (2128)

Dear Mr. Shearer:

This is in reference to your letter dated August 4, 1986, requesting an extension of 15 days to respond to the Commission's Questions and Document Requests. After considering the circumstances presented in your letter, the Commission has determined to grant you your requested extension. Accordingly, your response will be due on August 21, 1986.

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

Sincerely,

Charles N. Steele
General Counsel

BY: Lawrence M. Noble
Deputy General Counsel

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DUKE, GERSTEL, SHEARER & BREGANTE

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

ATTORNEYS AT LAW

WELLS FARGO BANK BUILDING
101 WEST BROADWAY, SUITE 400

POST OFFICE BOX 85470
SAN DIEGO, CALIFORNIA 92138-5470
TELEPHONE - (619) 232-0816
TELECOPIER - (619) 232-4661

CLIFFORD L. DUKE, JR.*
BRYAN R. GERSTEL*
WILLIAM K. SHEARER*
RICHARD D. BREGANTE
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ANDREW F. LLOYD
DAVID T. PURSIANO
DANIEL J. PERWICH
JOYCE J. BURROWS
ALAN R. JOHNSTON
ANN M. McMENOMY
ANNE M. BRAUDIS

*A PROFESSIONAL CORPORATION

OF COUNSEL
ANDREW A. KURZ
JOHN S. HUISKAMP
ROSALIE SHANKS

OUR FILE NUMBER

August 14, 1986

86 AUG 19 A9:56

Robert Raich, Esq.
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2190 (2128)

Dear Mr. Raich:

This letter will confirm that you have, by telephone, confirmed that the Populist Party of the United States and Faye Miller have been granted a 15-day extension (from the original due date of August 6, 1986) to August 21, 1986, within which to file with you the affidavits and other information requested in Mr. Noble's correspondence to Mrs. Miller dated July 17, 1986, and received by her on July 22, 1986.

I have been engaged in gathering the information requested, now have all of the information, and the affidavits are in preparation. We shall be able to provide all of the information to you within the time allowed by the granted extension.

Thank you for your courtesies in this matter.

Sincerely yours,

WILLIAM K. SHEARER

WKS:mcm
cc: Mrs. Faye Miller

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GCH#1258

RECEIVED
FEC
OFFICE OF THE COMMISSION SECRETARY

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300 Independence Ave SE
Washington, DC 20003
Aug. 18,1986

Ms. Joan Aikens
Federal Election Commission
Washington, DC 20463

Ref. Your letter of July 1 and July 17,1986-MUR 2190

Dear Ms. Aikens:

Thank you for the above mentioned letters.

Before answering these, I received two copies of a third letter dated July 31,1986-MUR 2210, from Lawrence M. Noble of your office. Additional copies were also sent to Michael Piper, Clara Sandahl, and Willis Carto.

Please be informed that Mr. Carto is acting on behalf of all parties concerned and is sending you a combined response to all these letters.

Sincerely,

Blayne E. Hutzel

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FEC
GENERAL COUNSEL

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GCC#1011

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

16 JUL 23 AM : 51

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

IN REPLY ADDRESS:

Populist Party OF THE UNITED STATES
Office of Treasurer
1921 Summer Place Dr W
Mobile, Alabama 36618

(619) 282-5614

June 30, 1986

Ms. Joan D. Aikens, Chairman
Federal Election Commision
999 "E" Street NW
Washington, D.C. 20463

Re: Complaint of Populist Party of the United States, an unincorporated political party, vs Populist Party, Inc., a Virginia Corporation, Willis A. Carto, etal

Dear Ms. Aikens:

With this letter I am transmitting to you the above entitled Complaint. The Complaint has been prepared in affidavit form, and is filed pursuant to the provisions of 2 U.S.C. 437g. On behalf of the Populist Party of the United States I ask that you take all action set forth in the statute to fully prosecute this Complaint.

With this Complaint I am enclosing three additional Affidavits, as follow:

(1) Affidavit of William K. Shearer
Re: Unreported Contribution of $500.00 to the Populist Party

(2) Affidavit of Faye Miller
Re: Alleged Indebtedness of the Populist Party to Liberty Lobby and Cordite Fidelity Company

(3) Affidavit of William K. Shearer
Re: Organization and History of the Populist Party.

I believe these sworn documents will provide you sufficient information upon which to proceed. If further information is required, please notify me.

Be assured of my cooperation and that of the Populist Party in the investigation and prosecution of this Complaint.

In order to expedite correspondence, please address all correspondence to the Mobile, Alabama address as shown above.

Sincerely yours,

Faye G. Miller

Faye G. Miller
National Treasurer

Encl:

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FEDERAL ELECTION COMMISSION

POPULIST PARTY OF THE UNITED STATES, an unincorporated political party	)	RE: MUR ____
v.	)	
POPULIST PARTY, INC., A Virginia corporation; WILLIS A. CARTO; CLARA SANDAHL; LOIS PETERSEN; BLAYNE HUTZEL; LIBERTY LOBBY; CORDITE FIDELITY CORPORATION; THE SPOTLIGHT; COMMITTEE TO DEFEND LIBERTY LOBBY; and DOES I THROUGH C	)	

96 JUL 23 A 11:37

COMPLAINT AND AFFIDAVIT OF FAYE MILLER, TREASURER,
ON BEHALF OF THE POPULIST PARTY OF THE UNITED STATES

STATE OF ALABAMA)
)s.s.
COUNTY OF MOBILE)

I, Faye Miller, being duly sworn state that:

1. I am the duly elected Treasurer of the Populist Party of the United States, having been elected to this office by the National Committee at its first annual meeting in Chicago, Illinois on March 9, 1985. By virtue of this office, I am a member of the national Executive Committee of the Populist Party, and have served in this capacity continually since March 9, 1985.

2. I am an accountant by profession, and have engaged in this profession continuously since 1951. I am admitted to represent clients in proceedings before the Internal Revenue Service.

3. The Populist Party of the United States is a political party as defined by 2 U.S.C. Section 431 (m) which describes a political party as "an association, committee, or organization which nominates a candidate for election to any federal office, whose name appears on the election ballot as a candidate of such association, committee, or organization." The Populist Party of the United States qualifies under said definition because in 1984 it nominated, by means of a national convention in Nashville, Tennessee, candidates for the offices of President and Vice-President of the United States (Bob Richards and Maureen Kennedy Salaman respectively), whose names appeared on the election ballots as the candidates of the Populist Party. The Populist

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Party of the United States is an unincorporated association.

4. The National Committee of the Populist Party which, through its Executive Committee, is responsible for the day to day operation of the Populist Party at the national level, conforms to the definition of a National Committee in 2 U.S.C. Section 431 (k) which describes a National Committee as "the organization which, by virtue of the bylaws of a political party, is responsible for the day to day operation of such political party at the national level, as determined by the commission."

5. The bringing of the complaint herein was specifically authorized by vote of the national Executive Committee of the Populist Party on April 18, 1986. The motion instructed the treasurer of the Populist Party "to initiate a complaint with the Federal Election Commission, pursuant to 2 U.S.C. 437g, requesting a complete investigation of the activities of Willis A. Carto, the Populist Party, Inc., and other entities which he controls, and which appear to be in violation of 2 U.S.C. Section 432 (a), (b) (1), and (3), 2 U.S.C. Section 434 (a) (1), and (4) (iv), or any other sections of the Federal election laws." A copy of the approved motion is attached hereto as Exhibit "A", and incorporated herein by reference.

6. The Populist Party, Inc. is a Virginia non-stock

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corporation, organized on or about March, 1984, and which was organized at the direction of and operates under the control of Willis A. Carto.

7. Willis A. Carto was one of the organizers of the Populist Party of the United States, is a former member of the party's national Executive Committee, and directs the activities of the Populist Party, Inc., Liberty Lobby, of which he is treasurer, Cordite Fidelity Corporation, "The Spotlight" newspaper, and the Committee To Defend Liberty Lobby, from his offices at 300 Independence Avenue S.E., Washington, D.C. 20003. Willis A. Carto was removed for cause from the national Executive Committee of the Populist Party by vote of the Committee on April 18, 1986. Attached hereto as Exhibit "B" and incorporated herein by reference, is a copy of the motion adopted by the Executive Committee which set forth in detail the causes for Mr. Carto's removal from the Committee.

8. Clara Sandahl is the treasurer of the Populist Party, Inc., and in official reports to the Federal Election Commission has claimed to be treasurer of the Populist Party of the United States, although she has never been elected to any party office by the National Convention, National Committee, or Executive Committee of the Populist Party. Mrs. Sandahl is an employee of Willis A. Carto, or one or more of the entities which he

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controls.

9. Lois Petersen is an employee of Willis A. Carto, or one or more of the entities which he controls. In official correspondence to the Federal Election Commission she has claimed to be assistant treasurer of the Populist Party of the United States, although she has never been elected to any party office by the National Convention, National Committee, or Executive Committee of the Populist Party.

10. Blayne Hutzel is an employee of Willis A. Carto, or one or more of the entities which he controls. Mr. Hutzel is controller of Liberty Lobby, and has, on one or more occasions, claimed to be controller of the Populist Party's National Committee, although he has never been elected to any party office by the National Convention, National Committee, or Executive Committee of the Populist Party.

11. I am informed and believe that Liberty Lobby is a corporation, organized as such in some jurisdiction. According to reports filed with the Federal Election Commission in the name of the Populist Party, by Clara Sandahl and/or Lois Petersen, Liberty Lobby was the recipient of substantial sums disbursed to it from contributions raised in the name of the Populist Party. Liberty Lobby also claims to be a present creditor of the

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Populist Party of the United States. Liberty Lobby is controlled and directed by Willis A. Carto.

12. I am informed and believe that Cordite Fidelity Corporation is a corporate entity organized in some jurisdiction, and that said corporation, Cordite Fidelity Corporation publishes "The Spotlight" newspaper. Cordite Fidelity Corporation claims to be a present creditor of the Populist Party of the United States. Said corporation is controlled and directed by Willis A. Carto.

13. "The Spotlight" is a weekly newspaper which, I am informed and believe, is published by Cordite Fidelity Corporation. "The Spotlight" is controlled and directed by Willis A. Carto. Reports filed with the Federal Election Commission in the name of the Populist Party by Clara Sandahl and/or Lois Petersen, show that substantial sums contributed to the party were paid to "The Spotlight". "The Spotlight" also claims to be a present creditor of the Populist Party of the United States.

14. The Committee To Defend Liberty Lobby is an organization, corporate or otherwise, which is controlled and directed by Willis A. Carto. Reports filed with the Federal Election Commission in the name of the Populist Party by Clara Sandahl and/or Lois Petersen show that substantial sums collected in the name of the Populist Party were paid to The Committee To Defend

Liberty Lobby.

15. Does I through C are corporate entities, and or unincorporated associations, whose names are presently unknown to affiant, but who participated in the wrongs set forth herein. When the true names of said Does become known to affiant, the complaint will be amended to set forth the true names of said individuals and/or entities.

COUNT I: Violation of 2 U.S.C. Section 431 (k) and (m)

16. As is set forth herein, and in the affidavit of William K. Shearer, RE: Organization and History of the Populist Party, filed concurrently with this complaint, only the Populist Party of the United States, an unincorporated association, and its National Committee, have a right to act as the Populist Party, a political party.

17. The Populist Party, Inc., acting through Clara Sandahl, Lois Petersen, and Blayne Hutzel, at the direction of Willis A. Carto, has falsely claimed to be the Populist Party, an unincorporated association, in violation of 2 U.S.C. Section 431 (k) and (m). by:

A) Continuing to claim, in official reports and

correspondence to the Federal Election Commission, that Clara Sandahl and Lois Petersen are the treasurer and assistant treasurer, respectively, of the Populist Party, when they have never been elected to any office by any official agency of the party, and with full knowledge that, after August 18, 1984, the party has had elected officers, including a treasurer, a National Committee, and Executive Committee organized pursuant to the adopted bylaws of the Populist Party.

B) Depositing funds solicited in the name of the Populist Party, an unincorporated association, in the bank account of the Populist Party, Inc.

C) Filing reports with the Federal Election Commission in the name of the Populist Party, which, in fact, reflect transactions from the account of the Populist Party, Inc.

COUNT II: Intentional Misrepresentation, and Conversion

18. During the period from on or about March, 1984, through the present time, Willis A. Carto solicited contributions in the name of the Populist Party and or its National Committee, but deposited said funds in the bank account of the Populist Party, Inc. Attached hereto as Exhibit "C", and incorporated herein by

reference is a form, dated December 4, 1984, pertaining to the 1984 contributions collected in the name of the Populist Party. The form was addressed, at the direction of Mr. Carto, to persons who contributed to the Populist Party. The organization in whose name the information was solicited is the Populist Party National Committee, not a corporate entity, but the funds received from the contributors were deposited in the account of the Populist Party, Inc. Attached hereto as Exhibit "D" and incorporated herein by reference is a copy of a solicitation mailing prepared and disseminated at Mr. Carto's direction on or about January 29, 1985. The organization in whose name the funds were solicited is the Populist Party National Committee, not a corporate entity, but the funds received form said mailing were deposited in the bank account of the Populist Party, Inc.

19. On September 29, 1985, the Executive Committee of the Populist Party, in a telephonic meeting in which Mr. Carto participated, directed that "all funds or checks of any kind are to be forwarded to Mrs. Miller, the national treasurer, in Alabama, for deposit only in the Populist Party account there." A copy of said minutes is attached hereto as Exhibit "E", and incorporated herein by reference.

20. On January 14, 1986, I directed a letter to Mr. Carto formally apprising him of said action. A copy of this

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communication is attached hereto as Exhibit "F", and incorporated herein by reference.

21. On January 18, 1986, the Executive Committee adopted a motion that "a demand be made upon the corporation officers of the Populist Party, Inc., a Virginia Corporation, to do the following:

" (1) The corporation chartered in the state of Virginia and known as Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia; or, in lieu of the charter being returned, that the corporation change its name, purpose and intent so as to differentiate it from the Populist Party of the United States, and make this differentiation clear to the public;

" (2) That all bank accounts in the name of the Populist Party, Inc. be closed; and

" (3) That any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc. immediately cease; along with any other reference to the Populist Party which might confuse the corporation with the Populist Party of the United States."

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A copy of said minutes are attached hereto as Exhibit "G", and incorporated herein by reference. On January 27, 1986, a copy of the minutes attached hereto as Exhibit "G" were transmitted to Willis A. Carto, with a letter by the party's parliamentarian, William K. Shearer, a copy of which is attached hereto as Exhibit "H", and incorporated herein by reference.

22. On March 17, 1986, Mr. Carto directed a letter to Populist Party chairman, John Couture in which he informed the chairman :

> "As you are aware, many party members, as well as people who have picked up some party literature or seen a bumper sticker continue to write in to this address. Many of them wish to pay their dues, others purchase literature, make contributions, ask questions or offer their services.
>
> "....I have asked our staff to resume servicing these inquiries and orders."

A copy of said letter is attached hereto as Exhibit "I", and incorporated herein by reference.

23. Filed with this complaint is the affidavit of Faye Miller RE: Alleged Indebtedness of the Populist Party to Liberty Lobby and Cordite Fidelity Corporation. Said affidavit describes in

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detail the representations of Mr. Carto, and his employees with regard to the alleged indebtedness of the Populist Party to Liberty Lobby and Cordite Fidelity Corporation, entities controlled and directed by Mr. Carto. The facts set forth in said affidavit strongly infer that the alleged debt is a post election fabrication by Mr. Carto, and his employees, for purposes of soliciting contributions in the name of the Populist Party to be diverted to the non-party entities which he controls, Liberty Lobby, Cordite Fidelity Corporation, and "The Spotlight".

COUNT III: Request for Audit

24. The Populist Party hereby requests a complete audit of all accounts controlled by Willis A. Carto, his employees, and those of his controlled entities, the Populist Party, Inc, Liberty Lobby, Cordite Fidelity Corporation, "The Spotlight", and the Committee To Defend Liberty Lobby, from which any transactions were made pertaining to, or alleged to be on behalf of the Populist Party of the United States. Such an audit is justified because:

A) From the election of the first Populist Party treasurer, on August 19, 1984, the treasurer was not kept fully informed of the transactions being conducted in behalf of the Populist Party by Mr. Carto and his employees. This

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fact is documented in the April 3, 1986 letter which I filed with the Federal Election Commission, a copy of which is attached hereto as Exhibit "J", and incorporated herein by reference, and in the minutes of the meeting of the Executive Committee of the Populist Party on November 24-25, 1984, a copy of which is attached hereto as Exhibit "K", and incorporated herein by reference. Not only was the elected treasurer of the Populist Party, Emmett Miller, not kept informed as to the financial activities of the Populist Party as administered by Willis A. Carto, and his employees, but the elected treasurer was not made a signatory to any bank account of the party. Shortly after October 18, 1984, Mr. Miller received from Mr. Carto's office in Washington, D.C. the attached communication and bank resolution in the name of the Populist Party, Inc., proposing to establish an account in the name of said entity with William W. Baker and Blayne E. Hutzel as the signatories to the account. Mr. Miller, the elected treasurer of the Populist Party was asked to execute the card as secretary, a post which he did not hold in the Populist Party. At no time did Mr. Miller ever hold any office in the Populist Party, Inc. The communication and bank resolution card (both sides) are attached hereto as Exhibit "L", and incorporated herein by reference.

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B) The number of bank accounts is unknown from which Mr. Carto and his employees engaged in transactions involving the Populist Party. The principal account was apparently that of the Populist Party, Inc., at the National Capitol Bank in Washington, D.C., account number 10-048747-01. A second account was established at the Security National Bank in Washington, D.C., account number 8-022373-00. The minutes of the Executive Committee Meeting attached hereto as Exhibit "K" discuss authorization to establish a bank account at the Security National Bank. Attached hereto as Exhibit "M", and incorporated herein by reference, is a Chart of Accounts which I received from Blayne Hutzel and which seems to indicate that there was at least a third account the code for which was "AB".

C) During the calendar years 1985 and 1986 to date, none of those who transacted business from the account of the Populist Party, Inc. have accounted with the Federal Election Commission for the receipts to said account or disbursements from said account.

D) I have examined the reports filed by Clara Sandahl and Lois Petersen in the name of the Populist Party, and reflecting transactions from the bank account of the Populist Party, Inc., for the 1984 period, and these reports

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disclose substantial self dealing by Carto entities from said account. Some $82,630.00 was paid to non-party entities directed and controlled by Willis A. Carto from the account of the Populist Party, Inc. during the 1984 period. I have further examined the reports of the Bob Richards for President Committee, another Carto controlled entity, which were filed with the Federal Election Commission by Blayne Hutzel during the 1984 period. These reports disclose that some $97,685.00 was paid from that account to non-party entities controlled by Willis A. Carto. These figures include payments only to entities which I could identify as Carto controlled: Liberty Lobby, "The Spotlight", and The Committee To Defend Liberty Lobby. A full investigation may disclose additional payments to Carto controlled entities which I have not been able to identify at this time.

E) My examination of the reports filed by Clara Sandahl and Lois Petersen in the name of the Populist Party for the 1984 period disclose that there are many unauthorized and otherwise unexplained transactions. For instance, $8,000.00 in payments are reported to Victor Marchetti. The purpose of these payments is unknown. The bank information provided me by Blayne Hutzel discloses that on or about August 12, 1985, $198.00 was paid for travel, for Lois Petersen. No such expenditure was ever authorized by the Executive

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Committee. A copy of the bank statement showing the debit to the account, and a photocopy of the check stub showing the disbursement are attached hereto as Exhibit "N", and incorporated herein by reference. The Marchetti and Petersen disbursements are not isolated expenditures, but are illustrative of many additional unexplained and/or unauthorized transactions from the account.

F) As is set forth in the affidavit of Faye Miller RE: Alleged Indebtedness of the Populist Party to Liberty Lobby and Cordite Fidelity Corporation, the financial information provided by Mr. Carto and his employees with regard to their management of the party's finances is contradictory and irreconcilable without a complete audit.

G) In spite of demands by the Executive Committee of the Populist Party, Willis A. Carto and his employees have failed and refused to provide a full disclosure of their financial records pertaining to the transactions in which they engaged in the name of the Populist Party, and have failed and refused to permit an independent audit of said accounts. Without such an audit there is no way to determine the actual purpose of many thousands of dollars of expenditures by Mr. Carto and his employees in the name of the Populist Party. Further, Mr. Carto and his employees

have failed and refused to provide the Populist Party with a complete list of the contributors to the party and the amounts contributed, which constituted deposits to accounts controlled by Mr. Carto and his employees during 1984, 1985, and 1986.

COUNT IV: Violation of 2 U.S.C. Section 432 (a)

25. In pertinent part, 2 U.S.C. Section 432 (a) provides that:

"Every political organization shall have a treasurer....no expenditure shall be made for or on behalf of a political committee without the authorization of the treasurer or his or her designated agent."

26. During its history, the Populist Party has had only two elected treasurers: Emmett Miller, who was elected by the National Convention of the Populist Party, and served from his election on August 18, 1984 through his death on January 10, 1985; and affiant, who was elected by the National Committee on March 9, 1985 for a four year term, and has served from that time to and including the present date.

27. As has been set forth supra, Emmett Miller, during his term as treasurer, was (A) not kept informed by Mr. Carto and his

employees of their financial transactions in the name of the Populist Party; (B) not made a signatory to any bank account from which business was transacted in the name of the Populist Party; and (C) Mr. Carto and his employees, who had previously filed a statement of organization with the Federal Election Commission, did not notify the Commission of Mr. Miller's election, but continued to represent that Clara Sandahl was the treasurer of the Populist Party.

28. During my term as treasurer, Mr. Carto has continued to transact business in the name of the Populist Party from the account of the Populist Party, Inc. in Washington, D.C. without any consent or authorization from me, as treasurer, or from the Executive Committee, and in defiance of the demands of the Executive Committee of the Populist Party that he cease such operations. For instance, schedule B of one of the reports filed with the Federal Election Commission by Clara Sandahl discloses a loan of $600.00 to Graphic Productions, Box 914, Laurel, Maryland 20707. This loan was not authorized by any action of the Executive Committee. The President of Graphic Productions is Peter Polkiewicz, an employee of Willis A. Carto and/or one or more of his controlled entities. Mr. Polkiewicz used the $600.00 to launch a profit making scheme, using the name of the Populist Party, without authorization, by mail solicitation to Populist Party members. A copy of schedule B disclosing the loan is

attached hereto as Exhibit "O" and incorporated herein by reference. A copy of the solicitation mailing is attached hereto as Exhibit "P", and incorporated herein by reference. In spite of the demand of the Executive Committee for an accounting, neither Mr. Carto nor Mr. Polkiewicz have ever accounted for any of the funds received from the Graphic Productions solicitation and activities. This is but one example of many which could be cited showing unauthorized expenditures of funds solicited and collected by Willis A Carto and his employees in the name of the Populist Party.

29. I have reviewed the records of the Populist Party for the period during which Emmett Miller was treasurer, and do not find any evidence that Mr. Miller, as treasurer, authorized either the Populist Party, Inc., or Clara Sandahl as his designated agent to transact the business of the treasurer for the Populist Party. During my term as treasurer, I have at no time designated the Populist Party, Inc., Willis A. Carto, or any of his employees to act as my designated agent with regard to the financial affairs of the Populist Party.

COUNT V: Violation of 2 U.S.C. Section 434 (b) (3) (A)

30. In pertinent part, 2 U.S.C. Section 434 (b) (3) (A) states:

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"Each report under this section shall disclose ...the identification of each...person (other than a political committee) who makes a contribution to the reporting committee during the reporting period, whose contribution or contributions have an aggregate amount or value in excess of $200.00 within the calendar year, or in any lessor amount if the reporting committee should so elect, together with the date and amount of any such contribution."

31. Filed with this complaint and affidavit is an affidavit of William K. Shearer RE: Unreported Contribution of $500.00 to the Populist Party. The affidavit discloses that on or about August 18, 1984, Mr. Shearer contributed $500.00 by check to the Populist Party; that said sum was deposited by one or more of the agents and/or employees of Willis A. Carto to an account in the National Capitol Bank, Washington, D.C.; and that said contribution was not reported on any list of contributors included in the reports to the Federal Election Commission filed by Clara Sandahl and/or Lois Petersen, who purported to act for the Populist Party, during the calendar year 1984.

COUNT VI: Violation of 2 U.S.C. Section 432 (b) (2)

32. In pertinent part, 2 U.S.C. Section 432 (b) (2) states:

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"Every person who receives a contribution for a political committee which is not an authorized committee shall - (A) if the amount of the contribution is $50 or less, forward to the treasurer such contribution no later than 30 days after receiving the contribution; and (B) if the amount of the contribution is in excess of $50 forward to the treasurer, such contribution, the name and address of the person making the contribution, and the date of receipt of the contribution, no later than 10 days after receiving the contribution."

33. At no time since my election as treasurer have Mr. Carto and/or his employees ever transmitted to me for deposit in the party account any contribution of any size whatever, although the reports of deposits transmitted to me indicate that in excess of $173,000, solicited in the name of the Populist Party, was deposited to the account of the Populist Party, Inc. in Washington, D.C.

34. At no time during Emmett Miller's term of office as treasurer of the Populist Party were any contributions transmitted to him by Mr. Carto and/or his entities, or his employees in Washington, D.C. In fact, Mr. Miller was not even made a signatory to any account being operated by Mr. Carto and his employees in the name of the Populist Party.

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35. On September 29, 1986, the Executive Committee of the Populist Party adopted a motion requiring that all contributions received in the name of the Populist Party be forwarded to the San Diego administrative office for processing; and all funds or checks of any kind then be forwarded to the party treasurer, in Alabama, for deposit only in the Populist Party account. A copy of said minutes are attached hereto as Exhibit "E". On or about November 29, 1985, Mr. Carto's office dispatched to the administrative office in San Diego correspondence and forms showing receipt by the Liberty Lobby - Spotlight office in Washington of memberships in the Populist Party totalling $405, contributions totalling $59, and proceeds of literature sales totalling $23. None of said money was transmitted to the administrative office or to the treasurer. In fact, since the adoption of the September 29, 1985 resolution, the party has received only $30.00 from Mr. Carto's office, representing two party memberships.

36. Mr. Carto has informed the chairman of the Populist Party by letter,that it is his intention to continue to accept dues and contributions from members of the Populist Party for deposit in accounts controlled by him in Washington, D.C. See Exhibit "I" attached hereto.

COUNT VII: Violation of 2 U.S.C. Section 434 (a) (1) and

2 U.S.C. Section 434 (a) (4) (A) (i) and (iv)

37. In pertinent part, 2 U.S.C. Section 434 (a) (1) and (4) A) (i) and (iv) states:

> "Each treasurer of a political committee shall file reports of receipts and disbursements in accordance with the provisions of this subsection. The treasurer shall sign each such report....
>
> "All political committees other than authorized committees of a candidate shall file either... quarterly reports in a calendar year in which a regularly scheduled general election is held, which shall be filed no later than the 15th day after the last day of each calendar quarter: except that the report for the quarter ending on December 31, of each calendar year shall be filed no later than January 31, of the following calendar year;... and
>
> "In any other calendar year, a report covering the period beginning January 1, and ending June 30, which shall be filed no later than July 31 and a report covering the period beginning July 1, and ending December 31, which shall be filed no later than January 31, of the following calendar year...."

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The quoted section further describes the content of each such report.

38. On August 18, 1984, the Populist Party elected Emmett Miller as treasurer. Thereafter, Willis A. CArto and his employees continued to transact all business in the name of the Populist Party. None of the reports filed subsequent to Mr. Miller's election were signed by him, or even submitted to him. In fact, to the contrary, the Federal Election Commission was not even notified that Mr. Miller had been elected treasurer, and continued to believe that Clara Sandahl was the treasurer of the Populist Party because she continued to file reports of receipts and expenditures in its name.

39. I am informed and believe that no reports of any kind pertaining to the activities transacted by Willis A. Carto and his employees through the account of the Populist Party, Inc., or any other account directed and controlled by Mr. Carto, have been filed with the Federal Election Commission for the period from January 1, 1985, to the present date in 1986. My belief in this regard is confirmed by two letters, one dated August 22, 1985, and one dated February 25, 1986, from John D. Gibson , assistant staff director, Reports Analysis Division, Federal Election Commission, to Clara Sandahl, indicating that she has failed to file the required reports. Copies of these letters are attached

hereto as Exhibits "Q' and "R", respectively, and are incorporated herein by reference.

40. In spite of the fact that I was elected treasurer of the Populist Party on March 9, 1985, Mr. Carto and his employees continued to seek retention of supervision and control of all of the party's finances and financial records. Attached hereto as Exhibit "S", and incorporated herein by reference, is a letter which I received from Blayne E. Hutzel, purporting to act as controller of the Populist Party, requesting that I transmit to him detailed information pertaining to the activities from the bank account which I, as treasurer, had established in the name of the Populist Party.

41. When I declined to comply with Mr. Hutzel's request of April 30, 1985, Mr. Hutzel then adopted the position that it was my duty to file reports with the Federal Election Commission covering all of the transactions of Willis A. Carto and his employees from the account of the Populist Party, Inc. in Washington, D.C., although I was provided insufficient information to be able to attest to the truth or falsehood of Mr. Hutzel's representations with regard to transactions from said account. For instance, I was provided no list of contributors and amounts contributed, and insufficient information to be able to determine the purpose for which many expenditures were made.

Attached hereto as Exhibit "T", and incorporated herein by reference is a copy of a June 28, 1985 letter which I received from Mr. Hutzel, in which he advised me that someone in Washington had designated me to do the F.E.C. reporting for Mr. Carto's operation. Mr. Hutzel followed up this letter, on or about September 19, 1985, by transmitting to me a personal note with a proposed amended statement of organization which he asked me to file with the Federal Election Commission, and under which I would have assumed the duty to account for the transactions of Mr. Carto and his employees from the Washington account of the Populist Party, Inc. A copy of said note and amended statement of organization are attached as Exhibit "U" and incorporated herein by reference.

42. As I have previously informed the Federal Election Commission, I could not honestly verify, on the basis of the information provided to me, the transactions from the account or accounts administered by Mr. Carto and his employees. I have been criticized by Mr. Carto and his employees for my refusal to report their transactions, but I note that, in a previous contact with the Federal Election Commission, Flemming Lee, the attorney for Willis A. Carto and/or one or more of his corporate entities, declined to file reports including the transactions of the Bob Richards Committee account in Texas because Mr. Carto's Bob Richards Committee in Washington, D.C. "does not have access to

those records of contributions and disbursements." A copy of Mr. Lee's letter is attached hereto as Exhibit "V", and incorporated herein by reference.

COUNT VIII: Violation of 2 U.S.C. Section 434 (b) (3) (E)

43. In pertinent part, 2 U.S.C. Section 434 (b) (3) (E) states:

> "Each report under this section shall disclose... the identification of each... person who makes a loan to the reporting committee during the reporting period, together with the identification of any endorser or guarantor of such loan, and the date and amount of value of such loan."

44. As is set forth in the affidavit of Faye Miller RE:Alleged Indebtedness of the Populist Party to Liberty Lobby and Cordite Fidelity Corporation, which accompanies this complaint and affidavit, the Carto controlled entities, Liberty Lobby and Cordite Fidelity Corporation, allege that the Populist Party is in debt to said entities as a result of transactions occurring during the 1984 election period. None of said loans is reported in the reports of receipts and expenditures filed with the Federal Election Commission by Clara Sandahl and/or Lois Petersen, purporting to act in the name of the Populist Party for the periods from March through June 30, 1984, July 1 through

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September 30, 1984, October 1 through 17, 1984, and October 18 through November 26, 1984. This, and the other facts set forth in Mrs. Miller's affidavit strongly infer that the so-called debt was a post election concoction of Willis A. Carto, his entities and employees, for purposes of continued fund raising in the name of the Populist Party for the benefit of Liberty Lobby and Cordite Fidelity Corporation, rather than a genuine debt. If it be assumed (and the Populist Party does not so assume,) that any portion of the debt is real, it was not reported to the Federal Election Commission during the periods in which the obligations were alleged to have accrued. As is set forth in Mrs. Miller's affidavit, the same tactic was employed by Mr. Carto and his controlled entities with regard to the Bob Richards campaign. In the case of the Richards campaign, the debt continued to grow during several reporting periods long after the campaign was over.

45. Any obligations alleged to be due and owing to Mr. Carto's entities for the 1984 period are not the result of arms length transactions between the Populist Party and said entities. All of the financial affairs of the Populist Party were controlled and directed by Willis A. Carto during said period, and any commitments which he made to other entities which he controlled were made without consulting the treasurer or Executive Committee of the Populist Party.

COUNT IX: Violation of 2 U.S.C. Section 432 (b) (3)

46. Title 2 U.S.C. Section 432 (b) (3) states:

> "All funds of a political committee shall be segregated from, and may not be commingled with, the personal funds of any individual."

The term "individual" as used in the section is reasonably interpreted to include corporate or other entities as well as individual persons.

47. There is substantial evidence, in reports filed by Clara Sandahl and/or Lois Petersen with the Federal Election Commission, that Populist Party funds have been commingled with those of Mr. Carto's other entities. A full and in depth inquiry should be made into all transactions between the Populist Party, Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corporation, "The Spotlight", and The Committee To Defend Liberty Lobby, which transactions were consummated by Willis A. Carto and/or his employees. The following evidence of commingling, taken from reports filed with the F.E.C. by Carto employees in the name of the Populist Party, is illustrative:

A) In the report covering the period from March 15 through

June 30, 1984, a loan by Liberty Lobby to the Populist Party in the sum of $7,500.00 was reported to have been received, and repaid by the party. The Federal Election Commission made particular note of this transaction in a letter to Clara Sandahl, dated October 17, 1984, which is attached hereto as Exhibit "W", and incorporated herein by reference.

B) I have personally reviewed the reports filed by Clara Sandahl and/or Lois Petersen, purporting to act in the name of the Populist Party, for the entire 1984 period, and the reports filed by Blayne Hutzel in the name of the Bob Richards For President Committee, Washington, D.C., and have summarized the amounts paid from said accounts to entities controlled by Willis A. Carto. During the 1984 period, the sum of $82,630 was paid to Liberty Lobby, "The Spotlight", and The Committee To Defend Liberty Lobby from funds contributed to the Populist Party. The sum of $97,685 was paid to one or more of these entities from the account of the Bob Richards For President Committee administered by the employees of Willis A. Carto.

C) The report filed by Lois Petersen in the name of the Populist Party, covering the period from October 18 through November 26, 1984, states that on November 12, 1986, $22,660 was paid from Populist Party funds to The Committee To

Defend Liberty Lobby for "postage for appeal letter". The same report discloses that on the next day, November 13, 1984, $46,500 was paid from Populist Party funds to Liberty Lobby, again for "postage for appeal letter". A copy of the pertinent page of Schedule B to the report is attached hereto as Exhibit "X", and incorporated herein by reference. Similarly in the report filed in the name of the Populist Party by Lois Petersen, covering the period from November 27 through December 31, 1984, Schedule B indicates that on November 30, 1984, the sum of $2,500 was paid to The Committee To Defend Liberty Lobby for "travel exp." A copy of the pertinent page of Schedule B from the report is attached hereto as Exhibit "Y", and incorporated herein by reference.

D) The reports show a cumulative sum of $8,000 paid to Victor Marchetti. Any services preformed by him on behalf of the Populist Party are unknown, although I am informed and believe that Mr. Marchetti had a relationship with one or more of Willis A. Carto's other entities.

E) A "Spotlight" bill of $10,478.55 was paid from Populist Party funds, and later the sum was reimbursed to the party, but the reimbursement appears to have been deposited in the account of the Populist Party, Inc. Attached hereto as

Exhibit "Z", and incorporated herein by reference, is a page from Schedule A of the report filed by Lois Petersen, in the name of the Populist Party, with the Federal Election Commission, and which purports to explain this transaction.

48. On or about July, 1985, Willis A. Carto and Fred Seipold then Chairman of the Populist Party entered into a private agreement, without the knowledge of the Executive Committee, under which Carto and/or his employees would mail a letter signed by Seipold on Populist Party stationary to all Populist Party members urging said members to subscribe to Carto's publication "The Spotlight". In return, Carto promised to pay Seipold $1,000 and pay to the Populist Party $1,500 for the use of the party's mailing list. This mailing was disseminated during July, 1985, and a copy of said mailing is attached hereto as Exhibit "AA", and incorporated herein by reference. On August 12, 1985, Mr. Carto transmitted to Mr. Seipold the $1,000 which had been promised to Seipold, but did not take this money from "The Spotlight" account, but rather transmitted the funds to Seipold from contributions received in the name of the Populist Party and which had been deposited in the bank account of the Populist Party, Inc. These facts are confirmed by the letter from Carto to Seipold, dated August 12, 1985, a copy of which is attached hereto as Exhibit "BB", and incorporated herein by reference; and the disbursement records which I received from Blayne Hutzel and

which are attached hereto as Exhibit "CC", and incorporated herein by reference.

49. In early September, 1985, Mr. Seipold resigned as Chairman of the Populist Party. Thereafter, on September 15, 1985, the Executive Committee held a telephonic meeting in which Mr. Carto participated. The subject of the settling of accounts between the party and Mr. Seipold was discussed. At this time Mr. Carto allowed the Committee to believe that the $1,000 paid to Mr. Seipold had come from "The Spotlight" and that this sum be treated as an offset to any sum owed by the party to Seipold, and thus only $500 was due from "The Spotlight" to the Populist Party for use of the party's mailing list. The minutes of the September 15, 1985 meeting reflect this misunderstanding on the part of the Executive Committee, and a copy of said minutes is attached hereto as Exhibit "DD", and incorporated herein by reference. I discovered later that the $1,000 had been paid to Seipold from funds contributed to the Populist Party. Thereafter, demand was made on Mr. Carto for payment of the $1,500 due to the Populist Party, but no payment of the sum has ever been received. A copy of the demand letter by Chairman John Couture is attached hereto as Exhibit "EE", and incorporated herein by reference.

50. Attached hereto as Exhibits "FF" and "GG", respectively, are

two documents which I received from Blayne Hutzel. Exhibit "FF" purports to be a Populist Party disbursement journal, dated March 15, 1985. Exhibit "GG" purports to be a similar document dated May 23, 1985. These two disbursement journals show that the sum of $16,755.13 was paid from Populist Party funds to Liberty Lobby during the period reflected in the disbursement journals, and $16,040.10 was paid from Populist Party funds to "The Spotlight". An additional $796 was paid from Populist Party funds to Graphic Productions. None of these payments was ever authorized by me, as treasurer, or by the Executive Committee of the Populist Party. The transactions reflect 1985 payments in excess of $33,000 from party contributions to non-party entities controlled and directed by Willis A. Carto.

COUNT X: Request for Investigationof Tax Returns

51. A complete understanding of Mr. Carto's dealings with the funds collected and expended in the name of the Populist Party cannot be achieved without a full review of the treatment of these funds on the tax returns of the various entities controlled and directed by Willis A. Carto. I am informed and believe that in 1985 the Populist Party, Inc. filed a Virginia tax return in which it listed taxable income as shown on the Federal Return as a loss of $317,018. I am further informed and believe that this tax return was signed by Clara Sandahl, and that no Federal

Return was attached to the Virginia return. The reported loss is a sum only a few dollars different than the total sum of the debt alleged by Mr. Carto and his employees, at the meeting of the party's Executive Committee on November 24-25, 1984, to be owed by the Populist Party to Mr. Carto's non-party entities. Therefore, the Populist Party requests a full review of the tax return treatment given to any alleged transactions between the Populist Party and Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corporation, "The Spotlight", The Committee To Defend Liberty Lobby, and any other Carto controlled entity which alleges transactions with the Populist Party during the period from March 1, 1984, through the present date.

CONCLUSION

52. The complaint herein is brought because the Populist Party desires to conform its operations to the requirements of law, and Willis A. Carto has consistently and willfully refused to cooperate in achieving this objective. In fact, he rejects the authority of the Executive Committee of the Populist Party to approve payment of bills, or even discuss fund raising, or political campaigns. He regards the bank account of the Populist Party, Inc., from which he has sought to transact the business of the Populist Party, as "my bank account in Washington". All this is confirmed by the letter attached hereto as Exhibit "HH", and

incorporated herein by reference.

53. Further, Mr. Carto has been unwilling to fully cooperate with the Federal Election Commission in the exercise of its regulatory functions. His attitude is expressed in a letter of June 16, 1985, addressed to then party chairman Fred Seipold, upon Carto's receipt of a letter addressed by the Federal Election Commission to Clara Sandahl stating that "The Commission voted to undertake an audit of your committee pursuant to section 438 (b) of title 2 of the United States Code." A copy of Mr. Carto's letter and the communication from the F.E.C. are attached hereto as Exhibit "II" and incorporated herein by reference.

Therefore, for the reasons set forth above, and each of them, it is respectfully requested that the Federal Election Commission prosecute this complaint pursuant to the provisions of 2 U.S.C. Section 437g.

Executed this 30th day of June 1986.

I declare, under penalty of perjury, that the foregoing is true and correct; that affiant knows the foregoing facts to her own knowledge, except as to those matters which are set forth on information and belief, and as to those matters affiant believes them to be true; and that if called as a witness to testify to

the facts contained herein, affiant is competent to do so.

Faye Miller

Faye Miller

1921 Summer Place Drive West

Mobile, AL 36618

Lauzy L. Pickle

Subscribed and sworn to me, on June 30, 1986.

Mobile, Ala, Mobile County, Alabama

Notary public in and for said county and state.

3004079 2838

Exhibit "A"

0004079287

Motion adopted by the National Executive Committee of the Populist Party, during telephonic meeting, Friday, April 18, 1986, 7:00 PM Pacific Time.

I move that the Treasurer of the National Populist Party be instructed to initiate a complaint with the Federal Election Commission, pursuant to 2 U.S.C. Section 437g, requesting a complete investigation of the activities of Willis A. Carto, The Populist Party, Inc., and other entities which he controls, and which appear to be in violation of 2 U.S.C. Section 432 (a), (b) (1), and (3), 2 U.S.C. Section 434 (a) (1), and (4) (iv), or any other sections of the Federal election laws.

9004079238

Exhibit "B"

0004076984

Motion adopted by the National Executive Committee of the Populist Party, during telephonic meeting, Friday, April 18, 1986, 7:00 PM Pacific Time.

I move that Willis A. Carto be removed from the Executive Committee of the Populist Party for breach of fiduciary duty to the members of the party in that he has:

1. Refused to dissolve or change the name of a corporation which he operates, the name of which includes the words "Populist Party," creating confusion among contributors who believe they are contributing to the Populist Party, but whose contributions are placed in the account of the corporation.

2. Refused to turn over to the Treasurer of the Populist Party funds raised in the name of the party, after demand therefor.

3. Continued to operate a bank account in the name of his corporation into which he has wrongfully deposited funds contributed to the party, in spite of the demand that the account be closed.

4. Refused to account to the Executive Committee and Treasurer for funds collected in the name of the Populist Party.

5. Announced that he intends to continue to accept contributions in the name of the party, in spite of the demand of the Executive Committee that he cease to do so.

6. Co-mingled the funds of his business enterprises with contributions received in the name of the Populist Party.

7. Expended funds raised in the name of the Populist Party for non-party purposes.

8. Failed or refused to file necessary reports with the Federal Election Commission.

9. Failed or refused to submit to a full and complete audit of the accounts in which he has placed funds solicited in the name of the Populist Party.

10. Used the party mailing list for his own purposes without compensating the party for use of the list, as he had promised to do.

11. Falsely asserted that the Populist Party is in debt to business entities which he controls.

12. Actively discouraged persons from contributing to the National Populist Party.

0004072390

Exhibit "C"

0004078281

POPULIST PARTY
NATIONAL COMMITTEE

P.O BOX 76737 WASHINGTON, D.C 20013
(202) 546-5530

December 4, 1984

Dear Friend:

Thanks again for your generous contribution to the POPULIST PARTY.

In order for us to comply with the reporting requirements of the Federal Election Campaign Act, we need the following information for you. Please complete the form below and return this sheet in the enclosed envelope.

We appreciate very much your kindness and hope that you will cooperate with this necessary request.

Sincerely,

Bernard R. DeRemer
Administrative Assistant

Enc.

Name_____

Name of employer _____

Occupation_____

POWER TO THE PEOPLE

84053059

Exhibit "D"

0004079289 5

If your Country has a future as an independent nation, that future is Populist . . .

From the desk of
JOHN R. RARICK

BUT, if America is to be submerged into an international swamp, with our precious, blood-bought Constitution canceled by a world economic-political government, the Republican Party and the Democratic Party will be GUILTY of that crime.

Both major parties strongly support internationalism. "America First" is now virtually a dirty name to leaders of the "two" parties.

Now I have been a Democrat all my political life. I served in the House of Representatives for eight years from the Sixth District of Louisiana and before that five years as an elected state judge.

As a Democrat I did all I could to work for Constitutional principles and for American sovereignty.

My record shows it. I am very proud of that record.

Unfortunately, I learned the hard way that as a member of either party you must either "play ball" with the powers that be . . . or else.

The Democrats took away my seniority in 1969, making me a "freshman" in the committees I served. They did this because I persisted in voting and acting according to my conscience instead of the party line.

I was punished for political heresy. For standing up for America.

WHY I AM NOT A REPUBLICAN

Do I hear you ask me, "Then why don't you join the Republican Party?" If that is your question, let me give you only two (out of many) very recent reasons why I'm not joining the Republicans.

Do you remember what Bob Dole--the Republican leader of the Senate and one of the most powerful Republicans in America--had to say right after the Republican Platform Committee brought in their report during the GOP convention in Dallas, last year?

If you watched television, you will recall that a large group of patriotic, mainstream Americans had worked long and hard to hammer out a platform. Since they pretty much represented the Republican grassroots, it was conservative, reflecting the party membership, not David Rockefeller's Council on Foreign Relations or the Trilateral Commission.

Dole was asked by a liberal reporter how long it would take the Republican leadership to forget about the platform.

"About as long as it takes to pack our bags," he sneered.

If that doesn't make you see red, what will?

It beats me how any self-respecting American can support the Republican Party after Dole's contemptuous comment.

Dole, remember, is one of the most powerful men in Washington. He is a vigorous proponent of higher taxes. For YOU. Even as thousands of farmers in his state--Kansas--are going bankrupt, thanks to the Republican free trade and high-interest banker-dictated policies he promotes, Dole demands higher taxes to pay for increased foreign aid and the interest on the so-called "national debt."

(As you know, the "national debt" has been created by bankers literally out of nothing. But you are forced to pay exorbitant interest on it out of your earnings. You should read Don Kimball's new book on this subject.)

Because the newspapers in Kansas are controlled by the banks and the liberals, the voters in that state aren't told the truth about Dole. They think he is "conservative"!

THE GREAT "CONSERVATIVE" FLIM-FLAM

The horrifying fact is that, under a "conservative" banker-controlled president, the Republican Party is dropping all pretense that it is nationalistic and in tune with the Republican mainstream. Just the other day, 35 "conservative" Republican congressmen signed an inflammatory letter to the ambassador from South Africa which could well have been written in Moscow. Joining the most liberal of the Democrats, like Rep. Steven Solarz and Sen. Teddy Kennedy, they threatened dire consequences unless that country immediately does away with apartheid.

One of the signers, Vin Weber, of Minnesota, later explained. Writing in the liberal Washington Post, he said: "WE MUST ESTABLISH THE REPUBLICAN PARTY AS AMERICA'S NEW INTERNATIONALIST PARTY."

Weber said that many Republicans might think this is "treason."

You can forget about the Republicans as you can forget about the Democrats. Both are totally controlled puppets of the internationalists.

I AM A POPULIST

Like so many thousands of former Republicans and Democrats who put their country ahead of their traditional party loyalty, I am now a proud member of the Populist Party.

It took the rebirth of the one and only party which has always stood for American principles to make me realize that I have been a populist all my life.

> I HAVE ALWAYS REVERED THE CONSTITUTION. I HAVE ALWAYS BEEN AN AMERICAN FIRST. I HAVE ALWAYS OPPOSED COMMUNISM AND SOCIALISM. I HAVE ALWAYS BELIEVED THAT THE INTERESTS OF THE PEOPLE SHOULD BE SERVED AHEAD OF THE BANKS AND THE MULTINATIONAL CORPORATIONS AND THE LISPING "INTELLECTUALS."

And I plan to devote all of the time and money I can spare from now on supporting and helping to build the Populist Party.

(Have you noticed many politicians suddenly calling themselves "populist" since our party has re-appeared? Don't let them fool you. Only one party stands for the Jeffersonian principles of populism.)

A POLITICAL MIRACLE

Last year you and I witnessed one of the great political miracles of our time. Almost entirely unnoticed by the press, the Populist Party was reborn and, in a mere eight months, had become an organized and permanent presence on the American scene.

Starting its organizing in March, the party had its first convention since 1896 in September. It nominated candidates and--considering the limited time and funds at its disposal--did far better than any other "third" party, including some which have been active for many years and spent millions.

I'll include a reprint of an article which appeared in The SPOTLIGHT giving the incredible vote. This is an astounding performance. This is the most encouraging thing to happen in years.

Starting to organize in March, the party held its first national convention since 1896 in September and nominated two outstanding candidates for president and vice-president. By October party organizations were functioning in 49 states and the party was on the ballot in 14.

On election day the party received almost as many votes as other "third" parties which have been active for years, and which raised millions of dollars.

This is an astounding record for a fledgling party. I'll enclose reprints from The SPOTLIGHT which detail this historic achievement.

I don't know about you, but to me, this is the most encouraging thing to happen in years! All is NOT lost. We have built a solid foundation for a major new party. Now we must go forward and build that party. We need three things: ORGANIZATION, LEADERSHIP, and FUNDING.

ORGANIZATION

Although the future of the Populist Party is very bright, there are also immediate and pressing problems. There is no time to lose.

Enormous strides have been made setting up state committees and gaining ballot position. Now we must begin the task of organizing the party down to the local level. We have to set up party committees in every county, every precinct.

WE MUST BEGIN NOW. WE CANNOT WAIT. WE MUST PREPARE TO RUN CANDIDATES FOR LOCAL, STATE AND CONGRESSIONAL OFFICES NEXT YEAR--1986. AND THERE WILL BE A PRESIDENTIAL ELECTION IN 1988!

LEADERSHIP

Leadership is another pressing and urgent need. We need hard workers and leaders. We need candidates. We need fundraisers. We need to get more young people involved. So please get in touch with your chairman of the party in your state if you haven't already. GET ACTIVE WITH YOUR POPULIST PARTY!

FUNDING

This brings me to our greatest weakness, our lack of funds. Our potential is almost unlimited but our means available are pathetic. But this is natural. The strength of populism is also its weakness. Populism stands for the people but in politics today the money comes from the special interests. Obviously,

David Rockefeller and his Big Buck Banking Cabal are not standing in the background with their checkbooks. Their money is for the Republicrats and the smaller parties which promote their interests, such as free trade and higher taxes. They will do all they can to frustrate us.

The money to support populism must come from the people it benefits, not the special interests.

That's why we need your help desperately if the Populist Party is to grow --if it is to survive. We must pay off the party debt (almost $200,000) and move forward.

In addition to paying off the debt we need at least a million dollars to finance our activities this year of 1986--this critical year when there is so much to be done!

The Populist Party offers Hope. It may be the last chance you and I have to save America--to painfully pull it back from the brink of the final plunge into the fetid swamp of national destruction. The internationalists --who are very near to dissolving our national independence and our Constitution in a capitalist/Marxist world economic union--must be stopped before it is too late!

AND IT IS NEARLY TOO LATE!

This is why I appeal to you to meet this challenge the only way it can be met--with a new party--the Populist Party.

PLEASE help in every way you can. Otherwise, George Orwell's "1984" will be delayed no longer.

Yours, for the Constitution

John Rarick

JOHN R. RARICK

P.S. I almost forgot. Don Kimball, our Central States Coordinator and secretary of our Executive Committee, has just written a truly great book, The Money and the Power. You must have this 160-page book; it is truly outstanding. I've never read any book which explains the historic money question so well, so clearly, so persuasively. It is truly a superb primer, perfect to give to someone who doesn't understand the total fraud of our dishonest money system. If you contribute $20 or more I will send you a free copy of this $6 book.

Contribute to the party and get up to a $50 tax credit on your 1985 return — $100 for a joint return!

POPULIST PARTY
NATIONAL COMMITTEE
P.O. BOX 76737
WASHINGTON, D.C. 20013

20040727-0227

POPULISM—

the Wave of the Future.

☐ Please send me further information about the Populist Party.

☐ Yes, I want to become a supporting member of the Populist Party National Committee. I'm enclosing $15 in annual dues.

☐ I wish to contribute to the Populist Party's national campaign fund. I am enclosing $_____.

NAME _____

ADDRESS _____

_____

TELEPHONE NUMBER _____

Send to:

POPULIST PARTY NATIONAL COMMITTEE
P.O. Box 76737
Washington, D.C. 20013
Telephone: (202) 546-5530

The Populist Party platform is based on the simple premise:

Power to the People—
Not to the Special Interests

The Populist Party Places AMERICA First

The principles of Populism are as fresh today as they were when America's first populist, Thomas Jefferson, penned the Declaration of Independence in 1776.

The new Populist Party was established in Washington, D.C. on February 29, 1984 and is organized in every state. In the recent presidential election the party's candidates for president and vice president were on the ballot in 14 states. By 1988 the party expects to have ballot status in every state.

If you want to help the Populist Party in this state contact:

Local Populist Party units may put their own address here.

Are YOU a Populist?

Check your positions on the issues against those of the various political parties as listed on the chart inside and see where you stand.

Are you a Populist?

Find out.

WHERE DO *YOU* STAND ON THE ISSUES?

MAJOR ISSUE	COMMUNIST PARTY	DEMOCRATIC PARTY	REPUBLICAN PARTY	POPULIST PARTY	YOUR POSITION
REPEAL THE FEDERAL INCOME TAX on the wages of the working middle class, which currently bears most of the tax burden.	NO	NO	NO	YES	
PROTECT AMERICAN JOBS AND INDUSTRY from foreign competition. Institute fair tariff laws to equalize production costs at the water's edge. Promote domestic enterprise. Restrict immigration to protect employment for American workers.	NO	NO	NO	YES	
STOP INFLATION, BRING DOWN INTEREST RATES, AND PREVENT NATIONAL BANKRUPTCY by abolishing the private banking monopoly known as the Federal Reserve System which maintains a profitable deadlock on our economy at the expense of America's workers, farmers and small businessmen.	NO	NO	NO	YES	
RESTORE A STRONG NATIONAL DEFENSE. Establish a military which is second-to-none. Cease shipments of advanced technology and military equipment to enemy nations. Defend America, not the world.	NO	NO	NO	YES	
PROTECT THE RIGHT OF LAW-ABIDING HOMEOWNERS AND SPORTSMEN to keep and bear arms as guaranteed by the Constitution.	NO	NO	NO	YES	
REVITALIZE THE FAMILY FARM. Establish an immediate moratorium on all foreclosures against farmers, homeowners, and small businessmen. Provide parity for family farmers.	NO	NO	NO	YES	
STOP MEDDLING IN FOREIGN WARS. Restore America's traditional non-interventionist foreign policy as laid down by President George Washington. Stop sacrificing American boys in wars fought to benefit the special interests.	NO	NO	NO	YES	
REINVIGORATE THOMAS JEFFERSON'S PRINCIPLE: "Equal Rights for All; Special Privileges for None." End all forced racial busing, quotas and affirmative action programs.	NO	NO	NO	YES	
RESTORE FREEDOM OF CHOICE in health care and education. End government restrictions which interfere with medical freedom and the right of parents and local school districts to guide their children's education.	NO	NO	NO	YES	
REPUDIATE THE NATIONAL DEBT except that held by lenders who have invested their earned money in government securities. This will cut the artificially inflated debt and interest by at least one-half.	NO	NO	NO	YES	

ARE YOU A *POPULIST*?

IMPORTANT ANNOUNCEMENT

The National Committee of the Populist Party, composed of the official delegates from all states having a recognized Populist Party, will be held according to the bylaws.

The meeting will be held at the Bismarck Hotel, 171 W. Randolph St., Chicago. Reservations are available at a special rate to Populist Party members. Dial 800-643-1500.

All Populist Party supporting members are cordially invited to attend.

Registration will begin at noon, Friday, March 8. Business meeting will convene at 9 a.m. Saturday, March 9. A Populist Rally will begin immediately after the business meeting. Following a social event Saturday evening will be a Gala Banquet.

Sunday will feature a very important School of Politics. Experts in the fields of state organization, selection of candidates, ballot qualification, petitioning, use of issues, getting out the vote, etc. will speak and answer questions. The period will include panel discussions, questions and answers and confrontational situations.

Most events will be open to Supporting Members without charge. An appropriate charge will be made for the Populist Rally and Gala Banquet.

2 0 0 4 0 7 9 2 3 0 1

I ALSO WANT TO HELP THE PARTY PASS THE WORD . . .

☐ I WANT TO PURCHASE:

_____ copies of the brochure **Are YOU a Populist?** (100 for $5; 200 or more, 4¢ each) ..... $_____

_____ copies of the Official Platform of the **Populist Party** (100 for $5; 200 or more, 4¢ each) ..... $_____

_____ Official **Populist Party** lapel pin(s) ($5 each) ..... $_____

_____ **Populist Party** bumper sticker(s) ..... $_____

_____ **Abolish I.R.S.** bumper sticker(s) ..... $_____

_____ **Populist Party** button(s) ..... $_____

(All bumper stickers and buttons are $1 each. If you order a dozen or more of a particular item, the price is 35¢ each.)

D.C. residents add 6% sales tax. **GRAND TOTAL** $_____

(Return this card with your order and contribution.)

8-2

POPULIST PARTY CONTRIBUTION CARD FOR AMERICA FIRST

YOURS FREE!

YES JUDGE RARICK,

I fully support the POPULIST PARTY. You can count on me to help in this crucial fight for America's survival as a free and independent nation. Please send me a 1985 Supporting Membership card for a minimum donation of $15. And if my contribution is $20 or more, also send me a FREE copy of Don Kimball's book, The Power and the Money. I enclose:

☐$15 ☐$25 ☐$50 ☐$100 ☐$_____Other

018408 M 5PMEM
WILLIAM K SHEARER
9160 PALM ST
LEMON GRV CA 92045

NOTE: Your contribution up to $50 is fully deductible dollar-for-dollar as a tax credit against your 1985 income tax. If you file jointly, you may deduct $100 from the tax you would ordinarily pay. Make check or money order out to POPULIST PARTY and mail to P.O. Box 76737, Washington, D.C. 20013.

(See reverse side to order POPULIST PARTY items.)

FROM _____

_____

_____

PLACE STAMP HERE

POPULIST PARTY

P.O. BOX 76737

WASHINGTON, D.C. 20013

2 0 0 4 0 7 9 2 9 0 3

P.O. Box 76737
Washington, D.C. 20013

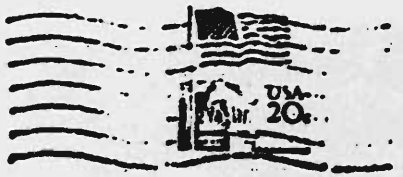

Exhibit "E"

20040792904

POPULIST PARTY - NATIONAL EXECUTIVE COMMITTEE

The following are the minutes of the Executive Committee Meeting which took place by telephone conference on September 29, 1985 at 6:30 pm Pacific time.

On line for the call were executive committee members, John Couture, Don Kimball, Faye Miller, William Shearer, Jerry Pope, Rolland Victor, Willis Carto and National Administrator, Nancy Shearer.

Mr. Couture requested that Miss Shearer give a report on the new office.

Miss Shearer reported that she had found an office in San Diego for $264.00 on a month to month basis and had retained it. She said she rented a post office box for $53.44 which was paid for thru January 1, 1986 and that she had a phone installed with a $100.00 deposit which went toward the first month's bill. The new office address 3435 Camino Del Rio South, Suite 318, San Diego, CA 92108; the new mailing address 6065 Mission Gorge Road, Box 211, San Diego, CA 92120 and the new phone number is (619) 282-5614. She further reported that she had returned to Phoenix and was released from the lease on her apartment, had the party mail forwarded to the new mailing address, and made sure that the Populist Party was not being held responsible for a lease on a Phoenix office.

Mrs. Miller reported that there is approximately a $1,200.00 balance in the party account in Alabama.

Mr. Carto reported that the Washington account had been drained to pay an outstanding Printers II bill of $3,981.64. He asked that Mrs. Miller return the invoice for that bill to him to avoid double payment.

Maureen Salaman was added to the conference call at this time.

Mr. Shearer made a motion that:

1) There are to be no more expenditures on obligations incurred, and no new bills are to be incurred without specific authorization of the executive committee;

2) All Populist Party mail and or contributions are to be forwarded to the new San Diego administrative office for processing; and

3) All funds or checks of any kind are to be forwarded to Mrs. Miller, the National Treasurer, in Alabama, for deposit only in the Populist Party account there.

Mr. Victor seconded the motion.

Befor a vote could be taken Mr. Kimball moved to table the above motion until fund raising could be discussed. Mr. Carto seconded the motion and the vote was 4 to 4 with Mr. Kimball, Mrs. Salaman, Mr. Pope, and Mr. Carto voting for the motion, and Mr. Shearer, Mrs. Miller, Mr. Victor, and Mr. Couture voting against it.

Mr. Shearers original motion was then discussed and approved by a vote of 6 to 0 with Mr. Pope, Mr. Victor, Mr. Shearer, Mrs. Miller, Mrs. Salaman and Mr. Couture for the motion, and Mr. Carto and Mr. Kimball abstaining.

The next matter to be discussed was fund raising. Mr. Couture said that he thought the proposed 20K mailing concerning membership dues, should take a very positive stand and that he as chairman wouls sign it. All agreed to this approach.

Mr. Couture then asked about the billing of the state assesments. Miss Shearer said she had it on her calendar of things to do as soon as the new letterhead was ready. She also said she was getting a bulk mailing permit for the party.

Mr. Kimball asked Mr. Carto a question about Mr. Kimball's books, but Mr. Carto had left the conference call.

Mr. Kimball went on to address the committee about his book offer in which he would sell copies of his book to the Populist Party for $4.00 each including postage and handling, and that the party could give his book to every $25.00 contributor.

Mr. Couture made a motion to proceed with Mr. Kimball's book offer one month after the membership fundraiser is out. The motion was seconded by Mr. Victor and was unanimously adopted.

Mr. Couture reported that he had mailed a letter to the New York Times requesting a retraction of its attack on the party and that he had sent copies to the statewide leadership. He further reported that he would be sending a letter to the state leaders asking for information on their goals and timetables for state organizational plans. Mr. Couture also gave a brief description of the Video plan he had been working on, to follow the six month six tier plan or whatever plan was implimented in a particular state.

Mr. Kimball brought up the financial dificulties of Van Loman's campaign in Ohio and asked for input as to what could be done.

Mr. Shearer said that under the circumstances the party could not afford to spend any money, but that committee members who wanted to help out Mr. Loman's campaign should either donate or raise $100.00 to send to Mr. Loman's campaign committee.

0004079200

Mr. Kimball said it should be sent ot the Loman for Council Campaign Committee, Box 5112, Cincinatti, Ohio 45205, Attn: Harry Bertram, Jr., Treasurer.

Miss Shearer reported that she really needed some assistance in the office, and offered as a solution the hiring of a secretary for 25 hours a week at $6.00 an hour for a total of $150.00 a week.

Mrs. Salaman moved that Nancy Shearer be allowed to get office help for a maximum of 25 hours at $6.00 an hour for a total of $150.00 a week. Mrs. Miller seconded the motion, and it carried unanimously.

Mr. Kimball made a motion for the committee to meet again by conference call on October 20, 1985 at 6:30 pm Pacific time. Mrs. Salaman seconded the motion, and it carried unanimously.

The meeting was then adjourned by Mr. Couture.

Respectfully submitted,

Nancy Shearer

Nancy Shearer
National Administrator

0004072907

Exhibit "F"

0004079208

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

FEDERAL EXPRESS - OVERNIGHT - RETURN RECEIPT REQUESTED

PERSONAL AND CONFIDENTIAL

January 14, 1986

Mr. Willis A. Carto
300 Independence Ave S.E.
Washington, D.C. 20003

Dear Mr. Carto:

As Treasurer of the national Populist Party, I am writing to you to communicate to you certain actions taken by the Executive Committee of the Party with regard to financial matters, and to clarify certain other matters about which your employee, Mr. Hutzel, has written to me.

FIRST, it is the understanding of the Executive Committee that your publication, The Spotlight, agreed to pay the Populist Party $1,500.00 for the use of our mailing list for a mailing signed by Fred Seipold on behalf of The Spotlight in July 1985. You have confirmed this. The Party has not been paid for this use of its mailing list. This letter will serve as our formal request for payment.

The Executive Committee acted on this matter on October 20, 1985. At that time we had been led to believe that you were entitled to a credit of $1,000.00 toward the payment of this $1,500.00; this $1,000.00 having been transmitted to Fred Seipold. ~~However, a review of the bank statements~~ and the limited supporting information sent to me by Mr. Hutzel indicates that this $1,000.00 was sent to Mr. Seipold from the Populist Party account in Washington. Therefore, the entire $1,500.00 appears to be due the Party from The Spotlight, since you paid Mr. Seipold with funds raised in the name of the Party.

SECOND, on September 20, 1985 the Executive Committee approved a resolution which provided that:

1. There are to be no more expenditures or obligations incurred without specific authorization of the Executive Committee;

2. All Populist Party mail or contributions are to be forwarded to the new San Diego Administrative Office for processing;

3. All funds or checks of any kind are to be forwarded from the Administrative Office to the Treasurer in Alabama for deposit only in the Populist Party account in Alabama.

Although you were fully aware of this action (the Minutes show that you were present and abstained on passage of the Resolution after voting for an unsuccessful motion to table), the instructions of this Resolution have not been carried out by you or your Washington office.

I have received no funds direct from your office, and the Administrative Office in San Diego reports to me that only two membership checks have been transmitted there from your Washington office. In early December the San Diego office did receive a packet of material including correspondence noting that $59.00 in contributions, $405.00 in memberships, and $23.00 in sales of literature had been received. However, the money was not enclosed and has not to date been received either by me or the Party's Administrative Office.

Therefore, this letter will serve as my request that all funds received in your office for the benefit of the Populist Party from September 29, 1985 to date be immediately transmitted to the San Diego office for processing and forwarding to me in accord with the instructions of the Executive Committee.

FINALLY, there seems to be some confusion in your mind, and that of Mr. Hutzel, about my duty to file reports with the Federal Election Commission pertaining to the bank account which you have operated in Washington in the name of the Populist Party, Inc.

My duties are clearly spelled out in the Party's Bylaws which state: ~~"The Treasurer shall~~ account for all funds received ~~and expended~~ by the National Committee".

As Treasurer, I have opened a bank account from which all official Party business has been transacted since my election. In that account, I have deposited all funds I have "received", and from it I have paid all sums "expended".

The Populist Party is an unincorporated political party whose officers have been elected by the membership of the National Committee.

The account which you have operated in Washington is, I am reliably informed, held in the name of the Populist Party, Inc., a Virginia corporation, with officers different from those elected by the National Committee of the Party. Thus the Federal Elections Commission reporting responsibility is separate from that of the Populist Party.

Even if I was disposed to do so, I cannot properly account for the funds received and expended from your Washington account on the basis of the woefully inadequate and incomplete information provided to me by Mr. Hutzel. To do so I would have to have a complete record of all contributions received, and complete supporting information for all expenditures showing to whom the payment was made and with specificity the purpose for which each payment was made. I believe that no member of the Executive Committee, except you, has ever been privy to this information.

The limited information provided to me by Mr. Hutzel shows many expenditures from the Washington account which are unexplained, others which indicate the expenditure of funds for purposes not approved by the Executive Committee and, in addition, payment of large sums of money to other corporations and entities which you control, all without adequate explanation.

Based on what I have seen I am not prepared to attest to either the accuracy or propriety of the information presented; nor will I do so without a full audit of the account. This is in accord with my understanding of my duties as Treasurer, as well as the ethical requirements of the profession. Further, on the basis of information I have seen, I am not prepared to say that the Populist Party is now indebted in any sum or sums whatever to any of the entities which you control.

If you are prepared to submit the Washington account to a complete audit, please inform me so that arrangements can be made to promptly commence the audit. Until such audit is completed, responsibility for reporting the activities of the account is the duty of you and the corporate officers you have placed in control of the fund. Insofar as I am concerned the Corporation will have to assume the duty of meeting any obligations it has incurred to all other entities, particularly those which you control.

Very truly yours,

Faye Miller

Faye Miller
Treasurer

cc: Blayne Hutzel
All Members, National Executive Committee, Populist Party

Exhibit "G"

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POPULIST PARTY - NATIONAL EXECUTIVE COMMITTEE

The following are the minutes of the Executive Committee Meeting which took place by telephone conference on January 18, 1986 at 8:00 AM Pacific time.

On line for the call were executive committee members John Couture, Don Kimball, Faye Miller, William Shearer, Jerry Pope, Rolland Victor, Richard Weimer, and National Administrator, Nancy Shearer.

Mr. Kimball asked for unanimous consent to change his vote at the previous meeting on adding Mr. Weimer to the executive committee from "no" to "yes".

Mr. Shearer objected to going back in the records and changing votes, but said Mr. Kimball's statement should be added to the record of this meeting.

Mrs. Miller moved:

That a demand be made upon the corporation officers of the Populist Party, Inc., a Virginia corporation, to do the following:

(1) The corporation chartered in the state of Virginia and known as Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia; or, in lieu of the charter being returned that the corporation change it's name, purpose and intent so as differentiate it from the Populist Party of the United States, and make this differentiation clear to the public.

(2) That all bank accounts in the name of the Populist Party, Inc. be closed; and

(3) That any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc. immediately cease; along with any other reference to Populist Party which might confuse the corporation with the Populist Party of the United States.

Mr. Victor seconded the motion and it passed unanimously.

Mrs Miller moved that:

Based upon the information available to the executive committee at this time, the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. These entities are to abandon any and all claims of indebtedness to them by the Populist Party of the United States, and furnish the Populist Party of the United States duly executed documents, signed by the officers and/or owners of such corporations, partnerships or proprietorships stating that the

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Populist Party of the United States is not indebted to them, or 2nd or 3rd party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. Should the above mentioned statements of absolution from each of these entities not be obtained from the officers/owners of same by February 10, 1986, it shall be the duty of these officers/owners to submit all financial records pertaining to any alleged activities at any time in the name of the Populist Party to complete and detailed audit by the Populist Party of the United States or its representative.

The motion was seconded by Mr. Shearer and passed unanimously.

Mr. Shearer moved that the executive committee support Mrs. Miller in her position that she is not responsible for filing any reports with the Federal Election Commission or any corporate forms in the name of the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp. or The Spotlight.

Mr. Victor seconded the motion and it passed unanimously.

Mrs. Miller moved:

That any and all solicitation of funds, sales of merchandise, or use of logo by any entity without express approval of the Executive Committee of the Populist Party of the United States cease immediately and that Graphic Productions be required to account for its unauthorized promotional activities, secure authorization from the Executive Committee, share revenues with the committee, and regularly account for the income from its sales of party materials.

Mr. Shearer seconded the motion and it passed unanimously.

Mr. Pope moved that any state party that tells its people not to contribute to the national be removed, and new officers installed with implementation of the motion to be handled by the chairman.

Mr. Shearer seconded the motion and it passed unanimously.

Mr. Shearer moved that the treasurer make a demand for the $1,500.00 owed to the Populist Party by the Spotlight for use of the mailing list, all money collected by the Populist Party, Inc. since September 29, 1985, and any balance presently in the Populist Party, Inc. account.

The motion was seconded by Mr. Weimer and passed unanimously.

Mr. Shearer moved that the party take all steps necessary to see that the Populist Party mailing list is not used by any one but the Populist Party without consent of the executive committee.

Mrs. Miller seconded the motion and it passed unanimously.

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Mr. Shearer moved that $2,500.00 be alloted for the printing of new literature.

Mr. Pope seconded the motion and it passed unanimously.

Mr. Shearer moved that Mr. Couture be allowed reimbursement for actual expenses incurred for travel while doing Populist Party work, and that Miss Shearer be allowed reimbursement for actual expenses incurred on trips to Oregon and Colorado to organize state parties there, under the supervision of the chairman.

Mr. Kimball seconded the motion and it passed unanimously.

Mr. Kimball moved that Mr. Victor be allotted $500.00 for travel on Populist Party business, to be accounted for to Mrs. Miller.

Mr. Pope seconded the motion and it passed unanimously.

The possible employment of Howard Carson was discussed, but no motion was offered and the matter was dropped.

The meeting was adjourned with the option of another meeting left to call of the chairman if needed before the National Committee meeting on March 1st and 2nd in Los Angeles, California.

Respectfully submitted,

Nancy Shearer

Nancy Shearer, National Administrator

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Exhibit "H"

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THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

January 27, 1986

Mr. Willis A. Carto
300 Independence Ave. S.E.
Washington, D.C. 20003

Dear Willis:

This will acknowledge receipt of your Western Union Mailgram, addressed to me, and dated January 21, 1986.

I have had an opportunity to rethink my position many times since November, 1984, and I have repeatedly attempted to resolve the party's financial problems amicably and without confrontation. All of these efforts have been ignored or circumvented, culminating in your demand that the party turn virtually all of its present funds - which you did not assist in raising - over to entities controlled by you. I do not believe that any course other than the one the Executive Committee has adopted, and which I recommended, would be consistent with our fiduciary duty to the party, and its contributors, a duty which you share as an Executive Committee member.

The record will not reflect that your corporation has functioned as the Virginia state party. On the contrary, the funds solicited by mail by your corporation were solicited in the name of the national Populist Party, and when the contributors made their donations, they believed, based on your representations, that they were contributing to the national party, not the Virginia state party.

Your assertions and implied threats addressed to me and to my wife are rejected in entirety. We have done nothing illegal or otherwise which would subject us to fines, and even if I had a personal interest in protecting what you have done in dealing with the party's funds, which I do not, that interest would not override my fiduciary duty to the party as an officer and Executive Committee member of the National Committee.

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Since, to date, I have carefully limited circulation of my reports on the party's finances only to the members of the Executive Committee, I fail to see how any act of mine could generate "massive confusion for supporters", "loss of support" for the party, or "expensive Federal investigations and suits." If these problems result, they will be a consequence of actions taken by you, such as your current open discouragement of contributions to the party, or a more widespread dissemination by you, or others than myself, of my reports, and/or the subjects discussed therein.

On January 18, 1986, the Executive Committee of the national Populist Party met and considered the recommendations made in my January 14, 1986 report. The Executive Committee unanimously adopted most of these recommendations. I believe that a copy of the minutes has already been transmitted to you, but I am enclosing an additional copy in case you have not yet received this information. The actions set forth in the January 18 minutes clearly express the position of the Executive Committee, a position in which I completely concur.

The Executive Committee does not desire to pursue punitive action against you or any of your entities, but we intend to defend the financial integrity of the institution we were elected to serve, and we do not believe that the Populist Party is indebted to any of the entities you control. You have told me, and others, on a number of occasions since the November, 1984 Executive Committee meeting, that you were prepared, if necessary, to forget the claim your entities have asserted against the Populist Party. I would suggest that, to the extent you believe any indebtedness exists from the party to these entities, you formally abandon these claims.

The other actions required of you and your entities, per the motions approved by the Executive Committee, are quite reasonable. They reflect the Executive Committee members' recognition of their obligation under the law to raise, control expenditure of, and account for the use of the party's funds.

As an individual member of the Committee, I am willing to meet and discuss with you mutually agreeable procedures through which the actions mandated by the Executive Committee can be implemented. We are all interested in maintaining harmonious relationships wherever this can be accomplished without breach of our fiduciary duty to the party. I do not know to whom you are referring by the reference in your Mailgram to "neutral parties," but I doubt that the involvement of outside parties in the dispute would serve any useful purpose. No recommendation by any party, "neutral" or otherwise, would be acceptable if it proposed that the Executive Committee ignore or breach its legal or fiduciary duties.

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With this qualification, I know no reason why reasonable men cannot amicably resolve whatever disputes exist. I would, of course, expect you to discontinue your public discouragement of contributions to the lawfully constituted National Committee of the party.

Sincerely yours,

William K. Shearer

Copy: Only to all members,
Executive Committee,
Populist Party

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Exhibit "I"

20040792920

POPULIST PARTY
NATIONAL COMMITTEE

P.O. BOX 76737 WASHINGTON, D.C. 20013
(202) 546-5530

March 17, 1986

John Couture
13131 W. Janesville Rd.
Hales Corners, WI 53130

Dear John:

As you are aware, many party members, as well as people who have picked up some party literature or seen a bumper sticker, continue to write in to this address. Many of them wish to pay their dues, others purchase literature, make contributions, ask questions or offer their services.

Due to the present disarray on the executive committee, and the extremely uncertain future of the party as a unified movement, I have asked our staff to resume servicing these inquiries and orders.

It has always been my personal aim, throughout some 30 years of public service, to see that people who support a movement in good faith receive that same commodity back.

A full record will be kept, as always, of action taken in each individual instance.

Sincerely,

Willis A. Carto
Member, Executive Committee

RECEIVED MAR 20 1986

Exhibit "J"

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POPULIST PART[redacted]OF THE UNITED STATES[redacted]
OFFICE OF THE TREASURER
P.O. Box 377
Dauphin Island, Alabama 36528

Telephone (205) 861-6462

April 3, 1986

Mr. Robert Raich
General Counsel
Federal Election Commission
999 "E" Street NW
Washington, D.C.

Dear Mr. Raich:

You have inquired of me as to the various motions adopted by the national Executive Committee of the Populist Party with regard to the accounts operated by Mr. Carto and his employees in Washington, D.C. Also, your inquiries regarding the relationship between the Populist Party of the United States, of which I am the elected Treasurer, and the Populist Party operating out of the Liberty Lobby offices in Washington.

This letter is in response to your inquiries.

1. Prior to February 1984 the Populist Party did not exist. To the best of my knowledge the "formation" of the Party was announced in Mr. Carto's publication, "The Spotlight" on or about February 1984. Mr. Carto's publication indicated that a Mr. Robert Weems had been appointed party chairman.

Sometime in March 1984 Mr. Carto apparently established or activated a Virginia corporation named the Populist Party, Inc. He opened a bank account in the name of the Populist Party, Inc., and I believe also opened an account in the name of the Populist Party National Committee. From these accounts Mr. Carto proceeded to conduct financial affairs in the name of the Populist Party, rasising money in the name of the Party, depositing this money in the accounts he had established, and expending funds from these accounts at will.

In June or July 1984 Mr. Weems resigned as Chairman and Mr. Carto appointed William W. Baker as Chairman - to serve until officers could be elected by the delegates at a National Convention. Thus, there was no actual participation by the members in the conduct of the affairs of the national Populist Party until August 1984.

2. On August 18-19, 1984 a National Convention was held by the Populist Party All persons attending the convention were permitted to vote. At the convention presidential and vice-presidential candidates were nominated, by-laws were adopted which established a National Committee and provided for the election of party officers for a 4 year term in March of each year following a presidential election. National party officers were elected at this meeting to fill the five party offices until the first meeting of the National Committee in March of 1985.

Mr. Carto has stated himself that the adoption of these By-Laws at Nashville August 18-19 1984 constituted the formation of the legal and official Populist Party. Yet he has consistently refused to abide by the mandates of duly elected Executive Committee and has, of late, refused to participate

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in the Board meetings. Rather, he has chosen to make an all-out attack on the character and intelligence of those of us who have refused to go along with his ideas and methods.

At the Nashville convention the following officers were elected - William W. Baker, Chairman; Jim Yarbough, Vice-Chairman; Don Kimbal, Secretary and my late husband, Emmett E. Miller, Treasurer; William K. Shearer was elected Parliamentarian. Following their election, these five officers met briefly as an Executive Committee, but did not have an opportunity to discuss the Party's finances. Their principal action was the appointment of two additional members of the Executive Committee, one of whom was Mr. Carto.

3. From August 20 through November 23, 1984 there were no meetings of the Executive Committee. Mr. Carto continued to act with regard to the finances exactly as he had operated prior to the Nashville convention. My husband, the duly elected National Treasurer WAS NOT made a signatory on any bank account and never received even one piece of information pertaining to receipts or disbursements of the Party. Nor was he ever contacted by the Washington office pertaining to any of the conduct of business regarding the finances. I am told that checks were sent out of the Washington office signed by employees of Mr. Carto and drawn on the Populist Party bank account in Washington. Further, there were apparently checks sent to persons by Mr. Hutzell, Mr. Carto's Comptroller, and drawn on Mr. Carto's entities' bank accounts. It does appear that then, as well as now, all Washington accounting for the Populist Party is taken care of by Mr. Hutzell.

4. Following the election - on November 24-25, 1984, the Executive Committee finally met in Washington, D.C. The Minutes of that meeting state that:

"Treasurer Miller stated that he had not been kept totally informed as to the status of the Party's funds. It was agreed without a Motion that the Treasurer be kept completely informed".

Following the convention of August my husband became concerned about the apparent disregard by the Washington office for following normally accepted procedures insofar as the fiancnes were concerned; namely the fact that the elected Treasurer was not permitted to perform the duties he would be expected to. However, it was his feeling that the above mentioned November meeting would iron out these problems and he therefore chose not to make an issue of this.

At this meeting in November in Washington Mr. Carto reported that during the year he had taken in $648,833.40 and disbursed $621,121.37, leaving cash on hand of $24,712.03. He also represented to the Committee that the Party had debts of $317,390.17. Of this sum, Mr. Carto represented to the Executive Committee that $264,888.80 was owed to entities which he controlled - Liberty Lobby and Cordite Fidelity Corp., publisher of "The Spotlight". At no time did Mr. Carto reveal to the Executive Committee that there was a Populist Party, Inc., with separate officers from those elected at the Nashville convention. The members of the Executive Committee were led to believe that all that had been done by Mr. Carto was done in the name of the national Populist Party. After much discussion, the Minutes reflect the adoption of the following motion:

"Resolved, that the Executive Committee of the Populist Party accept obligations of $264,888.80 (due Liberty Lobby and Cordite Fidelity Corp.) as the valid and binding debt to be repaid to creditors through fund raising campaigns to be commenced at the option of the creditors with the advice and consent of the Executive Committee; and

"Resolved, that the Populist Party establish an operating account with the Security National Bank, Washington, D.C., which funds shall be used for day to day administration of the party; and

"Resolved, that the current account at the Capitol National Bank, Washington, D.C., be used as a debt retirement account and that all expenditures other than debt retirement be approved by the Executive Committee; and

"Resolved, that the individual members of the Executive Committee be absolved of any liability for debt..; and

"That all current bills be paid with existing monies as recommended by Mr. Miller's Expense Statement Memo... and the remainder of the obligations be paid when the funds become available, with the meeting of the obligations to be contingent upon each of the creditors providing each member of the Executive Committee with a written absolution of personal liability, and/or obligation..."

At this meeting, to the best of my knowledge, the Treasurer was not made a signatory to any of the bank accounts operated by Mr. Carto. The Minutes reflect that a separate account was to be set up under the direction of Chairman Banker with the checks "to be signed by the Chairman and the Controller, Mr. Hutzel." Obviously, in addition to Mr. Hutzel's being the Controller for the various Carto entities, he is also still conducting the financial business of the Populist Party. I base this statement on the fact that he is the person who contacts me regarding the Party matters and is the person who sends the "financial records" to me each month. These records I refer to here are those sent to me by Mr. Hutzell supposedly for the purpose of my filing the FEC Report. Attached hereto is a complete monthly set of these as forwarded to me. As you can see, these records are by no means those necessary for the proper filing. Yet, in spite of the fact that Mr. Hutzel has been advised, both by correspondence and by Executive COmmittee motions, that I will not file these reports for them, he insists on continuing to send these meager records to me.

5. It was the intention of at least some members of the Executive Committee that the Treasurer exercise control over the Populist Party accounts, but a few days after the meeting in Washington, my husband was hospitalized and he died January 10, 1985. Thus, from the time of his death until the National Committee meeting in Chicago on March of 1985 the Party had no elected Treasurer.

6. At the National Committee meting on March 9, 1985 I was elected to the office of Treasurer for a four year term. Fred Seipold was elected National Chairman of the Party. Other members of the Executive Committee remained as they were following the August 1984 meeting. On March 10, following the

National Committee meeting, the Executive Committee met. The Minutes of that meeting reveal the following:

"The Executive Committee instructed Mr. Carto and Mrs. Miller to consider and coordinate the Party's checking accounts". I understand Mr. Carto discussed the bank accounts with Mr. Seipold later in the year; however, he did not discuss, at any time, any matters with me. And, as of this time, he has flagrantly refused to consider any of the correspondence either by me or the Executive Committee regarding the proper handling of these bank accounts.

"Mr. Shearer - the Parliamentarian - moved that the Treasurer be a necessary signatory to all accounts, and that the Chairman establish checking account procedures under the appropriate Federal laws, and our own By-Laws, and that these procedures be implemented without further action of the Executive Committee".

An amendment was offered by Mr. Carto that 90 days be allowed to implement any procedures to which the immediate Shearer motion alluded, and that no funds be drawn without authority of the Executive Committee".

The Minutes then reflect that Mr. Shearer objected to the Carto amendment to the Motion, and that Mr. Carto had to leave the meeting to catch a plane. Mr. Shearer then amended his Motion, which was adopted by a vote of 6 to 0 as follows:

"That the Chairman, as legal counsel, be instructed to do such research as necessary to determine how the Committee's accounts should be structured and administered to meet all requirements of Federal and other applicable law; to report his findings within 30 days;

and that his findings be implemented without the necessity of further Board action, to assure that the National Committee is functioning in conformity to the requirements of law".

The Minutes reflect that:

"Mr. Shearer referred to the Executive Commitee meeting in Washington of November 1984 and moved that the Chairman prepare the appropriate letters of absolution as heretofore ordered to exempt members of the Executive Committee from the creditors of the Populist Party of the United States. The Motion was seconded by Mr. Yarbrough and passed 6-0.

The Minutes also reflect that:

"The Chairman made a motion that such accounts be authorized to be opened as necessary for the deposit of Populist Party funds at such a place as approved, and that the Treasurer may pay money out of the said accounts as authorized by the Chairman. The Motion was seconded by Mrs. Salaman and passed 5-01.

As Treasurer, the receipts of the Chicago National Committee meeting were turned over to me, and with these I pened the first account of the Populist Party to which an elected Treasurer was signatory. Mr. Carto, who from January 1, 1985 thru August 31, 1985 collected some $173,000.00 in the name of the Populist Party, said at the Chicao Executive Committee

that he would transmit to me the sum of $30,000.00 from what he had collected. He did so and I deposited this sum to the official Party account which I had opened at the Alabama bank. Shortly after receiving this $30,000.00 from Mr. Carto I also received from Mr. Hutzel several invoices labeled "Trades Payable", amounting to some $27,000.00. Many of these invoices from vendors were billed to Liberty Lobby, Inc., with no reference to their being Populist Party charges other than handwritten references in which the words "Liberty Lobby Inc" were scratched thru and "Populist Party" written in by pen.

7. The Executive Committee did not again deal with this subject by motion until a telephonic conference call meeting of the Committee on September 29, 1985. The Minutes of that meeting reflect that:

"Mr. Shearer made a motion that:

"(1) There are to be no more expenditures or obligations incurred and no new bills are to be incurred without specific authorization of the Executive Committee;

(2) All Populist Party mail and/or contributions are to be forwarded to the new San Diego administrative office for porcessing; and

(3) All funds or checks of any kind are to be forwarded to Mrs. Miller, the national Treasurer, in Alabama, for deposit only to the Populist Party account there".

The Minutes reflect that the motion was adopted by a vote of 6 to 0 The concern was, of course, Mr. Carto's continuing collection of money in the name of the Party, and expenditure of the funds outside the Party's official account, and without approval by the Party's elected governing board.

On October 20, 1985, there was a further conference call meeting of the Executive Committee. The Minutes reflect that:

"William Shearer moved that the Treasurer direct a letter to Willis Carto requesting a complete accounting of the Washington, D.C. account, including statments of deposits and cancelled checks. Motion carried unanimously.

The Minutes of October 20 reflect that:

"It was moved by William Shearer that the Chairman direct a letter to Willis Carto asking him to pay the Populist Party the approximate $500.00 still due on the rental of the Party mailing list used by the "The Spotlight" for its July fund raiser and that the $1,000.00 already paid to Fred Seipold for that rental be offset against anything found to be owing to Fred Seipold. Motion carried unanmiously.

These actions of the Executive Committee were ignored by Mr. Carto and on January 18, 1986, at a further conference call meeting of the Executive Committee, the following actions were taken, as reflected in the Minutes.

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Mrs. Miller moved;

"That a demand be made upon the corporate officers of the Populist Party, Inc., a Virginia corporation, to do the following:

"(1) The coporation chartered in the State of Virgnia and known as Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia; or in lieu of the chrter being returned, the Corporation change its name, purpose and intent so as to differentiate it from the Populist Party of the United States, and make differentiation clear to the public.

(2) That all bank accounts in the name of the Populist Party, Inc be closed; and

(3) That any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc., immediately cease, along with any other reference to Populist Party which might confuse the corporation with the Populist Party of the United States".

Motion passed unanimously.

Mrs. Miller moved that:

"Based upon the information available to the Executive Committee at this time, the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or "The Spotlight". These entities are to abandon any and all claims of indebtedness to them by the Populist Party of the United States and furnish the Populist Party of the United States duly executed documents, signed by the officers and/or owners of such corporations, partnerships or proprietorships stating that the Populist Party of the United States is not indebted to them or 2nd or 3rd party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. Should the above mentioned statements of absolution from each of these entities not be obtained from the officers/owners of same by February 10, 1986, it shall be duty of these officers/owners to submit all financial records pertaining to any alleged activities at any time in the name of the Populist Party to complete and detailed audit by the Populist Party of the United States or its representative.

Motion passed unanimously.

Mr. Shearer moved that the Executive Committee support Mrs. Miller in her position that she is not responsible for filing any reports with the Federal Election Commission or any corporate forms in the name of the Populist Party, Inc., Liberty lobby, Cordite Fidelity Corp., or "The Spotlight".

Motion passed unanimously.

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Mrs. Miller moved:

"That any and all solicitation of funds, sales of merchandise, or use of logo by any entity without express approval of the Executive Committee of the Populist Party of the United States cease immediately and that Graphic Productions be requried to account for it unauthorized promotional activities, secure authorization from the Executive Committee share revenues with the Committee, and regularly account for the income from the sales of Party materials.

Motion passed unanimously.

Mr. Shearer moved that the Treasurer make a demand for the $1,500.00 owed to the Populist Party by "The Spotlight" for use of the mailing list, all money collected by the Populist Party, Inc. since September 29, 1985 and any balance presently in the Populist Party, Inc account.

Motion passed unanimously

8. At the 1986 annual meeting of the National Committee, held in Los Angeles, California on March 1-2, 1986 the National Committee unanimously adopted a resolution which states:

"Be it resolved that the National Committee of the Populist Party, having reviewd the conduct of the Party's business for the past year

.....

2. Commends the National Treasurer Faye Miller and the National Executive Committee for all actions they have taken to assure lawful and fiscally responsible management of the Populist Party's finances;

Ratifies the actions of the Treasurer and the Executive Committee, taken during the 1985-86 term with regard to the Party's finances; and instructs the Treasurer and the Executive Committee to continue the policies expressed in the fiscal motions already adopted by the Executive Committee."

9. On March 8, 1986 the Executive Committee held another conference call meeting. The Minutes of this meeting reflect that the following motion was adopted by a vote of 5 to 0 with one absentention:

"Mr. Shearer made a motion that Mr. Couture write Mr. Carto and inform him that the Executive Committee of the Populist Party does not consider an audit of the accounts maintained in Washington, D.C. in the name of the Populist Party necessary if ...

1. Other demands previously made are complied with

2. Any claim of indebtedness by the Populist Party to The Populist Party, Inc., Cordite Fidelity Corporation, "The Spotlight" and Liberty Lobby is abandoned; and

3. The Corporate entity, which created the Washington, D.C. accounts, reports and accounts to the Federal Election Commission for all transactions out of said accounts from start to finish.

4. If these conditons are not met, an audit by an independent accounting firm, selected by the Executive Committee will be required, with the expense to be borne by those who established these accounts in Washington."

Motion passed.

Mr. Shearer also asked that

"1. Mr. Couture send a letter to Mr. Pete Polkiewicz of Graphic Productions informing him that the promotional items he had been selling were not authorized by the Executive Committee and that he is to submit to the Executive Committee an accounting of his transactions so far, and if he wants to continue his business he must enter into an agreement with the Executive Commieee"

Motion passed

To date Mr. Carto has not complied with any of the directives of the Executive Committee.

I am enclosing certain additional information which I believe will be helpful to you in understanding the problems faced by the Executive Committee with regard to these matters, and which I have confronted as Treasurer in dealing with Mr. Carto and his entities.

Only recently, at the Los Angeles National Committee meeting, Mr. Carto widely circulated a letter in which he maintains that my late husband audited his Populist Party accounts during his presence in Washington in November 1984.Under no circumstances could an audit have been done during the short time my husband was in Washington for various reasons:

(1) He was only in Washington from Friday afternoon until Monday morning - hardly enough time to have even gotten into the records had they been readily available.

(2) The file he brought back with him would certainly have contained various information secured during audit research. This file he brought back had only reference to expense items obviously without any verification. Other Board members who were in Washington with my husband told me that there was no attempt at any audit whatsoever. Rather, that Mr. Carto and Mr. Hutzell recited the figures referred to to my husand and that he - my husband - wrote them down, added, subtracted, etc. These expense memos are the ONLY items contained in the file he brought back from Washington.

(3) I can state unequivocably that there would have been numerous exceptions by my husband to the financial procedures revealed in the FEC reports of 1984.

Mr. Carto must know that there was no audit of these accounts.

Mr. Fred Seipold, former Chairman of the Populist Party has in the past served as Mr. Carto's legal advisor in matters pertaining to the Federal Election Commission reports. He, in fact, was quoted at length in

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July of 1985 to the effect that he - Fred Seipold - took care of the audit that was at that time in progress by the FEC and that everything pertaining thereto was found to be in order. This is the same Fred Seipold with whom I spent months locked in battle over his total lack of cooperation in trying to keep the finances straight and acceptable. Also, this is the same person who was forced to resign his position as Chairman due in part, to his mishandling of Party matters as well as converting Party funds given him for payment of Party expenses to his own personal account.

I trust this is the information you requested. If we can be of further assistance, please advise. Inasmuch as all financial records are kept here, it would probably expedite matters if you direct your contact to me rather than the field office. However, our Board will lend any assistance necessary to clear up matters.

Very truly yours

POPULIST PARTY OF THE UNITED STATES

Faye G. Miller

Faye G. Miller
National Treasurer

Encl

00040792931

Exhibit "K"

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MINUTES OF THE MEETING

of the

EXECUTIVE COMMITTEE

of the

POPULIST PARTY OF THE UNITED STATES

Washington, D. C.

November 24th & 25th, 1984

C00407293

The Executive Committee of the Populist Party of the United States met in Washington, D. C. in the Liberty Lobby Building, 300 Independence Avenue, S. E., on Friday and Saturday, November 24th and 25th, 1984.

The meeting convened at 9:00 a.m. and was called to order by National Chairman William W. Baker who presided. Those Present were the Chairman, the Vice Chairman, James H. Yarbrough, the Secretary, Willis A. Carto, Thomas L. Goodloe, Emmett Miller and William K. Shearer.

Others present with the sanction of the Executive Committee were John Couture, Maureen Salaman, Fred Seipold and Eileen Shearer. Present at the request of the Chairman was Matthew Balik.

Chairman Baker presented an agenda by which he suggested the Executive Committee proceed to consider the following:

1. Current Status of the Party
2. Goals of the Party
3. Necessities of the Party
4. Financial Independence of the Party
5. Results of the 1984 voting and ballot status
6. State Chairmen and State Structures
7. Planning for the March meeting
8. Agenda for the National Committee meeting

The Executive Committee proceeded to discuss the first point of the Chairman's agenda.

There was a motion by William K. Shearer to admit to full Executive Committee membership the Honorable John Couture from Wisconsin and (Mrs.) Maureen Salaman, the Party's recent Vice Presidential candidate. The motion carried 7-0.

Discussion was held on party membership and who were the members of the party, what groups, what economic strata.

Chairman Baker reported on his interview with Braden and Buchanan on "Crossfire" and offered to show the film of it to anyone who wanted to see it during the lunchbreak. He also reported on his 'Klan-Watch' activities and suggested that "we do not have to be too defensive."

Discussion was held on the location of the National Convention for 1988, the apportionment of delegates. The Secretary reported that the party had been invited to hold its 1988 convention in Minneapolis.

It was moved by Willis Carto and seconded by Thomas Goodloe to discuss the financial situation of the party. It was reported that between March and October of 1984 the party had received $ 235,512.03. Other receipts and disbursements were discussed for various periods of time the final totals were as follows:

Total Received for year	$ 648,833.40
Total Disbursements	621,121.37
Cash on Hand	24,712.03

Obligations over cash on hand were discussed to include out-of-pocket and other obligations; also the encumbered debt of the party. There was also debts of the Richards campaign to be considered.

Treasurer Miller reported that he had not been kept totally informed as to the status of the party's funds. It was agreed without a motion that the Treasurer be kept completely informed.

Financial obligations continued to be discussed. A figure of $ 275,073.92 was finally agreed upon as the total for which the party was obligated.

Revised obligations after additional ones were brought to light bringing the total obligations to $ 317, 390.17. It was reported that some of the obligatory debt was due the SPOTLIGHT for services rendered and the use of personal on a pro rata basis. Otherdiscussions showed obligations for the Richards campaign to be around $ 60,000 for a debt owed Park Lane Press and another $ 16,000 yet outstanding. It was also reported that Bob Richards owes the travel bill and also rental money for Dependable Mailing Lists.

The Executive Committee recessed at 10:40 and reconvened at 11:45 a.m.

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Members of the Executive Committee returned from the recess with $ 21,809.19 in additional obligations and bills due. It was discussed that most of the expenses had gone for attorney's fees and field obligations expenses. It was also reported that no substantial payments of the amount of $ 621,121.37 had gone to Liberty Lobby. At that time Chairman Baker recognized Fred Seipold to report on the legal bills. It was reported that in Alaska there was a bill for $ 654 additional and in Indiana $ 500.00 additional and another $ 225 due in New Jersey.

The conduct of John Armor was discussed.

Reports were received about Maine, Montana, New Jersey, New Mexico, Oklahoma, Ohio, North Carolina, Pennsylvania and Texas. Further reports were made on the activities of Fippen and Long, attorneys and their bringing a law suit against the party for $ 3,900.

Payments were authorized to attorneys as follows:

Alaska	$ 654.00
New Jersey	975.90
Wyoming	510.00
South Dakota	25.15
Utah	900.00
Virginia	495.08
Plus $ 500 to answer a lawsuit	500.00
	$4060.13

The Executive Committee adjourned for lunch after 1:00 p.m. and reconveneed at 2:40 p.m. There was a further examination of bills which amounted to "a large total with an inability to cover outstanding obligations among which were 1. payroll, 2. functions, 3. litigation, 4. party-building and other."

Chairman Baker recognized Fleming Lee, the General Counsel, to address the Executive Committee about litigations and the F.E.C. He reported that the basic difficulty the party faced in this area was the activities of Bob Richards who recognized a committee to help him. He then gave a history of the Richards efforts and the funds raised through mailing. He reported that candidate Bob Richards had started another committee in Texas. Mr. Lee said that a candidate should have only one campaign committee and that Mr. Richards had organized one which "was improper." Attention was given to the expenses made on Richards's behalf and money given directly to him.

Mr. Lee reported that virtually all the funds for the Richards campaign came to the original committee but that Mr. Richards disavowed the original committee itself. The F.E.C. advised Richards to merge what resulted in two campaign committees. He reported that Richards said "no compromise." Richards also reportedly complained of "no control" over the committee set up for him. He also reported that the F.E.C. reported that there were "many violations." Also, that Mr. Richards had written a letter to the F.E.C. but that the Populist Party to date had received no notice of a compaint from the F.E.C. The outcome of it all was that Bob Richards had refused to participate in the campaign and a question remained as to whether or not he must return $ 73,000 to the Populist Party.

Mr. Lee reported that the F.E.C. can bear down hard when put under pressure and that Mr. Richards may be investigated by that agency. The F.E.C., he said, has the information but no complaint has been filed. Mr. Lee advised that the Populist Party would have no obligations to Mr. Richards.

There followeddiscussion on the Richards for President campaign and that the deadline for matching funds has not necessarily passed.

Mr. Carto asked Mr. Lee if the Populist Party should sue Bob Richards personally and Mr. Lee advised that "there is no present basis for a Populist Party suit. Discussion then centered around Libertarian activities. Mr. Shearer said that we should consider costs at all time. He referred to "acrimonious philosophical discussion." Mr. Carto moved and Emmett seconded that discussion on this area be postponed until the March meeting of the Populist Party National Committee.

The Executive Committee recessed at 4:20 p.m. and reconvened at 4:30 p.m.

Committee members expressed concern over the financial situation and discussion followed on that subject. The committee agreed to go on record as accepting the figure of $ 301,887.04 as the total obligation of the party. The Maureen Salaman for Vice President Committee had outstanding credits of $ 9,500 and it was pointed out that the committee for the vice presidential nominee spent less than the amount budgeted.

It was agreed that Emmett Miller and Jim Yarbrough would meet with Blayne Hutzel on Sunday morning to go over more figures.

Mr. Shearer observed that funds will always be short and made some points regarding the party's financial situation.

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Further discussion ensured in re the party's finances and it was reported that allocating personnel costs for services rendered to the Populist Party by both Liberty Lobby and The SPOTLIGHT began June 11th. Liberty Lobby services were reported to be separate from The SPOTLIGHT and also Populist Party expenses were separate from those of Bob Richards. The cost accounting procedures would be explained by Blayne Hutzel.

Mr. Carto concluded that the selection of Bob Richards as a Presidential candidate had been a mistake and that the use of the Wendy Fairfield organization had likewise been a mistake. He reported that between the Populist Party and Bob Richards nearly $ 1,000,000 was raised.

Emmmett Miller addressed the committee about the Populist Party and referred to "well-organized elements in California, Wisconsin and the South." He suggested that the party debt be liquidated by an appeal for funds from party members. Mr. Miller also discussed the need for a uniform national ballot qualification law and suggested further that the Populist Party join in such a lobbying effort in concert with other "third" parties.

Chairman Baker then guided the discussions to the establishment of a second bank account for the party and expressed his desire to bring "external funds into the party." He began discussion centering around the Secretary's refusal to arbitrarily sign bank authorization cards whereupon the Secretary referred to the Uniform Commerical Codes prevalent in most of the states and insisted likewise that Executive Committee action was necessary before any such cards were signed.

At that point Counsel Seipold backed up the Secretary's judgment and said that his action in refusing to sign the cards at Chairman Baker's request was exactly proper.

Chairman Baker alluded to the fact that only now had the Executive Committee been getting knowledge of the party's indebtedness. Mr. Shearer spoke to the legal exposure. Mr. Carto rendered his judgment that one of our goals should be to get the Populist Party out of the "SPOTLIGHT orbit."

Mr. Shearer thereupon discussed the responsibility for funds and suggested that a program of disbursements and control of funds should be a matter of procedure. He suggested that the party had obligations to meet all indebtedness and proposed:

1. The Executive Committee has to have oversight.
2. An active Treasurer with two persons signing checks.
3. A monthly report to the Treasurer.
4. The possible establishment of a sinking fund.

5. That there be no open-ended expenditures.

The Executive Committee showed itself unanimously in agreement with Mr. Shearer's thoughts. No motions were made.

Chairman Baker offered some thoughts on his ideas for a national Populist Party headquarters, a new building. There was some little discussion and the committee adjourned for dinner.

The Committee came back into session following dinner and immediately decided to put all financial questions on hold.

Chairman Baker then called for discussion on the situations in the various states. Reports were heard on all the states from Mr. Yarbrouhg, Mr. Seipold and the Secretary.

Discussion was held on what the national party was going to be in 1985 and 1986. It was concluded that the party's aims for 1985 & '86 be centered around:

1. Building organizations.
2. Getting petition drives started for 1988.
3. Seeking and running good candidates, and,
4. Weeding out the "creepy crawlers."

It was added that early organizational meetings be held with subsequent meetings and that an emphasis be made to get young people into the party.

Fred Seipold discussed the state party assessment structure.

The meeting recessed at 10:40 p.m. and was scheduled to reconvene at 9:00 a.m. the next day, Sunday the 25th.

The second day of the Executive Committee meeting began at 8:05 a.m. on Sunday, November 20th all members present or appearing shortly thereafter.

Mr. Carto suggested leaving consideration of the states' situations and moving back into financial discussions and the ratio work done by Liberty Lobby and The SPOTLIGHT for the Populist Party.

The Chair recognized committee member Tom Goodloe of California who announced that in view of the financial situation and the indebtedness of the party he felt moved to tender his resignation. He departed the meeting after his announcement and there was no time allowed for discussion of it.

Mr. Shearer spoke to the resignation of Mr. Goodloe and the duties of the Executive Committee and nominated Mr. Fred Seipold of Idaho who was present at the meeting to fill the vacancy created by the resignation of Mr. Goodloe.

The nomination was moved by Mr. Shearer and seconded by Mr. Yarbrough and carried 7-0.

Discussion then ensued in re the costs of office personnel and it was reported that in April of 1984 71% of the time and efforts of certain persons were devoted to the Populist Party; in May the figure was 57%. Mr. Carto explained the bills for advertising.

Mr. Emmett Miller addressed himself to the expenses of the Populist Party with The SPOTLIGHT and discussed "going-in expenses" and "organizational expenses." John Couture emphasized that the party has "got to move forward."

The Chair called for resumption of the discussion of the states individually and suggested that the national office direct a letter to each state chairman.

Mrs. Salaman suggested that no one be present at the meetings of the Executive Committee except resource people and only when needed. The reference was made to Mr. Balik who included himself in the meetings evidently at the sufferance of the Chair and who participated in the discussions of the committee. No motion was offered or acted upon.

It was explained that the two Populist Party telephone lines were paid for by Liberty Lobby and that The SPOTLIGHT had provided printing and other services to the party.

At 11:55 Mr. Shearer moved the Committee recess until 1:15 and it was so ordered and without objection.

The Executive Committee reconvened at 2:20 p.m.

Mr. Shearer suggested that first we must know all of the party's obligations and then spoke to putting everything in context and then proceed with formal motions. The committee seems in agreement with such a procedure.

Discussion was held about establishing a finance committee to watch day-to-day expenses; also the establishment of a debt fund. It was suggested that a sinking fund be established and supported by assessments upon members. It was thought unlikely that such an action would prove feasible. It was suggested that there be an account known as the 'debt retirement account' and another to be the 'operating account.'

Suggestions were made for establishing spending formulae and a budget. Emmmett Miller spoke about making final decisions on the party's financial situation.

Mr. Shearer offered the following resolution:

"Resolved, that the Executive Committee of the Populist Party accept obligations of $ 264,888.80 (due Liberty Lobby and Cordite Fidelity Corporation) as the valid and binding debt to be repaid to creditors through fund-raising campaigns to be commenced at the option of the creditors with the advice and consent of the Executive Committee; and,

"Resolved, that the Populist Party establish an operating account with the Security National Bank, Washington, D. C., which fund shall be used for day-to-day administration of the party; and,

"Resolved, that the current account at the Capitol National Bank, Washington, D. C., be used as a debt retirement account and that all expenditures other than debt retirement be approved by the Executive Committee; and,

"Resolved, that the individual members of the Executive Committee be absolved of any liability for debt; that all current bills be paid with existing monies as recommended by Mr. Miller's Expense Statement Memo as items #1 thru #24 of 21 November 1984, and, further, that items #31 and #32 and the remainder of the obligations be paid when the funds become available with the meeting of the obligations to be contingent upon each of the creditors providing each member of the Executive Committee with a written absolution of personal liability and/or obligation; and,

"Resolved, that all current bills be paid with existing funds as per the Expense Statement Memo lines 21-24 and lines 31 and 32 with the remainder of the obligations to be paid as the funds become available specifically lines 27-30, line 33, and line 35 on the aforesaid memo and on Mr. Miller's second sheet, lines 1-12.

Mr. Shearer moved the adoption of his resolution which was seconded by Mr. Couture and it was adopted 9-0.

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The Secretary prepared a proper resolution that the Chairman could use to open a bank account for the new operating account. It was read by the Secretary to the Committee and Mr. Seipold moved its adoption; seconded by Mrs. Salaman. The resolution was adopted by a vote of 9-0.

Mrs. Salaman introduced and led discussion on a "Populist Patriotic Pledge Program" calling for $ 10.00 per month from participating members. It was suggested that the program be implemented by The SPOTLIGHT and that Mrs. Salaman handle the mechanics of establishing such a program. It was moved by Mr. Shearer and seconded by Mr. Seipold that the committee give its approval to the plan. The vote was 7 with two abstentions.

The meeting was recessed by a vote of 8-0 and called back into session at 3:20 p.m. in Executive Session.

The location of the March meeting of the Populist Party National Committee was discussed. The By-laws dictated that the meeting be held the second Saturday in March and that a quorum of 26 states would be required to transact business. The plan for proxies was discussed.

It was moved by Mr. Carto and seconded by Mr. Miller that the March meeting of the Populist Party National Committee be held in Nashville, Tennessee. There was some discussion to include comments upon the treatment of the Populist Party by the Nashville press. The motion was withdrawn.

The meeting date was mandated to be March 9th, 1985, and it was moved by Mr. Couture and seconded by Mr. Shearer that the meeting be held in Chicago, Illinois. The motion was adopted 8-0 and the Secretary was directed to move forward securing people in the Chicago area to make further arrangements for the said meeting of the National Committee.

Vice Chairman Yarbrouhg presided in the absence of Chairman Baker. The Secretary offered a resoluvtion as follows:

> "Resolved that at all subsquent meetings of the Executive Committee that no person shall sit in on the meetings except members of the Executive Committee and any necessary staff or resource personnel and only at the specific request of the Committee with such staff or resource personnel remaining present only during the necessity of their presence."

The Secretary moved the adoption of his resolution and it was seconded by Mrs. Salaman and adopted 8-0.

The Secretary offered another resolution as follows:

"Resolved, that Mrs. Eileen Shearer be made an Ex Officio member of the Executive Committee with all the privileges of regular membership except the voting privilege, to include participation in discussion and with a perpetual invitation to attend any meetings of that body."

The Secretary moved the adoption of his motion and it was seconded by Mr. Couture and was adopted 8-0.

Discussion reverted to the March meeting of the National Committee and March 9th was mandated upon a motion adopted 8-0 by Mr. Couture and second by Mr. Shearer directing that the national office send forth the official call and that notice be not less than 30 days before the meeting, and that a statement of assessment be included.

The 1988 Populist National Convention was considered again and the Secretary reiterated the invitation by the Populists of Minnesota to have the convention in the Minneapolis and/or St. Paul, MN, area. No action was taken at this early date.

There was discussion on future programs and objectives. It was approved that there be a distribution of the By-Laws.

The Executive Committee then returned to discussion of the finances. An austerity program would have to be adhered to for the ensuing months, it was agreed. Until March, the committee concluded, there would have to be a "caretaker condition," in the words of Mr. Shearer. The committee dealt with projected necessary expenses such as office, phone and necessary salaries.

The idea of a separate national office as offered for consideration by the Chair was dispensed with and a more realistic approach considered. The Secretary suggested that survival is the first law of nature. Mr. Carto suggested that the 546-5530 number for the Populist Party be retained and offered the gratis services of (Mrs.) Lois Petersen to answer the calls and refer them to coordinators around the nation. That way there would be maintained a national number which would have the unifying effect of a national office.

The Executive Committee unanimously agreed upon the following procedure for a "caretaker situation:"

1. Keep the national office technically in the Liberty Building and accept the offer of Mr. Carto for answering and coordination communication by Mrs. Petersen.

2. Divide the nation into three areas, the eastern, the central and the western, retaining three area coordinating chairmen, and,

3. That the area coordinating chairman be paid $ 1,000 per month and allowed expenses up to $ 500.

It was moved by Mr. Shearer and seconded by Mr. Carto that the foregoing conditions acquiesced in by the committe be put into a formal motion and it was adopted 8-0 with the further stipulation that all such payments be made with the approval of the major creditor.

The Secretary then offered the suggestion that if the coordinating chairmen who carried the brunt of the party's work were to be reduced by 1/3rd in their salaries that it seemed logical that the National Chairman be also cut. He put it into the form of a motion which was seconded by Mr. Yarbrough. The motion passed 8-0 with the Chairman abstaining. According to the motion the Chairman would be paid$ 2,000 per month and allowed $ 500 in expenses and further that the Chairman's salary and expenses were ordered to be paid from and out of the independent operating account for which he would henceforth raise his suggested "external funds" and over which he would have control with checks to be signed by himself and the comptroller, Mr. Hutzel.

Mr. Shearer then offered a similar motion stating that "the foregoing motion further constitutes notice to all now in the employ of the party that this is a three-month deal subject to action by the National Executive Committee and ending March 9th and contingent upon the ability to pay future salaries."

The Shearer motion was seconded by Mr. Couture and adopted by a vote of 8-0 with the Chairman abstaining.

There was a motion by Mr. Shearer that the assessments by the national party upon the states (for 1/3d of a year) and the registration fees for the National Committee meeting in March be deposited in the operating account; it was seconded by Mr. Couture and passed 9-0.

The committee then went to discussion of Emmett Miller's idea for a national uniform ballot-qualifcation law. He suggested that such an effort could be coordinated by the Council of State Governments and with Washington State Sen. Jack Metcalf. After discussion the motion was withdrawn temporarily.

The committee then considered a motion by Mr. Carto, seconded by Mr. Shearer that"any majority of the members of the Executive Committee may convene the Executive Committee, with proper notice being given." It was adopted 9-0.

The Chair then recognized Mr. Carto who led a discussion of various groups who should be courted for their potential interest in and possible support of the Populist Party.

The committee recessed for dinner at 7:15 p.m.

The committee reconvened at 9:20 p.m. with the Vice Chairman presiding, the Chairman having had to leave to appear on a radio talk show.

Acting Chairman Yarbrough called the meeting to order and discussion returned to the Miller Resolution for a national uniform ballot access law and Mr. Miller offered the following resolution:

> "Resolved, that the Executive Committee authorize the drafting of a Uniform Political Party Ballot Qualification Law for adoption by the various states of the Union in cooperation with other political parties in lobbying efforts, such proposed law to have targeted requirements of certification of national candidates by a national convention attended by delegates from at least one-half (1/2) the states and by petition in statewide situations of 500 qualified electors distributed by congressional districts.

Mr. Miller then spoke to his motion. Mr. Shearer suggested the motion be amended to include that the proposed law be drafted by Mr. Miller and suggested the assistance of Mr. Richard Winger of San Francisco, California, and further suggested that the motion "not be eroded with other ideas." The amendments were so stipulated and Mr. Miller moved its final adoption with the second by Mr. Shearer and it passed 8-0.

Acting Chairman Yarbrough then recognized Mr. Couture who spoke to the necessity of having an organized basis for starting the party's work. He explained his six-tier program which was/is a proposed program for large party membership and leadership expansion. The committee was very receptive to Mr. Couture's remarks and agreed it was needed to improve the membership numbers and the organization andactivities of the Populist Party.

Other short discussions were held and after 11:00 p.m. the Chair entertained a motion to adjourn and to reconvene on March 9th or 10th in Chicago, Ills., 1985.

Respectfully submitted,

Donald L. Kimball

DONALD L. KIMBALL
National Secretary

0004704044

Exhibit "L"

0004079295

20040722940

TO: SECURITY NATIONAL BANK
Washington, D. C.

TAX NUMBER 52-1338814

RESOLVED: That this organization establish in its name a deposit account with SECURITY NATIONAL BANK, Washington, D.C., upon such terms and conditions as may be agreed upon with said bank and that

the secretary (Title) and chairman (Title) of this organization be, and they are hereby authorized to establish such account.

RESOLVED: That

William W. Baker (Print or Type) (Title)

and/or Blayne E. Hutzel (Print or Type) (Title)

and/or _____ (Print or Type) (Title)

and/or _____ (Print or Type) (Title)

and/or _____ (Print or Type) (Title)

this organization be, and they are hereby authorized to withdraw funds of this organization from the account upon checks of this organization, signed as provided herein with signatures duly certified to said bank by the Secretary of this organization and said bank is hereby authorized to honor and pay any and all checks so signed, including those drawn to the individual order of any officer or other person authorized to sign the same.

I hereby certify that the foregoing is a full, true and correct copy of the resolution adopted by the

the Populist Party, Inc.

at a meeting of said Board duly held on the 15 day of October, 1984 and that the signatures appearing on the reverse side of this card are the signatures of the persons duly authorized to withdraw funds of said organization from said bank in accordance with the above resolution until such authority is revoked by giving written notice thereof to said bank signed by the officers of said organization thereunto duly authorized by its Governing Body.

WITNESS my hand and seal of the organization.

(SEAL) X _____ Secretary
(Signature)

I hereby certify the foregoing to be correct: (FOR LODGE, ASSOCIATION)

_____ 2. _____
Retiring Officer (Title) Retiring Officer (Title)

FOR BANK USE ONLY

Previous Bank or Branch _____

Opened By _____ Date _____ Amount _____

Solicited By _____ Date Closed _____

AGREEMENT: ☒ CORPORATION ☐ LODGE, ASSOCIATION

The organization named below, as depositor, enters into this bank-depositor agreement with SECURITY NATIONAL BANK, Washington, D.C., and agrees that this account shall be carried by said Bank as a
☒ CHECKING account and that all funds on deposit in said account shall be governed by said Bank's
☐ SAVINGS by-laws, all future amendments thereof, all regulations passed on hereafter to be passed by its Board of Directors pursuant to said by-laws, all rules and practices as to interest and service charges of said Bank relating to said account, the Code of Laws of the District of Columbia, and applicable banking laws of the United States. Depositor authorized said Bank to endorse checks, when presented unendorsed for deposit to said account. Depositor further agrees that checks may be paid when signed and countersigned with the signature(s) indicated.

Name of Organization Populist Party, Inc.

Street Address P.O. Box 15443 Room Suite _____

City Washington, D.C State _____ Zip Code 20003

Business _____ Telephone _____

Said Bank is hereby authorized to:
☒ MAIL all statements, vouchers and notices to the address indicated above.
☐ HOLD all statements, vouchers and notices until called for and if not called for after 30 days said Bank may mail statements, etc., to the address indicated above. If the above mailed statements, vouchers and notices are returned undelivered, said Bank is hereby authorized to destroy same (3) years thereafter.

Bank is relieved of all liability for items lost in the U.S. Mail, or otherwise, or not called for by the depositor.

NAME OF ACCOUNT

Populist Party, Inc.

Office	Account Number

AUTHORIZED SIGNATURES:

1. William W. Baker — Chairman (Title)
2. Blayne E. Hutzel — _____ (Title)
3. _____ (Title)
4. _____ (Title)
5. _____ (Title)

NUMBER OF SIGNATURES REQUIRED TO WITHDRAW FUNDS 2

Checks to be signed by nos. 1 or 2 Checks to be countersigned by nos. 1 or 2

Form 2 (Rev. 1-79)

October 18, 1984

Dear Mr Miller,

Please find enclosed two cards which need your signature. Please sign both cards next to the red x and return at your earliest convenience. Thank you.

Exhibit "M"

9004079948

Chart of Accounts 1972

V1/25

	Acct No.	
CASH - NCB	1050	
CASH - SNB	1051	
CASH - AB	1052	(1)
Accrued Interest	1305	
Note Receivable	1501	
A/R - Consultants	1616	
Due - GEF	2644	
Due - COLL	2645	
Due - BR	2646	
TRANSFAN	2725	
Suspense	2766	
Accounts Payable	3038	
Due LL	3252	
Due CFC	3257	
Retained Earnings	4697	
Contributions	5033	
Books	5504	
Computer Expense	5508	
Postage, Freight & Delivery	5538	
Printing	5837	
Mailing List Rentals	5967	

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MADE IN U.S.A.

	1	2
		Acct. No.
1	Mailing Service	5961
2	Accounting	6022
3	Advertising	6023
4	Bank Charges	6264
5	Interest Expense	6925
6	Legal	6972
7	Meetings	6973
8	Office Expense	7021
9	Interest Income	7175
10	Petitioning Expense	7225
11	Professional + Consultant Fees	7238
12	Telephone	7318
13	Travel	7417
14	Support Services	7407
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MADE IN U.S.A.

Exhibit "N"

2004079295 1

THE NATIONAL CAPITAL BANK
OF WASHINGTON
WASHINGTON, D.C.

PLEASE EXAMINE. IN CASE OF ERRORS OR INQUIRIES CALL 546-8000

THE POPULIST PARTY, INC.
P.O. BOX [illegible]737
WASHINGTON, D. C. 20013

STATEMENT NUMBER	PAGE NUMBER
10-048747-00	1
7-31-85	8-30-85

ACCOUNT NUMBER	BALANCE FORWARD	TOTAL DEBITS NUMBER	TOTAL DEBITS AMOUNT	TOTAL CREDITS NUMBER	TOTAL CREDITS AMOUNT	FEE	CLOSING BALANCE
01 CHECKING	5,430.40	8	7,[illegible]3.92	10	10,474.23	.00	4,442.59

01 CHECKING

AVERAGE BALANCE 5,623.28 AVERAGE COLLECTED BALANCE 6,147.21

DATE	DESCRIPTION	AMOUNT	DAILY BALANCE
8-01	DEPOSIT	304.00	5,754.90
8-06	MISCELLANEOUS CREDIT	569.28	6,324.18
8-09	DEPOSIT	471.00	6,795.18
8-12	DEPOSIT	7,187.64	13,982.82
8-12	MISCELLANEOUS DEBIT	1,000.00	12,982.82
8-13	DEPOSIT	181.00	13,163.82
8-14	1054	753.75	12,410.07
8-14	1052	2,028.00	10,382.07
8-15	1049	11.00	10,371.07
8-15	1057	2,008.64	8,362.43
8-16	DEPOSIT	60.00	8,422.43
8-20	1055	2,922.90	5,499.53
8-22	1053	198.00	5,301.53
8-22	1058	668.50	4,633.03
8-23	DEPOSIT	359.00	4,992.03
8-23	1050	169.44	4,322.59
8-26	1056	714.00	4,108.59
8-30	DEPOSIT	334.00	4,442.59

NUMBER OF ENCLOSURES

1049
AUG 12 1985
Postmaster
Fee semi-annual
(5538)
BAL. BRO'T FOR'D
DEPOSITS
TOTAL
THIS CHECK 11 —
BALANCE

1050
AUG 12 1985 19
Don Pilla
Order 3/6/85
Bumper Stickers
(5504)
DEPOSITS
TOTAL
THIS CHECK 169 44
BALANCE

1045
~~1051~~
19
DEPOSITS
TOTAL
THIS CHECK

1052
AUG 12 1985 19
TO Systems Pub. Inc.
FOR Inv. # 23932
3/28/85
(5827)
BAL. BRO'T FOR'D
DEPOSITS
TOTAL
THIS CHECK 3078 —
BALANCE

1053
AUG 12 1985 19
TO Capitol Hill Associates Travel
FOR # 85252
Lois Peterson
(7417)
DEPOSITS
TOTAL
THIS CHECK 198 —
BALANCE

1054
AUG 12 1985 19
TO Sisk Mailing Service, Inc.
FOR $2122 + $2141
(5868)
DEPOSITS
TOTAL
THIS CHECK 753 75

Exhibit "O"

20040792954

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 of 1 for
LINE NUMBER 25
(Use separate schedule(s) for each category of the Detailed Summary Page)

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)

POPULIST PARTY

A. Full Name, Mailing Address and ZIP Code Graphics Prod. Box 914 Laurel, Md. 20707	Purpose of Disbursement Loan - due 3/14/85 10% int. Disbursement for: ☐Primary ☐General ☐ Other (specify): INV. 10/17/84	Date (month, day, year) 12/14/84	Amount of Each Disbursement This Period 600.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement 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 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 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 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 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 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 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 Disbursement for: ☐Primary ☐General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			$600.00

Exhibit "P"

0004079256

GRAPHIC PRODUCTIONS

PO BOX 914
LAUREL MD 20707

Dear State Committee;

We are the suppliers of promotional materials to the Populist Party (see The Spotlight-Dec 10, 1984, page 14). We have been supplying members with lapel pins, patches, decals, etc. for the last 6 months by advertising and direct mail in order to raise funds at the executive level.

We are now starting a distributor program that will give the opportunity to all participating state committees to raise funds at the state level.

Enclosed you will find our outlined proposal for your consideration. We hope you take the time to consider it carefully. You may contact:

FRANK JANACEK (Michigan state chairman).
PO Box 217
Colewater MI 49036 Ph. (517) 278-2019

As a reference. He will be happy to answer any questions you may have.

Thank you for your time and we wish you success with your state.

FOR AMERICA FIRST,

PETER S. POLKIEWICZ
PRESIDENT G.P.

****

GRAPHIC PRODUCTION'S DISTRIBUTOR PROGRAM
Offered to all state committees

Here is your chance to raise extra funds for your state by buying our products at a reduced price to resell to your state members at a profit.

FOR EXAMPLE:
You sell our lapel pins for $5 each, but we charge you only $2 each! Your state makes $3 on every pin. You can see how this could easily be a great source of funds.

WHY ARE WE DOING THIS?
Distributor programs have a unique aspect--they reward it's participants with a part of the proceeds. This creates an unmatched incentive. Resultingly, the more distributors there are, the more money we make for the state and executive levels. We will also be able to charge you less as it expands. Note that your state committee can redistribute to your county and precinct levels!

OUR PRODUCTS AND YOUR PROFITS

ITEM	YOUR COST	YOUR SALES PRICE*	YOUR PROFIT
LAPEL PIN	$2 each	$5 each	$3 each
PATCH	$2	$3	$1
DECAL	.75¢	$1.25	.50¢
RUBBER STAMP	$2	$3	$1
COFFEE MUG	$4	$6.50	$2.50
T-SHIRT	$5.50	$7.50	$2

*the sales price is up to the distributor. These prices are what we have been listing them for.

New products are continually added and automatically included in the program.

HOW TO GET STARTED
You can start by simply filling out the enclosed form. You have the option of either waiting, ordering a sample of each product for examination & test marketing, or making your first distribution order right away. You can also choose not to participate and give the rights of distributorship to a neighboring state committee. PLEASE fill and return the enclosed form even if you do not wish to participate so that we can accurately project our production and financial requirements. Thank you for considering this offer.

****

[redacted]TRIBUTION METHODS

There are two methods of operating this program. Which one you decide on, depends on which one you think wil work best for your state. They are known as the "CENTRAL DISTRIBUTION" and the "COUNTY RE-DISTRIBUTION" methods.

CENTRAL DISTRIBUTION METHOD

After receiving the products the state committee advertises through it's newsletter or does a "mailing" to it's members. It then, of course fills the orders. It reorders from the national distributor when it needs a new supply.

IMPORTANT FACTORS TO CONSIDER...
Because the state has to advertise and process all the orders, it should consider the additional time and exspense involved. It has the advatage of making all the profit for the state but, on the other hand, it should note that the cost of advertising, postage, packaging, etc, could cut into that profit. It is advised that both methods be tested. The Central method may be the only logical choice in some states where only a few counties have been organized.

* * * * * * * * * * * * * * * * * * *

COUNTY RE-DISTRIBUTION METHOD

This method, essencially, turns the state committee into the "middleman". After the state buys its order from the national distributor (us) it re-sells it to its county distributors. These distributors will by offered the same program you are being offered except that YOU will be the ones that will solicit the program. (We will provide you with the necessary forms automatically if you choose this method.)
Of course, the county distributors will pay more for the products than the state paid so that you can make a profit. After the county receives the the products, it sells them at its meetings, fund-raisers, petition drives. It reorders from the state, which reorders from the national distributor. This method has a few advantages. There is less work for the state since it is spread out. Sales are increased because the members can see what they are buying. The counties make a profit which is vitally important since they are the "back-bone" of the Party.

Later, after the counties are completely organized, they may redistribute the products at the precinct level. This is quite probable in the more densly populated areas of the country.

* * * * * * * * * * * * * * * * * * * *

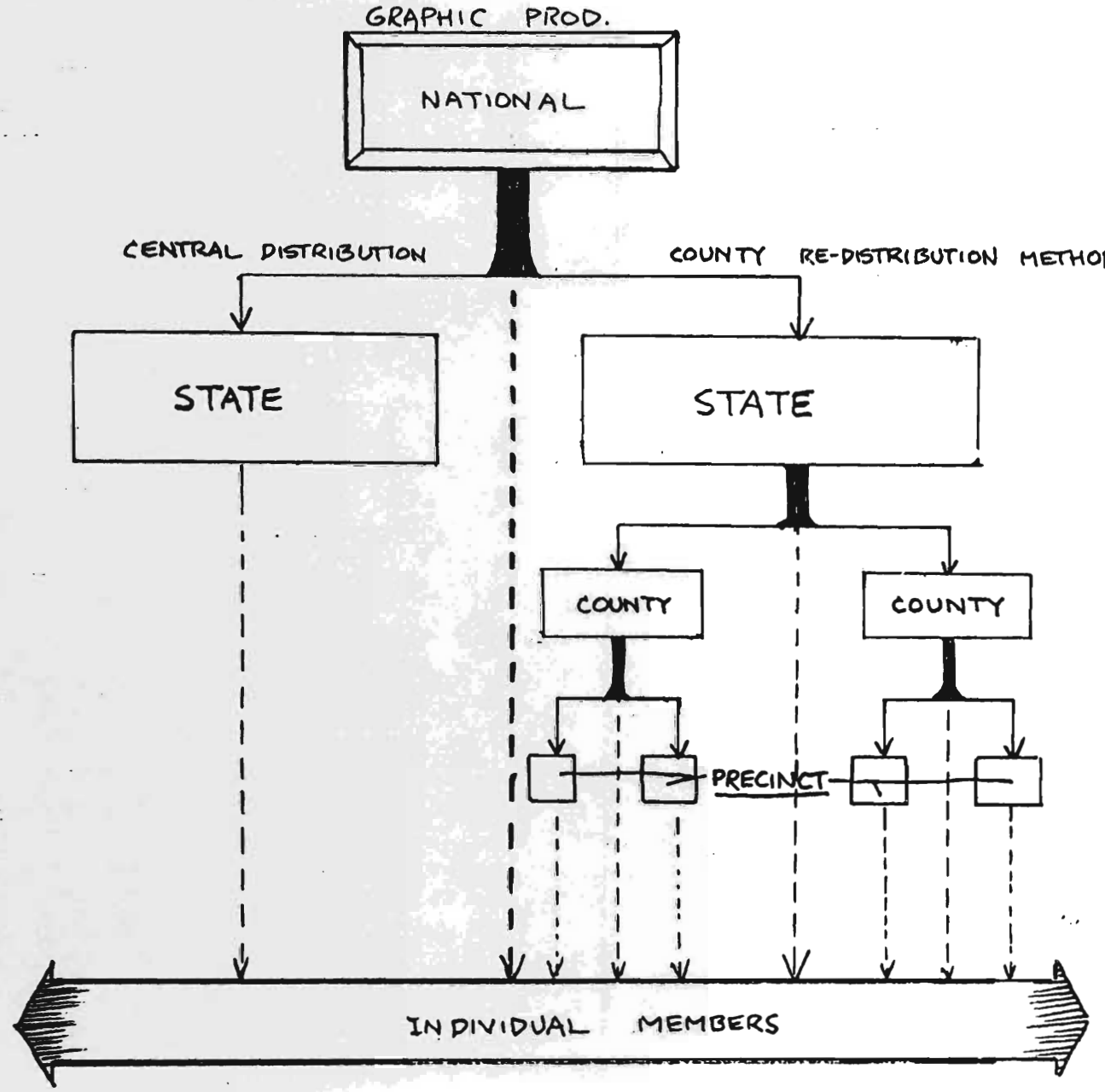
(fill & detach to obtain the necessary forms to operate your distributorship)

(Check one)

_____ I wish to try the central distribution method. Please send the the necessary forms so that I can advertise the products I have ordered on the attached pink "distributor response form".

_____ I wish to try the county re-distribution method. Please send the necessary forms so that I can offer county distributorships to interested county officials.

DISTRIBUTION DIAGRAM



****

DISTRIBUTOR OFFER RESPONSE FORM

DEAR SIRS,

WE HAVE CONSIDERED YOUR OFFER CAREFULLY, AND:

_____ We wish to be recognized as the sole distributors for the state of _____, But, we arn't taking any action now. We will contact you when we are ready to make our first order. Thank you.

_____ We wish to be the official distributors for our state. But first, send us one of each of the products for examination & test marketing. We have enclosed $25.00. Thank you.

_____ We wish to start with the distribution program right away. We have filled in the lower portion of this form with our first order.

_____ We are not interested. Please feel free to designate a neighboring state committee as the sole distributor for the state of_____.

****

NAME_____POSITION_____

STREET_____

CITY_____STATE_____ZIP_____

****

DISTRIBUTOR ORDER FORM

PLEASE SEND US:

_____	LAPEL PINS	$2 ea.....	$_____
_____	PATCHES	$2 ea.....	$_____
_____	DECALS	0.75¢ ea.....	$_____
_____	RUBBER STAMP	$2 ea.....	$_____
_____	COFFEE MUG	$4 ea.....	$_____
_____	T-SHIRTS	$5.50 ea.....	$_____

TOTAL AMOUNT ENCLOSED $_____

Make checks payable to "GRAPHIC PRODUCTIONS"

****

1 5 6 7 6 4 0 0 0 0

Exhibit "Q"

20040792962

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-7

August 22, 1985

Clara Sandahl, Treasurer
Populist Party
130 Third Street, S.E.
Washington, DC 20003

Identification Number: C00186726

Reference: Mid-Year Report (1/1/85-6/30/85)

Dear Ms. Sandahl:

It has come to the attention of the Federal Election Commission ("the Commission") that you may be in violation of 2 U.S.C. §434(a) for failing to file the above referenced Report of Receipts and Disbursements. You were notified previously of the due date for this report.

It is important that you file this report immediately with the Federal Election Commission, 1325 K Street, NW, Washington, DC 20463 (or with the Clerk of the House or the Secretary of the Senate, as appropriate). A copy of the report or the relevant portions should also be filed with the Secretary of State or equivalent state officer. See 2 U.S.C. §439.

If the report in question was filed, please submit documentation for the public record. Although the Commission may take further legal steps concerning this matter, your prompt response will be taken into consideration.

If you have any questions, please contact Brian Hancock on our toll-free number (800) 424-9530. Our local number is (202) 523-4048.

Sincerely,

John D. Gibson

John D. Gibson
Assistant Staff Director
Reports Analysis Division

00040722963

Exhibit "R"

2004079264

FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

RQ-7

February 25, 1986

Clara Sandahl, Treasurer
Populist Party
130 Third Street, S.E.
Washington, DC 20003

Identification Number: C00186726

Reference: Year-End Report (7/1/85-12/31/85)

Dear Ms. Sandahl:

It has come to the attention of the Federal Election Commission ("the Commission") that your committee may be in violation of 2 U.S.C. §434(a) for failing to file the above referenced Report of Receipts and Disbursements. You were notified previously of the due date for this report.

It is important that you file this report immediately with the Federal Election Commission, 999 E Street, NW, Washington, DC 20463 (or with the Clerk of the House or the Secretary of the Senate, as appropriate). A copy of the report or the relevant portions should also be filed with the Secretary of State or equivalent state officer. See 2 U.S.C. §439.

Although the Commission may initiate an audit or legal enforcement action concerning this matter, your prompt response and a letter of explanation will be taken into consideration.

If you have any questions, please contact Brian Hancock on our toll-free number (800) 424-9530. Our local number is (202) 376-2480.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

00040729263

Exhibit "S"

0004079296

POPULIST PARTY
NATIONAL COMMITTEE
P.O. BOX 76737 WASHINGTON, D.C. 20013
(202) 546-5530

Ms. Faye Miller
P.O. Box 377
Dauphin Island, Al. 36528

April 30, 1985

Ref: Populist Party

Dear Ms. Miller:

As per our recent telephone conversation, please forward the following to my attention:

1. Bank reconciliation.
2. Copy of check stubs used.
3. Copy of paid invoices.

The above items should be sent each month as soon as the bank reconciliation is completed.

In addition, each quarter ending March 31, June 30, September 30 and December 31, please complete the accounts payable work paper (sample attached) and forward to me. This should be done on or about the 15th day of the month following the quarter ending.

Your kind cooperation is most appreciated.

Sincerely,

Blayne E. Hutzel

Blayne E. Hutzel
Controller

00040722967

Exhibit "T"

0004077698

LIBERTY LOBBY PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

Ms. Faye Miller
P.O. Box 377
Dauphin Island, AL. 36528

June 28, 1985

Dear Ms. Miller:

Yesterday, I was informed that all financial records from Januaryl, 1985, for the Populist Party are to be sent to your attention for the purpose of centralizing the accounting and F.E.C. reporting.

As soon as our outside accountants complete their annual review, I will forward these records and advise you of the financial activity from this office on a monthly basis.

Your cooperation and understanding is very much appreciated.

Sincerely,

Blayne E. Hutzel

Blayne E. Hutzel
Controller

C00407206

Exhibit "U"

9004079270

OGC # 5468
RECEIVED BY THE FEC

84 OCT 29 A8:27

FLEMING LEE
ATTORNEY AT LAW
[illegible] INDEPENDENCE AVENUE SOUTHEAST
WASHINGTON DC 20003
202 546 5611

OCT 30 P1:23

October 26, 1984

Ms. Benita Adler
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

Dear Ms. Adler:

As attorney to the Populist Party and to the Bob Richards for President Committee of Washington, D.C. (BRC, DC), I am writing this letter as an accompaniment to the October 1984 report of the BRC, DC. I do not represent Bob Richards nor any campaign committees he may have created elsewhere.

The purpose of this letter is to explain, at least to some extent, the circumstances which have given rise to considerable confusion in the campaign organization of Bob Richards, presidential candidate of the Populist Party, and in particular to a dilemma on the part of the BRC, DC.

The Populist Party was formed, with headquarters in Washington, D.C., in February, 1984. It has since set up state Populist Party (hereinafter referred to as "the Party") organizations in forty-nine states. The Populist Party National Committee is responsible for the day to day operations of the Party on a National level. The Party or its affiliates (the American Independent Party, for example, merged into the Populist Party) will be on the ballot in fourteen states in the November, 1984 federal elections.

The Party held a national convention in Nashville, Tennessee in August 1984, at which Bob Richards of Texas was selected as the Party's candidate for president of the United States and Maureen Salaman of California was chosen as vice-presidential candidate. About seven hundred delegates attended the convention.

Although Bob Richards was not involved in creating the Populist Party, it had become evident some weeks prior to the Party's national convention that he was the most likely prospect for the presidential candidacy. People connected with the Populist National Committee, after discussions with Richards, therefore began with his consent to turn their energies toward helping him publicize his candidacy for the nomination and seek contributions. Few Populist Party personnel had any experience with political campaigns or election laws, and it does not appear that they were receiving any professional advice regarding federal election laws during that period.

A large mailing soliciting contributions for the Bob Richards campaign went out toward the end of June, 1984 (about June 28). Richards went over the mailing

package in advance, made some changes, approved it, and signed his name for use on the solicitation letter.

Richards, in discussions with Party officials, agreed that his principal campaign committee should be set up in Washington, D.C. The June 28, 1984 Bob Richards mailing was on letterhead reading: "Bob Richards for President Committee, P.O. Box 75602, Washington, D.C. 20013, Tom Valentine, Treasurer." Populist Party personnel communicated with Richards (who lives in Waco, Texas) regarding the mechanics of dealing with the response (financial and otherwise) to the mailing.

Believing that Richards (who had orally authorized and recognized the BRC, DC as his principal campaign committee) was taking the necessary steps to inform the Federal Election Commission (FEC) of his candidacy by filing a Statement of Candidacy, the people responsible for the BRC, DC filed a Statement of Organization with the FEC on July 5, 1984. Tom Valentine was designated Treasurer, Blayne Hutzel Assistant Treasurer. The National Capitol Bank of Washington, D.C. was named as the depository. The BRC, DC was designated "a principal campaign committee."

Proceeds of the June 28 mailing were accordingly deposited in the BRC, DC account at the National Capitol Bank in Washington, and disbursements were made from that account in support of Richards' candidacy, including several direct transfers of funds to Richards in Waco. Apparently Richards opened a bank account in Texas for the "Bob Richards for President Committee," and checks transferring funds to Richards were made payable by the BRC, DC to the "Bob Richards for President Committee" and were deposited by Richards in the Texas account.

Richards was repeatedly told by Party officials that if he wanted any of his committee officers to resign so that Richards could replace them, they would do so.

On July 14, 1984 a meeting was held in El Segundo, California, attended by Bob Richards, Tom Valentine (Treasurer of the BRC, DC), and at least eight other people active in the Populist Party, some of them on the highest levels of the Party organization. Richards is reported to have made some complaints (I do not know the exact nature of his complaints, but they had to do with his feelings of remoteness from his campaign committee), and in response the Treasurer of the BRC, DC offered to resign so that Richards could name a replacement, but Richards did not accept Tom Valentine's offer. At the same meeting Richards was offered a complete review of BRC, DC receipts and disbursements, but it seems that he did not follow up that suggestion either. It therefore appeared to the Populist Party National Committee and to the officers of the BRC, DC that Richards accepted the status quo.

Entirely unknown to the Populist Party National Committee and to the Treasurer and Assistant Treasurer of the BRC, DC, Richards filed a Statement of Candidacy with the FEC on July 16, 1984—the first Statement he had filed. In his July 16 filing, Richards purported to designate a "Principal Campaign Committee for the 1984 election" even though the BRC, DC had already (with Richards' collaboration) been so designated in its Statement of Organization filed on July 5, 1984, and even though Richards had worked with the BRC, DC on a fundraising mailing on his behalf.

Richards' Statement of Candidacy of July 16 was completed incorrectly, so that his newly designated Principal Campaign Committee was given no name or address. He

named Gary Forrester (Waco, Texas) Chairman and Paul David Richards (Waco, Texas) Treasurer.

As already mentioned, neither Richards nor anyone else informed the Treasurer or Assistant Treasurer or anyone else in Washington who was connected with the BRC, DC or the Populist Party that he had created what purported to be a second Principal Campaign Committee (hereinafter "BRC, TEXAS"). To make matters more confusing, no Statement of Organization was filed by the BRC, TEXAS until about two months later, on September 17, 1984. It was about the second week in September when the BRC, DC and the Populist Party National Committee first learned that Richards had created another committee. In the meantime, the BRC, DC had functioned believing that it was Richards' duly authorized Principal Campaign Committee.

The BRC, DC, for example, on Richards' request, made disbursement to Richards (checks to "Bob Richards for President Committee" sent to Richards in Waco, Texas) for $5000 on July 17, 1984 and $2000 on August 1. Additionally, the BRC, DC made various disbursements to other entities for the payment of expenses incurred by the Richards campaign. The major disbursement of that kind was the payment by the BRC, DC of $60,427.40 to the Populist Party on July 25, 1984 for the postage on the Bob Richards fundraising mailing of June 28. (The Populist Party had paid the $60,000 postage bill at the time of the mailing; the BRC, DC returned the money with $427.40 interest.)

On August 17 through 19, the Populist Party held its national convention. Bob Richards was selected by the delegates as the Party's presidential candidate, although his nomination did not officially occur until a few days later upon ratification by the California American Independent Party/Populist Party.

On August 26, Bob Richards and others, including members of the Populist Party National Committee, met in Sacramento, California. Those not directly involved with Richards in Waco were still unaware that Richards had created a committee in addition to the BRC, DC, but they did know that some contributions to the Richards campaign were being sent directly to Waco, Texas by contributors, rather than to the BRC, DC. The Sacramento meeting resulted in an agreement that all the Waco financial records would be sent to the BRC, DC so that proper reporting could be carried out and so that contribution records could be consolidated for the purpose of application for federal matching funds. A few days later Bob Richards said that the agreement would not be honored and that all BRC, DC records should be sent to Richards in Waco.

By early September, 1984, what had been a simmering dispute boiled over. On one side, Richards claimed that he did not have sufficient control over the BRC, DC, and he wanted all the funds in the BRC, DC account sent to him in Waco. On the other side, the BRC, DC owed more money that it possessed; the BRC, DC, its creditors, and members of the Populist Party National Committee were primarily concerned that the existing debts be paid and that Richards should pledge the campaign resources which were under his personal control to the payment of those debts.

Demands by the BRC, DC and Party officials that Richards make available his records of contribution receipts (i.e. contributions to Richards which had not come to the BRC, DC) were refused and met with demands that the BRC, DC send Richards the money from the National Capitol Bank account. On September 5, 1984, Richards sent out a letter to at least two Party leaders requesting: (1) That "all current 'Washington' appointees of the Bob Richards Campaign Committee resign and all records that they have sent (sic) to National Headquarters in Waco, Texas." (2) That "all

funds...be transferred to me immediately; and all records pertaining to donations and campaign expenditures be sent to the Waco office."

Richards also wrote:

> According to Federal Election Committee Records, the authorized members of the "Bob Richards Campaign Committee" are:
>
> National Campaign Manager: Gary Forrester
> Treasurer: Paul D. Richards
>
> No other individuals were legally certified to act on behalf of this committee. (FEC Form 20 (10/12/76) stipulating Tom Valentine as Treasurer is invalid because it was not accompanied by a properly executed FEC Form 2.)
>
> Unless expenditures made from this fund are ratified by these officers, they may be illegal. As conditions exist, I must disavow any responsibility for these expenditures.

That was the first notice which reached Populist headquarters or the BRC, DC that Richards had created another committee with different officers. (It must be noted that the "new" Richards committee, the BRC, TEXAS, had not yet filed a Statement of Organization.)

On September 6, Richards wrote to the National Capitol Bank in Washington telling the bank that "the current signatures on the Bob Richards Campaign Committee are not legally authorized to sign checks on behalf of this Committee. The only legally registered signers with the Federal Election Commission are: Gary Forrester, Paul D. Richards. You are hereby instructed to refuse payment unless the checks are signed by both Gary Forrester and Paul D. Richards."

The bank, using its standard procedure, informed Richards that it would freeze the account for nine days to give him time either to procure a court order or a bond. When Richards did neither, the bank allowed the BRC, DC account to resume normal functioning.

In a September 13 letter to the Treasurer and Assistant Treasurer of the BRC, DC, Richards demanded that "all records, all receipts, all funds, and all other documentation whatsoever with respect to this Committee be turned over to me, or to the official Committee on my behalf, for which the Treasurer is Paul Richards." (Richards' letters during this period were written on stationery bearing the letterhead, "Bob Richards for President Committee, P.O. Box 20067, Waco, Texas 76710" but mailed in envelopes imprinted with the return address of the BRC, DC in Washington.)

Although the BRC, DC had filed its Statement of Organization on July 5, the alleged entity which Richards referred to as "the official Committee on my behalf" had still not filed a Statement of Organization. On September 17, 1984 such a Statement of Organization was filed, accompanied by a letter from Richards. It will be recalled that Richards had on July 16, 1984, in his Statement of Candidacy, designated Texas officers of a Principal Campaign Committee but had not supplied any name or address of the Committee—and, of course, no Statement of Organization had ensued within the required time. Meanwhile, Richards had treated the BRC, DC as his Principal Campaign Committee. Now, on September 17, Bob Richards caused to be filed a Statement of Organization which gave a Waco, Texas address for the "Bob Richards for President Committee," named Paul Richards as Treasurer and John Richards as Custodian of Records, and designated First Federal Savings and Loan, Woodway Branch, Waco, Texas as the Committee depository.

For awhile it had appeared that there was only one Richards Principal Campaign Committee (BRC, DC). Then it was discovered that the original Committee's Statement of Organization, while properly filed, had not been preceded by a Richards Statement of Candidacy, even though de facto it had been functioning as Richards' Principal Campaign Committee. Richards then appeared, in his belated Statement of Candidacy, to be designating another Principal Campaign Committee in Texas, with different officers, but the original Committee was not informed of that until almost two months later—and in the meantime the "new" Committee was not given legitimacy by the filing of a Statement of Organization.

By September 17, the news had spread that there were two Bob Richards "Principal Campaign Committees," an original in the District of Columbia and a second in Texas, although the BRC, DC still did not know of the filing of a second Statement of Organization on that date.

On the morning of September 17, I began meeting with John Armor, an attorney representing Richards. I represented the BRC, DC and the Populist Party, a member of whose Executive Committee was also present at the meetings. The discussions went on for most of three days, the object being to work out some means of cooperation, of resolution of the obviously tangled situation as regarded the federal election laws.

Through his attorney, John Armor, Richards demanded an immediate payment of $60,000 cash plus all of the funds then in the BRC, DC account, amounting to approximately $10,000 additional. As the BRC, DC had incurred well over $100,000 in debts on behalf of Richards' candidacy, this was impossible.

Because my clients were concerned primarily with the cooperation of Mr. Richards, they offered a budget of $73,450 to last through November 6 to be paid in a timely fashion to BRC, TEXAS and Mr. Armor communicated this to Mr. Richards.

Mr. Armor believed that the combined contributions to the Richards campaign would qualify him to receive matching federal funds, from which the campaign debts (notably those incurred for Richards by the BRC, DC) could then be paid. The negotiators believed they had reached an agreement under which Richards' budget would be paid during the presidential campaign period, and the campaign debts would be paid (hopefully) with federal matching funds. Richards, however, on September 20, abruptly refused to go along with the deal and informed his attorney by telephone that the negotiations were ended and would not be resumed. John Armor said that Richards would make no agreement of any kind and did not want any further discussion of the matter.

Since that time there has been, to my knowledge, no communication between Richards and the BRC, DC or Populist Party headquarters.

Having talked with FEC staff on numerous occasions over a period of several weeks about the quandary of the BRC, DC, I decided that the closest approach to a solution would be made if Bob Richards would authorize the Committee in a filing with the FEC. As things stood, he had led the FEC, at least to believe that it was authorized as his Principal Campaign Committee and had for some time treated it as such, but it was nevertheless an orphan because of Richards' failure to file a Statement of Candidacy before the Committee had filed its Statement of Organization, and his later attempt to create a different Principal Campaign Committee.

I spoke with Richards' attorney about the matter and on September 26, 1984 sent the question in the form of a letter to Mr. Armor: Would Richards agree to authorize the BRC, DC in a filing with the FEC? Some days later I was told that he would not.

Richards had never been willing to allow the BRC, DC or Populist headquarters to see the BRC, TEXAS records of contributions and disbursements. Learning that those records were apparently in Mr. Armor's hands, Mr. Armor was asked if Richards would permit the records to be used, along with the BRC, DC records, in an application for matching funds. Again, the answer was negative.

The BRC, DC personnel erroneously believed that the Committee was required to report to the FEC on a quarterly basis. Upon learning that monthly reports should have been filed, the BRC, DC, sent the FEC a report on October 19, 1984, covering the period July through September. Its reports cannot, of course, include the finances of the BRC, TEXAS, because it does not have access to those records of contributions and disbursements.

The BRC, DC has received relatively few contributions for the Bob Richards candidacy in recent weeks. Considerable Richards campaign debt is unpaid and overdue. That is the financial situation in brief.

Having done their utmost to ameliorate a chaotic state of affairs, and also to comply with FEC reporting requirements as best they can under uncertain conditions, the BRC, DC awaits guidance by the Federal Election Commission.

Part of what I have written here is based on my own personal participation and observation. The remainder comes from sources who were themselves first-hand participants and observers, and whom I believe to be reliable sources.

Sincerely,

Fleming Lee

Fleming Lee

cc: Dan Blessington, Esquire

0 0 0 4 0 7 7 2 0 7 0

Exhibit "V"

2004079777

STATEMENT OF ORGANIZATION

(see reverse side for instructions)

PRINT

(a) Name of Committee (in Full)	Check if name or address is changed.	2. Date
POPULIST PARTY		SEPTEMBER 19, 1985
(b) Address (Number and Street)		3. FEC Identification Number
6065 MISSION GORGE RD. BOX 211		C00186726
(c) City, State and ZIP Code		4. Is this an amended Statement? X YES ☐ NO
SAN DIEGO, CA. 92120		

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 _____ and is NOT an authorized committee.
(name of candidate)

X (d) This committee is a NATIONAL committee of the POPULIST Party.
(National, State or subordinate) (Democratic, Republican, etc.)

☐ (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 nor a party committee.

6. Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship
NONE		

If the registering political committee has identified a "connected organization" above, please indicate type of 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, the person in possession of committee books and records.

Full Name	Mailing Address and ZIP Code	Title or Position
JOHN COUTURE	13131 WEST JANESVILLE RD. HALES CORNERS, WI. 53130	CHAIRMAN

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 and ZIP Code	Title or Position
MS. FAYE MILLER	P.O. BOX 377 DAUPHIN ISLAND, AL. 36528	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
THE NATIONAL CAPITAL BANK OF WASHINGTON Am SOUTH BANK N.A.	316 PENNSYLVANIA AVE. S.E. WASHINGTON, D.C. 20003 P.O. DRAWER 1628 MOBILE, AL. 36629

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

FAYE MILLER — X _____ — _____

Type or Print Name of Treasurer — SIGNATURE OF TREASURER — Date

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.

For further information contact: Federal Election Commission, Toll Free 800-424-9530, Local 202-523-4068

FEC FORM 1 (3/80)

C00186726

FAYE 9/19/[illegible]

PLEASE SIGN & DATE
AND SEND TO FEC
1325 K ST. N.W.
WASH. D.C. 20463

THANKS
BILL

00040792279

Exhibit "W"

0004079280

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

OCT 17 1984 RQ-2

Clara Sandahl, Treasurer
Populist Party
130 Third Street, SE
Washington, DC 20003

Identification Number: C00186726

Reference: July Quarterly Report (3/15/84-6/30/84)

Dear Ms. Sandahl:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Your committee registered as the national committee of the Populist Party. Please be advised that 2 U.S.C. §431(14) defines a national committee to be "the organization which, by virtue of the bylaws of a political party is responsible for the day-to-day operation of such political party at the national level, as determined by the Commission." Enclosed, for your review and consideration, is a copy of Advisory Opinion 1980-131 which addresses the criteria that a committee must meet in order to attain national committee status.

-Your report discloses an apparent loan(s) from a corporation(s) (pertinent portion attached). You are advised that a contribution from a corporation is prohibited by the Act, unless made from a separate segregated fund established by the corporation. 2 U.S.C. §441b(a).

The Commission notes the repayment of the prohibited contribution(s). Although the Commission may take further legal steps concerning this matter, your prompt action in repaying the contribution(s) will be taken into consideration.

-Schedule B of your report (pertinent portion(s) attached) discloses an in-kind contribution/loan which appears to exceed the limits established by the Act. The Act precludes a political committee, other than a multicandidate committee, from making a contribution to

2074073298

a candidate for Federal office in excess of $1,000 per election. (2 U.S.C. §441a(a)) If you have made an excessive contribution, the Commission recommends that you notify the recipient and request a refund of the amount in excess of $1,000. Please inform the Commission immediately in writing and provide a photocopy of your refund request sent to the recipient. In addition, any refund should appear on a supporting Schedule A for Line 16 of your next report.

If the contribution(s) in question was incorrectly reported and/or you have additional information, you may wish to submit documentation for the public record.

Although the Commission may take further legal steps concerning the excessive contribution(s), your prompt action in obtaining a refund of the excessive amount will be taken into consideration.

-Your report discloses a loan on Schedule C from Liberty Lobby, which has not been recorded on a separate Schedule A and Schedule B. Loans and loan repayments received must be reflected on Schedules A and B as well as on Schedule C. 2 U.S.C. §434(b)(3)(E) and (5)(D)

An amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 523-4048.

Sincerely,

Paul Kolesa
Reports Analyst
Reports Analysis Division

8 4 0 3 1 5 2 9 0

0 0 0 0 4 0 7 4 2 8 2

FEC
...801

LOANS

Use separate schedule for each numbered line

Name of Committee (in Full)
POPULIST PARTY

A Full Name, Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period
LIBERTY LOBBY INC. 2/1/62 300 Independence Ave., S.E. Washington, D.C. 20003	$7,500	$7,631.51	--

Election ☐ Primary ☐ General ☐ Other (specify)

Terms Date Incurred 3/14/84 Date Due 5/12/84 Interest Rate 10 % (per) Secured

List All Endorsers or Guarantors (if any) to Item A

1 Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding $
2 Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding $
3 Full Name, Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding $

B Full Name Mailing Address and ZIP Code of Loan Source	Original Amount of Loan	Cumulative Payment To Date	Balance Outstanding at Close of This Period

Election ☐ Primary ☐ General ☐ Other (specify)

Terms Date Incurred _____ Date Due _____ Interest Rate _____ % (per) Secured

List All Endorsers or Guarantors (if any) to Item B

1 Full Name Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding $
2 Full Name Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding $
3 Full Name Mailing Address and ZIP Code	Name of Employer Occupation Amount Guaranteed Outstanding $

SUBTOTALS This Period This Page (optional)

TOTALS This Period (last page in this line only)

Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary

C00403733 15449

Exhibit "X"

0004079284

Page 5 5
Line Number 19

SCHEDULE B **ITEMIZED DISBURSEMENTS**

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)

POPULIST PARTY

	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
A. Full Name, Mailing Address and ZIP Code Brian Barnard 214 E. Fifth S. Salt Lake City, Utah 84111	legal fee Disbursement for: Primary General Other (specify)	11/26	1,412.00
B. Full Name, Mailing Address and ZIP Code Don Kimball	POPULIST PARTY fee Disbursement for: Primary General Other (specify)	"	1,000.00
C. Full Name, Mailing Address and ZIP Code "	travel exp. Disbursement for: Primary General Other (specify)	"	4,029.01
D. Full Name, Mailing Address and ZIP Code Jim Yarbrough	telephone exp. Disbursement for: Primary General Other (specify)	"	1,171.49
E. Full Name, Mailing Address and ZIP Code "	POPULIST PARTY fee Disbursement for: Primary General Other (specify)	"	1,569.56
F. Full Name, Mailing Address and ZIP Code Don Kimball	POPULIST PARTY fee Disbursement for: Primary General Other (specify)	11/9	1,000.00
G. Full Name, Mailing Address and ZIP Code Comm. to Defend Liberty Lobby 300 Independence Ave., SE Wash., DC 20003	postage for appeal letter Disbursement for: Primary General Other (specify)	11/12	22,660.00
H. Full Name, Mailing Address and ZIP Code Liberty Lobby 300 Independence Ave., SE Washington, D.C. 20003	" Disbursement for: Primary General Other (specify)	11/13	46,500.00
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement Disbursement for: Primary General Other (specify)		
SUBTOTAL of this page (optional)			
TOTAL This Period (last page this line number only)			$132,096.25

C00407932 2 1 3

Exhibit "Y"

0004079296

SCHEDULE B

ITEMIZED DISBURSEMENTS

Page 1 2 of for
LINE NUMBER 19
(Use separate schedule(s) for each category of the Detailed Summary Page)

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)
POPULIST PARTY

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement / Disbursement for ☐Primary ☐General ☐Other (specify)	Date (month, day, year)	Amount of Each Disbursement This Period
Operation Outreach Box 427 Lemon Grove, Calif. 92045	travel	11/27/84	$4,482.57
B. Full Name, Mailing Address and ZIP Code "	Purpose of Disbursement Travel & POPULIST Party fees	Date (month, day, year) "	Amount of Each Disbursement This Period 2,400.06
C. Full Name, Mailing Address and ZIP Code William W. Baker Box 11134 Las Vegas, Nev. 89111	Purpose of Disbursement POPULIST PARTY fee	Date (month, day, year) 11/28	Amount of Each Disbursement This Period 679.41
D. Full Name, Mailing Address and ZIP Code Isabel Taylor 628 E. Capitol St. Wash., DC 20002	Purpose of Disbursement room rental	Date (month, day, year) 11/28	Amount of Each Disbursement This Period 405.00
E. Full Name, Mailing Address and ZIP Code Comm. to Defend Liberty Lobby 300 Independence Ave., SE Wash., DC 20003	Purpose of Disbursement travel exp.	Date (month, day, year) 11/30	Amount of Each Disbursement This Period 2,500.00
F. Full Name, Mailing Address and ZIP Code Bob Gravely RR 1, Box 73 Ballard, W.Va. 24918	Purpose of Disbursement "	Date (month, day, year) 12/3	Amount of Each Disbursement This Period 500.00
G. Full Name, Mailing Address and ZIP Code Rolland L. Victor RR 2, Wayne, Nebr. 68787	Purpose of Disbursement Telephone	Date (month, day, year) 12/10	Amount of Each Disbursement This Period 404.54
H. Full Name, Mailing Address and ZIP Code Mike Piper 130 Third St., SE Wash., DC 20003	Purpose of Disbursement POPULIST PARTY fee	Date (month, day, year) 12/21	Amount of Each Disbursement This Period 500.00
I. Full Name, Mailing Address and ZIP Code Operation Outreach	Purpose of Disbursement travel	Date (month, day, year) "	Amount of Each Disbursement This Period 1421.49
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			

22033-51089

Exhibit "Z"

0004079288

SCHEDULE A — ITEMIZED RECEIPTS

Page 1 of 1 for LINE NUMBER 15
(Use separate schedule(s) for each category of the Detailed Summary Page)

Any information copied from such Reports or 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)
POPULIST PARTY

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
The SPOTLIGHT 300 Independence Ave., SE Wash., DC 20003 SEE BELOW	Occupation	12/14/84	$10,478.55
Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Aggregate Year-to-Date—$		
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
Because of erroneous billing from the vendor, POPULIST PARTY paid $15,940.33 to Print Media Comms. Aug. 29, 1984 (p. 12, Schedule B, line 19).	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Aggregate Year-to-Date—$		
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt This Period
The correct amount for the POPULIST PARTY was $5,461.78. So The SPOTLIGHT reimbursed the POPULIST PARTY $10,478.55 for the incorrect disbursement.	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Aggregate Year-to-Date—$		
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
	Occupation		
Receipt For: ☐ Primary ☐ General ☐ Other (specify)	Aggregate Year-to-Date $		
SUBTOTAL of Receipts This Page (optional)			
TOTAL This Period (last page this line number only)			$10,478.55

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Exhibit "AA"

0004076900

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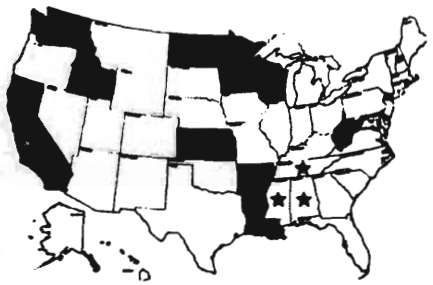

P.O. Box 76737
Washington, D.C. 20013

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THE POPULIST PARTY OF THE UNITED STATES

FRED R. SEIPOLD, Chairman
JOHN COUTURE, Vice-Chairman
DON KIMBALL, Secretary
FAYE MILLER, Treasurer
WILLIAM K. SHEARER, Parliamentarian

National Headquarters:
2303 N. 44th St.
Suite 14-345
Phoenix, AZ 85008
(602) 431-0747

Dear Fellow Member of the Populist Party:

One of the best friends our Party has ever had--and probably ever will have--urgently needs our help . . . yours and mine . . . right now.

And to show you just how serious I am about helping this great and loyal friend of our Populist Party, please take a look at the enclosed personal checks I've just written.

These checks for $30 are out of my own personal account.

And my personal checks are not only going to help one of our Party's dearest friends, it's also going to help spread the Populist philosophy which you and I know is the only philosophy that can take America out of the hip pockets of the big bankers and internationalists and put her back into the hands of the people.

As you can see from my checks, the dear friend I'm talking about helping is The SPOTLIGHT--that courageous little national newsweekly that dares report how internationalism results in terrorism like the hijacking of TWA flight 847 . . . how taxpayers like you and me are gouged to bail out big banks and prop up foreign dictators . . . how America's working people are soon going to face economic ruin thanks to runaway cheap-labor foreign labor imports . . . and how America's family farms are literally being driven right out of existence.

And it's precisely because The SPOTLIGHT reports the truth on these and other crucial Populist issues, and because The

Not even the so-called "leading conservative publications" like National Review and Human Events have dared blow the whistle on the folly of internationalism.

That's why it would be such a great tragedy if The SPOTLIGHT weren't around.

As Chairman of your Populist Party, I'm determined to help fight the so-called "responsible Republican and conservative leaders" who don't want The SPOTLIGHT to continue publishing.

No, I'm not talking about sending contributions to The SPOTLIGHT.

The SPOTLIGHT is a proud, tough little paper that makes it on subscription sales--not contributions.

So instead of making a contribution to help The SPOTLIGHT, here's what I'm asking you and your fellow Populist Party members to do:

First, if you're not already a SPOTLIGHT subscriber, use the enclosed reply form to sign up right now at their special price for Populist Party members - only $15!

At only $15 for information-packed issues each year, The SPOTLIGHT is the very best news value any Populist Party Member could possibly invest in.

Why, just to read the cover-ups and the baloney dished out by TIME OR NEWSWEEK would cost a lot more than that.

So why not spend a lot less and instead get the truthful, hard-hitting, factual Populist news The SPOTLIGHT prints week in and week out?

Second, enter a gift subscription for a public or college library in your area - also for only $15.

There are approximately 8,800 public libraries and 4,900 college libraries across our great land and less than 1% of them get The SPOTLIGHT!

There are more than 25,300 state legislators, judges and other state officials in the U.S. and fewer than 1% of these get The SPOTLIGHT!

What a tragedy!

FRED R. SEIPOLD
PHONE 431-0747
11844 S. TONOPAH
PHOENIX, ARIZONA 85044

1102

July 8, 1985

91-170/1221

Pay to the order of THE SPOTLIGHT $ 15.00

FIFTEEN & NO/100 Dollars

THE ARIZONA BANK / AHWATUKEE OFFICE 5095 ELLIOTT ROAD PHOENIX, ARIZONA 85044

For personal subscription

⑈122101706⑈1102 085⑈713834⑈

FRED R. SEIPOLD
PHONE 431-0747
11844 S. TONOPAH
PHOENIX, ARIZONA 85044

1103

July 8, 1985

91-170/1221

Pay to the order of THE SPOTLIGHT $ 15.00

FIFTEEN & NO/100 Dollars

THE ARIZONA BANK / AHWATUKEE OFFICE 5095 ELLIOTT ROAD PHOENIX, ARIZONA 85044

For 1 GIFT SUBSCRIPTION

⑈122101706⑈1103 085⑈713834⑈

Rocky Mountain Bank Note B-2

0 0 4 0 3 7 2 2 3 2 4

POPULIST PARTY • 2303 N. 44th St., Suite 14-345 • Phoenix, Ariz. 85008

REPLY MEMO

TO: **Fred Seipold, Chairman**
Populist Party

FROM:

006222 B
JOYCE CRENNAN
PO BOX 80775
SAN DIEGO CA 92138

Dear Fred,

I agree 100%—Populist Party Members just can't sit by while Establishment Elitists try to run The SPOTLIGHT out of business.

The SPOTLIGHT is just too important a voice for our Populist philosophy. We can't be without it!

So here's how I'm helping The SPOTLIGHT and Populism:

☐ I'm entering my own personal 1 year subscription to The SPOTLIGHT. My check for $15 is enclosed.

☐ I'm entering a SPOTLIGHT gift subscription for a state or local government official. (Each gift is only $15.)

☐ I'm entering a SPOTLIGHT gift subscription for a college or public library. This way, I'll be educating **hundreds** of people on our Populist philosophy.

The number of SPOTLIGHT gift subscriptions I'm entering is:

☐ 1 library gift subscription at the special library rate of only $15.

☐ 2 library gift subscriptions at the special library rate of only $30.

☐ 3 library gift subscriptions at the special library rate of only $45.

☐ 4 library gift subscriptions at the special library rate of only $60.

☐ 5 library gift subscriptions at the special library rate of only $75.

(Please make all checks payable to The SPOTLIGHT.)

☐ Fred, I want you to select the college and public libraries where my gift subscriptions will do the most good.

☐ Instead, I want my SPOTLIGHT gift subscriptions to go to the libraries I've listed on the other side of this reply memo.

P.S. Fred, I'm returning your personal checks so you can enter 2 SPOTLIGHT subscriptions.

FROM _____

_____

_____

PLACE
STAMP
HERE

THE SPOTLIGHT
THE PAPER YOU CAN TRUST

300 INDEPENDENCE AVE., S.E.
WASHINGTON, D.C. 20003

0 0 0 7 6 7 0 4 0 0 0

Exhibit "BB"

0004792007

LIBERTY LOBBY

300 Independence Avenue, S.E.
Washington, D. C. 20003

from the desk of—

WILLIS A. CARTO

AUG 1 2 1985

FRED: Mike told me that people have called him saying that they have called your number and reached another party. You will recall that recently many calls were not getting through at all. I wonder if now the phone company is ringing a wrong number when yours is dialed?

We wired you just about the last remaining cookies in the cupboard today. I am holding a lot more bills than cash. Future funds will have to come from Crazy Faye or your Phoenix account, when you get it set up.

New SPOTLIGHT subs are coming in real well, thanks to your letter. The girls almost deposited hundreds of your checks which are flooding in. If any sneak through, tell me and I'll reimburse you! (It's a great reproduction by the printer.)

Willis

Exhibit "CC"

20040729999

Regular
Special
Payroll (1020)
August 21 1985

	Initials	Date
Prepared By		
Approved By		

	PAYEE	CHECK NO	DATE	AMOUNT	ACCT NO	DISTRIBUTION DR.	DISTRIBUTION CR.
1	Treasurer	1048	8-12-85	11-	5538		11-
2	Va. P.I.G.	1050	8-12-85	169 44	5504		169 44
3	Systems Publications Inc.	1052	8-12-85	20 28 -	5827		20 28 -
4	Capitol Hill Asso	1053	8-12-85	1 98 -	7417		1 98 -
5	Risk Mailing Service, Inc	1054	8-12-85	753 75	5868		753 75
6	Lawyers Systems Co.	1055	8-12-85	2922 90	5508		2922 90
7	Park Line Press, Inc.	1056	8-12-85	71 4 -	5827		71 4 -
8	Printers II Inc	1057	8-12-85	2008 64	5827		2008 64
9	Direct Mail Lithographers	1058	8-12-85	668 50	5827		668 50
10	Wire Fred Siegold	Wire	8-12-85	1000 -	7278		1000 -
11	State Corp. Commission 2/19/86	1437	8-30-85	< 5-7	6972	5 -	
12	Clerk of the Court of Arlington 2/19/86	1439	8-30-85	< 5-7	6972	5 -	
13	Pacific Bell 2/28/86	1446	8-30-85	< 1786 7	7318	1786 45	
14	TOTAL			10285 58			
15							
16							
17							
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C C O S F L O R I D A

LIBERTY LOBBY, INC.

CHECK REQUEST FORM

(✓) Type of check requested

☐ Liberty Lobby ☐ Spotlight ☐ Trust ☐ GEF ☒ Other FF

PAYEE: Wired to Arizona Bank AMOUNT: $ 1,000 ck

Ahwatukee Office

Fred Seipold DATE: 8/11/81

PURPOSE: Acct # 0-5-713754

INSTRUCTIONS: Fee

REQUESTED BY: [signature] DATE: 8/11/81

APPROVED BY: WAC DATE:

FOR ACCOUNTING

CHECK NO. Wire

DATE: 8/12/81

AMOUNT: $1.000.-

ACCOUNT NO. 7278 AMOUNT $ 1,000.-

$

$

$

0 0 0 4 0 7 9 3 0 0 1

Exhibit "DD"

2004075002

The following are the minutes of the Executive Committee Meeting which took place by telephone conference on September 15, 1985 at 6:30pm Pacific Time.

On line for the call were executive committee members, William Shearer, Jonh Couture, Willis Carto, Faye Miller, Jerry Pope, Roland Victor and National Administrator, Nancy Shearer.

Mr. Shearer made motion to have Miss Shearer take minutes. Mr. Carto seconded the motion and it carried unanimously.

Mr. Shearer reported that Fred Seipold had resigned. He asked that the portion of the call pertaining to personnel be treated confidentially. He said that according to the by-laws Mr. Couture as Vice-Chairman was the proper person to fill the vacancy left by Mr. Seipold.

Mr. Couture agreed to fill the position of chairman.

Mr. Shearer went on to tell the facts surrounding Mr. Seipolds resignation. During this discussion executive committee members Maureen Salaman and Don Kimball were added to the conference call. Mr. Shearer concluded that having all the facts brought to his attention in such a short period of time he confered with Mr. Couture and they agreed to take the Populist Party belongings out of the Phoenix office and store them at Miss Shearers apartment until further decisions could be made and finally to have Miss Shearer return to California bringing the party belongings with her.

Mr. Shearer then spoke to Mr. Seipold by telephone and asked for his resignation. Mr. Seipold gave it and said he'd put the letter in the mail right away. Mr. Seipold went on to say that there would have to be a settlement of accounts. Mr. Shearer agreed.

Mr. Carto made mention that a new office would have to be set up and public relations work done.

Mrs. Miller asked what the ground rules would be for who owed who what.

Mr. Shearer said, Take the amount owed Mr. Seipold and offset the things he owes the party.

In response to questioning about party finances, Mrs. Miller said there was approximately $1,043.00 in the party bank account and $197.00 in transit from Miss Shearer. Mr. Carto said there was approximately $4000.00 in the Washington account. Mr. Shearer said that added to that would be the money from the Spotlight for rental of the Populist Party list of approximately $1,500.00, $1,000.00 of which was paid to Mr. Seipold and that this $1,000.00 should be offset against the amount owed Mr. Seipold.

Discussion began about location of the new office.

Mrs. Miller made motion to have the funds available be used by Miss Shearer to set up a new office in San Diego, California, with rent not to exceed $300.00 a month, a phone and a new mailing address. Mrs. Salaman seconded and the motion carried unanimously.

Mr. Couture said he would need to be reimbursed for actual expenses.
Mr. Shearer made motion for Mr. Couture to be reimbursed for actual expenses.
Mr. Kimball seconded and the motion carried unanimously.

Mr. Shearer volunteered to work on the membership fund raiser mailing at no charge.

Mr. Shearer made motion that the membership be run on a fiscal year basis running from September 1, 1985 to August 31, 1986. Mrs. Miller seconded the motion carried unanimously.

Mr. Shearer made motion to elect Mrs. Salaman, Vice-Chairman. Mr. Pope seconded the motion. Mr. Victor nominated Don Kimball for Vice-President. Mr. Kimball withdrew his name from nomination and made motion calling for a unanimous vote for Mrs. Salaman. Mrs. Miller seconded and the motion carried unanimously.

Mrs. Miller made motion to continue Miss Shearer's salary at the present rate. Mr. Carto seconded and the motion carried unanimously.

Mrs. Miller made motion that Mr. Carto should send Miss Shearer the Populist Party mailing list of some twenty thousand names and addresses in whatever form requested within ten days of the request and should from then on forward any changes to her in order to stop duplication of work and payment. Mrs. Salaman seconded and the motion carried unanimously.

Mr. Carto made motion to reafirm the amount owed Mr. Kimball and Mr. Victor of $1,000.00 salary and $500.00 expenses based on receipts. Mr. Shearer seconded the motion and it carried unanimously with Mr. Kimball and Mr. Victor abstaining.

There was some discussion of a meeting in Los Angeles on October 24 and 25. Not everyone was going to be available.

Mr. Shearer made motion to have a conference call meeting at 6:30pm Pacific time on September 29, 1985. Mr. Kimball seconded and the motion carried unanimously.

The executive committee meeting adjourned.

Respectfully submitted,

Nancy Shearer

Nancy Shearer, National Administrator

Exhibit "EE"

0004007

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
4865 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COLTURI
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAURICE SALAMAN

Secretary
DON KIMBALL

Treasurer
LAVI MILLER

Parliamentarian
WILLIAM K. SHEARER

March 31, 1986

Mr. Willis A. Carto
300 Independence Ave. S.E.
Washington D.C. 20003

Dear Willis,

I am writing to you, in accord with the wishes of the national Executive Committee of the Populist Party, to officially inform you of the actions taken by the Committee with regard to the issues wherein you are at odds with the majority of the members of the Executive Committee, and to seek your compliance with the Committee's mandates. I also hope that this letter will help to resolve, rather than enlarge, the existing problems.

Before going into the position of the Executive Committee, let me say on a personal basis that I am deeply disappointed that you have attacked the Populist Party, and its Executive Committee, charging that we are in "disarray", and have failed to provide leadership, when, in fact, during my six month tenure as chairman, we have made great strides in developing the party. Among the accomplishments of my term, thus far, are the following:

1. When I became chairman, the party had only a little over $1,000.00 in the bank. We now have almost $50,000.00 in the bank, are operating in the black, and have fully met all of our obligations to legitimate creditors.

2. We have established a full time, completely functioning, totally responsible national administrative office. This office functions at minimum cost with one full time administrator and one assistant. It has an appropriate computer, copier, typewriters, and all other necessary, modern operating equipment, and is providing an increasing number of services to the party.

3. My law and business offices in Wisconsin serve as the national office of the party. My office is open from 9:00 AM till usually 6:30 PM (and frequently from 8:00 PM to 10:30 PM) six days per week and often on Sunday afternoons and

evenings. My personal services, my office, secretary, and supporting services cost the party absolutely nothing, except the cost of mailings, and party telephone calls. Unlike the previous chairmen, I have served without pay. Yet, frankly, I believe I have accomplished more for the party in six months than did the previous chairmen during their terms.

4. Ten days after taking office, in a lengthy letter to the New York Times and Milwaukee Journal, I served notice on those who had attacked the Populist Party that the party would not supinely accept any further libels. I received a conciliatory response from the New York Times, and the Milwaukee Journal printed a special editorial letter which extolled the merits of the Populist Party and decried the libelous article complained of. I am not aware of any further libels by the New York Times News Service or the Milwaukee Journal. My letter to these papers was mailed to every state leader of the Populist Party with a cover letter, requesting that each leader direct a copy of my letter to the New York Times to any publication in his or her state which libels the Populist Party.

5. Organization is now going on in the field, and new state organizations are being formed and officially recognized. I have attempted to restore unity to the party. In November, 1986, after numerous phone conferences with Jim Yarbrough, I mailed an "open letter" of reconciliation to Jim, with copies to state leaders, in a beginning effort to heal the wounds resulting essentially from Jim's clashes with former chairman Fred Seipold. My efforts on behalf of unity and reconciliation are continuing.

6. During my administration, for the first time, a comprehensive dues notice mailing, together with membership cards, went out to every recorded member of the Populist Party. This has resulted in strong support in terms both of finances and organization.

7. On March 1-2, 1986, I presided over the annual meeting of the National Committee, which was well attended, and at which the members of the National Committee unanimously confirmed my chairmanship, ratified the acts taken by the Executive Committee during the past year, and commended the efficient functioning of our national administrative office.

8. On November 9, 1985, I participated in conducting a successful Western Regional Conference of the Populist Party.

9. On November 20, 1985 I wrote, printed, and mailed to all state party leaders an 18 page detailed memorandum outlining the organizational programs, and fundamental growth policies of the Populist Party. This was intended, as a "how to do it" manual for the (a) structural organization, and (b) full fleshing out of

every state party. These specified tried and true techniques, if followed, will result in very rapid party growth, and which, if followed, will make swift victory inevitable.

10. On January 6, 1986, I completed a suggested, complete, and detailed model constitution for state parties, and mailed copies of the same to all state party leaders. This will provide guidance and direction for the conduct of state party affairs.

11. The National Committee, under my direction, has prepared new post-election literature for the party, and we are continuing to expand the availability of party building materials.

This does not constitute an exhaustive list of the party's accomplishments during my term to date, but will certainly suffice to show the tremendous progress being made, and that neither the Populist Party, nor its national leadership are in a state of "disarray". I am disappointed that you, although you are a member of the Executive Committee, have refused to participate in the recent telephonic meetings of the Executive Committee. Also, knowing that your stewardship was in question, I am surprised that you did not attend the National Committee meeting, this month, in order to answer questions from members of the National Committee, or, at least, to explain your position on the matters in controversy.

For over a year, the Executive Committee has sought to conform our fiscal affairs to the requirements of the party's membership adopted bylaws, and Federal election laws. At the Executive Committee meeting on March 10, 1985, the Executive Committee adopted a motion directing the then chairman, Fred Seipold, as legal counsel, to do such research as was necessary to determine how the Committee's accounts should be structured and administered to meet all requirements of Federal and other applicable law; to report his findings in writing within 30 days; and implement these findings without the necessity of further Board action to assure that the National Committee was functioning in conformity to the requirements of law.

The intent of the motion, of course, was to bring all of the bank accounts being operated in the name of the Populist Party under the direct control of the elected treasurer. In spite of the Executive Committee's clear intent, you continued to operate the account or accounts which you had established, using the Populist name, as separate and independent from the official account established by the elected treasurer.

The Executive Committee again considered this problem at the telephonic meeting of September 29, 1985, at which time a motion was adopted that there be no more expenditures on obligations incurred, and no new bills incurred without specific

authorization of the Executive Committee; that all Populist Party mail and or contributions are to be forwarded to the San Diego administrative office for processing; and that all funds or checks of any kind are to be forwarded to the national treasurer, Mrs. Faye Miller, for deposit only in the Populist Party account which she administers.

Although, you were present for the part of the conference call during which this motion was adopted (the record reflects that you abstained from voting on the motion, which was approved 6 to 0), you did not comply with this policy of the Executive Committee, as is confirmed by your recent letter to me, in which you state that you are continuing to collect funds and operate a quote "Populist" bank account independent of the National Committee and the elected treasurer.

On October 20, 1985, in a telephonic meeting of the Executive Committee, a motion was adopted by vote of 6 to 0 that the treasurer direct a letter to you requesting a full accounting of the Washington D.C. account, including statements of deposits and cancelled checks. This material has never been made available by you to the national treasurer.

Finally, having failed to receive your cooperation, on January 18, 1986, the Executive Committee adopted a series of motions, on the accounting problems which your continued operation of one or more "Populist" bank accounts in Washington has generated. Specifically, in order to avoid any confusion among contributors, the Executive Committee now requires of you:

1. That the corporation chartered in the State of Virginia and known as Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia, or, in lieu of the charter being returned, that the corporation change it's name, purpose and intent so as to differentiate it from the Populist Party of the United States;

2. That all bank accounts in the name of the Populist Party, Inc. be closed; and

3. That any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc. immediately cease; along with any other reference to Populist Party which might confuse the corporation with the Populist Party of the United States.

At the January 18, 1986, meeting, the Executive Committee also unanimously approved a motion that " the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. The Executive

Committee, therefore, directs that you and these entities abandon any and all claims of indebtedness to them by the Populist Party of the United States, and furnish the Populist Party duly executed documents, signed by the officers of such entities stating that the Populist Party is not indebted to them, or to second or third party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. The motion stated that these acknowledgements must be received by February 10, 1986, and that if the acknowledgements were not forthcoming by said date, the Executive Committee formally demands that all financial records pertaining to any alleged activities at any time in the name of the Populist Party, by any of the described entities, be submitted to a complete and detailed audit by the Populist Party or its representative.

The Executive Committee, by motion, further expressed support of the position taken by the treasurer, Faye Miller, that she is not responsible for filing any reports with the Federal Election Commission, or any corporate forms in the name of the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. This letter will confirm that Mrs. Miller will make no such filings on behalf of these entities.

The Executive Committee has also authorized me to make a demand on you and The Spotlight for the $1,500.00 owed by The Spotlight to the Populist Party for use of the party's mailing list in 1985. In addition, the Executive Committee demands that you pay to the Populist Party all money collected by the Populist Party, Inc. since September 29, 1985, and any balance presently in the Populist Party, Inc. account.

Finally, the Executive Committee has unanimously adopted a motion requiring that any and all solicitation of funds, sales of merchandise, or use of logo by any entity without express approval of the Executive Committee of the Populist Party cease immediately. The conduct which caused this concern is that of Graphic Productions, which is operated by one of your employees. The motion directs Graphic Productions to account for its unauthorized promotional activities, secure authorization from the Executive Committee for any future activities, enter into a revenue sharing arrangement with the committee, and regularly account for the income from its sales of party materials.

On March 8, 1986, at the Executive Committee's most recent telephonic meeting, an additional motion was adopted with regard to the audit which was conditionally demanded on January 18, 1986. The Executive Committee is prepared to withdraw its request for an audit if you and the entities you control promptly comply with the balance of the above stated directives of the Executive Committee. If you are not willing to comply with these mandates, then the Executive Committee insists upon an audit of

all bank accounts which you have established using the words "Populist Party" as all or part of the name of such account, with the audit to be conducted by an independent auditor, selected by the Executive Committee, and with the audit paid for by those who opened the accounts, and are thus the cause of the expenditure for the audit.

The Executive Committee believes that the actions we have taken are necessary in order to assure that the conduct of the party's fiscal affairs be in compliance with the bylaws, duly adopted by the membership at the National Convention in Nashville, Tennessee, in 1984, and the requirements of the Federal election laws.

Your compliance with these reasonable requests would do the Populist Party a far better service than the sewing of confusion through attacks on the Populist Party and its Executive Committee, in the pages of "The Spotlight". I certainly do not have any desire to quarrel with you personally, and I believe this is the feeling of the vast majority of those on the Executive Committee. We have taken the steps set forth above only in an effort to assure that the financial affairs of the party are conducted lawfully. I hope you will overcome any hostility which you may feel, and comply with the expressed wishes of the Executive Committee in the interest of compliance with the law, and the wishes of the party's membership as expressed through the bylaws. At the recent meeting of the National Committee the members unanimously ratified the acts of the Executive Committee which I have described in this letter.

Very truly yours,

John M. Couture

John M. Couture
National Chairman

C00042044

Exhibit "FF"

20040793012

(POPULIST PARTY

CASH DISBURSEMENTS JOURNAL - POSTING DATE 02/28/95

REFERENCE NUMBER	PAYEE ACCT. #	DESCRIPTION	DATE	AMOUNT	CHECK AMOUNT
1424	JIM YARBROUGH		02/14/95		1,000.00
	7278-00	PROF & CONSULTING FEES		1,000.00	
1425	LIBERTY LOBBY		02/10/95		13,100.00
	3252-00	DUES-LL		13,100.00	
1426	SYSTEMS PUBLICATIONS		02/12/95		5,793.00
	5827-00	PRINTING		5,793.00	
1427	DAN PILA		02/14/95		1,265.00
	5827-00	PRINTING		1,265.00	
1428	VOTES UNLIMITED		02/14/95		139.92
	5827-00	PRINTING		139.92	
1429	POSTMASTER DC		02/17/95		11.00
	5538-00	POSTAGE,FREIGHT,DELIVERY		11.00	
1430	STATE [illegible]		02/17/95		5.00
	4972-00	LEGAL		5.00	
1431	COURT CLERK OF FAIRFAX		02/17/95		5.00
	4972-00	LEGAL		5.00	
1432	COURT CLERK ARLINGTON		02/17/95		5.00
	4972-00	LEGAL		5.00	
1440	CHICAGO'S BISMARCK HOTEL		02/21/95		35.00
	7417-00	TRAVEL		35.00	
1441	AMOS PRESS		02/27/95		15,532.90
	5827-00	PRINTING		11,744.14	
	5538-00	POSTAGE,FREIGHT,DELIVERY		819.64	
	5868-00	MAILING SERVICE		2,968.12	
1442	DUPLEX		02/27/95		1,110.77
	5827-00	PRINTING		1,110.77	
1443	DISTRICT SERVICE PRINTER		02/27/95		1,822.00
	5827-00	PRINTING		1,822.00	
1444	DON KIMBALL		02/27/95		424.52
	7318-00	TELEPHONE		343.27	
	7278-00	PROF & CONSULTING FEES		55.13	
	5538-00	POSTAGE,FREIGHT,DELIVERY		26.12	

POPULIST PARTY

CASH DISBURSEMENTS JOURNAL - POSTING DATE 02/28/85

REFERENCE NUMBER	PAYEE ACCT. #	DESCRIPTION	DATE	AMOUNT	CHECK AMOUNT
1445	JIM YARBROUGH		02/27/85		1,021.14
	7417-00	TRAVEL		552.42	
	5530-00	POSTAGE,FREIGHT,DELIVERY		241.81	
	5827-00	PRINTING		228.87	
1446	PACIFIC BELL		02/28/85		178.65
	7318-00	TELEPHONE		178.65	
1447	VISA CARD CENTER		02/28/85		576.22
	7417-00	TRAVEL		576.22	
1448	VISA CARD CENTER		02/28/85		462.00
	7417-00	TRAVEL		462.00	
1449	BAYSIDE PRINTING		02/28/85		208.84
	5827-00	PRINTING		208.84	
1450	VAO & CO		02/28/85		150.00
	6022-00	ACCOUNTING		150.00	
1451	PR NEWSWIRE		02/28/85		115.00
	5510-00	NEWS SERVICE		115.00	
1452	BISK MAILING SERVICE		02/28/85		664.00
	5838-00	MAILING SERVICE		664.00	
1453	EXECUTIVE SYSTEMS		02/28/85		2,724.54
	5508-00	COMPUTER EXPENSE		2,724.54	
1454	BEAVER PRESS INC		02/28/85		49.80
	5827-00	PRINTING		49.80	
1455	JIM YARBROUGH		02/28/85		1,145.09
	7318-00	TELEPHONE		1,145.09	
25 CHECKS			TOTAL CHECKS:		47,559.41
			TOTAL DISBURSED:		47,559.41

POSTING ACCOUNT:

CDS	CD 1424 - 1455		02/28/85	47,559.41-
	1050-00	CASH NCB		

Exhibit "GG"

2004079015

Prints to Spotlight + LL

RUN DATE: 05/23/85 PAGE: 1

POPULIST PARTY

CASH DISBURSEMENTS JOURNAL - POSTING DATE 04/30/85

REFERENCE NUMBER	PAYEE ACCT. #	DESCRIPTION	DATE	AMOUNT	CHECK AMOUNT
1034	BISMARCK		04/19/85		232.70
	7318-00	TELEPHONE		78.54	
	7417-00	TRAVEL		154.16	
1035	JAMES YARBROUGH		04/26/85		1,000.00
	7278-00	PROF & CONSULTING FEES		1,000.00	
1036	DON KIMBALL		04/26/85		1,000.00
	6288-00	COMMISSION		1,000.00	
1037	EXECUTIVE PRINTING		04/29/85		7,780.00
	5504-00	BOOK EXPENSE		7,780.00	
1489	VOTES UNLIMITED		04/18/85		139.92
	5504-00	BOOK EXPENSE		139.92	
1493	GRAPHIC PRODUCTIONS		04/19/85		796.00
	5504-00	BOOK EXPENSE		796.00	
1494	VELMA BLEKEBERG		04/19/85		132.90
	7417-00	TRAVEL		132.90	
1495	GEORGETOWN PRINTING CO		04/19/85		1,612.23
	5504-00	BOOK EXPENSE		1,612.23	
1496	MAGNA PUB INC		04/19/85		58.00
	7277-00	PUBLICATIONS		58.00	
1497	EXECUTIVE SYSTEMS		04/19/85		1,638.17
	5508-00	COMPUTER EXPENSE		1,638.17	
1498	VOIDED		04/19/85		0.00
	2725-00	CASH TRANSFERS		0.00	
1499	SPOTLIGHT		04/19/85		12,417.35
	3252-00	DUE LL		12,417.35	
1500	SPOTLIGHT		04/19/85		3,622.75
	6023-00	ADVERTISING		3,622.75	
1501	LIBERTY LOBBY		04/19/85		3,655.13
	5867-00	MAILING LIST RENTAL EXPEN		3,655.13	

14 CHECKS TOTAL CHECKS: 34,085.15
TOTAL DISBURSED: 34,085.15

POSTING ACCOUNT

DATE: 05/23/85 PAGE: 2

POPULIST PARTY

DISBURSEMENTS JOURNAL - POSTING DATE 04/30/85

REFERENCE NUMBER	PAYEE ACCT. #	DESCRIPTION	DATE	AMOUNT	CHECK AMOUNT
CD	CD 1034 - 1501 1050-00	CASH NCB	04/30/85	34,085.15-	

Exhibit "HH"

0040798018

LIBERTY LOBBY — PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

October 4, 1985

Mr. John Couture, Chairman
Populist Party National Committee
13131 W. Janesville Rd.
Hales Corners, Wisc. 53130

Dear John:

Because of extreme pressure on my time I shall not take an active part in executive committee meetings in the future.

To talk over expensive long distance conference call for more than an hour about the few measly dollars remaining out of the hundreds of thousands I have raised and to scheme how they can be taken rather than addressing the real problems and opportunities we face is an exercise I want no part of.

Our problem is essentially very simple: it is to find and utilize leadership. If we are successful, all other things--including money--will come. If we get bogged down in penny ante discussion over a few dollars, the future of the party is nil.

It is not the proper function of a board of directors or the executive committee to pay invoices. This is a task done by office personnel operatimg under firm guidelines.

It is not even the proper function of the executive committee to discuss fundraising, or the preparation of literature, or political campaigns. These matters should be done by capable personnel who are responsible to the governing body for their acts.

And if we do not have such personnel, it is time to find them. If the executive committee cannot put the horse before the cart everything else done will prove to be wasteful.

It is not very smart to seek to destroy the one thing that has kept the party alive--my bank account in Washington.

At this time we have perhaps the greatest opportunity in American history to build a party. Instead, we are haggling over the few remaining pennies left. We are a political party, not a fourth-rate small business. Without vision the people perish.

This decision has no effect on the support I will continue to give to the party even though it gives evidence of falling prey to the ills which have killed all new party efforts in the past.

Although I will not be available for any committee meetings in the future, I am not resigning. Of course, if you wish it I shall be happy to oblige.

Sincerely,

William Carto

Exhibit "II"

0004079320

W. A. CARTO

JUN 16 1985

Dear Fred:

Just received the enclosed from Washington today, which is self-explanatory. The bastards have finally decided to give us a little hell. I expected it before this, frankly.

Before they descend on us we have to get the situation well in hand. Fleming is pretty well up on FEC rules & regs and it seems to me that it is imperative for you and he to get together to discuss it all, well before July 9--unless we can delay things.

By the time you get this I'll be in Washington so let me know your thinking on this when you can.

Sincerely,

Wally

P.S. Bill Redgate advises me that there is at least one bill Faye has which I don't recall being mentioned in Phoenix--a printing bill for some $18,000 to a firm, Printers II. They are beginning to scream.

0004207230021

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

A85-25

June 12, 1985

Ms. Clara Sandahl, Treasurer
Populist Party
130 Third Street, SE
Washington, D.C. 20003

Dear Ms. Sandahl:

On June 11, 1985, the Commission voted to undertake an audit of your committee pursuant to Section 438(b) of Title 2 of the United States Code. This determination was based on an internal review of reports filed which indicated that your committee has failed to meet threshold requirements for substantial compliance with the Federal Election Campaign Act of 1971, as amended (the "Act").

The audit will include a review of the committee disclosure reports for completeness and mathematical accuracy; reconciliation of bank accounts to reports filed; a test of individual receipt and disbursement transactions for compliance with limitation and reporting requirements; a review of committee debts and obligations and other audit procedures as deemed necessary.

The Commission would like to commence the audit on July 8, 1985. A member of the Commission's Audit staff will contact you by telephone to arrange a mutually agreeable date to begin the audit and to establish a convenient location for the audit. If your committee should be unable to provide convenient work space for the audit, the staff person will arrange for adequate work space at Commission expense. All financial records of your committee from March 15, 1984, through December 31, 1984, including bank statements together with deposit slips and cancelled checks, contribution records, invoices or receipted bills, journals and/or ledgers maintained by the committee, as well as the committee's by-laws and/or charter and minutes of meetings, if any, and the committee's solicitation material, brochures and other publications should be available for inspection when the audit begins. Certain records and other documents, although dated outside the audit period, may be requested if they relate to activity during the audit period.

We look forward to working with you and are hopeful that you will find the audit both helpful and informative. If you have any questions concerning any of the matters discussed above, please do not hesitate to contact Mr. Joe Stoltz at (202) 523-4155.

Sincerely,

Robert J. Costa
Assistant Staff Director
for the Audit Division

CERTIFIED MAIL:
RETURN RECEIPT REQUESTED

20040779023

2 0 0 4 0 7 4 5 0 2 4

LIBERTY LOBBY
300 INDEPENDENCE AVE., S.E.
WASHINGTON, D. C. 20003

SAN DIEGO, CA
17 [illegible]
1985

USA 22

Mr. Fred Seipold
Chairman, Populist Party
2303 N. 44th St., #14-345
Phoenix, Arizona 85008

FEDERAL ELECTION COMMISSION

POPULIST PARTY OF THE UNITED STATES, an unincorporated political party	)	RE: MUR ____
v.	)	
POPULIST PARTY, INC., A Virginia corporation; WILLIS A. CARTO; CLARA SANDAHL; LOIS PETERSEN; BLAYNE HUTZEL; LIBERTY LOBBY; CORDITE FIDELITY CORPORATION; THE SPOTLIGHT; COMMITTEE TO DEFEND LIBERTY LOBBY; and DOES I THROUGH C	)	

96 JUL 23 A 11:37

AFFIDAVIT OF WILLIAM K. SHEARER RE: UNREPORTED CONTRIBUTION OF $500.00 TO THE POPULIST PARTY

STATE OF CALIFORNIA)

)s.s.

COUNTY OF SAN DIEGO)

I, William K. Shearer, being duly sworn state that:

1. I am the Parliamentarian of the national Populist Party, having been elected to this office by the National Convention,

held in Nashville, Tennessee on August 18, 1984, and having been re-elected by the National Committee of the Populist Party at its meeting in Chicago, Illinois, on March 9, 1985. I was a delegate to the 1984 National Convention, representing the American Independent Party of California, the California affiliate of the national Populist Party.

2. On August 18, 1984, I contributed, by check, the sum of $500 to the Populist Party. I personally turned the check over to one of the persons at the convention who was collecting contributions. I am informed and believe that the check was ultimately transmitted to the office of Willis A. Carto in Washington, D.C. for deposit to the account of the Populist Party. Attached hereto as Exhibit "A", and incorporated herein by reference, is a copy of my cancelled check evidencing this contribution.

3. From the information recorded on the reverse side of the check it is difficult to determine the account into which the check was deposited, except that it was apparently deposited to an account at the National Capitol Bank in Washington, D.C. The words "The Populist Party" are crossed out as is most of a bank account number ending with the numbers "4874701", the bank account number of the Populist Party, Inc. Beneath this number and not crossed out is what appears to be a second bank account

number, "1004474101", and this may be the account to which the check was deposited. Also partially crossed out above the bank account numbers is the word "Lobby", which may indicated Liberty Lobby.

4. I have personally reviewed the reports filed during 1984 with the Federal Election Commission by Clara Sandahl and/or Lois Petersen, purporting to act for the Populist Party, and do not find my contribution reported by them on any of the reports filed with the Commission.

Executed this 20th day of June 1986.

I declare, under penalty of perjury, that the foregoing is true and correct; that affiant knows the foregoing facts to his own knowledge, except as to those matters which are set forth on information and belief, and as to those matters affiant believes them to be true; and that if called as a witness to testify to the facts contained herein, affiant is competent to do so.

0004079307

William K. Shearer

8158 Palm Street

Lemon Grove, CA 92045

OFFICIAL SEAL
MICHAELLE C. MURPHEY
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
SAN DIEGO COUNTY
My Commission Exp. Apr. 1, 1987

Michaelle C. Murphey

Subscribed and sworn to before me, on June 20, 1986.

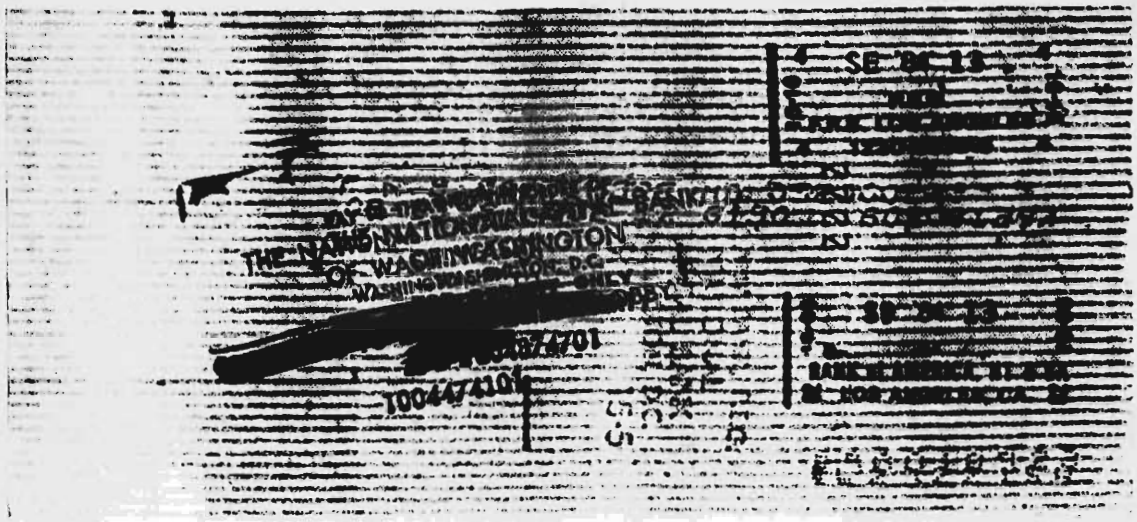
San Diego, California

Notary public in and for said county and state.

00040728

Exhibit "A"

2004079029



WILLIAM K. SHEARER
EILEEN M. SHEARER
8160 PALM ST. 619-460-4484
LEMON GROVE, CA 92045

August 18 19 84 1625

16-66/1220

Pay to the order of Populist Party $ 500 00

Five hundred and no/100 Dollars

BANK OF AMERICA
HILLCREST BRANCH 0194
737 UNIVERSITY AVENUE
P.O. BOX 3099
SAN DIEGO, CA 92103

Memo

William K. Shearer

⑈122000661⑈ 1625 ⑆01948⑆00530⑈ ⑈0000050000⑈

FEDERAL ELECTION COMMISSION

MICHAEL COLLINS PIPER)
)
v.)
)
POPULIST PARTY OF THE)
UNITED STATES, AND)
FAYE MILLER, TREASURER)
)

RE: MUR

'84 JUL 23 A 11:51

AFFIDAVIT OF FAYE MILLER RE: ALLEGED INDEBTEDNESS OF THE POPULIST PARTY TO LIBERTY LOBBY AND CORDITE FIDELITY CORPORATION

STATE OF ALABAMA)
)s.s.
COUNTY OF MOBILE)

I Faye Miller being duly sworn state that:

1. I am the duly elected Treasurer of the Populist Party of the United States, having been elected to this office by the National Committee of the party at its first annual meeting in Chicago, Illinois on March 9, 1985. By virtue of this office, I am a member of the national Executive Committee of the Populist Party,

and have served in this capacity continually since March 9, 1985.

2. I am an accountant by profession, and have engaged in this profession continuously since 1951. I am admitted to represent clients in proceedings before the Internal Revenue Service.

3. This affidavit is made to show the history of the allegations of Willis A. Carto, and the corporations which he controls, Liberty Lobby, Cordite Fidelity Corporation (which publishes "The Spotlight"), and the Populist Party, Inc. that a debt or obligation is owed to one or more of these entities by the Populist Party of the United States. This affidavit is also made to show the actions taken on this matter by the Executive Committee and National Committee of the Populist Party.

4. Filed concurrently with this affidavit is an affidavit of William K. Shearer, parliamentarian of the Populist Party, which traces the history of the Populist Party during the 1984 - 1986 period, and which shows that during the period from on or about February 1984 through my election as treasurer on March 9, 1985, the control of the Populist Party's funds, and the expenditure of said funds, were entirely in the hands of Willis A. Carto, his employees, and entities which he entirely controls.

5. The debt which Mr. Carto and his entities now claim to be

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owing by the Populist Party is alleged to have resulted from the 1984 presidential campaign. It is significant to note that no allegation of any indebtedness on the part of the Populist Party occurred during the campaign itself. Mr. Carto's employees filed reports of receipts and disbursements with the Federal Election Commission during the 1984 period, none of which indicated that there were any debts or obligations owed by the committee. Attached hereto, and incorporated herein by reference are the following summary pages of certain reports of receipts and disbursements filed in the name of the Populist Party during the 1984 period:

A) Report filed July 16, 1984 by Clara Sandahl, covering the period from March 15 through June 30, 1984, which shows at line 10 that no debts or obligations are owed by the committee. (Exhibit "A")

B) Report filed October 15, 1984 by Clara Sandahl, covering the period from July 1 through September 30, 1984, which shows at line 10 that no debts or obligations are owed by the committee. (Exhibit "B")

C) Report filed October 29, 1984 by Clara Sandahl, covering the period from October 1 through October 17, 1984, which shows at line 10 that no debts or obligations are owed by the

0004079335

committee. (Exhibit "C")

D) Report filed December 7, 1984 by Lois Petersen as assistant treasurer, covering the period from October 18 through November 26, 1984, which shows at line 10 that no debts or obligations are owed by the committee. (Exhibit "D")

Thus, in official reports filed with the Federal Election Commission covering the entire election period, no debt or obligation of any kind was claimed to be due and owing to any individual or entity by the Populist Party.

6. I am informed and believe that the first time Mr. Carto and/or the entities he controls alleged that the Populist Party was in debt to one or more of these entities occurred on November 24-25, 1984, at the first meeting of the Executive Committee of the Populist Party to be held after the National Convention at nashville, Tennessee on August 19, 1984. Attached hereto as Exhibit "E", and incorporated herein by reference is a copy of the minutes of said meeting. Attached hereto as Exhibits "F", and "G" respectively, and incorporated herein by reference, are two attempts at reconciliation of the alleged obligations, which were compiled by my late husband, Emmett Miller, then treasurer of the national Populist Party, during the course of the meeting in Washington, D.C. These documents, and the minutes, indicate

that the total alleged indebtedness of the Populist Party at that time was $317,390.17, of which $264,888.80 was owed to Mr. Carto's corporations, Liberty Lobby and Cordite Fidelity Corporation. Note that these claims against the Populist Party were being advanced at a time when the official statements of receipts and disbursements filed by Mr. Carto's employees with the Federal Election Commission showed no party debts or obligations owing. I am informed and believe that the figures on the sheets prepared by Emmett Miller were based solely upon information provided by Mr. Carto, and his employees; that no audit of the accounts from which Mr. Carto had transacted business in the name of the Populist Party was made at the Washington meeting; and that no audit could be made due to the short duration of the meeting, and the inadequacy of the information provided by Mr. Carto and his employees with regard to the accounts.

7. On December 7, 1984, twelve days after the described Executive Committee meeting, Lois Petersen, purporting to act as assistant treasurer of the Populist Party, filed another report with the F.E.C. stating that the Populist Party had no debts or obligations (Exhibit "D"), and, although at the Executive Committee meeting of November 24-25, 1985, Mr. Carto and his employees has been specific to the penny as to the sum alleged to be owed to the Carto controlled corporations by the Populist

Party ($264,888.80), on February 7, 1984, Mrs. Petersen, again purporting to act as assistant treasurer for the Populist Party, addressed a letter to Mr. Paul Kolesa, Federal Election Commission, in which she stated:

> "The POPULIST PARTY is heavily in debt to various creditors, among them firms who have supplied labor, professional services, and facilities. This total amounts to more than $100,000. A fundraising campaign is necessary to liquidate these debts.
>
> "The extreme pressures of the post convention and pre-election period, along with our efforts to gain ballot status across the nation, have made it impossible for us to determine the exact amounts involved in all these catagories. Just as soon as we do, we will submit Schedule D to cover."

A copy of said letter is attached hereto as Exhibit "H", and incorporated herein by reference.

8. During December, 1984, Liberty Lobby and Cordite Fidelity Corporation, each of which listed its address as 300 Independence Avenue S.E., Washington, D.C. 20003, addressed a series of invoices to the Populist Party at 300 Independence Avenue S.E.,

Washington, D.C. 20003, claiming that the Populist Party was indebted to Liberty Lobby in the sum of $178,720.04 and that the Populist Party was indebted to Cordite Fidelity Corporation in the sum of $40,053.88, for a total debt owing of $218,773.42. On each of these invoices was written the word "intercompany". Copies of said invoices are attached hereto as Exhibit "I", and incorporated herein by reference. The term "intercompany" may refer to the Populist Party, Inc., another Carto controlled corporation, but could not properly refer to the Populist Party, a political party, an unincorporated association.

9. On January 15, 1985, Lois Petersen, again purporting to act as assistant treasurer for the Populist Party, directed a letter to Mr. Paul Kolesa at the Federal Election Commission, stating that various expenditures such as utilities, rent, and other miscellaneous items had not been reported to the F.E.C. Mrs. Petersen then said:

> "Services were performed and facilities supplied with the understanding that the POPULIST PARTY would promptly reimburse those who provided services or facilities.
>
> "Accordingly, a fundraising campaign is underway, seeking to raise money for all these obligations as well as future party operations.

"Since we have not yet been able to allocate all the applicable expenses, and since no funds are available now any way for repayment, we would like to hold this in abeyance for several weeks pending the results from our fund raising efforts. As soon as possible after that, we will be glad to submit the additional schedules required."

The official records of the Populist Party reflect no agreement such as that referred to by Mrs. Petersen, and it is significant that on January 15, 1985, in official correspondence to the F.E.C., Mrs. Petersen admitted that the so called creditors were still unable to "allocate all the applicable expenses" to the Populist Party. A copy of Mrs. Petersen's letter is attached hereto as Exhibit "J", and incorporated herein by reference.

10. On February 5, 1985, Lois Petersen, still purporting to act as assistant treasurer of the Populist Party, filed a January 31, 1985 Year End Report of Receipts and Disbursements. In this report, she listed debts and obligations owed by the committee in the total amount of $174,116.42. Of this sum $146,629.00 was alleged to be due and owing to Liberty Lobby and "The Spotlight". A copy of the pertinent pages from the report are attached hereto as Exhibit "K", and incorporated herein by reference.

11. On March 9, 1985, Willis A. Carto appeared at the first National Committee Meeting of the Populist Party at which time he distributed a statement of cash receipts, disbursements, and obligations for the period from November 23, 1984 through March 6, 1985. In this report, Mr. Carto claimed that the Populist Party had obligations in the total sum of $272,565.89, of which $241,836.72 was owed to Liberty Lobby and "The Spotlight". A copy of said report is attached hereto as Exhibit "L", and incorporated herein by reference.

12. I am informed and believe that sometime after December 31, 1984, the Populist Party, Inc., a Virginia non-stock corporation, separate and distinct from the Populist Party, an unincorporated association, filed a 1984 Virginia corporation income tax return in which it reported under the item Federal Taxable Income (from attached Federal return) a loss of $317,018.00. I am also informed and believe that no Federal return was attached to the Virginia return.

13. Sometime subsequent to June 30, 1985, I received from Blayne Hutzel, the controller of Liberty Lobby, a statement of "Accounts Payable" of the Populist Party. The total amount of said accounts payable was $78,366.10, of which $56,585.89 was alleged to be due to Liberty Lobby and "The Spotlight". A copy of said accounts payable statement is attached hereto as Exhibit "M", and

incorporated herein by reference.

14. On July 18, 1985, Blayne Hutzel addressed a letter to Mr. Fred Seipold, then chairman of the Populist Party, alleging that the Populist Party owed Liberty Lobby and "The Spotlight" the sum of $262,074.76. A copy of said letter is attached hereto as Exhibit "N", and incorporated herein by reference.

15. On March 31, 1986, Mr. Hutzel again sent me a copy of whet he alleged to be the accounts payable of the Populist Party as of that date. The total sum of the payables amounted only to $62,976.89. A copy of said accounts payable statement is attached hereto as Exhibit "O", and incorporated herein by reference.

16. During May, 1986, the Populist Party headquarters received communications from Liberty Lobby, and "The Spotlight" alleging that the party is indebted to Liberty Lobby in the sum of $209,183.83, and to Cordite Fidelity Corporation ("The Spotlight"), in the sum of $90,632.81, for a total obligation alleged of $299,816.64. Copies of said demand letters are attached hereto as Exhibits "P" and "Q" respectively, and are incorporated herein by reference.

17. The Executive Committee of the Populist Party authorized me

to reply to the communications attached hereto as Exhibits "P" and "Q", and I did so on or about June 5, 1986. Copies of my replies to Mr. Hutzel and Mr. Sweet are attached hereto as Exhibits "R" and "S" respectively, and are incorporated herein by reference.

18. On or about August 12, 1985, the officers of the Populist Party, Inc., including Clara Sandahl as Secretary/Treasurer, agreed to hold forever harmless and free from personal liability all members of the Executive Committee of the Populist Party for any and all debts incurred by said corporation at the request of, on behalf of, or for the benefit of the Populist Party of the United States. The agreement states:

> " The above named corporation, through its duly authorized representatives whose signatures appear hereon, recognizes that those persons to whom freedom from liability is granted by this AGREEMENT were, throughout the period of time over which this AGREEMENT holds binding, in no position to preview, assess, support or oppose any of the actions described above. Further it is acknowledged that this condition prevailed through no fault of the persons here excused from liability."

The period of time covered by the agreement includes March

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1, 1984, through March 10, 1985, inclusive. A copy of said agreement is attached hereto as Exhibit "T", and incorporated herein by reference.

19. On January 18, 1986, I presented a motion to the Executive Committee which was unanimously approved, and which states:

> "Based upon the information available to the Executive Committee at this time, the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or "The Spotlight". These entities are to abandon any and all claims of indebtedness to them by the Populist Party of the United States, and furnish the Populist Party of the United States duly executed documents, signed by the officers and/or owners of such corporations, partnerships or proprietorships stating that the Populist Party of the United States is not indebted to them, or 2nd or 3rd party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. Should the above mentioned statements of absolution from each of these entities not be obtained from the officers/owners of same by February 10, 1986, it shall be the duty of these officers/owners to submit all financial

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records pertaining to any alleged activities at any time in the name of the Populist Party to complete and detailed audit by the Populist Party of the United States or its representative."

A copy of the minutes of said meeting are attached hereto as Exhibit "U", and incorporated herein by reference. This action of the Executive Committee was among those ratified by the full National Committee at its meeting in Los Angeles, California on March 2, 1986. No official response to this action has been received from Willis A. Carto or any of the corporate entities which he controls.

20. I have personally reviewed the reports of receipts and disbursements filed by the Bob Richards for President Committee, F.E.C. Identification #C00191643, for the periods from June 27, 1984 through September 30, 1985. This committee was established under the direction and control of Willis A. Carto, and has been continuously controlled by him and his employees. The reports for the committee were filed with the F.E.C. by Blayne E. Hutzel, assistant treasurer, who is also the controller of Liberty Lobby. The reports filed on behalf of the Richards committee show a pattern, with regard to the alleged indebtedness of the committee, comparable to experience of the Populist Party in dealing with Mr. Carto and his controlled entities. The Richards

Committee reports show the following:

A) Report filed October 22, 1984 for period from June 27 through September 30, 1984. No debts and obligations owed by the committee. A copy of the summary sheet of said report is attached hereto as Exhibit "V", and incorporated herein by reference.

B) Report filed October 29, 1984 for period from October 1 through October 17, 1984. No debts and obligations owed by the committee. A copy of the summary sheet of said report is attached hereto as Exhibit "W", and incorporated herein by reference.

C) Report filed December 7, 1984 for period from October 18 through November 26, 1984. No debts and obligations owed by the committee. A copy of the summary sheet of said report is attached hereto as Exhibit "X", and incorporated herein by reference.

D) It is only after the election was over that any alleged indebtedness of the committee appears. In a report filed with the F.E.C. on February 4, 1985, covering the period from November 26 through December 31, 1984, The Bob Richards for President Committee is alleged to owe debts and

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obligations in the amount of $32,000.61. A copy of the summary sheet for this report is attached hereto as Exhibit "Y", and incorporated herein by reference.

E) The same indebtedness is reported in a report of receipts and disbursements filed on April 23, 1985, covering the period from January 1 through March 31, 1985. Of the $32,000.61 alleged to be owed by the Richards committee $12,364.19 is alleged to be due to "The Spotlight", and $13,480.87 is alleged to be owed to Liberty Lobby. A copy of said report is attached hereto as Exhibit "Z", and incorporated herein by reference.

F) Although the Richards campaign had been over for almost 5 months by April 1, 1985, in a report of receipts and disbursements filed July 3, 1985, covering the period from April 1 through June 30, 1985, the indebtedness of the Richards committee leapt upward to $52,042.77, of which $36,732.52 was alleged to be due to Liberty Lobby, and $12,364.19 was alleged to be owed to "The Spotlight". A copy of said report is attached hereto as Exhibit "AA", and incorporated herein by reference.

G) In a report filled on October 11, 1985, covering the period from July 1 through September 30, 1985 the Richards

indebtedness took another jump to $67,318.17. The total figure for debts and obligations on the summary sheet does not agree with the actual total reached by adding the figures in the column entitled "Outstanding Balance At Close Of This Period", on Schedule D-P attached to the report, where the indebtedness of the Richards committee to Liberty Lobby is listed as $54,060.92, and that to "The Spotlight" as $12,364.19 for a total of $67,425.11, a larger sum than is shown as the total at the end of the column. A copy of said report is attached hereto as Exhibit "BB", and incorporated herein by reference.

H) The same figures for the Richards committee indebtedness are reflected: (1) in the report filed on January 9, 1986 for the period from October 1 through December 31, 1985. A copy of said report is attached hereto as Exhibit "CC", and incorporated herein by reference; and (2) in the report covering the period from January 1 through March 31, 1986, attached hereto as Exhibit "DD", and incorporated herein by reference. Of particular significance with regard to the Richards committee reports is the continuing growth of the alleged indebtedness long after the election campaign was over.

21. I have personally reviewed and analyzed the record of

contributions received by the Populist Party and the Richards campaign as reported by Mr. Carto's employees to the Federal Election Commission. I have further reviewed and analyzed the amount of money showed by those reports to have been paid to Carto controlled entities: Liberty Lobby, "The Spotlight", and the Committee To Defend Liberty Lobby. In addition, I have reviewed the allegations by Mr. Carto, Liberty Lobby, The Cordite Fidelity Corporation, and their employees with regard to debts alleged to be owed to the Carto entities by the Populist Party and the Richards campaign. This analysis shows that during 1984 a total of $664,895.00 in contributions was received by the Richards campaign and the Populist Party. From this sum, Mr. Carto paid to his non-party entities the sum of $180,315.00 from the bank accounts of the Richards campaign and the Populist Party, Inc. He now alleges that an additional $366,242.00 is due to his non-party entities from the accounts of the Richards campaign and the Populist Party. Should these sums be paid, it would mean that a sum equal to 82% of all of the contributions received on behalf of the Populist Party and the Richards campaign in 1984 would be paid over to the non-party entities of Willis A. Carto, i.e., Liberty Lobby, Cordite Fidelity Corporation, and the Committee To Defend Liberty Lobby. A copy of this recap is attached hereto as Exhibit "EE", and incorporated herein by reference.

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22. This analysis further justifies the position of the Executive Committee of the Populist Party that there should be no payment on any debt alleged to be owed by the Populist Party to Mr. Carto's non-party entities in the absence of a complete audit of all transactions engaged in by Mr. Carto and his entities affecting the Populist Party during the 1984 election, and the post election period to and including the present time.

For the reasons set forth above and each of them, the Populist Party has rejected any claim of indebtedness to the Carto entities in the absence of a complete audit of his accounts.

Executed this 30th day of June 1986.

I declare under penalty of perjury, that the foregoing is true and correct; that affiant knows the foregoing facts to her own knowledge, except as to those matters which are set forth on information and belief, and as to those matters affiant believes them to be true; and that if called as a witness to testify to the facts contained herein, affiant is competent to do so.

0004079048

Faye Miller

Faye Miller

1921 Summer Place Drive West

Mobile, AL 36618

Larry K. Pickle

Subscribed and sworn to me on June 30, 1986.

Mobile, AL Mobile County

Notary public in and for said county and state.

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Exhibit "A"

To Miller Affidavit

9004079350

...TS AND DISBURSEMENTS
...ther T... an Authorized Committee

(Summary Page)

84 JUL 16 P4:17

ALIGN Area
1 Name of Committee
POR...
...ll
Address ... St., S.E.
...e and ZIP Code
...ashington, D.C. 20003

☐ Check here if address is different than previously reported

2 FEC Identification Number
C00186726

3 ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4 TYPE OF ... REPORT ... (Check one)
(a) ☐ April 15 Quarterly Report ☐ ...
☒ July 15 Quarterly Report ☐ ...
☐ July 31 Mid Year Report ...
☐ Monthly Report for
☐ Twelfth day report preceding ... election on ... in the State of
☐ Thirtieth day report following the ... 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 3/15 through 6/30/84		
6 (a) Cash on hand January 1, 19 84		$ -
(b) Cash on Hand at Beginning of Reporting Period	$ -	
(c) Total Receipts (from Line 18)	$ 196,843.50	$ 196,843.50
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 196,843.50	$ 196,843.50
7 Total Disbursements (from Line 28)	$ 183,890.61	$ 183,890.61
8 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 12,952.89	$ 12,952.89
9 Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	$ 50,000.00	
10 Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$ -	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete

For further information contact

Tara Sandahl
Type or Print Name of Treasurer

SIGNATURE OF TREASURER

July 16, 1984
Date

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should not longer be used

C10035112441

REPORT OF RECEIPTS AND DISBURSEMENTS

For a Political Committee Other T... an Authorized Committee

(Summary Page)

ALIGN AREA

84 JUL 16 P4:17

1 Name of Committee (In Full)

POPULIST PARTY

Address (Number and Street)

130 Third St., S.E.

City, State and ZIP Code

Washington, D.C. 20003

☐ Check here if address is different than previously reported

2 FEC Identification Number

C00186726

3 ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4 TYPE OF REPORT

(a) ☐ April 15 Quarterly Report ☐ October 15 Quarterly Report

☒ July 15 Quarterly Report ☐ January 31 Year End Report

☐ July 31 Mid Year Report

☐ Monthly Report for

☐ Twelfth day report preceding 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 3/15 through 6/30/84		
6 (a) Cash on hand January 1, 19 84		$ -
(b) Cash on Hand at Beginning of Reporting Period	$ -	
(c) Total Receipts (from Line 18)	$ 196,843.50	$ 196,843.50
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 196,843.50	$ 196,843.50
7 Total Disbursements (from Line 28)	$ 183,890.61	$ 183,890.61
8 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 12,952.89	$ 12,952.89
9 Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D)	$ 60,000.00	
10 Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$ -	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete

For further information contact

Tara Sandahl

Type or Print Name of Treasurer

Tara Sandahl July 16, 1984

SIGNATURE OF TREASURER Date

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used

C10033124241

Exhibit "B"

To Miller Affidavit

9004079305

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee
(Page 2, FEC FORM 3P)

FEC

84 OCT 15 P 1:37

(Summary Page)

ALIGN AREA | POPULIST PARTY | ALIGN AREA

1 Name of Committee (In Full)

POPULIST PARTY

Address (Number and Street)

130 Third St., S.E.

City, State and ZIP Code

Wash., D.C. 20003

☐ Check here if address is different than previously reported

2 FEC Identification Number

C00186726

3 ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate box(es))

(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 7/1/84 through 9/30/84		
6 Cash on hand January 1, 19 84		$ -
a Cash on Hand at Beginning of Reporting Period	$ 50,737.40	
b Total Receipts from Line 18	$ 268,872.87	$ 504,354.90
c Subtotal add Lines 6a and 6b for Column A and Lines 6a and 6b for Column B	$ 319,610.27	$ 504,354.90
7 Total Disbursements from Line 28	$ 317,057.81	$ 501,832.44
8 Cash on Hand at Close of Reporting Period Subtract Line 7 from Line 6c	$ 2,552.46	$ 2,552.46
9 Debts and Obligations Owed TO The Committee (Itemize on Schedule C or Schedule D)	$ -	
10 Debts and Obligations Owed BY the Committee (Itemize on Schedule C or Schedule D)	$ -	

For further information contact:

Clara Sandahl

Oct. 12, 1984

SIGNATURE OF TREASURER — Date

All previous versions of FEC FORM 3 and FEC FORM 3P are obsolete and should not be used

8 4030340719 4

Exhibit "C"

To Miller Affidavit

9004079305

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

FEC

(Summary Page)

84OCT29 PM 2:28

1 Name of Committee (In Full)

POPULIST PARTY

Address (Number and Street)

130 Third St., SE

City, State and ZIP Code

Washington, D.C. 20003

☐ Check here if address is different than previously reported

2 Federal Identification Number

C00186726

3 ☐ This committee has filed as an authorized committee during the Reporting Period on

Date

4 TYPE OF REPORT (Check one)

(a) ☐ April 15 Quarterly Report ☐ Pre-General Election Report

☐ July 15 Quarterly Report ☐ Post-General Election Report

☐ July 31 Mid-Year Report (Non-Election Year)

☒ Monthly Report Oct. 17

☐ Termination Report

☐ Termination Report (Amendment)

on

(b) Is this Report an Amendment?

☐ Yes ☒ No

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year to Date
5 Cash on Hand Beginning of Reporting Period	$ 2,552.00	$ -
6 Total Receipts (from line 12)	$ 32,750.37	$ 337,135.47
7 Subtotal (add lines 5 and 6 for Column A and enter amount from line 6 for Column B)	$ 35,302.37	$ 337,135.47
8 Total Disbursements (from line 28)	$ 5,000.00	$ 334,583.47
9 Cash on Hand at Close of Reporting Period (subtract line 8 from line 7)	$ 30,302.37	$ 30,302.37
10 Total Outstanding Debts TO This Committee (from Schedule C or Schedule D)	$ -	
11 Total Outstanding Debts BY This Committee (from Schedule C or Schedule D)	$ -	

Clara Sandidge

Oct. 25, 1984

SIGNATURE OF TREASURER Date

An previous versions of FEC FORM 3 and FEC FORM 3a are now obsolete and should not be used.

Exhibit "D"

9004079305 7

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

FEC

(Summary Page)

84 DEC 7 P12:21

ALIGN AREA

1 Name of Committee (In Full)

POPULIST PARTY

2 Address (Number and Street)

[illegible] Third St., SE.

3 City, State and ZIP Code

Washington, D.C. 20003

☐ Check here if address is different than previously reported

4 TYPE OF REPORT (Check one)

(a) ☐ April 15 Quarterly Report ☐ October 15 Quarterly Report

☐ July 15 Quarterly Report ☐ [illegible]

☐ July 31 Mid-year Report (Non-Election Year)

☐ Monthly Report

☐ Twelve Day report (Primary)

election on [illegible]

☒ Thirty day report following the general election

on Nov. 6 [illegible] U.S.

☐ Termination Report

(b) Is this Report an Amendment?

☐ YES ☐ NO

5 Federal Identification Number

[illegible]

6 ☐ This Committee qualified as a multicandidate committee during

the Reporting Period on

(Date)

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year to Date
7 Reporting Period 10/18/84 through 11/26		
8 Cash on Hand January 1, 19 84	[illegible]	[illegible]
9 Cash on Hand at Beginning of Reporting Period	$ 26,755.[illegible]	[illegible]
10 Total Receipts (From Line 18)	$ 108,[illegible].11	$ [illegible]
11 Subtotal (Lines 8 and 9 for Column A and Lines 8 and 10 for Column B)	$ 135,[illegible].93	$ [illegible]
12 Total Disbursements (From Line 26)	$ 129,[illegible]	$ [illegible]
13 Cash on Hand at Close of Reporting Period (Subtract Line 12 from Line 11)	$ 6,[illegible].19	$ 6,[illegible]
14 Total Debts and Obligations Owed To the Committee (Itemize on Schedule C or Schedule D)	$	[illegible]
15 Total Debts and Obligations Owed By the Committee (Itemize on Schedule C or Schedule D)	$	[illegible]

[illegible], Asst. Treasurer

Date [illegible], 1984

Signature of Treasurer

[illegible]

[illegible]

9004073058

Exhibit "E"

0004079059

MINUTES OF THE MEETING

of the

EXECUTIVE COMMITTEE

of the

POPULIST PARTY OF THE UNITED STATES

Washington, D. C.

November 24th & 25th, 1984

0004079360

The Executive Committee of the Populist Party of the United States met in Washington, D. C. in the Liberty Lobby Building, 300 Independence Avenue, S. E., on Friday and Saturday, November 24th and 25th, 1984.

The meeting convened at 9:00 a.m. and was called to order by National Chairman William W. Baker who presided. Those Present were the Chairman, the Vice Chairman, James H. Yarbrough, the Secretary, Willis A. Carto, Thomas L. Goodloe, Emmett Miller and William K. Shearer.

Others present with the sanction of the Executive Committee were John Couture, Maureen Salaman, Fred Seipold and Eileen Shearer. Present at the request of the Chairman was Matthew Balik.

Chairman Baker presented an agenda by which he suggested the Executive Committee proceed to consider the following:

1. Current Status of the Party
2. Goals of the Party
3. Necessities of the Party
4. Financial Independence of the Party
5. Results of the 1984 voting and ballot status
6. State Chairmen and State Structures
7. Planning for the March meeting
8. Agenda for the National Committee meeting

The Executive Committee proceeded to discuss the first point of the Chairman's agenda.

There was a motion by William K. Shearer to admit to full Executive Committee membership the Honorable John Couture from Wisconsin and (Mrs.) Maureen Salaman, the Party's recent Vice Presidential candidate. The motion carried 7-0.

Discussion was held on party membership and who were the members of the party, what groups, what economic strata.

Chairman Baker reported on his interview with Braden and Buchanan on "Crossfire" and offered to show the film of it to anyone who wanted to see it during the lunchbreak. He also reported on his 'Klan-Watch' activities and suggested that "we do not have to be too defensive."

Discussion was held on the location of the National Convention for 1988, the apportionment of delegates. The Secretary reported that the party had been invited to hold its 1988 convention in Minneapolis.

It was moved by Willis Carto and seconded by Thomas Goodloe to discuss the financial situation of the party. It was reported that between March and October of 1984 the party had received $ 235,512.03. Other receipts and disbursements were discussed for various periods of time the final totals were as follows:

Total Received for year	$ 648,833.40
Total Disbursements	621,121.37
Cash on Hand	24,712.03

Obligations over cash on hand were discussed to include out-of-pocket and other obligations; also the encumbered debt of the party. There was also debts of the Richards campaign to be considered.

Treasurer Miller reported that he had not been kept totally informed as to the status of the party's funds. It was agreed without a motion that the Treasurer be kept completely informed.

Financial obligations continued to be discussed. A figure of $ 275,073.92 was finally agreed upon as the total for which the party was obligated.

Revised obligations after additional ones were brought to light bringing the total obligations to $ 317, 390.17. It was reported that some of the obligatory debt was due the SPOTLIGHT for services rendered and the use of personal on a pro rata basis. Otherdiscussions showed obligations for the Richards campaign to be around $ 60,000 for a debt owed Park Lane Press and another $ 16,000 yet outstanding. It was also reported that Bob Richards owes the travel bill and also rental money for Dependable Mailing Lists.

The Executive Committee recessed at 10:40 and reconvened at 11:45 a.m.

0004079350

Members of the Executive Committee returned from the recess with $ 21,809.19 in additional obligations and bills due. It was discussed that most of the expenses had gone for attorney's fees and field obligations expenses. It was also reported that no substantial payments of the amount of $ 621,121.37 had gone to Liberty Lobby. At that time Chairman Baker recognized Fred Seipold to report on the legal bills. It was reported that in Alaska there was a bill for $ 654 additional and in Indiana $ 500.00 additional and another $ 225 due in New Jersey.

The conduct of John Armor was discussed.

Reports were received about Maine, Montana, New Jersey, New Mexico, Oklahoma, Ohio, North Carolina, Pennsylvania and Texas. Further reports were made on the activities of Fippen and Long, attorneys and their bringing a law suit against the party for $ 3,900.

Payments were authorized to attorneys as follows:

Alaska	$ 654.00
New Jersey	975.90
Wyoming	510.00
South Dakota	25.15
Utah	900.00
Virginia	495.08
Plus $ 500 to answer a lawsuit	500.00
	$4060.13

The Executive Committee adjourned for lunch after 1:00 p.m. and reconveneed at 2:40 p.m. There was a further examination of bills which amounted to "a large total with an inability to cover outstanding obligations among which were 1. payroll, 2. functions, 3. litigation, 4. party-building and other."

Chairman Baker recognized Fleming Lee, the General Counsel, to address the Executive Committee about litigations and the F.E.C. He reported that the basic difficulty the party faced in this area was the activities of Bob Richards who recognized a committee to help him. He then gave a history of the Richards efforts and the funds raised through mailing. He reported that candidate Bob Richards had started another committee in Texas. Mr. Lee said that a candidate should have only one campaign committee and that Mr. Richards had organized one which "was improper." Attention was given to the expenses made on Richards's behalf and money given directly to him.

Mr. Lee reported that virtually all the funds for the Richards campaign came to the original committee but that Mr. Richards disavowed the original committee itself. The F.E.C. advised Richards to merge what resulted in two campaign committees. He reported that Richards said "no compromise." Richards also reportedly complained of "no control" over the committee set up for him. He also reported that the F.E.C. reported that there were "many violations." Also, that Mr. Richards had written a letter to the F.E.C. but that the Populist Party to date had received no notice of a compaint from the F.E.C. The outcome of it all was that Bob Richards had refused to participate in the campaign and a question remained as to whether or not he must return $ 73,000 to the Populist Party.

Mr. Lee reported that the F.E.C. can bear down hard when put under pressure and that Mr. Richards may be investigated by that agency. The F.E.C., he said, has the information but no complaint has been filed. Mr. Lee advised that the Populist Party would have no obligations to Mr. Richards.

There followeddiscussion on the Richards for President campaign and that the deadline for matching funds has not necessarily passed.

Mr. Carto asked Mr. Lee if the Populist Party should sue Bob Richards personally and Mr. Lee advised that "there is no present basis for a Populist Party suit. Discussion then centered around Libertarian activities. Mr. Shearer said that we should consider costs at all time. He referred to "acrimonious philosophical discussion." Mr. Carto moved and Emmett seconded that discussion on this area be postponed until the March meeting of the Populist Party National Committee.

The Executive Committee recessed at 4:20 p.m. and reconvened at 4:30 p.m.

Committee members expressed concern over the financial situation and discussion followed on that subject. The committee agreed to go on record as accepting the figure of $ 301,887.04 as the total obligation of the party. The Maureen Salaman for Vice President Committee had outstanding credits of $ 9,500 and it was pointed out that the committee for the vice presidential nominee spent less than the amount budgeted.

It was agreed that Emmett Miller and Jim Yarbrough would meet with Blayne Hutzel on Sunday morning to go over more figures.

Mr. Shearer observed that funds will always be short and made some points regarding the party's financial situation.

0004079363

Further discussion ensured in re the party's finances and it was reported that allocating personnel costs for services rendered to the Populist Party by both Liberty Lobby and The SPOTLIGHT began June 11th. Liberty Lobby services were reported to be separate from The SPOTLIGHT and also Populist Party expenses were separate from those of Bob Richards. The cost accounting procedures would be explained by Blayne Hutzel.

Mr. Carto concluded that the selection of Bob Richards as a Presidential candidate had been a mistake and that the use of the Wendy Fairfield organization had likewise been a mistake. He reported that between the Populist Party and Bob Richards nearly $ 1,000,000 was raised.

Emmmett Miller addressed the committee about the Populist Party and referred to "well-organized elements in California, Wisconsin and the South." He suggested that the party debt be liquidated by an appeal for funds from party members. Mr. Miller also discussed the need for a uniform national ballot qualification law and suggested further that the Populist Party join in such a lobbying effort in concert with other "third" parties.

Chairman Baker then guided the discussions to the establishment of a second bank account for the party and expressed his desire to bring "external funds into the party." He began discussion centering around the Secretary's refusal to arbitrarily sign bank authorization cards whereupon the Secretary referred to the Uniform Commerical Codes prevalent in most of the states and insisted likewise that Executive Committee action was necessary before any such cards were signed.

At that point Counsel Seipold backed up the Secretary's judgment and said that his action in refusing to sign the cards at Chairman Baker's request was exactly proper.

Chairman Baker alluded to the fact that only now had the Executive Committee been getting knowledge of the party's indebtedness. Mr. Shearer spoke to the legal exposure. Mr. Carto rendered his judgment that one of our goals should be to get the Populist Party out of the "SPOTLIGHT orbit."

Mr. Shearer thereupon discussed the responsibility for funds and suggested that a program of disbursements and control of funds should be a matter of procedure. He suggested that the party had obligations to meet all indebtedness and proposed:

1. The Executive Committee has to have oversight.
2. An active Treasurer with two persons signing checks.
3. A monthly report to the Treasurer.
4. The possible establishment of a sinking fund.

0004079364

5. That there be no open-ended expenditures.

The Executive Committee showed itself unanimously in agreement with Mr. Shearer's thoughts. No motions were made.

Chairman Baker offered some thoughts on his ideas for a national Populist Party headquarters, a new building. There was some little discussion and the committee adjourned for dinner.

The Committee came back into session following dinner and immediately decided to put all financial questions on hold.

Chairman Baker then called for discussion on the situations in the various states. Reports were heard on all the states from Mr. Yarbrouhg, Mr. Seipold and the Secretary.

Discussion was held on what the national party was going to be in 1985 and 1986. It was concluded that the party's aims for 1985 & '86 be centered around:

1. Building organizations.
2. Getting petition drives started for 1988.
3. Seeking and running good candidates, and,
4. Weeding out the "creepy crawlers."

It was added that early organizational meetings be held with subsequent meetings and that an emphasis be made to get young people into the party.

Fred Seipold discussed the state party assessment structure.

The meeting recessed at 10:40 p.m. and was scheduled to reconvene at 9:00 a.m. the next day, Sunday the 25th.

The second day of the Executive Committee meeting began at 8:05 a.m. on Sunday, November 20th all members present or appearing shortly thereafter.

Mr. Carto suggested leaving consideration of the states' situations and moving back into financial discussions and the ratio work done by Liberty Lobby and The SPOTLIGHT for the Populist Party.

The Chair recognized committee member Tom Goodloe of California who announced that in view of the financial situation and the indebtedness of the party he felt moved to tender his resignation. He departed the meeting after his announcement and there was no time allowed for discussion of it.

Mr. Shearer spoke to the resignation of Mr. Goodloe and the duties of the Executive Committee and nominated Mr. Fred Seipold of Idaho who was present at the meeting to fill the vacancy created by the resignation of Mr. Goodloe.

The nomination was moved by Mr. Shearer and seconded by Mr. Yarbrough and carried 7-0.

Discussion then ensued in re the costs of office personnel and it was reported that in April of 1984 71% of the time and efforts of certain persons were devoted to the Populist Party; in May the figure was 57%. Mr. Carto explained the bills for advertising.

Mr. Emmett Miller addressed himself to the expenses of the Populist Party with The SPOTLIGHT and discussed "going-in expenses" and "organizational expenses." John Couture emphasized that the party has "got to move forward."

The Chair called for resumption of the discussion of the states individually and suggested that the national office direct a letter to each state chairman.

Mrs. Salaman suggested that no one be present at the meetings of the Executive Committee except resource people and only when needed. The reference was made to Mr. Balik who included himself in the meetings evidently at the sufferance of the Chair and who participated in the discussions of the committee. No motion was offered or acted upon.

It was explained that the two Populist Party telephone lines were paid for by Liberty Lobby and that The SPOTLIGHT had provided printing and other services to the party.

At 11:55 Mr. Shearer moved the Committee recess until 1:15 and it was so ordered and without objection.

The Executive Committee reconvened at 2:20 p.m.

Mr. Shearer suggested that first we must know all of the party's obligations and then spoke to putting everything in context and then proceed with formal motions. The committee seems in agreement with such a procedure.

Discussion was held about establishing a finance committee to watch day-to-day expenses; also the establishment of a debt fund. It was suggested that a sinking fund be established and supported by assessments upon members. It was thought unlikely that such an action would prove feasible. It was suggested that there be an account known as the 'debt retirement account' and another to be the 'operating account.'

Suggestions were made for establishing spending formulae and a budget. Emmmett Miller spoke about making final decisions on the party's financial situation.

Mr. Shearer offered the following resolution:

"Resolved, that the Executive Committee of the Populist Party accept obligations of $ 264,888.80 (due Liberty Lobby and Cordite Fidelity Corporation) as the valid and binding debt to be repaid to creditors through fund-raising campaigns to be commenced at the option of the creditors with the advice and consent of the Executive Committee; and,

"Resolved, that the Populist Party establish an operating account with the Security National Bank, Washington, D. C., which fund shall be used for day-to-day administration of the party; and,

"Resolved, that the current account at the Capitol National Bank, Washington, D. C., be used as a debt retirement account and that all expenditures other than debt retirement be approved by the Executive Committee; and,

"Resolved, that the individual members of the Executive Committee be absolved of any liability for debt; that all current bills be paid with existing monies as recommended by Mr. Miller's Expense Statement Memo as items #1 thru #24 of 21 November 1984, and, further, that items #31 and #32 and the remainder of the obligations be paid when the funds become available with the meeting of the obligations to be contingent upon each of the creditors providing each member of the Executive Committee with a written absolution of personal liability and/or obligation; and,

"Resolved, that all current bills be paid with existing funds as per the Expense Statement Memo lines 21-24 and lines 31 and 32 with the remainder of the obligations to be paid as the funds become available specifically lines 27-30, line 33, and line 35 on the aforesaid memo and on Mr. Miller's second sheet, lines 1-12.

Mr. Shearer moved the adoption of his resolution which was seconded by Mr. Couture and it was adopted 9-0.

0 0 1 4 0 7 7 5 0 6 7

The Secretary prepared a proper resolution that the Chairman could use to open a bank account for the new operating account. It was read by the Secretary to the Committee and Mr. Seipold moved its adoption; seconded by Mrs. Salaman. The resolution was adopted by a vote of 9-0.

Mrs. Salaman introduced and led discussion on a "Populist Patriotic Pledge Program" calling for $ 10.00 per month from participating members. It was suggested that the program be implemented by The SPOTLIGHT and that Mrs. Salaman handle the mechanics of establishing such a program. It was moved by Mr. Shearer and seconded by Mr. Seipold that the committee give its approval to the plan. The vote was 7 with two abstentions.

The meeting was recessed by a vote of 8-0 and called back into session at 3:20 p.m. in Executive Session.

The location of the March meeting of the Populist Party National Committee was discussed. The By-laws dictated that the meeting be held the second Saturday in March and that a quorum of 26 states would be required to transact business. The plan for proxies was discussed.

It was moved by Mr. Carto and seconded by Mr. Miller that the March meeting of the Populist Party National Committee be held in Nashville, Tennessee. There was some discussion to include comments upon the treatment of the Populist Party by the Nashville press. The motion was withdrawn.

The meeting date was mandated to be March 9th, 1985, and it was moved by Mr. Couture and seconded by Mr. Shearer that the meeting be held in Chicago, Illinois. The motion was adopted 8-0 and the Secretary was directed to move forward securing people in the Chicago area to make further arrangements for the said meeting of the National Committee.

Vice Chairman Yarbrouhg presided in the absence of Chairman Baker. The Secretary offered a resoluvtion as follows:

> "Resolved that at all subsquent meetings of the Executive Committee that no person shall sit in on the meetings except members of the Executive Committee and any necessary staff or resource personnel and only at the specific request of the Committee with such staff or resource personnel remaining present only during the necessity of their presence."

The Secretary moved the adoption of his resolution and it was seconded by Mrs. Salaman and adopted 8-0.

The Secretary offered another resolution as follows:

"Resolved, that Mrs. Eileen Shearer be made an Ex Officio member of the Executive Committee with all the privileges of regular membership except the voting privilege, to include participation in discussion and with a perpetual invitation to attend any meetings of that body."

The Secretary moved the adoption of his motion and it was seconded by Mr. Couture and was adopted 8-0.

Discussion reverted to the March meeting of the National Committee and March 9th was mandated upon a motion adopted 8-0 by Mr. Couture and second by Mr. Shearer directing that the national office send forth the official call and that notice be not less than 30 days before the meeting, and that a statement of assessment be included.

The 1988 Populist National Convention was considered again and the Secretary reiterated the invitation by the Populists of Minnesota to have the convention in the Minneapolis and/or St. Paul, MN, area. No action was taken at this early date.

There was discussion on future programs and objectives. It was approved that there be a distribution of the By-Laws.

The Executive Committee then returned to discussion of the finances. An austerity program would have to be adhered to for the ensuing months, it was agreed. Until March, the committee concluded, there would have to be a "caretaker condition," in the words of Mr. Shearer. The committee dealt with projected necessary expenses such as office, phone and necessary salaries.

The idea of a separate national office as offered for consideration by the Chair was dispensed with and a more realistic approach considered. The Secretary suggested that survival is the first law of nature. Mr. Carto suggested that the 546-5530 number for the Populist Party be retained and offered the gratis services of (Mrs.) Lois Petersen to answer the calls and refer them to coordinators around the nation. That way there would be maintained a national number which would have the unifying effect of a national office.

The Executive Committee unanimously agreed upon the following procedure for a "caretaker situation:"

1. Keep the national office technically in the Liberty Building and accept the offer of Mr. Carto for answering and coordination communication by Mrs. Petersen.

2. Divide the nation into three areas, the eastern, the central and the western, retaining three area coordinating chairmen, and,

3. That the area coordinating chairman be paid $ 1,000 per month and allowed expenses up to $ 500.

It was moved by Mr. Shearer and seconded by Mr. Carto that the foregoing conditions acquiesced in by the committe be put into a formal motion and it was adopted 8-0 with the further stipulation that all such payments be made with the approval of the major creditor.

The Secretary then offered the suggestion that if the coordinating chairmen who carried the brunt of the party's work were to be reduced by 1/3rd in their salaries that it seemed logical that the National Chairman be also cut. He put it into the form of a motion which was seconded by Mr. Yarbrough. The motion passed 8-0 with the Chairman abstaining. According to the motion the Chairman would be paid$ 2,000 per month and allowed $ 500 in expenses and further that the Chairman's salary and expenses were ordered to be paid from and out of the independent operating account for which he would henceforth raise his suggested "external funds" and over which he would have control with checks to be signed by himself and the comptroller, Mr. Hutzel.

Mr. Shearer then offered a similar motion stating that "the foregoing motion further constitutes notice to all now in the employ of the party that this is a three-month deal subject to action by the National Executive Committee and ending March 9th and contingent upon the ability to pay future salaries."

The Shearer motion was seconded by Mr. Couture and adopted by a vote of 8-0 with the Chairman abstaining.

There was a motion by Mr. Shearer that the assessments by the national party upon the states (for 1/3d of a year) and the registration fees for the National Committee meeting in March be deposited in the operating account; it was seconded by Mr. Couture and passed 9-0.

The committee then went to discussion of Emmett Miller's idea for a national uniform ballot-qualifcation law. He suggested that such an effort could be coordinated by the Council of State Governments and with Washington State Sen. Jack Metcalf. After discussion the motion was withdrawn temporarily.

The committee then considered a motion by Mr. Carto, seconded by Mr. Shearer that"any majority of the members of the Executive Committee may convene the Executive Committee, with proper notice being given." It was adopted 9-0.

The Chair then recognized Mr. Carto who led a discussion of various groups who should be courted for their potential interest in and possible support of the Populist Party.

The committee recessed for dinner at 7:15 p.m.

The committee reconvened at 9:20 p.m. with the Vice Chairman presiding, the Chairman having had to leave to appear on a radio talk show.

Acting Chairman Yarbrough called the meeting to order and discussion returned to the Miller Resolution for a national uniform ballot access law and Mr. Miller offered the following resolution:

> "Resolved, that the Executive Committee authorize the drafting of a Uniform Political Party Ballot Qualification Law for adoption by the various states of the Union in cooperation with other political parties in lobbying efforts, such proposed law to have targeted requirements of certification of national candidates by a national convention attended by delegates from at least one-half (1/2) the states and by petition in statewide situations of 500 qualified electors distributed by congressional districts.

Mr. Miller then spoke to his motion. Mr. Shearer suggested the motion be amended to include that the proposed law be drafted by Mr. Miller and suggested the assistance of Mr. Richard Winger of San Francisco, California, and further suggested that the motion "not be eroded with other ideas." The amendments were so stipulated and Mr. Miller moved its final adoption with the second by Mr. Shearer and it passed 8-0.

Acting Chairman Yarbrough then recognized Mr. Couture who spoke to the necessity of having an organized basis for starting the party's work. He explained his six-tier program which was/is a proposed program for large party membership and leadership expansion. The committee was very receptive to Mr. Couture's remarks and agreed it was needed to improve the membership numbers and the organization andactivities of the Populist Party.

Other short discussions were held and after 11:00 p.m. the Chair entertained a motion to adjourn and to reconvene on March 9th or 10th in Chicago, Ills., 1985.

Respectfully submitted,

Donald L. Kimball

DONALD L. KIMBALL
National Secretary

0004079071

Exhibit "F"

9004073072

Summary of Obligations

- Populist Party 11/24/84.

OBLIGATIONS		RESOURCES	
Liberty Lobby + Spotlight	264,888.80	Cash on Hand	27,442.03
Expense Reimbursements	28,467.53		
Payables	15,404.52		
	308,760.85		
Less - Cash on Hand	27,442.03		
Party Deficit	281,318.82		

C04079307

Exhibit "G"

2004079307 4

OBLIGATIONS

LIBERTY LOBBY + SPOTLIGHT	264,888.80
TRADE PAYABLES	15,404.52
EXPENSE REIMB	22,222.69
TOTAL (STATEMENTS ATTACHED)	302,516.01
ADDITIONAL LIST (ATTACHED)	21,809.19 ~~27,205.50~~
SUB-TOTAL	~~329,721.51~~ 324,325.20
BOB RICHARDS CAMPAIGN	20,607.00 ?
GRAND TOTAL	~~350,228.51~~ 344,832.20
LESS - CASH ON HAND	27,442.03
PARTY DEFICIT	~~322,786.48~~ 317,390.17

RESOURCES

CASH ON HAND.	27,442.03

C L O S E L O A D E D

Exhibit "H"

0004079307

RECEIVED BY THE FEC
P3:05

POPULIST PARTY
NATIONAL COMMITTEE

P.O. BOX 76737 WASHINGTON, D.C. 20013
(202) 546-5530

December 7, 1984

Mr. Paul Kolesa
Federal Election Commission
1325 K St., N.W.
Washington, D.C. 20463

Dear Mr. Kolesa:

Re: ID C 00186726; report for period ending Oct. 17, 1984

In response to yours of November 21, we are glad to supply the following clarification and explanation:

1. This detail covers the payment to American Express of October 17:

9/7/84	Budget Rent A Car	Travel	$358.74
9/5	Taylor Travel	"	69.00
9/7	"	"	69.00
"	"	"	874.00
"	"	"	925.00
			$2,295.74

2. In all cases in which we used "party fee" on Schedule B, we should have said "POPULIST PARTY fee."

3. The POPULIST PARTY is heavily in debt to various creditors, among them firms who have supplied labor, professional services, and facilities. This total amounts to more than $100,000. A fundraising campaign is necessary to liquidate these debts.

The extreme pressures of the post-convention and pre-election period, along with our efforts to gain ballot status across the nation, have made it impossible for us to determine the exact amounts involved in all these categories. Just as soon as we do, we will submit Schedule D to cover.

We trust that this response will be satisfactory.

Sincerely,

Lois Petersen

Lois Petersen
Assistant Treasurer

brd

84033269371

Exhibit "I"

2004079308

INVOICE

December, 1984

: Liberty Lobby, Inc.
300 Independence Ave. S.E.
Washington, D.C. 20003

Populist Party
300 Independence Ave. S.E.
Washington, D.C. 20003

Support Services

	Personnel	Rent	Total
March, 1984	$7,893.74	$234.90	$8,128.64
April, 1984	31,803.13	1,022.93	32,826.06
May, 1984	17,247.71	695.65	17,943.36
June, 1984	8,131.85	276.40	8,408.25
July, 1984	13,201.61	622.51	13,824.12
August, 1984	20,291.79	607.27	20,899.06
Sepetmber, 1984	16,153.04	683.48	16,836.52
October, 1984	21,824.52	1,238.16	23,062.68
November, 1984	15,035.56	671.09	15,706.65
Total-	$151,582.95	$6,052.39	$157,635.34

Inter company

0004079378

INVOICE

December, 1984

y Lobby, Inc.
dependence Ave. S.E.
gton, D.C. 20003

st Party
dependence Ave. S.E.
gton, D.C. 20003

Support Service

Merge/Purge	$1,544.72
Mailing List Rentals	12,417.35
Postage	15.00
Office Expense	156.19
Computer Expense	3,580.08
Professional Fees	250.00
Meeting Expense	33.00
Travel	607.95
Telephone	31.52
Printing	61.00
Publications	3.00
	$18,699.81

tions $2,205.73
nse 1,790.04

3,995.77

TOTAL $14,704.04

December, 1984

From: Cordite Fidelity Corporation
300 Independence Ave. S.E.
Washington, D.C. 20003

To: Populist Party
300 Independence Ave. S.E.
Washington, D.C. 20003

Support Services

	Personnel	Rent	Total
April, 1984	$101.46	$39.83	$141.29
May, 1984	5,459.50	196.65	5,656.15
June, 1984	2,466.51	69.00	2,535.51
July, 1984	3,862.91	111.60	3,974.51
Aug. 1984	5,226.82	112.50	5,339.32
Sept. 1984	4,876.74	131.25	5,007.99
Oct. 1984	8,477.37	276.90	8,754.27
Nov. 1984	4,125.58	132.60	4,258.18
TOTAL	$34,596.89	$1,070.33	$35,667.22

Computer Expense		874.25
Consultant Fees		952.38
Travel		2,772.89
		40,266.74
Less- Contributions	$ 30.00	
Office Expense	183.36	213.36
TOTAL		$40,053.38

Intercompany

Exhibit "J"

2004079308 2

POPULIST PARTY
NATIONAL COMMITTEE

P.O. BOX 76737 WASHINGTON, D.C. 20013
(202) 546-5530

FEC 16 P12:42

January 15, 1985

CERTIFIED P 584 185 557
RECEIPT REQUESTED

Mr. Paul Kolesa
Federal Election Commission
1325 K St., N.W.
Washington, D.C. 20463

Dear Mr. Kolesa:

Re: C00186726

In response to your call, and with further reference to our letter of December 7, some administrative costs have been included on our reports under the heading "party fee." This item included, in some cases, salaries, travel, professional fees, and other expenses.

However, utilities, rent, and other miscellaneous items have not been reported. Services were performed and facilities supplied with the understanding that the POPULIST PARTY would promptly reimburse those who provided services or facilities.

Accordingly, a fundraising campaign is under way, seeking to raise money for all these obligations as well as future party operations.

Since we have not yet been able to allocate all the applicable expenses, and since no funds are available now any way for repayment, we would like to hold this in abeyance for several weeks pending the results from our fundraising efforts. As soon as possible after that, we will be glad to submit the additional schedules required.

If you have any further questions, please contact either Fleming Lee or Bernard DeRemer at 546-5611.

We appreciate your cooperation in this matter.

Sincerely,

Lois Petersen
Assistant Treasurer

brd

POWER TO THE PEOPLE

Exhibit "K"

0004079384

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

RECEIVED BY THE FEC

(Summary Page)

85 FEB 5 P 1:41

ALIGN AREA

1. Name of Committee (In Full)

POPULIST PARTY

Address (Number and Street)

130 Third St., SE

City, State and ZIP Code

Wash., DC 20003

☐ Check here if address is different than previously reported

2. FEC Identification Number

C00186726

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 11/27 through 12/31/84		
6 (a) Cash on hand January 1, 19 84		$ -
(b) Cash on Hand at Beginning of Reporting Period	$ 6,153.19	
(c) Total Receipts (from Line 18)	$ 15,631.04	$ 661,181.8.
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 21,784.23	$ 661,181.84
7 Total Disbursements (from Line 28)	$ 19,065.60	$ 658,663.21
8 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ 2,718.63	$ 2,718.63
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)	$ 174,116.42	

I (We) certify that I (we) have examined this Report and to the best of my (our) knowledge and belief it is true, correct and complete

Lois Petersen, Asst. Treasurer

Type or Print Name of Treasurer

Lois Petersen

SIGNATURE OF TREASURER

Feb. 4, 1985

Date

For further information contact:

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used

Filed by Lois Petersen, Asst. Treasurer

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

Page 1 of 2 for LINE NUMBER 10
(Use separate schedules for each numbered line)

Name of Committee (in Full) POPULIST PARTY	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 The SPOTLIGHT 300 Independence Ave., S.E. Wash., DC 20003		$16,611.91		16,611.91
Nature of Debt (Purpose) Adv.				
B Full Name, Mailing Address and Zip Code of Debtor or Creditor The SPOTLIGHT 300 Independence Ave., SE Wash., DC 20003		5,797.44		5,797.44
Nature of Debt (Purpose) support services				
C Full Name, Mailing Address and Zip Code of Debtor or Creditor LIBERTY LOBBY 300 Independence Ave., SE Wash., DC 20003		70,287.79		70,287.79
Nature of Debt (Purpose) support services				
D Full Name, Mailing Address and Zip Code of Debtor or Creditor LIBERTY LOBBY 300 Independence Ave., S.E. Wash., DC 20003	18,019.76			18,019.76
Nature of Debt (Purpose) mailing list rental and serv.				
Full Name, Mailing Address and Zip Code of Debtor or Creditor The SPOTLIGHT 300 Independence Ave., SE Wash., DC 20003	35,912.10			35,912.10
Nature of Debt (Purpose) mailing list rental & serv.				
Full Name, Mailing Address and Zip Code of Debtor or Creditor Amos Press Box 150 Sidney, Ohio 45367	11,485.22	3,990.88		3,990.88 11,485.22
Nature of Debt (Purpose) printing				

22-2003430 754 9 9 8 0

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

Page 2 of 2 for 10
LINE NUMBER
(Use separate schedules for each numbered line)

Name of Committee (in Full) POPULIST PARTY	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 Dan Pilla 704 Edgerton St. Paul, Minn. 55101		1,265.00		1,265.00
Nature of Debt (Purpose) bumper stickers				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor Executive Systems 4833 Rugby Ave. Bethesda, Md. 20814	1,256.46	1,468.10		1,256.46 1,468.10
Nature of Debt (Purpose) computer serv.				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor Duplex Prod. Box 92062 Chicago, Ill. 60675	1,066.76			1,066.76
Nature of Debt (Purpose) printing				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor District Service Printers 5004 Jackson St. Hyattsville, Md. 20781	1,162.00			1,162.00
Nature of Debt (Purpose) printing				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor Systems Publications 1795 Olive St. Capitol Heights, Md. 20743	3,862.00	1,931.00		3,862.00 1,931.00
Nature of Debt (Purpose) printing				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose)				
Subtotals for this Period (this Page (optional))				
Total for this Period (last page this line only)				
Total Outstanding Loans from Schedule C (last page only)				
Total Debts and Loans (Add lines 3 and 4. Page (last page only)				

FEC-2038435 4 9 9 8 7

Exhibit "L"

0004079308

POPULIST PARTY
Cash Receipts, Disbursements and Obligations
From November 23, 1984 through March 6, 1985

Cash On Hand 11/23/84	$ 24,712.03
Add: Receipts	110,460.46
Less: Disbursements	95,161.58
Cash On Hand 3/6/85	$ 40,010.91

Obligations

Liberty Lobby and Spotlight		
Advertising	$ 16,611.91	
List Rentals (Names)	59,497.93	
Support Services (Personnel)	1[illegible],249.42	
Support Services (Rent)	5,508.47	
Support Services (Telephone)	5,904.30	
Support Services (Office and Other)	12,098.79	$ 141,856.72
Expense Reimbursements		3,[illegible]4.31
Trade Payables		27,[illegible]84.86
Total Obligations		$ 272,505.89
Cash On Hand 3/6/85		40,010.91
Obligations Over Available Cash		$ 232,554.98

0 0 4 0 7 9 3 0 8 0

Exhibit "M"

0004079300900

Accounts Payable June 30, 1985		Date	Number	Amount				Account	Name	Number
[illegible] Lease Purchase, Inc.		4-30-85	250664	714 -				Printing		5827
[illegible] Publications		3-28-85	23922	2028 -				Printing		5827
[illegible], Auerbach, Olsen & Co.		4-30-85	11653	835 -				Accounting		6027
[illegible] Mailing Service		4-30-85	2141	191 25				Mailing Services		5868
[illegible] Mailing Service		4-30-85	2140	562 50				Mailing Services		5868
[illegible] Systems Inc.		6-30-85	506061	13896 60				Computer Expense		5508
[illegible] Systems Inc.		5-31-85	505247	14693 8				Computer Expense		5508
[illegible] Systems Inc.		4-30-85	504040	14535 2				Computer Expense		5508
[illegible] Mail Litigation Inc.		6-7-85	N/A	168 50				Printing		5827
[illegible] Incorporated		1-29-85	12363	2008 64	N		listed on 1-14-86	Printing		5827
[illegible] Incorporated		1-30-85	12373	6640 8	N			Printing		5827
[illegible] Incorporated		1-30-85	12385	3981 64	N			Printing		5827
[illegible] Wire Assoc.		2-26-85	85257	195 -				Travel		7767
[illegible] Light	✓	10-10-84	N/A	11 2491				Mailing List Rental Expense		5867
[illegible] Lobby	✓	9-9-84	N/A	7500 -				Mailing List Rental Expense		5867
[illegible] Lobby	✓	10-10-84	N/A	3241 -				Mailing List Rental Expense		5867
[illegible] Light	✓	2-18-85	N/A	9812 50				Mailing List Rental Expense		5867
[illegible] Lobby	✓	2-15-85	N/A	3240 75				Mailing List Rental Expense		5867
[illegible] Light	✓	9-28-84	P-834	2430 41				Administering		6023
[illegible] Light	✓	9-24-84	P-830	779 58				Administering		6023
[illegible] Light	✓	9-28-84	P-831	1412 72				Administering		6023
[illegible] Light	✓	10-5-84	P-840	2430 41				Administering		6023
[illegible] Light	✓	10-5-84	P-851	779 58				Administering		6023
[illegible] Light	✓	10-16-84	P-871	2430 41				Administering		6023
[illegible] Light	✓	10-16-84	P-872	779 58				Administering		6023
[illegible] Light	✓	10-19-84	P-891	2430 41				Administering		6023
[illegible] Light	✓	10-19-84	P-890	779 58				Administering		6023
[illegible] Light	✓	10-24-84	P-906	779 58				Administering		6023
[illegible] Light	✓	10-19-84	P-907	2430 41				Administering		6023
[illegible] Light	✓	11-2-84	P-919	1490 4				Administering		6023
[illegible] Light	✓	4-5-85	P-938	1000 -				Administering		6023
[illegible] Light	✓	3-20-85	P-917	1000 -				Administering		6023
[illegible] Light	✓	3-20-85	P-[illegible]	1000 -				Administering		6023
[illegible] Light	✓	3-20-85	P-996	1000 -				Administering		6023
[illegible] Light	✓	3-[illegible]-85	P-[illegible]73	1000 -				Administering		6023
	Total			98360 4						

56, 58589

Exhibit "N"

2004079309 2

LIBERTY LOBBY PUBLISHER OF THE SPOTLIGHT

HEADQUARTERS OFFICE:
300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

WEST COAST OFFICE:
P.O. BOX 45302
LOS ANGELES, CALIFORNIA 90045

Mr. Fred Seipold, Chairman
The Populist Party
2303 N. 44th St.
Suite 14-345
Phoenix, Az. 85008

July 18, 1985

Dear Fred:

Willis asked me to drop you a line and summarize the Populist Party payables to Liberty Lobby and the Spotlight.

Enclosed herewith are copies of the bills for the following:

*	Support Services-Personnel, Rent, Telephone, ect.	$205,448.87
*	Mailing List Rentals	35,013.98
*	Advertising	21,611.91
	TOTAL	$262,074.76

Regards,

Blayne E. Hutzel

Blayne E. Hutzel
Controller

Copy to: Willis A. Carto
William K. Shearer

0 0 4 0 7 9 3 0 9 5

Exhibit "O"

0004079304

[redacted] Realty
Accounts Payable
3/31/56

		Invoice Date	Invoice Number	Amount
1				
2	Spot lights	10-10-54	N/A	11 24 91
3	Liberty Lobby	9-9-54	N/A	7 [illegible] -
4	Liberty Lobby	10-10-54	N/A	32 01 -
5	Spotlights	2-15-55	N/A	9 51 23
6	Liberty Lobby	2-15-55	N/A	3 24 75
7	Spotlights	9-28-54	P-829	29 30 45
8	Spotlights	9-28-54	P-830	7 79 55
9	Spot lights	9-28-54	P-831	54 12 72
10	Spotlights	10-5-54	P-850	29 30 45
11	Spotlights	10-5-54	P-851	7 79 55
12	Spotlights	10-11-54	P-871	29 30 45
13	Spotlights	11-1-54	P-872	7 79 55
14	Spotlights	11-19-54	P-891	29 30 45
15	Spotlights	10-19-54	P-890	7 79 55
16	Spotlights	11-17-54	P-906	7 79 55
17	Spotlights	11-29-54	P-907	29 30 45
18	Spotlights	11-30-54	P-919	1 49 00
19	Spotlights	4-5-55	P-935	1000 -
20	Spotlights	3-29-55	P-917	1000 -
21	Spotlights	3-24-55	P-933	1000 -
22	Spotlights	3-24-55	P-934	1000 -
23	Spotlights	3-24-55	P-173	1000 -
24				
25				
26	Vel Kouffman, Averback & Olson	4/30/55		435 00
27	Executive Systems Inc.	6/30/55	506061	1389 60
28	〃 〃 〃	7/31/55	507065	1744 93
29	〃 〃 〃	8/31/55	508046	1391 65
30	〃 〃 〃	9/30/55	509065	1891 50
31				
32				62 76 63
33				
34				
35				
36				
37				
38				
39				
40				
41				

12 COL Rule Across

Exhibit "P"

8004079309 6

LIBERTY LOBBY

300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202 LIBERTY 6-5611

April 28, 1986

Populist Party
6065 Mission Gorge Road
San Diego, CA 92120

Gentlemen:

Enclosed herewith is a statement of account from Liberty Lobby, Inc. to the Populist Party dated December 31, 1984, showing an amount due of $209,183.83.

Included in this statement is a FEC estimated amount of $12,435.03 for personnel, rent and telephone expenses for the month of December, 1984, as per their audit report dated April 3, 1986, page 5.

We were patiently holding up this billing awaiting the above-mentioned audit report from the FEC.

This $209,183.83 should not come to you as a complete surprise because a major portion of it was previously approved as an obligation to be paid on November 24, 1984. Therefore, to avoid further action, we kindly request payment in full by Monday, May 12, 1986.

Sincerely,

Blayne E. Hutzel
Controller

0004079507

LIBERTY LOBBY

300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202-LIBERTY 6-5611

STATEMENT

December 31, 1984

To: Populist Party
6065 Mission Gorge Rd.
Box 211
San Diego, Ca. 92120

Personnel	$151,582.95
Mailing List Rentals	22,946.11
Service for Mailing	7,500.00
Telephone	6,412.18
Rent	6,052.39
Computer	3,334.76
Travel	607.95
Consultant Fees	250.00
Office Expense	159.19
Printing	61.00
Meeting Expense	33.00
Postage	15.00
Sub Total	198,954.53
Add: Estimated cost of Services for December, 1984 (Not included in the above)	12,435.03
Less - Contributions	2,205.73
Total Amount Due 12/31/84	$209,183.83

Your Influence Counts . . . USE IT!

C00407965

Exhibit "Q"

8004079309

THE SPOTLIGHT
THE PAPER YOU CAN TRUST

300 INDEPENDENCE AVE., S.E.
WASHINGTON, D. C. 20003
(202) 544-1794

May 9, 1986

Populist Party
6065 Mission Gorge Road
San Diego, CA 92120

Gentlemen:

Your treasurer, Mr. Emmett Miller, when preparing his report, which was accepted by the Executive Committee, only included known charges payable to Liberty Lobby and Cordite Fidelity Corporation by the Populist Party as of November 1984. Additional charges were incurred in late November and December. This fact was noted in the FEC Audit Report which estimated an additional amount due of $12,435.03.

Enclosed is a statement from The SPOTLIGHT for the period ending December 31, 1984 for $90,632.81. You had earlier received a statement from Liberty Lobby for $209,183,83.

SUMMARY

Amount Due Per Mr. Miller's Report		$264,888.80
Amount Due Per statement:		
Liberty Lobby	$209,183.83	
Cordite Fidelity Corp.	90,632.81	299,816.64
Total Additional Billing		$ 34,927.84

This debt must be paid immidiately or legal action will be taken.

Sincerely Yours,

William G. Sweet
Controller

WGS/mr

C00407351

THE SPOTLIGHT — THE PAPER YOU CAN TRUST

300 INDEPENDENCE AVE., S.E.
WASHINGTON, D. C. 20003
(202) 544-1794

STATEMENT

December 31, 1984

To: Populist Party
6065 Mission Gorge Rd.
San Diego, CA 92120

Mailing List Rentals	$35,912.10
Personnel	34,596.89
Advertising	16,611.91
Travel	2,772.89
Consultant Fees	952.38
Sub-Total	90,846.17
Less- Contribution and Office Expense	213.36
Total Amount Due 12/31/84	90,632.81

C00407361

Exhibit "R"

0004079310 2

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

June 5, 1986

Mr. Blayne Hutzel
Controller
Liberty Lobby
300 Independence Ave. S.E.
Washington, D.C. 20003

Dear Mr. Hutzel:

Your letter of April 28, 1986, making demand on the Populist Party for the sum of $209,183.83, has been referred to me, for reply.

It is the position of the Executive Committee of the Populist Party that no sum or sums whatever are due to Liberty Lobby from the Populist Party. You have, as usual, submitted your demand without any documentation in support of your assertion that money is due to Liberty Lobby from the Populist Party.

On October 20, 1985, the Executive Committee adopted a motion requesting of Willis Carto that he provide a complete accounting of the Washington, D.C. account, including statements of deposit and canceled checks. This request was ignored.

On January 18, 1986, the Executive Committee adopted a further resolution, stating:

"Based upon the information available to the Executive Committee at this time, the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or 'The Spotlight'. These entities are to abandon any and all claims of indebtedness to them by the Populist Party of the United States and furnish the Populist Party of the United States duly executed documents, signed by the officers and/or owners of such corporations, partnerships or proprietorships, stating that the Populist Party of the United States is not indebted to them, or to second or third party suppliers and vendors from

whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. Should the above mentioned statements of absolution from each of these entities not be obtained from the officers/owners of same by February 10, 1986, it shall be the duty of these officers/owners to submit all financial records pertaining to any alleged activities at any time in the name of the Populist Party to complete and detailed audit of the Populist Party of the United States or its representatives."

These resolutions, along with other acts of the Executive Committee, were ratified by the full National Committee of the Populist Party at its 1986 annual meeting in Los Angeles, California on March 2, 1986.

On March 8, 1986, the Executive Committee instructed the Chairman of the Populist Party to "write Mr. Carto and inform him that the Executive Committee of the Populist Party does not consider an audit of the accounts maintained in Washington, D.C. in the name of the Populist Party necessary if .... any claim of indebtedness by the Populist Party to the Populist Party, Inc., Cordite Fidelity Corp., 'The Spotlight', and Liberty Lobby is abandoned."

The motion further stated:

"If these conditions are not met, an audit by an independent accounting firm selected by the Executive Committee will be required, with the expense to be borne by those who established these accounts in Washington."

These actions by the Executive Committee of the Populist Party have previously been called to the attention of Mr. Willis Carto by letter from Chairman John M. Couture, dated March 31, 1986, and a copy of which is attached hereto.

I might add that I have reviewed the reports filed by your office in the name of the Populist Party, covering the period from March 15, 1984 through November 26, 1984, none of which indicate that there are any debts or obligations owed by the Populist Party. This lends a strong inference that your allegation of an indebtedness in the amount of $209,183.83 is a post election concoction for fund raising purposes, and not a real debt or obligation. You and Mr. Carto will have to look elsewhere for funds to support your non-party activities.

Sincerely yours,

Faye Miller
Treasurer

2 0 0 4 0 7 9 3 1 0 4

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
LANE MILLER

Parliamentarian
WILLIAM K. SHEARER

March 31, 1986

Mr. Willis A. Carto
300 Independence Ave. S.E.
Washington D.C. 20003

Dear Willis,

I am writing to you, in accord with the wishes of the national Executive Committee of the Populist Party, to officially inform you of the actions taken by the Committee with regard to the issues wherein you are at odds with the majority of the members of the Executive Committee, and to seek your compliance with the Committee's mandates. I also hope that this letter will help to resolve, rather than enlarge, the existing problems.

Before going into the position of the Executive Committee, let me say on a personal basis that I am deeply disappointed that you have attacked the Populist Party, and its Executive Committee, charging that we are in "disarray", and have failed to provide leadership, when, in fact, during my six month tenure as chairman, we have made great strides in developing the party. Among the accomplishments of my term, thus far, are the following:

1. When I became chairman, the party had only a little over $1,000.00 in the bank. We now have almost $50,000.00 in the bank, are operating in the black, and have fully met all of our obligations to legitimate creditors.

2. We have established a full time, completely functioning, totally responsible national administrative office. This office functions at minimum cost with one full time administrator and one assistant. It has an appropriate computer, copier, typewriters, and all other necessary, modern operating equipment, and is providing an increasing number of services to the party.

3. My law and business offices in Wisconsin serve as the national office of the party. My office is open from 9:00 AM till usually 6:30 PM (and frequently from 8:00 PM to 10:30 PM) six days per week and often on Sunday afternoons and

evenings. My personal services, my office, secretary, and supporting services cost the party absolutely nothing, except the cost of mailings, and party telephone calls. Unlike the previous chairmen, I have served without pay. Yet, frankly, I believe I have accomplished more for the party in six months than did the previous chairmen during their terms.

4. Ten days after taking office, in a lengthy letter to the New York Times and Milwaukee Journal, I served notice on those who had attacked the Populist Party that the party would not supinely accept any further libels. I received a conciliatory response from the New York Times, and the Milwaukee Journal printed a special editorial letter which extolled the merits of the Populist Party and decried the libelous article complained of. I am not aware of any further libels by the New York Times News Service or the Milwaukee Journal. My letter to these papers was mailed to every state leader of the Populist Party with a cover letter, requesting that each leader direct a copy of my letter to the New York Times to any publication in his or her state which libels the Populist Party.

5. Organization is now going on in the field, and new state organizations are being formed and officially recognized. I have attempted to restore unity to the party. In November, 1986, after numerous phone conferences with Jim Yarbrough, I mailed an "open letter" of reconciliation to Jim, with copies to state leaders, in a beginning effort to heal the wounds resulting essentially from Jim's clashes with former chairman Fred Seipold. My efforts on behalf of unity and reconciliation are continuing.

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7. On March 1-2, 1986, I presided over the annual meeting of the National Committee, which was well attended, and at which the members of the National Committee unanimously confirmed my chairmanship, ratified the acts taken by the Executive Committee during the past year, and commended the efficient functioning of our national administrative office.

8. On November 9, 1985, I participated in conducting a successful Western Regional Conference of the Populist Party.

9. On November 20, 1985 I wrote, printed, and mailed to all state party leaders an 18 page detailed memorandum outlining the organizational programs, and fundamental growth policies of the Populist Party. This was intended, as a "how to do it" manual for the (a) structural organization, and (b) full fleshing out of

every state party. These specified tried and true techniques, if followed, will result in very rapid party growth, and which, if followed, will make swift victory inevitable.

10. On January 6, 1986, I completed a suggested, complete, and detailed model constitution for state parties, and mailed copies of the same to all state party leaders. This will provide guidance and direction for the conduct of state party affairs.

11. The National Committee, under my direction, has prepared new post-election literature for the party, and we are continuing to expand the availability of party building materials.

This does not constitute an exhaustive list of the party's accomplishments during my term to date, but will certainly suffice to show the tremendous progress being made, and that neither the Populist Party, nor its national leadership are in a state of "disarray". I am disappointed that you, although you are a member of the Executive Committee, have refused to participate in the recent telephonic meetings of the Executive Committee. Also, knowing that your stewardship was in question, I am surprised that you did not attend the National Committee meeting, this month, in order to answer questions from members of the National Committee, or, at least, to explain your position on the matters in controversy.

For over a year, the Executive Committee has sought to conform our fiscal affairs to the requirements of the party's membership adopted bylaws, and Federal election laws. At the Executive Committee meeting on March 10, 1985, the Executive Committee adopted a motion directing the then chairman, Fred Seipold, as legal counsel, to do such research as was necessary to determine how the Committee's accounts should be structured and administered to meet all requirements of Federal and other applicable law; to report his findings in writing within 30 days; and implement these findings without the necessity of further Board action to assure that the National Committee was functioning in conformity to the requirements of law.

The intent of the motion, of course, was to bring all of the bank accounts being operated in the name of the Populist Party under the direct control of the elected treasurer. In spite of the Executive Committee's clear intent, you continued to operate the account or accounts which you had established, using the Populist name, as separate and independent from the official account established by the elected treasurer.

The Executive Committee again considered this problem at the telephonic meeting of September 29, 1985, at which time a motion was adopted that there be no more expenditures on obligations incurred, and no new bills incurred without specific

authorization of the Executive Committee; that all Populist Party mail and or contributions are to be forwarded to the San Diego administrative office for processing; and that all funds or checks of any kind are to be forwarded to the national treasurer, Mrs. Faye Miller, for deposit only in the Populist Party account which she administers.

Although, you were present for the part of the conference call during which this motion was adopted (the record reflects that you abstained from voting on the motion, which was approved 6 to 0), you did not comply with this policy of the Executive Committee, as is confirmed by your recent letter to me, in which you state that you are continuing to collect funds and operate a quote "Populist" bank account independent of the National Committee and the elected treasurer.

On October 20, 1985, in a telephonic meeting of the Executive Committee, a motion was adopted by vote of 6 to 0 that the treasurer direct a letter to you requesting a full accounting of the Washington D.C. account, including statements of deposits and cancelled checks. This material has never been made available by you to the national treasurer.

Finally, having failed to receive your cooperation, on January 18, 1986, the Executive Committee adopted a series of motions, on the accounting problems which your continued operation of one or more "Populist" bank accounts in Washington has generated. Specifically, in order to avoid any confusion among contributors, the Executive Committee now requires of you:

1. That the corporation chartered in the State of Virginia and known as Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia, or, in lieu of the charter being returned, that the corporation change it's name, purpose and intent so as to differentiate it from the Populist Party of the United States;

2. That all bank accounts in the name of the Populist Party, Inc. be closed; and

3. That any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc. immediately cease; along with any other reference to Populist Party which might confuse the corporation with the Populist Party of the United States.

At the January 18, 1986, meeting, the Executive Committee also unanimously approved a motion that " the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. The Executive

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Committee, therefore, directs that you and these entities abandon any and all claims of indebtedness to them by the Populist Party of the United States, and furnish the Populist Party duly executed documents, signed by the officers of such entities stating that the Populist Party is not indebted to them, or to second or third party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. The motion stated that these acknowledgements must be received by February 10, 1986, and that if the acknowledgements were not forthcoming by said date, the Executive Committee formally demands that all financial records pertaining to any alleged activities at any time in the name of the Populist Party, by any of the described entities, be submitted to a complete and detailed audit by the Populist Party or its representative.

The Executive Committee, by motion, further expressed support of the position taken by the treasurer, Faye Miller, that she is not responsible for filing any reports with the Federal Election Commission, or any corporate forms in the name of the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. This letter will confirm that Mrs. Miller will make no such filings on behalf of these entities.

The Executive Committee has also authorized me to make a demand on you and The Spotlight for the $1,500.00 owed by The Spotlight to the Populist Party for use of the party's mailing list in 1985. In addition, the Executive Committee demands that you pay to the Populist Party all money collected by the Populist Party, Inc. since September 29, 1985, and any balance presently in the Populist Party, Inc. account.

Finally, the Executive Committee has unanimously adopted a motion requiring that any and all solicitation of funds, sales of merchandise, or use of logo by any entity without express approval of the Executive Committee of the Populist Party cease immediately. The conduct which caused this concern is that of Graphic Productions, which is operated by one of your employees. The motion directs Graphic Productions to account for its unauthorized promotional activities, secure authorization from the Executive Committee for any future activities, enter into a revenue sharing arrangement with the committee, and regularly account for the income from its sales of party materials.

On March 8, 1986, at the Executive Committee's most recent telephonic meeting, an additional motion was adopted with regard to the audit which was conditionally demanded on January 18, 1986. The Executive Committee is prepared to withdraw its request for an audit if you and the entities you control promptly comply with the balance of the above stated directives of the Executive Committee. If you are not willing to comply with these mandates, then the Executive Committee insists upon an audit of

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all bank accounts which you have established using the words "Populist Party" as all or part of the name of such account, with the audit to be conducted by an independent auditor, selected by the Executive Committee, and with the audit paid for by those who opened the accounts, and are thus the cause of the expenditure for the audit.

The Executive Committee believes that the actions we have taken are necessary in order to assure that the conduct of the party's fiscal affairs be in compliance with the bylaws, duly adopted by the membership at the National Convention in Nashville, Tennessee, in 1984, and the requirements of the Federal election laws.

Your compliance with these reasonable requests would do the Populist Party a far better service than the sewing of confusion through attacks on the Populist Party and its Executive Committee, in the pages of "The Spotlight". I certainly do not have any desire to quarrel with you personally, and I believe this is the feeling of the vast majority of those on the Executive Committee. We have taken the steps set forth above only in an effort to assure that the financial affairs of the party are conducted lawfully. I hope you will overcome any hostility which you may feel, and comply with the expressed wishes of the Executive Committee in the interest of compliance with the law, and the wishes of the party's membership as expressed through the bylaws. At the recent meeting of the National Committee the members unanimously ratified the acts of the Executive Committee which I have described in this letter.

Very truly yours,

John M. Couture

John M. Couture
National Chairman

C0047511

Exhibit "S"

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THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

June 5, 1986

Mr. William G. Sweet
Controller
The Spotlight
300 Independence Ave. S.E.
Washington, D.C. 20003

Dear Mr. Sweet:

Your letter of April 28, 1986, making demand on the Populist Party for the sum of $299,816.64, has been referred to me, for reply.

It is the position of the Executive Committee of the Populist Party that no sum or sums whatever are due to Cordite Fidelity Corp. or Liberty Lobby from the Populist Party. You have, as usual. submitted your demand without any documentation in support of your assertion that money is due to Cordite Fidelity Corp. or Liberty Lobby from the Populist Party.

On October 20, 1985, the Executive Committee adopted a motion requesting of Willis Carto that he provide a complete accounting of the Washington, D.C. account, including statements of deposit and canceled checks. This request was ignored.

On January 18, 1986, the Executive Committee adopted a further resolution, stating:

"Based upon the information available to the Executive Committee at this time, the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or 'The Spotlight'. These entities are to abandon any and all claims of indebtedness to them by the Populist Party of the United States and furnish the Populist Party of the United States duly executed documents, signed by the officers and/or owners of such corporations, partnerships or proprietorships, stating that the Populist Party of the United States is not indebted to them, or to

second or third party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. Should the above mentioned statements of absolution from each of these entities not be obtained from the officers/owners of same by February 10, 1986, it shall be the duty of these officers/owners to submit all financial records pertaining to any alleged activities at any time in the name of the Populist Party to complete and detailed audit of the Populist Party of the United States or its representatives."

These resolutions, along with other acts of the Executive Committee, were ratified by the full National Committee of the Populist Party at its 1986 annual meeting in Los Angeles, California on March 2, 1986.

On March 8, 1986, the Executive Committee instructed the Chairman of the Populist Party to "write Mr. Carto and inform him that the Executive Committee of the Populist Party does not consider an audit of the accounts maintained in Washington, D.C. in the name of the Populist Party necessary if .... any claim of indebtedness by the Populist Party to the Populist Party, Inc., Cordite Fidelity Corp., 'The Spotlight', and Liberty Lobby is abandoned."

The motion further stated:

"If these conditions are not met, an audit by an independent accounting firm selected by the Executive Committee will be required, with the expense to be borne by those who established these accounts in Washington."

These actions by the Executive Committee of the Populist Party have previously been called to the attention of Mr. Willis Carto by letter from Chairman John M. Couture, dated March 31, 1986, and a copy of which is attached hereto.

I might add that I have reviewed the reports filed by your office in the name of the Populist Party, covering the period from March 15, 1984 through November 26, 1984, none of which indicate that there are any debts or obligations owed by the Populist Party. This lends a strong inference that your allegation of an indebtedness in the amount of $299,816.64, is a post election concoction for fund raising purposes, and not a real debt or obligation. You and Mr. Carto will have to look elsewhere for funds to support your non-party activities.

Sincerely yours,

Faye Miller
Treasurer

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THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
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Mailing Address
6065 Mission Gorge Road
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(619) 282-5614

Chairman
JOHN M. COUTURI
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAURITN SALAMAN

Secretary
DON KIMBALL

Treasurer
LANE MILLER

Parliamentarian
WILLIAM K. SHEARER

0040731

March 31, 1986

Mr. Willis A. Carto
300 Independence Ave. S.E.
Washington D.C. 20003

Dear Willis,

I am writing to you, in accord with the wishes of the national Executive Committee of the Populist Party, to officially inform you of the actions taken by the Committee with regard to the issues wherein you are at odds with the majority of the members of the Executive Committee, and to seek your compliance with the Committee's mandates. I also hope that this letter will help to resolve, rather than enlarge, the existing problems.

Before going into the position of the Executive Committee, let me say on a personal basis that I am deeply disappointed that you have attacked the Populist Party, and its Executive Committee, charging that we are in "disarray", and have failed to provide leadership, when, in fact, during my six month tenure as chairman, we have made great strides in developing the party. Among the accomplishments of my term, thus far, are the following:

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The intent of the motion, of course, was to bring all of the bank accounts being operated in the name of the Populist Party under the direct control of the elected treasurer. In spite of the Executive Committee's clear intent, you continued to operate the account or accounts which you had established, using the Populist name, as separate and independent from the official account established by the elected treasurer.

The Executive Committee again considered this problem at the telephonic meeting of September 29, 1985, at which time a motion was adopted that there be no more expenditures on obligations incurred, and no new bills incurred without specific

authorization of the Executive Committee; that all Populist Party mail and or contributions are to be forwarded to the San Diego administrative office for processing; and that all funds or checks of any kind are to be forwarded to the national treasurer, Mrs. Faye Miller, for deposit only in the Populist Party account which she administers.

Although, you were present for the part of the conference call during which this motion was adopted (the record reflects that you abstained from voting on the motion, which was approved 6 to 0), you did not comply with this policy of the Executive Committee, as is confirmed by your recent letter to me, in which you state that you are continuing to collect funds and operate a quote "Populist" bank account independent of the National Committee and the elected treasurer.

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Finally, having failed to receive your cooperation, on January 18, 1986, the Executive Committee adopted a series of motions, on the accounting problems which your continued operation of one or more "Populist" bank accounts in Washington has generated. Specifically, in order to avoid any confusion among contributors, the Executive Committee now requires of you:

1. That the corporation chartered in the State of Virginia and known as Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia, or, in lieu of the charter being returned, that the corporation change it's name, purpose and intent so as to differentiate it from the Populist Party of the United States;

2. That all bank accounts in the name of the Populist Party, Inc. be closed; and

3. That any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc. immediately cease; along with any other reference to Populist Party which might confuse the corporation with the Populist Party of the United States.

At the January 18, 1986, meeting, the Executive Committee also unanimously approved a motion that " the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. The Executive

Committee, therefore, directs that you and these entities abandon any and all claims of indebtedness to them by the Populist Party of the United States, and furnish the Populist Party duly executed documents, signed by the officers of such entities stating that the Populist Party is not indebted to them, or to second or third party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. The motion stated that these acknowledgements must be received by February 10, 1986, and that if the acknowledgements were not forthcoming by said date, the Executive Committee formally demands that all financial records pertaining to any alleged activities at any time in the name of the Populist Party, by any of the described entities, be submitted to a complete and detailed audit by the Populist Party or its representative.

The Executive Committee, by motion, further expressed support of the position taken by the treasurer, Faye Miller, that she is not responsible for filing any reports with the Federal Election Commission, or any corporate forms in the name of the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. This letter will confirm that Mrs. Miller will make no such filings on behalf of these entities.

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Finally, the Executive Committee has unanimously adopted a motion requiring that any and all solicitation of funds, sales of merchandise, or use of logo by any entity without express approval of the Executive Committee of the Populist Party cease immediately. The conduct which caused this concern is that of Graphic Productions, which is operated by one of your employees. The motion directs Graphic Productions to account for its unauthorized promotional activities, secure authorization from the Executive Committee for any future activities, enter into a revenue sharing arrangement with the committee, and regularly account for the income from its sales of party materials.

On March 8, 1986, at the Executive Committee's most recent telephonic meeting, an additional motion was adopted with regard to the audit which was conditionally demanded on January 18, 1986. The Executive Committee is prepared to withdraw its request for an audit if you and the entities you control promptly comply with the balance of the above stated directives of the Executive Committee. If you are not willing to comply with these mandates, then the Executive Committee insists upon an audit of

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all bank accounts which you have established using the words "Populist Party" as all or part of the name of such account, with the audit to be conducted by an independent auditor, selected by the Executive Committee, and with the audit paid for by those who opened the accounts, and are thus the cause of the expenditure for the audit.

The Executive Committee believes that the actions we have taken are necessary in order to assure that the conduct of the party's fiscal affairs be in compliance with the bylaws, duly adopted by the membership at the National Convention in Nashville, Tennessee, in 1984, and the requirements of the Federal election laws.

Your compliance with these reasonable requests would do the Populist Party a far better service than the sewing of confusion through attacks on the Populist Party and its Executive Committee, in the pages of "The Spotlight". I certainly do not have any desire to quarrel with you personally, and I believe this is the feeling of the vast majority of those on the Executive Committee. We have taken the steps set forth above only in an effort to assure that the financial affairs of the party are conducted lawfully. I hope you will overcome any hostility which you may feel, and comply with the expressed wishes of the Executive Committee in the interest of compliance with the law, and the wishes of the party's membership as expressed through the bylaws. At the recent meeting of the National Committee the members unanimously ratified the acts of the Executive Committee which I have described in this letter.

Very truly yours,

John M. Couture

John M. Couture
National Chairman

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Exhibit "T"

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AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

We, the undersigned, acknowledge and represent ourselves to be duly authorized officers of that corporation known as Populist Party, Inc., which is licensed to do business within the State of Virginia, and which lists as it's primary place of business 6803 Nesbitt Pl., McLean, Va., _____, and we further declare that we possess the power and authority to bind said corporation by our signatures hereon.

The above-named corporation does hereby agree to hold forever harmless and free from personal liability all those persons named in Appendix A, which is attached hereto and incorporated herein by reference, for any and all debts incurred by said corporation at the request of, on behalf of, or for the benefit of The Populist Party of The United States, any agent thereof, or any person(s) or group representing themselves to be The Populist Party of The United States.

The above-named corporation further agrees to hold forever harmless and free from personal liability all those persons named in Appendix A, which is attached hereto and incorporated herein by reference, for the consequences of any action taken, or service rendered by, said corporation at the request of, on behalf of, or for the benefit of The Populist Party of The United States, any agent thereof, or any person(s)

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or group representing themselves to be The Populist Party of The United States.

The above-named corporation agrees that the freedom from liability granted herein shall cover the period of time beginning March 1, 1984, and continuing through March 10, 1985, inclusive, and said freedom shall extend in perpetuity.

The above-named corporation, through it's duly authorized representatives whose signatures appear hereon, recognizes that those persons to whom freedom from liability is granted by this AGREEMENT were, throughout the period of time over which this AGREEMENT holds binding, in no position to preview, assess, support or oppose any of the actions described above. Further, it is acknowledged that this condition prevailed through no fault of the persons herein excused from liability.

IN WITNESS WHEREOF, we have hereunto set our hands this 12 day of August, 1985.

Populist Party, Inc.
corporation

by: [signature], title: President

by: [signature], title: Secretary-Treasurer

by: [signature], title: Vice President

APPENDIX A

Mr. William W. Baker

Mr. James H. Yarbrough

Mr. Donald L. Kimball

Mr. Emmett Miller

Mr. William K. Shearer

Mr. Willis Carto

Mr. John Couture

Mr. Thomas L. Goodloe

Mrs. Eileen Shearer

Mrs. Maureen Kennedy Salaman

Mr. Fred R. Seipold

Mrs. Faye Miller

Mr. John Rarick

Mr. Rolland Victor

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The original of this APPENDIX is attached to, and incorporated therein by reference, the original of an AGREEMENT executed by officers of that corporation known as

Populist Party, Inc.,

dated the 12 day of August, 1985.

Exhibit "U"

20040793124

POPULIST PARTY - NATIONAL EXECUTIVE COMMITTEE

The following are the minutes of the Executive Committee Meeting which took place by telephone conference on January 18, 1986 at 8:00 AM Pacific time.

On line for the call were executive committee members John Couture, Don Kimball, Faye Miller, William Shearer, Jerry Pope, Rolland Victor, Richard Weimer, and National Administrator, Nancy Shearer.

Mr. Kimball asked for unanimous consent to change his vote at the previous meeting on adding Mr. Weimer to the executive committee from "no" to "yes".

Mr. Shearer objected to going back in the records and changing votes, but said Mr. Kimball's statement should be added to the record of this meeting.

Mrs. Miller moved:

That a demand be made upon the corporation officers of the Populist Party, Inc., a Virginia corporation, to do the following:

(1) The corporation chartered in the state of Virginia and known as Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia; or, in lieu of the charter being returned that the corporation change it's name, purpose and intent so as differentiate it from the Populist Party of the United States, and make this differentiation clear to the public.

(2) That all bank accounts in the name of the Populist Party, Inc. be closed; and

(3) That any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc. immediately cease; along with any other reference to Populist Party which might confuse the corporation with the Populist Party of the United States.

Mr. Victor seconded the motion and it passed unanimously.

Mrs Miller moved that:

Based upon the information available to the executive committee at this time, the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. These entities are to abandon any and all claims of indebtedness to them by the Populist Party of the United States, and furnish the Populist Party of the United States duly executed documents, signed by the officers and/or owners of such corporations, partnerships or proprietorships stating that the

2004973125

Populist Party of the United States is not indebted to them, or 2nd or 3rd party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. Should the above mentioned statements of absolution from each of these entities not be obtained from the officers/owners of same by February 10, 1986, it shall be the duty of these officers/owners to submit all financial records pertaining to any alleged activities at any time in the name of the Populist Party to complete and detailed audit by the Populist Party of the United States or its representative.

The motion was seconded by Mr. Shearer and passed unanimously.

Mr. Shearer moved that the executive committee support Mrs. Miller in her position that she is not responsible for filing any reports with the Federal Election Commission or any corporate forms in the name of the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp. or The Spotlight.

Mr. Victor seconded the motion and it passed unanimously.

Mrs. Miller moved:

That any and all solicitation of funds, sales of merchandise, or use of logo by any entity without express approval of the Executive Committee of the Populist Party of the United States cease immediately and that Graphic Productions be required to account for its unauthorized promotional activities, secure authorization from the Executive Committee, share revenues with the committee, and regularly account for the income from its sales of party materials.

Mr. Shearer seconded the motion and it passed unanimously.

Mr. Pope moved that any state party that tells its people not to contribute to the national be removed, and new officers installed with implementation of the motion to be handled by the chairman.

Mr. Shearer seconded the motion and it passed unanimously.

Mr. Shearer moved that the treasurer make a demand for the $1,500.00 owed to the Populist Party by the Spotlight for use of the mailing list, all money collected by the Populist Party, Inc. since September 29, 1985, and any balance presently in the Populist Party, Inc. account.

The motion was seconded by Mr. Weimer and passed unanimously.

Mr. Shearer moved that the party take all steps necessary to see that the Populist Party mailing list is not used by any one but the Populist Party without consent of the executive committee.

Mrs. Miller seconded the motion and it passed unanimously.

C 0 0 4 0 7 9 3 1 2 6

Mr. Shearer moved that $2,500.00 be alloted for the printing of new literature.

Mr. Pope seconded the motion and it passed unanimously.

Mr. Shearer moved that Mr. Couture be allowed reimbursement for actual expenses incurred for travel while doing Populist Party work, and that Miss Shearer be allowed reimbursement for actual expenses incurred on trips to Oregon and Colorado to organize state parties there, under the supervision of the chairman.

Mr. Kimball seconded the motion and it passed unanimously.

Mr. Kimball moved that Mr. Victor be allotted $500.00 for travel on Populist Party business, to be accounted for to Mrs. Miller.

Mr. Pope seconded the motion and it passed unanimously.

The possible employment of Howard Carson was discussed, but no motion was offered and the matter was dropped.

The meeting was adjourned with the option of another meeting left to call of the chairman if needed before the National Committee meeting on March 1st and 2nd in Los Angeles, California.

Respectfully submitted,

Nancy Shearer

Nancy Shearer, National Administrator

0004079327

Exhibit "V"

0004079312 8

REPORT OF RECEIPTS AND DISBURSEMENTS

For a Political Committee Other Than an Authorized Committee

84 OCT 22 P2:48

(Summary Page)

ALIGN AREA

1. Name of Committee (In Full)

BOB RICHARDS FOR PRES.

Address (Number and Street)

130 Third St., S.E.

City, State and ZIP Code

Washington, D.C. 20003

☐ Check here if address is different than previously reported.

2 FEC Identification Number

See letter

3 ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate box(es))

(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 Oct. 20
☐ 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 6/27 through 9/30/84		
6 (a) Cash on hand January 1, 19 84		$ -
(b) Cash on Hand at Beginning of Reporting Period	$ -	
(c) Total Receipts (from Line 18)	$ 180,208.85	$ 180,208.85
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 180,208.85	$ 180,208.85
7 Total Disbursements (from Line 28)	$ 183,285.35	$ 183,285.35
8 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ -3,076.50	$ -3,076.50
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)	$ -	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete

Blayne Hutzel, Asst. Treas.
Type or Print Name of Treasurer

Blayne E. Hutzel
SIGNATURE OF TREASURER

Oct. 19, 1984
Date

For further information contact:
[illegible] Committee
[illegible]
[illegible] 4264

All previous versions of FEC FORM 3 and FEC FORM 3A are obsolete and should no longer be used

84033172911

Exhibit "W"

0004079330

RECEIVED AT THE FEC

84 OCT 29 PM 12:28

FEC

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

(Summary Page)

ALIGN AREA

ALIGN AREA

1 Name of Committee (In Full)

BOB RICHARDS FOR PRESIDENT

Address (Number and Street)

130 Third St., S.E.

City, State and ZIP Code

Washington, D.C. 20003

☐ Check here if address is different than previously reported

2 FEC Identification Number

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 Oct. 25

☐ 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 10/1 through 10/17/84		
6 (a) Cash on hand January 1, 19 84		$ -
(b) Cash on Hand at Beginning of Reporting Period	$ --3,076.50	
(c) Total Receipts (from Line 18)	$ 1,649.50	$ 181,858.35
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ --1,427.00	$ 181,858.35
7 Total Disbursements (from Line 28)	$ 139.92	$ 183,425.27
8 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ --1,566.92	$ --1,566.92
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)	$ -	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

For further information contact

Blayne E. Hutzel, Asst. Treas.

Type or Print Name of Treasurer

Signature of Treasurer

Oct. 25, 19[illegible]

Date

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used

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Exhibit "X"

9004079313 2

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

FEC

(Summary Page)

84 DEC 7 PM 12:21

1 Name of Committee (In Full)

BOB RICHARDS FOR PRES.

Address (Number and Street)

130 Third St., S.E.

City, State and ZIP Code

Washington, D.C. 20003

☐ Check here if address is different than previously reported

2 FEC Identification Number

C 00191643

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 (Date) in the State of
☒ Thirtieth day report following the General Election on Nov. 6 in the State of U.S.
☐ Termination Report

(b) Is this Report an Amendment?
☐ YES ☐ NO

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year to Date
5 Covering Period 10/18/84 through 11/26		
6 Cash on hand January 1 19 84		$ -
7 Cash on Hand at Beginning of Reporting Period	$ (1,566.92)	
8 Total Receipts (from Line 18)	$ 654.00	$ 182,512.35
9 Subtotal (add Lines 6, 7, and 8 for Column A and Lines 6 and 8 for Column B)	$ (912.92)	$ 182,512.135
10 Total Disbursements (from Line 28)	$ 20.00	$ 183,445.27
11 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 9)	$ (932.92)	$ (932.92)
12 Debts and Obligations Owed TO the Committee (Itemize all on Schedule C or Schedule D)	$	
13 Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D)	$	

I certify that the information contained in this Report and in the best of my knowledge and belief is true, correct and complete.

For further information contact:

Blayne E. Hutzel, Asst. Treas.

Type or Print Name of Treasurer

Blayne E. Hutzel

Signature of Treasurer

Dec. 6, 1984

Date

All previous versions of FEC FORM 3 and FEC FORM 3L are obsolete and should not be used.

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Exhibit "Y"

2004079314

FEC Form 3P, Page 1
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

REPORT OF RECEIPTS AND DISBURSEMENTS BY AN AUTHORIZED COMMITTEE OF A CANDIDATE FOR THE OFFICE OF PRESIDENT

FEC
85 FEB 4 P3:42

NOTE: *This report is to be used by an authorized committee of a candidate seeking nomination or election to the Office of President or Vice President of the United States whether or not public funds are used.*

1. NAME OF COMMITTEE IN FULL: BOB RICHARDS FOR PRESIDENT	2. IDENTIFICATION NUMBER: C 00191643
ADDRESS (Number and Street): 130 Third St., S.E.	3. IS THIS REPORT OF RECEIPTS AND DISBURSEMENTS FOR: ☐ Primary ☒ General
CITY: Wash. / STATE: DC / ZIP CODE: 20003 / ☐ Check if name or address is changed	

4. TYPE OF REPORT ("X" appropriate box and complete, if applicable)

- ☐ Amendment for (Report) ____
- ☐ Monthly Report (month) ____
- ☐ April 15 Quarterly Report
- ☒ January 31 Year-end Report
- ☐ July 15 Quarterly Report
- ☐ Termination Report
- ☐ October 15 Quarterly Report
- ☐ Twelfth Day Before Election
- ☐ Thirtieth Day After Election
- TYPE OF ELECTION
- STATE / ELECTION DATE

COMMITTEE SUMMARY OF RECEIPTS AND DISBURSEMENTS

5. COVERING PERIOD — FROM 11/26 — THROUGH 12/31/84

SUMMARY		
	6. CASH ON HAND AT BEGINNING OF THE REPORTING PERIOD	(932.92)
	7. TOTAL RECEIPTS THIS PERIOD (From Line 22 Column A)	1,005.00
	8. SUBTOTAL (Add Line 6 and 7)	72.08
	9. TOTAL DISBURSEMENTS THIS PERIOD (From Line 30 Column A)	16.54
	10. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 9 from 8)	55.54
	11. DEBTS AND OBLIGATIONS OWED TO THE COMMITTEE (Itemize All on Schedule C or Schedule D)	
	12. DEBTS AND OBLIGATIONS OWED BY THE COMMITTEE (Itemize All on Schedule C or Schedule D)	32,000.61
	13. EXPENDITURES SUBJECT TO LIMITATION (From FEC Form 3P, Page 4)	
NET YEAR-TO-DATE CONTRIBUTIONS AND EXPENDITURES	14. NET CONTRIBUTIONS (Other than Loans) (Subtract Line 28d Column B from 17e Column B)	
	15. NET OPERATING EXPENDITURES (Subtract Line 20a Column B from 23 Column B)	

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: Blayne E. Hutzel, Asst. Treas.

SIGNATURE OF TREASURER: Blayne E. Hutzel — DATE: 1-31-85

NOTE: Submission of false, erroneous or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

A. Previous versions of FEC Form 3P are obsolete and should no longer be used.

For further information, contact
Federal Election Commission
Toll Free 800-424-9530
Local 523-4068

FEC Form 3P (12/83)

For more information: Fleming, Lee or Bernard F. DePuyer, 523-4068.

Exhibit "Z"

2004079136

FEC Form 3P, Page 1
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

REPORT OF RECEIPTS AND DISBURSEMENTS BY AN AUTHORIZED COMMITTEE OF A CANDIDATE FOR THE OFFICE OF PRESIDENT

THE FEC

85 APR 23 P.1 : 04

NOTE: *This report is to be used by an authorized committee of a candidate seeking nomination or election to the Office of President or Vice President of the United States whether or not public funds are used.*

1. NAME OF COMMITTEE IN FULL	2. IDENTIFICATION NUMBER
BOB RICHARDS FOR PRESIDENT	C 00191643
ADDRESS (Number and Street)	3. IS THIS REPORT OF RECEIPTS AND DISBURSEMENTS FOR:
130 Third St., S.E.	
CITY: Wash. / STATE: DC / ZIP CODE: 20003 / ☐ Check if name or address is changed	☐ Primary ☐ General

4. TYPE OF REPORT ("X" appropriate box and complete, if applicable)

- ☐ Amendment for (Report) _____
- ☐ Monthly Report (month) _____
- ☒ April 15 Quarterly Report
- ☐ January 31 Year-end Report
- ☐ July 15 Quarterly Report
- ☐ Termination Report
- ☐ October 15 Quarterly Report
- ☐ Twelfth Day Before Election
- ☐ Thirtieth Day After Election

TYPE OF ELECTION

STATE | ELECTION DATE

COMMITTEE SUMMARY OF RECEIPTS AND DISBURSEMENTS

6. COVERING PERIOD	FROM 1/1/85	THROUGH 3/31/85

SUMMARY		
	8. CASH ON HAND AT BEGINNING OF THE REPORTING PERIOD	$55.54
	7. TOTAL RECEIPTS THIS PERIOD (From Line 22 Column A)	-
	8. SUBTOTAL (Add Line 6 and 7)	55.54
	9. TOTAL DISBURSEMENTS THIS PERIOD (From Line 30 Column A)	-
	10. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 9 from 8)	55.54
	11. DEBTS AND OBLIGATIONS OWED TO THE COMMITTEE (Itemize All on Schedule C or Schedule D)	
	12. DEBTS AND OBLIGATIONS OWED BY THE COMMITTEE (Itemize All on Schedule C or Schedule D)	$32,000.61
	13. EXPENDITURES SUBJECT TO LIMITATION (From FEC Form 3P, Page 4)	
NET YEAR-TO-DATE CONTRIBUTIONS AND EXPENDITURES	14. NET CONTRIBUTIONS (Other than Loans) (Subtract Line 28d Column B from 17e Column B)	
	15. NET OPERATING EXPENDITURES (Subtract Line 20e Column B from 23 Column B)	

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: Blayne E. Hutzel, Asst. Treas.

SIGNATURE OF TREASURER: Blayne E. Hutzel | DATE: 4-22-85

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 3P are obsolete and should no longer be used.

For further information, contact:
Federal Election Commission
Toll Free 800-424-9530
Local 523-4068

FEC Form 3P (2/83)

For more information: Fleming Lee, or Bernard R. DeRemer, 546-5611

SCHEDULE D-P

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

DEBTS AND OBLIGATIONS FXCLUDING LOANS

Use separate schedule(s) for each category of the detailed summary page.

PAGE 1 OF (total pages)

LINE NUMBER 12

NAME OF COMMITTEE (in Full) BOB RICHARDS FOR PRES.	OUTSTANDING BALANCE BEGINNING THIS PERIOD	DATE AND 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 Dependable Lists 33 Irving Pl. New York, N.Y. 10003		6/28/84 7/13/84		565.29 2,526.20
Nature of Debt (Purpose): mailing list rental & serv.				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor Capitol Hill Assoc. 201 Pa. Ave., SE Wash., DC 20003		8/15/84		2,053.00
Nature of Debt (Purpose): travel exp.				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor Executive Systems 4833 Rugby Ave. Bethesda, Md. 20814		8/31/84 10/31/84		873.06 20.00
Nature of Debt (Purpose) computer serv.				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor Cantwell-Cleary Co. 2100 Beaver Rd. Landover, Md. 20785		8/3/84		118.00
Nature of Debt (Purpose): off. supp.				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor The SPOTLIGHT 300 Independence Ave., SE Wash., DC 20003		7/27/84		12,364.19
Nature of Debt (Purpose): Mailing list rental				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor LIBERTY LOBBY 300 Independence Ave., SE Wash., DC 20003		7/12/84 8/31/84		5,000.00 8,480.42
Nature of Debt (Purpose) mailing list rental & serv.				

1) SUBTOTALS This Period This Page (optional)	
2) TOTAL This Period (last page this line only)	$32,000.61
3) TOTAL OUTSTANDING LOANS from Schedule C-P (last page only)	
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)	

Exhibit "AA"

0004079139

FEC Form 3P, Page 1
Federal Election Commission
1325 K Street, N.W.
Washington D.C. 20463

REPORT OF RECEIPTS AND DISBURSEMENTS BY AN AUTHORIZED COMMITTEE OF A CANDIDATE FOR THE OFFICE OF PRESIDENT

85 JUL 3 P12:47

NOTE: *This report is to be used by an authorized committee of a candidate seeking nomination or election to the Office of President or Vice President of the United States whether or not public funds are used*

1. NAME OF COMMITTEE IN FULL: BOB RICHARDS FOR PRESIDENT	2. IDENTIFICATION NUMBER: C 00191643
ADDRESS (Number and Street): 130 THIRD STREET, S.E.	3. IS THIS REPORT OF RECEIPTS AND DISBURSEMENTS FOR: ☐ Primary ☐ General
CITY: WASHINGTON; STATE: DC; ZIP CODE: 20003; ☐ Check if name or address is changed	

4. TYPE OF REPORT (Check appropriate box and complete if applicable)

- ☐ Amendment to (Report)
- ☐ Monthly Report (month)
- ☐ April 15 Quarterly Report
- ☐ January 31 Year-end Report
- ☒ July 15 Quarterly Report
- ☐ Termination Report
- ☐ October 15 Quarterly Report
- ☐ Twelve Day Before Election
- ☐ Thirty Day After Election

TYPE OF ELECTION: STATE: ELECTION DATE:

COMMITTEE SUMMARY OF RECEIPTS AND DISBURSEMENTS

5 COVERING PERIOD: FROM 4/1/85 THROUGH 6/30/85

SUMMARY	6 CASH ON HAND AT BEGINNING OF THE REPORTING PERIOD	$55.54
	7 TOTAL RECEIPTS THIS PERIOD (From Line 22 Column A)	-
	8 SUBTOTAL (Add Line 6 and 7)	55.54
	9 TOTAL DISBURSEMENTS THIS PERIOD (From Line 30 Column A)	-
	10 CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 9 from 8)	55.54
	11 DEBTS AND OBLIGATIONS OWED TO THE COMMITTEE (Itemize All on Schedule C or Schedule D)	-
	12 DEBTS AND OBLIGATIONS OWED BY THE COMMITTEE (Itemize All on Schedule C or Schedule D)	$[illegible]
	13 EXPENDITURES SUBJECT TO LIMITATION (From FEC Form 3P Page 4)	-
NET YEAR-TO-DATE CONTRIBUTIONS AND EXPENDITURES	14 NET CONTRIBUTIONS (Other than Loans) (Subtract Line 28d Column B from 17e Column B)	-
	15 NET OPERATING EXPENDITURES (Subtract Line 20a Column B from 23 Column B)	-

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

TYPED OR PRINTED NAME OF TREASURER: Sharon E. Mitchell, Treasurer

SIGNATURE OF TREASURER: Sharon E. Mitchell DATE:

NOTE: [illegible]

For further information contact:
Federal Election Commission
Toll Free 800 424 9530
Local 523 4068

FEC Form 3P (2/83)

SCHEDULE D-P

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

DEBTS AND OBLIGATIONS EXCLUDING LOANS

Use separate schedule(s) for each category of the detailed summary page.

PAGE 1 OF (total number) 1

LINE NUMBER 12

NAME OF COMMITTEE (in Full) BOB RICHARDS FOR PRESIDENT	OUTSTANDING BALANCE BEGINNING THIS PERIOD	DATE AND AMOUNT INCURRED THIS PERIOD	PAYMENT THIS PERIOD	OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD
Full Name, Mailing Address and Zip Code of Debtor or Creditor LIBERTY LOBBY 300 Independence Ave., S.E. Washington, DC 20003	5,000 8,480.87	6/1 3,040.34		5,000 8,480.87 3,040.34
Nature of Debt (Purpose) Mailing list rentals				
Full Name, Mailing Address and Zip Code of Debtor or Creditor THE SPOTLIGHT 300 Independence Avenue, S.E. Washington, DC 20003	12,364.19			12,364.19
Nature of Debt (Purpose) Mailing list rentals				
Full Name, Mailing Address and Zip Code of Debtor or Creditor [illegible] [illegible] Avenue [illegible] MD 20814	873.06 20.00			873.06 20.00
Nature of Debt (Purpose) [illegible]				
Full Name, Mailing Address and Zip Code of Debtor or Creditor [illegible] [illegible] Avenue, S.E. [illegible] DC 20003	2,053.09			2,053.09
Nature of Debt (Purpose) [illegible]				
Full Name, Mailing Address and Zip Code of Debtor or Creditor [illegible]		4/1 13,770.89 4/1 2,142.02		13,770.89 2,142.02
Nature of Debt (Purpose) [illegible]				
Full Name, Mailing Address and Zip Code of Debtor or Creditor [illegible]		6/1 4,295.40		4,295.40
Nature of Debt (Purpose) [illegible]				
[illegible]				$[illegible]

0 0 0 4 0 7 9 3 1 4 1

Exhibit "BB"

0004079314 2

FEC Form 3P, Page 1
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

REPORT OF RECEIPTS AND DISBURSEMENTS BY AN AUTHORIZED COMMITTEE OF A CANDIDATE FOR THE OFFICE OF PRESIDENT

RECEIVED AT THE FEC
'85 OCT 11 AM 11:46

NOTE: *This report is to be used by an authorized committee of a candidate seeking nomination or election to the Office of President or Vice President of the United States whether or not public funds are used.*

1. NAME OF COMMITTEE IN FULL: BOB RICHARDS FOR PRESIDENT

2. IDENTIFICATION NUMBER: C 00191643

ADDRESS (Number and Street): 130 Third Street, S.E.

CITY: Washington | STATE: DC | ZIP CODE: 20003 | ☐ Check if name or address is changed

3. IS THIS REPORT OF RECEIPTS AND DISBURSEMENTS FOR: ☐ Primary ☐ General

4. TYPE OF REPORT ("X" appropriate box and complete, if applicable)
- ☐ Amendment for (Report) ____
- ☐ Monthly Report (month) ____
- ☐ April 15 Quarterly Report
- ☐ January 31 Year-end Report
- ☐ July 15 Quarterly Report
- ☐ Termination Report
- ☐ Twelfth Day Before Election
- ☐ Thirtieth Day After Election
- TYPE OF ELECTION
- STATE | ELECTION DATE
- [X] October 15 Quarterly Report

COMMITTEE SUMMARY OF RECEIPTS AND DISBURSEMENTS

5. COVERING PERIOD: FROM 7/1/85 THROUGH 9/30/85

SUMMARY	6. CASH ON HAND AT BEGINNING OF THE REPORTING PERIOD	$55.54
	7. TOTAL RECEIPTS THIS PERIOD (From Line 22 Column A)	
	8. SUBTOTAL (Add Line 6 and 7)	55.54
	9. TOTAL DISBURSEMENTS THIS PERIOD (From Line 30 Column A)	
	10. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 9 from 8)	55.54
	11. DEBTS AND OBLIGATIONS OWED TO THE COMMITTEE (Itemize All on Schedule C or Schedule D)	
	12. DEBTS AND OBLIGATIONS OWED BY THE COMMITTEE (Itemize All on Schedule C or Schedule D)	$67,318.17
	13. EXPENDITURES SUBJECT TO LIMITATION (From FEC Form 3P, Page 4)	
NET YEAR-TO-DATE CONTRIBUTIONS AND EXPENDITURES	14. NET CONTRIBUTIONS (Other than Loans) (Subtract Line 28d Column B from 17e Column B)	
	15. NET OPERATING EXPENDITURES (Subtract Line 29e Column B from 23 Column B)	

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: Blayne E. Hutzel, Assistant Treasurer

SIGNATURE OF TREASURER: Blayne E. Hutzel | DATE: 10/9/85

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 3P are obsolete and should no longer be used.

For further information, contact:
Federal Election Commission
Toll Free 800-424-9530
Local 523-4068

FEC Form 3P (2/83)

8503334489

SCHEDULE D-P

Federal Election Commission
1239 K Street, N.W.
Washington, D.C. 20463

DEBTS AND OBLIGATIONS EXCLUDING LOANS

Use separate schedule for each category of the detailed summary page

PAGE 1 OF (total pages)

LINE NUMBER 12

NAME OF COMMITTEE (In Full)	OUTSTANDING BALANCE BEGINNING THIS PERIOD	DATE AND AMOUNT INCURRED THIS PERIOD	PAYMENT THIS PERIOD	OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD
Bob Richards for President				
A. Full Name, Mailing Address and Zip Code of Debtor or Creditor LIBERTY LOBBY 300 Independence Avenue, SE Washington, DC 20003	5,000.00 8,480.87 3,040.34			5,000.00 8,480.87 3,040.34
Nature of Debt (Purpose): Mailing List Rentals				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor The SPOTLIGHT 300 Independence Avenue, SE Washington, DC 20003	12,364.19			12,364.19
Nature of Debt (Purpose): Mailing List Rentals				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor Executive Systems 4833 Rugby Avenue Bethesda, MD 20814	873.06 20.00			873.06 20.00
Nature of Debt (Purpose): Computer Services				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor Liberty Lobby 300 Independence Avenue, SE Washington, DC 20003	2,053.00		(Credit Offset) 186.00	1867.00
Nature of Debt (Purpose): Travel				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor Liberty Lobby	13,770.89 2,142.02		(Credit Offset) 86.00	13,684.89 2,142.02
Nature of Debt (Purpose): Personnel and Rent				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor Liberty Lobby	4,298.40	7/1 15,547.40		4,298.40 15,547.40
Nature of Debt (Purpose): Books and Printing				
1) SUBTOTALS This Period This Page (optional)				
2) TOTAL This Period (last page this line only)				$67,318.17
3) TOTAL OUTSTANDING LOANS from Schedule C-P (last page only)				
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				

FEC 3.2 3.3 3.4 3.5 3.6 4 1980

Exhibit "CC"

9004079345

FEC

FEC Form 3P, Page 1
Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

REPORT OF RECEIPTS AND DISBURSEMENTS BY AN AUTHORIZED COMMITTEE OF A CANDIDATE FOR THE OFFICE OF PRESIDENT

86 JAN 9 P1:05

NOTE: *This report is to be used by an authorized committee of a candidate seeking nomination or election to the Office of President or Vice President of the United States whether or not public funds are used.*

1. NAME OF COMMITTEE IN FULL	2. IDENTIFICATION NUMBER
BCG RICHARDS FOR PRESIDENT	C 00191643
ADDRESS (Number and Street) 130 Third Street, SE	3. IS THIS REPORT OF RECEIPTS AND DISBURSEMENTS FOR ☐ Primary ☐ General
CITY Washington / STATE DC / ZIP CODE 20003 / ☐ Check if name or address is changed	

4. TYPE OF REPORT ("X" appropriate box and complete, if applicable)

- ☐ Amendment for (Report) _____
- ☐ Monthly Report (month) _____
- ☐ April 15 Quarterly Report
- ☒ January 31 Year-end Report
- ☐ July 15 Quarterly Report
- ☐ Termination Report
- ☐ October 15 Quarterly Report
- ☐ Twelfth Day Before Election
- ☐ Thirtieth Day After Election

TYPE OF ELECTION _____ STATE _____ ELECTION DATE _____

COMMITTEE SUMMARY OF RECEIPTS AND DISBURSEMENTS

5. COVERING PERIOD FROM 10/1/85 THROUGH 12/31/85

SUMMARY	6. CASH ON HAND AT BEGINNING OF THE REPORTING PERIOD	$55.54
	7. TOTAL RECEIPTS THIS PERIOD (From Line 22 Column A)	
	8. SUBTOTAL (Add Line 6 and 7)	55.54
	9. TOTAL DISBURSEMENTS THIS PERIOD (From Line 30 Column A)	
	10. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 9 from 8)	55.54
	11. DEBTS AND OBLIGATIONS OWED TO THE COMMITTEE (Itemize All on Schedule C or Schedule D)	
	12. DEBTS AND OBLIGATIONS OWED BY THE COMMITTEE (Itemize All on Schedule C or Schedule D)	$67,318.17
	13. EXPENDITURES SUBJECT TO LIMITATION (From FEC Form 3P, Page 4)	
NET YEAR-TO-DATE CONTRIBUTIONS AND EXPENDITURES	14. NET CONTRIBUTIONS (Other than Loans) (Subtract Line 28d Column B from 17e Column B)	
	15. NET OPERATING EXPENDITURES (Subtract Line 20e Column B from 23 Column B)	

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
Blayne E. Hutzel, Assistant Treasurer

SIGNATURE OF TREASURER: Blayne E. Hutzel DATE: 1/7/86

For further information, contact
Federal Election Commission
Toll Free 800/424-9530
Local 202/376-4068

Willful falsification of any information required to be reported by the person signing this Report may subject such person to the penalties of 2 U.S.C. § 437g.

A. Previous versions of FEC Form 3P are obsolete and should not longer be used

FEC Form 3P (12-83)

C00191643 2 5 1 2 4 6

SCHEDULE D-P

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

DEBTS AND OBLIGATIONS EXCLUDING LOANS

Use separate schedule(s) for each category of the detailed summary page.

PAGE 1 OF (total pages)

LINE NUMBER 12

NAME OF COMMITTEE (In Full) BOB RICHARDS FOR PRESIDENT	OUTSTANDING BALANCE BEGINNING THIS PERIOD	DATE AND 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 LIBERTY LOBBY 300 Independence Avenue, SE Washington, DC 20003	5,000.00 8,480.87 3,040.34			5,000.00 8,480.87 3,040.34
Nature of Debt (Purpose) Mailing List Rentals				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor LIBERTY LOBBY	1867.00			1867.00
Nature of Debt (Purpose) Travel				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor LIBERTY LOBBY	13,684.89 2,142.02			13,684.89 2,142.02
Nature of Debt (Purpose) Personnel and Rent				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor LIBERTY LOBBY	4,298.40 15,547.40			4,298.40 15,547.40
Nature of Debt (Purpose) Books and Printing				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor The SPOTLIGHT 300 Independence Avenue, SE Washington DC 20003	12,364.19			12,364.19
Nature of Debt (Purpose) Mailing list Rentals				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor Executive Systems 4833 Rugby Avenue Bethesda, MD 20814	873.06 20.00			873.06 20.00
Nature of Debt (Purpose) Computer Services				
1) SUBTOTALS This Period This Page (optional)				
2) TOTAL This Period (last page only)				$67,318.17
3) TOTAL OUTSTANDING LOANS (from Schedule C) (last page only)				
4) ALL Debts and Loans (last page only)				

C00403733447

Exhibit "DD"

0004079314 8

FEC Form 3P, Page 1
Federal Election Commission
1325 K Street N W
Washington DC 20463

REPORT OF RECEIPTS AND DISBURSEMENTS BY AN AUTHORIZED COMMITTEE OF A CANDIDATE FOR THE OFFICE OF PRESIDENT

NOTE *This report is to be used by an authorized committee of a candidate seeking nomination or election to the Office of President or Vice President of the United States whether or not public funds are used*

1. NAME OF COMMITTEE IN FULL
BOB RICHARDS FOR PRESIDENT

2. IDENTIFICATION NUMBER
C 00191643

ADDRESS (Number and Street)
130 Third Street, SE

3. IS THIS REPORT OF RECEIPTS AND DISBURSEMENTS FOR
☐ Primary ☐ General

CITY: Washington | STATE: DC | ZIP CODE: 20003 | ☐ Check if name or address is changed

4. TYPE OF REPORT ("X" appropriate box and complete, if applicable)
☐ Amendment for (Report) ____
☐ Monthly Report (month) ____
☒ April 15 Quarterly Report
☐ January 31 Year-end Report
☐ July 15 Quarterly Report
☐ Termination Report
☐ October 15 Quarterly Report
☐ Twelfth Day Before Election
☐ Thirtieth Day After Election
TYPE OF ELECTION
STATE | ELECTION DATE

COMMITTEE SUMMARY OF RECEIPTS AND DISBURSEMENTS

5 COVERING PERIOD — FROM 1/1/86 — THROUGH 3/31/86

SUMMARY	6. CASH ON HAND AT BEGINNING OF THE REPORTING PERIOD	$55.54
	7 TOTAL RECEIPTS THIS PERIOD (From Line 22 Column A)	
	8 SUBTOTAL (Add Line 6 and 7)	55.54
	9. TOTAL DISBURSEMENTS THIS PERIOD (From Line 30 Column A)	
	10. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (Subtract Line 9 from 8)	55.54
	11. DEBTS AND OBLIGATIONS OWED TO THE COMMITTEE (Itemize All on Schedule C or Schedule D)	
	12 DEBTS AND OBLIGATIONS OWED BY THE COMMITTEE (Itemize All on Schedule C or Schedule D)	$67,318.17
	13 EXPENDITURES SUBJECT TO LIMITATION (From FEC Form 3P, Page 4)	
NET YEAR TO DATE CONTRIBUTIONS AND EXPENDITURES	14. NET CONTRIBUTIONS (Other than Loans) (Subtract Line 28d Column B from 17e Column B)	
	15 NET OPERATING EXPENDITURES (Subtract Line 20e Column B from 23 Column B)	

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
Blayne E. Hutzel, Assistant Treasurer

SIGNATURE OF TREASURER | DATE

NOTE Submission of false information or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. § 437g.

A previous version of FEC Form 3P are obsolete and should no longer be used

For further information, contact
Federal Election Commission
Toll Free 800 424 9530
Local 523 4068

FEC Form 3P (2-83)

SCHEDULE D-P

Federal Election Commission
1325 K Street, N.W.
Washington, D.C. 20463

[redacted]BTS AND OBLIGATIONS EXCLUDING LOANS

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 1 OF [illegible] pages

LINE NUMBER 12

NAME OF COMMITTEE (In Full) ROB RICHARDS FOR PRES'DENT	OUTSTANDING BALANCE BEGINNING THIS PERIOD	DATE AND 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 LIBERTY LOBBY 300 Independence Ave SE Washington, DC 20003	5,000.00 8,480.87 3,040.34			5,000.00 8,480.87 3,040.34
Nature of Debt (Purpose) MAILING LIST RENTALS				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor LIBERTY LOBBY	1,867.00			1,867.00
Nature of Debt (Purpose) TRAVEL				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor LIBERTY LOBBY	13,684.89 2,142.02			13,684.89 2,142.02
Nature of Debt (Purpose) PERSONNEL AND RENT				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor LIBERTY LOBBY	4,298.40 15,547.40			4,298.40 15,547.40
Nature of Debt (Purpose) BOOKS AND PRINTING				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor The SPOTLIGHT 300 Independence Ave. SE Washington, DC 20003	12,364.19			12,364.19
Nature of Debt (Purpose) MAILING LIST RENTALS				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor EXECUTIVE SYSTEMS 4833 Rugby Avenue Bethesda, MD 20814	873.06 20.00			873.06 20.00
Nature of Debt (Purpose) COMPUTER SERV'CES				
1) SUBTOTALS This Period This Page (optional)				
2) TOTAL This Period (last page this line only)				567,315.37
3) TOTAL OUTSTANDING LOANS from Schedule C-P (last page only)				
4) ALL [illegible] (Must be equal to corresponding line of Summary Page (last page only)				

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Exhibit "EE"

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RECAP OF CASH RECEIVED BY AND DEBT CLAIMED TO BE OWED TO CARTO ENTITIES - 3-1-84 thru 12.31.84

I CASH RECEIVED BY CARTO ENTITIES

From Richards Campaign D.C office	97685 -	
From Populist Party, Inc D.C office	82630	
Total Cash Received by Carto Entities		180315.

DEBTS CLAIMED BY CARTO ENTITIES TO BE OWED THEM

Richard Campaign D.C office	66425.	
Populist Party	299817	
Debts claimed by Carto Entities		366242.

TOTAL OF CASH RECD BY AND DEBT CLAIMED TO BE OWED TO CARTO ENTITIES	546,557.

II CONTRIBUTIONS RECEIVED

Richards Campaign	113.089	
Populist Party	551806	
Total Contributions Recd		664895
		118338

PERCENT Carto Entities' Claims & Recupts to Total Contributions	82%

0004079315 2

CONTRIBUTIONS RECEIVED

Populist Party Inc
Bob Richards for President Campaign
(D.C. office)

Richards Campaign (D.C. office)

Period			
6.27.84 thru 9.30.84 (Revised Copy) (Reference "B")		109781.	
10-1-84 thru 10.17.84		1649	
10-18.84 thru 11.26.84		654	
11.26.84 thru 12.31.84		1005	
1.1.85 thru 3.31.85		0	
	Total Contributions Received by Richards Campaign		113089

Populist Party, Inc

Period			
3-15-84 thru 6.30.84		196843.	
7-1-84 thru 9.30.84		208445.	
10-1.84 thru 10.17.84		32751.	
10.18.84 thru 11.26.84		108615	
11.27.84 thru 12.31.84		5152	
			551806
Total Contributions Rec'd by Richards + Populist Party			664895.
Less: Total Cash Rec'd By and Debt Claimed to Be Owed To Carto Entities			546557.
Excess of Contributions over Carto Entities' Receipts & Claims			118338
Percentage of Carto Entities' Receipts + Claims to Total Contributions Received			82%

0004073155

FEDERAL ELECTION COMMISSION

MICHAEL COLLINS PIPER)
)
) RE: MUR
v.)
)
POPULIST PARTY OF THE)
UNITED STATES, AND)
FAYE MILLER, TREASURER)
)

RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL
85 JUL 23 A 11:51

AFFIDAVIT OF WILLIAM K. SHEARER
RE: ORGANIZATION AND HISTORY OF
THE POPULIST PARTY

9004079315 4

STATE OF CALIFORNIA)
)s.s.
COUNTY OF SAN DIEGO)

I, William K. Shearer, being duly sworn state that:

1. I am the Parliamentarian of the national Populist Party, having been elected to this office by the National Convention held in Nashville, Tennessee on August 18, 1984, and having been re-elected by the National Committee of the Populist Party at its meeting in Chicago, Illinois on March 9, 1985. By virtue of this

office I am a member of the national Executive Committee of the Populist Party, and have served in this capacity continuously since August 18, 1984.

2. I am, at present, the Parliamentarian, and a member of the State Executive Committee of the California American Independent Party, the California affiliate of the national Populist Party. I have been active in the American Independent Party and the national organizations with which it has been affiliated since on or about 1967, and have, in past, served as both state and national chairman of the American Independent Party.

3. I am an attorney by profession, duly admitted to practice before all courts in the state of California and various Federal courts including the United States Supreme Court.

4. This affidavit is made to describe the organization and history of the Populist Party.

5. I am informed and believe that the Populist Party had its origin on or about October 23, 1982, when three persons describing themselves as founding members, Willis A. Carto, Lois Petersen, and Clara Sandahl, executed a document called the "Constitution of the Populist Party of the United States". The organization formed was an unincorporated association, and a

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copy of the constitution is attached hereto as Exhibit "A", and incorporated herein by reference. My source for this information is Willis A. Carto, who, on or about the time of the National Convention of the Populist Party in August, 1984, provided me with a copy of the Constitution, and described its execution. In a letter addressed to me, dated February 27, 1986, at page 2, Mr. Carto states:

> "The beginning of the Populist Party (of course I do not refer to the original party of the 19th century) was October 25, 1982 when the constitution was signed by me, Clara Sandahl, and Lois Petersen in Washington, D.C."

A copy of said letter is attached hereto as Exhibit "B" and incorporated herein by reference.

6. No further action was taken to organize the Populist Party until on or about February and March, 1984. On March 24, 1984, Mr. Carto appeared at a meeting of the State Executive Committee of the American Independent Party, held in Millbrea, California at which time he informed the Committee that it was his intent to launch the national Populist Party for purposes of nominating a presidential candidate in the 1984 election, and invited the California American Independent Party, which had continuously maintained a ballot qualified status since 1968, to participate

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in the new Populist Party. On March 25, 1984, the State Executive Committee of the American Independent Party voted to cooperate with the newly organizing Populist Party for purposes of participation in the 1984 presidential election.

7. From March 25, 1984 through the national convention on August 17-18, 1984, Mr. Carto made most major decisions pertaining to the Populist Party, completely controlled all of its finances, named interim national chairmen, selected Bob Richards of Waco, Texas to seek the presidential nomination of the Populist Party, and made the physical arrangements for the Nashville convention. Prior to the convention, he prepared a set of bylaws for the Populist Party which he submitted to me for my review and approval. These bylaws specifically refer to the constitution of the Populist Party, previously executed by Mr. Carto, et al. The bylaws state:

> "Following are the Bylaws for the National Committee of the Populist Party of the United States under the authority of the Constitution of the Populist Party National Committee as done in Washington, D.C. on October 23, 1982."

A copy of said bylaws is attached hereto as Exhibit "C" and incorporated herein by reference.

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8. At the convention in Nashville, I served as parliamentarian and a member of the Bylaws Committee. The Bylaws, attached hereto as Exhibit "C", were presented to the Bylaws Committee by Flemming Lee, Mr. Carto's attorney. The Bylaws were unanimously recommended for approval by the Committee and adopted by the full membership of the National Convention.

9. At the Nashville convention, the party elected officers for a term from the date of the convention until the first meeting of the National Committee of the Populist Party, which was scheduled for March, 1985, at which time officers would be elected for a full four year term. The officers elected by the convention included: William W. Baker of Nevada, Chairman; James Yarbrough of Georgia, Vice-chairman; Donald R. Kimball of Iowa, Secretary; Emmett E. Miller of Alabama, Treasurer; and William K. Shearer of California, Parliamentarian. The convention nominated Bob Richards of Texas for President of the United States, and Maureen Kennedy Salaman of California for Vice-president. Attached hereto as Exhibit "D" and incorporated herein by reference is a copy of the agenda for the national convention. Attached hereto as Exhibit "E", and incorporated herein by reference, is a copy of a newsletter which I publish, "The American Independent", which describes in detail the actions taken by the Populist Party while assembled in national convention. In the letter attached hereto as Exhibit "B", at page 3, Mr. Carto admits:

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"The legal and official existence of the structured party began the instant Flemming Lee, at the party's first national convention in Nashville, on August 18, 1984, read the bylaws, took a vote and proclaimed their adoption."

10. The newly elected officers of the national Populist Party met briefly as an Executive Committee on August 19, 1984, but solely for the purpose of adding two additional members to the Executive Committee, one of whom was Mr. Carto. No further meetings of the Executive Committee were called by the chairman until November 24, 1984, following the presidential election. In the interim, Mr. Carto continued to transact all financial business of the party without consultation with the Executive Committee. I was aware that Mr. Carto was soliciting contributions in the name of the party, depositing the contributions in a bank account which he maintained in Washington, and was paying bills from the account. I was further informed by Mr. Carto that, on the advice of Flemming Lee, he had made necessary arrangements to file the required reports of campaign receipts and expenditures with the Federal Election Commission. I was not aware of the corporate nature of the account in which contributions to the party were being deposited.

11. On November 24-25, 1984, the national Executive Committee met in Washington, D.C., and began to function in its official

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capacity. The meeting was primarily concerned with the financial condition of the party, and the minutes state:

> "Treasurer Miller reported that he had not been kept totally informed as to the status of the party's funds. It was agreed without a motion that the treasurer be kept completely informed."

A copy of said minutes are attached hereto as Exhibit "F" and incorporated herein by reference.

12. Unfortunately, Mr. Miller became ill shortly after the Washington meeting, was hospitalized in December 1984, and died on January 10, 1985. As a consequence, the party had no elected treasurer until the meeting of the National Committee on March 9, 1985. During this interim period, Mr. Carto continued to conduct the financial transactions of the party in the same manner which he had done during the 1984 campaign period.

13. In late January 1985, Mr. Carto conducted a major fund raising mailing in the name of the Populist Party. A copy of the mailing is attached hereto as Exhibit "G" and incorporated herein by reference. Mr. Carto informed the Executive Committee that he was placing the receipts from the mailing in the party's Washington bank account.

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14. On March 9-10, 1985, the National Committee of the Populist Party held its first annual meeting in Chicago, Illinois. On March 9, 1985, the National Committee elected party officers for a full four year term as required by the Bylaws. Those elected were Fred Seipold of Idaho, Chairman; James Yarbrough of Georgia, Vice-Chairman; Donald R. Kimball of Iowa, Secretary; Mrs. Faye Miller of Alabama, Treasurer; and William K. Shearer of California, Parliamentarian. A copy of the official call to the meeting, and supporting documents, including the agenda, are attached hereto as Exhibit "H", and incorporated herein by reference. Attached hereto as Exhibit "I", and incorporated herein by reference is a report which I prepared for my newsletter, "The American Independent", describing the actions taken at the meeting.

15. On March 10, 1985, the newly formed Executive Committee of the Populist Party met. For the first time since the death of Emmett Miller, the party had an elected treasurer. At the Executive Committee meeting I offered a motion that the chairman, as legal counsel, be instructed to do such research as necessary to determine how the Committee's accounts should be structured and administered to meet all requirements of Federal and other applicable law; to report his findings in writing within 30 days; and that his findings be implemented without the necessity of further Executive Committee action, to assure that the National

2 0 4 0 7 9 3 1 5 1

Committee was functioning in conformity to the requirements of law. This motion was adopted. Attached hereto as Exhibit "J" and incorporated herein by reference is a copy of a March 27, 1985 letter which I addressed to Chairman Fred Seipold setting forth in detail the motions which I made at the Executive Committee meeting pertaining to the party's financial affairs, and each of which motions was adopted by the Executive Committee.

16. Chairman Seipold did not take the steps directed by the Executive Committee action. However, Mrs. Miller, as Treasurer, opened a bank account in the party's name, and Mr. Carto caused to be transmitted to her $30,000.00 of the money which he had raised in the party's name through the January 1985 mailing.

17. Approximately a week following the National Committee meeting in Chicago, I participated in an informal meeting with Chairman Seipold, and Mr. Carto in San Diego, California, at which time party affairs were discussed. At this meeting I learned, for the first time, that Mr. Carto had established a separate corporate entity and bank account through which he had been conducting what I had understood to be the party's financial affairs. I subsequently made inquiry as to this corporation, and am informed and believe that on or about March 6, 1984, Mr. Carto, acting through employees of Liberty Lobby and "The Spotlight", incorporated the Populist Party, Inc. in the state of

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Virginia as a non-stock corporation, with John Tiffany, an employee of Mr. Carto, as the registered agent; that a bank account was established by Mr. Carto and his employees in the name of the Populist Party, Inc.; that many of the contributions received in the name of the Populist Party were deposited by Mr. Carto and his employees in this account; that the corporation was reorganized on or about July 17, 1985, with Clara Sandahl as the registered agent; and that funds contributed to the Populist Party are still being deposited by Mr. Carto and his employees in this account; and that the corporation continues to function as an entity separate and distinct from the Populist Party, an unincorporated association.

18. From March, 1984, until March , 1985, Mr. Carto did not inform me that he was conducting the financial affairs of the Populist Party from a bank account established in the name of a separate corporate entity; and I am further informed and believe that no other member of the Executive Committee was privy to this information. Mr. Carto has subsequently attempted to explain this corporation in a number of ways. On January 21, 1986, he addressed to me a wire in which he states:

> "As I have told you, the Virginia corporation is and always has been the Virginia state party."

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A copy of said wire is attached hereto as Exhibit "K" and incorporated herein by reference. I have personally investigated this assertion by Mr. Carto, and know it to be untrue. The corporation has not at any time functioned as the Virginia state affiliate of the Populist Party. On February 27, 1986, in the letter attached hereto as Exhibit "B", at pages 2-3, Mr. Carto states that "this incorporation was never activated, either by myself or the Virginia state chairman, Steve Giles. I have always considered it to be 'on the shelf' -- property of the Executive Committee to give to whoever formed a viable state party. In fact, it died after the state notified John Tiffiny-- the registered agent for the state -- that no annual report had been filed." Mr. Carto's assertions in the February 27, 1986 letter are also untrue. The corporation was activated on or about March 6, 1984, functioned during that year, and filed a Virginia tax return for 1984. It was specifically reorganized and reactivated on July 17, 1985, when Clara Sandahl became its registered agent. From sometime in March, 1984, through the present time, the corporation has had a bank account through which Mr. Carto transacted business in the name of the Populist Party.

19. On or about July 2, 1984, Mr. Carto caused to be filed with the Federal Election Commission a statement of organization in the name of the Populist Party, listing William W. Baker as

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chairman, and Clara Sandahl as treasurer. This filing preceded the national convention at Nashville, Tennessee at which officers of the party were elected. A copy of said statement of organization is attached hereto as Exhibit "L" and incorporated herein by reference.

20. Following the Nashville convention, held on August 17-19, 1984, at which time the party elected a treasurer, Mr. Carto continued to retain control of the party's financial affairs. I am informed and believe that neither he nor his employees notified the Federal Election Commission that Emmett Miller had been elected treasurer. The F.E.C. continued to address correspondence to Clara Sandahl as treasurer. See, for example, the letter of December 13, 1984 attached hereto as Exhibit "M" and incorporated herein by reference. From the date of the election of Mr. Miller to the post of treasurer by the National Convention on August 18, 1984, Clara Sandahl had no further claim to be treasurer of the Populist Party. If anything, she could only have been the treasurer of the Populist Party, Inc., Mr. Carto's separate non-stock Virginia corporation. I am informed and believe that reports made to the F.E.C. in the name of the Populist Party during 1984 were made by Clara Sandahl, and Lois Petersen, another Carto employee, neither of whom was elected to any office by the National Convention, and reflected transactions from the bank account of the Populist Party, Inc. I am further

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informed and believe that no reports to the F.E.C. reflecting transactions from the bank account of the Populist Party, Inc. have been made by the corporate officers to the F.E.C. during the calendar years 1985 and 1986.

21. In September, 1985, Populist Party Chairman Fred Seipold, resigned, and John M. Couture became chairman. Thereafter, the Executive Committee took further steps to place the control of the party's financial affairs in the hands of the elected treasurer and Executive Committee. On September 29, 1985 a motion was adopted providing, among other things, that all funds or checks of any kind are to be forwarded to Mrs. Miller, the national treasurer, in Alabama, for deposit only in the Populist Party account there. A copy of said minutes are attached hereto as Exhibit "N" and are incorporated herein by reference.

22. On October 20, 1985, the Executive Committee adopted a motion instructing the treasurer to direct a letter to Willis Carto requesting a complete accounting of the Washington, D.C. account, including statements of deposits, and cancelled checks. A copy of said minutes are attached hereto as Exhibit "O" and are incorporated herein by reference.

23. On January 18, 1986, motions were adopted by the Executive Committee which:

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(A) Demanded that the Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia, or, that the name of the corporation be changed so as to differentiate it from the Populist Party of the United States, making this differentiation clear to the public; that all bank accounts in the name of the Populist Party, Inc. be closed; and that any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc. immediately cease, along with any other reference to the Populist Party which might confuse the corporation with the Populist Party of the United States.

(B) Approved the position of the treasurer, Mrs. Faye Miller, that she is not responsible for filing any reports with the Federal Election Commission, or any corporate forms in the name of the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp. or "The Spotlight".

A copy of said minutes is attached hereto as Exhibit "P" and incorporated herein by reference as though set forth in full.

24. On March 1-2, 1986, the annual meeting of the Populist Party National Committee was held in Los Angeles, California. At said meeting a resolution was unanimously adopted commending national

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treasurer Faye Miller and the Executive Committee for all actions taken to assure lawful and fiscally responsible management of the Populist Party's finances; ratifying the actions of the treasurer and the Executive Committee with regard to party finances and instructing said officers to continue the policies expressed in the fiscal motions already adopted by the Executive Committee. A copy of the official call to the 1986 National Committee meeting is attached hereto as Exhibit "Q" and incorporated herein by reference. Attached hereto as Exhibit "R" and incorporated herein by reference is a report of the business transacted at the National Committee meeting as reported in my newsletter, "The American Independent".

25. On March 8, 1986, the Executive Committee of the Populist Party adopted a motion stating the conditions under which the Executive Committee would not insist on an audit of Mr Carto's Washington accounts. A copy of said minutes are attached hereto as Exhibit "S" and incorporated herein by reference as though set forth in full.

26. On March 17, 1986, Mr. Carto directed a letter to Populist Party Chairman John Couture in effect informing Mr. Couture that Mr. Carto intended, as he had in the past, to continue to conduct party business from his Washington office and account. A copy of said letter is attached hereto as Exhibit "T" and incorporated

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herein by reference.

27. On March 21, 1986, Chairman Couture addressed to Mr. Carto a letter demanding that Mr. Carto comply with the fiscal motions previously adopted by the Executive Committee. A copy of said letter is attached hereto as Exhibit "U" and incorporated herein by reference. Mr. Carto ignored these demands.

28. On April 18, 1986, the Executive Committee adopted a motion, which I offered, removing Mr. Carto from the Executive Committee of the Populist Party for his refusal to comply with the demands of the Executive Committee. A copy of said motion is attached hereto as Exhibit "V" and incorporated herein by reference.

29. At the April 18, 1986, meeting of the Executive Committee, I further offered a motion instructing the treasurer to file a formal complaint with the Federal Election Commission, pursuant to 2 U.S.C. Section 437g, requesting a complete investigation of the activities of Mr. Carto, the Populist Party, Inc., and the other entities which he controls, and which appear to be in violation of various sections of the Federal Election Laws. A copy of said motion is attached hereto as Exhibit "W" and is incorporated herein by reference. Said complaint is now in preparation.

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30. Attached hereto as Exhibit "X" and incorporated herein by reference is a copy of my letter to Mr. Carto in response to his letter to me attached hereto as Exhibit "B".

31. I have personally reviewed the definitions of National Committee and Political Party which appear in 2 U.S.C. Section 431 (k) and (m). Subsection (k) defines National Committee as "the organization which, by virtue of the bylaws of a political party, is responsible for the day to day operation of such political party at the national level, as determined by the commission." Political party is defined by subsection (m) as "an association, committee, or organization which nominates a candidate for election to any federal office, whose name appears on the election ballot as a candidate of such association, committee, or organization."

32. Based upon these definitions, it is my belief that the Populist Party, Inc. does not qualify either as a political party, or the national committee of a political party as defined in 2 U.S.C. Section 431. The Populist Party, an unincorporated association, which held its national convention in Nashville, Tennessee on August 17-19, 1984 is the organization which nominated the candidates of the Populist Party for President and Vice-president of the United States. The Bylaws of the Populist Party, adopted by the delegates to the Nashville convention

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provide that the National Committee, the officers, and Executive Committee of the Populist Party are responsible for the day to day operation of the political party at the national level. No such authority has ever been lawfully bestowed upon Mr. Carto's Virginia corporation, the Populist Party, Inc.

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Executed this 20th day of June 1986.

I declare, under penalty of perjury, that the foregoing is true and correct; that affiant knows the foregoing facts to his own knowledge, except as to those matters which are set forth on information and belief, and as to those matters affiant believes them to be true; and that if called as a witness to testify to the facts contained herein, affiant is competent to do so.

William K. Shearer

William K. Shearer
8158 Palm Street
Lemon Grove, CA 92045

OFFICIAL SEAL
MICHAELLE C. MURPHEY
NOTARY PUBLIC - CALIFORNIA
PRINCIPAL OFFICE IN
SAN DIEGO COUNTY
My Commission Exp. Apr. 1, 1987

Michaelle C. Murphey

Subscribed and sworn to before me, on June 20, 1986.

San Diego, California

Notary public in and for said county and state.

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Exhibit "A"

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CONSTITUTION OF THE POPULIST PARTY OF THE UNITED STATES

The name of this committee shall be the National Committee Populist Party of the United States.

It is the intent of the Populist Party to establish state committees in every state and to work for the election of populists to office on a local, state and federal level.

The principles of the Populist Party shall be those of Thomas Jefferson and the great populists of American history.

The Populist Party shall have exclusive use of the name, Populist Party.

This committee shall consist of such members as shall be provided in the Bylaws.

This committee shall meet at a time and place to be provided in the Bylaws.

Members of this committee shall be Chairman, Vice Chairman, Secretary and Treasurer plus such other officers as may be designated in the Bylaws or established by the National Committee.

This Constitution shall become effective when it is subscribed by three Founding Members.

This Constitution may be amended by two-thirds of the voting members of any national convention providing that the proposed amendment, signed by at least 50 Members, is submitted to the National Committee at least 120 days prior to a national convention.

DONE this 23rd day of October, 1982, at Washington, D. C.

Founding Members: [signature]

[signature]

[signature]

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Exhibit "B"

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LIBERTY LOBBY

300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202 LIBERTY 6-5611

February 27, 1986

William K. Shearer
8158 Palm Street
Lemon Grove, CA 92045

Dear Bill:

I am in receipt of your open letters to the executive committee of January 14 and 16 and to me of January 27 in reply to my wire to you of January 21. It is with genuine regret that I am forced to write this letter, not only because of the totally unnecessary waste of time but because it means essentially that I have to play your game, the only result of which must be to add to the mistrust, disorganization and paralysis of the national office of the Populist Party.

From the time that Bob Weems and I set the party in motion back in February of 1984 I have received warnings too numerous to cite that involving you in the party would inevitably lead to the state of affairs now evident.

Despite these warnings I moved forward believing that this time--my second attempt to work with you over the years--we would establish a relationship of candor and trust in pursuit of what I believed was a goal you shared with me: to build a viable and powerful third party.

This conviction was emphasized by the fact that you and I have never had the slightest disagreement over political philosophy and the party platform Bob and I drew up two years ago. Nor have we had any conceptual difference to amount to anything over strategy. Indeed, numerous times when there appeared to be a difference between us I always capitulated to you in the interests of unity. In fact, I told a number of people in confidence that it was my intention to play "second fiddle" to you whenever necessary, to give the responsible and stable leadership populists have a right to expect. I feel I have walked the extra mile with you to try to avoid this dispute. It is entirely your actions, not mine, which have resulted in the present impasse.

You have created a confused and complex situation which is impossible to understand without patiently going through developments from the beginning and this is the purpose of this letter, copies of which I shall send to interested parties. I have no other choice than to publicly lay out the following; otherwise those sincerely interested in the party will have insufficient and false information from you as a basis for action at the upcoming national committee meeting.

(Incidentally, your marking your two letters of January 14 and 16 as "PERSONAL AND CONFIDENTIAL" was a hypocritical attempt to piously avert your eyes from the problems which you yourself created. You knew very well that some of the people you sent these letters to are temperamentally incapable of keeping a confidence and that within hours after receipt of these letters these gossips would see to it that their contents would be public knowledge).

The beginning of the Populist Party (of course, I do not refer to the original party of the 19th century) was October 25, 1982 when the constitution was signed by me, Clara Sandahl and Lois Petersen in Washington, D.C. For some before that it had been my hope to organize a new party and by establishing the name we would have a claim on it should certain promoters, such as Richard Viguerie, try to start a Populist Party merely for the purpose of fundraising.

In February of 1984 it appeared to me that if prompt and decisive action was taken a new party could use the balance of the year organizing and might, if we were able to get a decent candidate, get a significant vote in the presidential election only nine months away.

Further, I was confident that many thousands of Spotlight subscribers would enthusiastically welcome the call for a new party founded on the best of American principle (as indeed they did, supplying virtually all of the membership and money) although I did not realize that so many others--Republican loyalists--would reject the new party and, in fact, cancel or fail to renew their subscriptions to The Spotlight.

But our loss of subscribers is not the point because I did not found the party for business reasons. I felt that by getting started in early 1984--as late as it was for the upcoming presidential election--we would be in a position to field congressional candidates in 1986 and then, in 1988, could make a significant attempt to elect a president. Nothing is more sad to me than to see that the inaction of the executive committee over the past 14 months--mostly due to your obstruction of every positive plan set forth--has laid these plans to rest.

Of course, we have had other setbacks. The selection of Bob Richards as our candidate in 1984 was a serious blunder, and there is no one to blame for that but me. I also selected Bill Baker, another blunder. These two mistakes were my fault completely and I offer no excuses. But they were the only ones I made, and both were recoverable, not mortal. The blame for the present paralysis, which can only result in the total eclipsing of the party unless it is promptly healed, is certainly not mine; it is yours and yours alone.

To get back to the beginning, in February of 1984 I asked Bob Weems to help get the party under way and to serve as chairman until we could give legal and permanent form to the party. He--one of the most dedicated and honest men I know--came to Washington and cooperated in every way. In a few days we together worked out the platform for "The Populist Party of the United States" which I believe to be the finest statement of political principle of our day.

On February 24 we opened post office box 76737 and on March 5 we established the bank account. Note that all this was done by LIBERTY LOBBY and Spotlight personnel. Neither this nor anything else which followed would have been possible without the full backing--including financial--of these entities.

On March 6, Bob made an emergency trip to Richmond to formally lay legal claim to the name by incorporating. The purpose of this--as you know very well from previous discussions--was to shortstop Viguerie who newspaper accounts at the time hinted was thinking about setting up a "Populist Party" as a fundraising gimmick. As you also know, this incorporation was never activated, either by

myself or even by the Virginia state chairman, Steve Giles. I have always considered it to be "on the shelf"--property of the executive committee to give to whoever formed a viable state party. In fact, it died after the state notified John Tiffany--the registered agent for the state--that no annual report had been filed.

The legal and official existence of the structured party began the instant Fleming Lee, at the party's first national convention in Nashville, on August 18, 1984, read the bylaws, took a vote and proclaimed their adoption. Later that day the national committee elected the first executive committee: Bill Baker as chairman, Jim Yarbrough as vice chairman, Don Kimball as secretary, Emmett Miller as treasurer, you as parliamentarian and John Couture, Tom Goodloe and Fred Seipold as members. Maureen Salaman and I were asked to serve and Eileen also as ex-officio.

The first meeting was held in Washington on November 24, 1984, immediately after the election. At that time the committee audited the party's books and arrangements were made to send all business records to Emmett Miller. After thorough discussion, the committee voted to accept the debt then existing of $264,888.80. I attach a copy of Emmett's audit written in his own hand.

I recall vividly the lecture you gave in which you emphasized your personal integrity and concern for clear and accurate business records in every respect. You said that you did not realize how much the debt was but that you were satisfied that it was all accounted for but from thenceforth you demanded total control.

This was to become a constant theme of yours: how important it was for the executive committee to review each and every detail of business and approve literally every dime spent. Until very recently I interpreted this as resulting from your pettifogging instincts as a lawyer and an inexplicable blindness of being unable to see the forest for the trees.

Obviously, attempting to run a successful political campaign pay-as-you-go is totally unrealistic and can be productive of nothing but infinite impotence. As I have told you and the executive committee many times, the important thing is to think about growth, organization, membership, planning ahead and raising funds. If we do this, all debts can easily be repaid.

Your novel theory that there have been two parties ever since you secretly--and without approval of the executive committee--registered something called "The Populist Party of the United States" with the FEC on August 5, 1985 is hard to understand, coming from a man who has for so long and very loudly declaimed to anyone and everyone his praise for his own honesty, integrity, responsibility and strict "old fashioned morality."

Frankly, Bill, this sneaky act not only makes you look like a deadbeat (and I am sure you are not) but it would be clearly illegal according to federal election laws even if the national committee or the executive committee had approved it, which they did not. Hence, your unauthorized registration is invalid because it was done on your own and has no effect whatsoever because the party has been fully and properly registered with the FEC since early 1984.

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This is very odd. I know of no one more a stickler for legalistic detail and due process than you. You have defeated many suggestions for positive action I and others made on the executive committee because of minor, technical details. Indeed, this is your typical modus operandi. But you took the huge step--or rather told Faye Miller to do so--of re-registering the party with the FEC without any authority to do so, creating a very serious problem which can only result in federal interference in our internal affairs, the loss of much time and probably thousands of dollars in legal fees.

On January 21 I sent you the following wire in response to your two open (so-called "confidential") letters of January 14 and 16:

> Please rethink your position very carefully or you will open a real can of worms. As I have told you, the Virginia corporation is and always has been the Virginia state party. If your thesis is correct the contributions made to the national committee by D.C. have been illegal and must be repaid, including at least $15,715.72 disbursed to you and Eileen. The total of illegal contributions would be far more than the existing debts. Your thesis makes you liable for fines. It will result not only in massive confusion for supporters and loss of support but expensive federal investigations and suits, all in all a tremendous setback for the party. I suggest we work out a reasonable settlement before too late. I am sure you are not trying to destroy the party. I am perfectly willing to let neutral parties decide.

After thinking this over for five days you replied on January 27 in a far more conciliatory vein, but rejecting my proposal for arbitration by neutral persons, the only method that can be used to settle this outside of litigation. I can understand that as a prosperous lawyer you feel at home in the courts but other people have reason to intensely dislike the delay, expense and waste of litigation, especially when it is totally unnecessary.

Bill, the more I think of your truly indefensible actions the more I suspect that you have been innocently misled. You state that party records have not been sent to Faye Miller. Perhaps you are unaware of the volume of material Blayne Hutzel has sent to your treasurer, each one via certified or registered mail, and we have the return receipts to prove it. She has been supplied with literally everything yet we have yet to receive the courtesy of even an acknowledgement. For example, time after time we have been forced to pay party bills rather than see our credit with printers and other suppliers go down the drain and we have asked her to return the invoice so that we could cancel it: she has never done so. To give a complete recap of all of the papers we have sent her, including copies of our filings with the FEC and even, on one occasion, a form she only had to sign and post to the FEC in the envelope we provided, would take too much time and this letter is already too long.

I could take many pages citing inaccuracies and outright misstatements in your letters. For example, you state: "The fact that the Populist Party, Inc. is a separate entity from the Populist Party, the unincorporated association, is confirmed by a letter from the FEC dated August 22, 1985, to Clara Sandahl, treasurer of the Populist Party, Inc." Your statement is untrue. The letter is addressed not as you state but to, "Treasurer of the Populist Party."

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Contrary to your numerous misstatements, there is and has been only one Populist Party. I am sure that the membership of the party will agree with me. Your attempt to change the record can result only in grave harm to the party.

I have neither the time nor the interest to seek to dominate the Populist Party. On the contrary, my aim from the start has been to create strong state and national leadership. I want the party to become a viable political entity, not a debating club or a forum through which one individual can exert his own authority as though he were a two-bit Chicago machine politician.

I could abandon the party and allow it to self-destruct under its present leadership. However, I do not wish to do that. I shall not sit by and allow the many thousands of members of LIBERTY LOBBY's board of policy and readers of The Spotlight who have spent much of their own time, energy and financial resources helping build the party at both the state and national level to be abandoned. I feel a personal responsibility to these many people who have supported LIBERTY LOBBY and The Spotlight (some for as long as thirty years) and I do not intend to permit them to be exploited by any organization or group of individuals.

The Populist Party, by its very nature, is, and should be, a grassroots movement. There is no way it can ever succeed if its executive committee refuses to work toward developing the party at the state level, and this is exactly what is happening. This is an impression shared by many party members who have, in calls and letters to me personally and to LIBERTY LOBBY and The Spotlight, expressed their dissatisfaction with the failure of the executive committee and its national administrative office to expedite efforts to build the party.

Inexplicably, Bill, you have denounced state party leaders who have waged successful fund-raising and organizational efforts. I refer specifically to your amazing proposal that Baron Eickhoff, the young and energetic state chairman of the Florida party, be removed from his position.

In your letter of January 14 you charge that Eickhoff "actively attempts to persuade party members not to support the national party." You charge in your letter that "With control of the party and its funding no longer in Mr. Carto's hands, we find his associates actively attempting to divert funds away from the national Populist Party."

First of all, to suggest that he is one of my "associates" more so than any other party leader is stretching a point. Secondly, and more importantly, I find it hard to understand why you object to Eickhoff's efforts to raise funds at the state level where the funds are needed most. There can be no successful national party if there are no strong, well-funded and effective state parties.

I would think that many state party organizations would be more than happy to be able to set in place in their states the kind of successful fundraising drive that Eickhoff has waged in Florida. It is my hope that many more state party organizations will do as well as Eickhoff has done, not just in raising funds, but in producing party literature, winning publicity for the state party's efforts, and in building party unity within party ranks, all of which Eickhoff has done successfully.

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At this time, I'm sorry to say, contributions to the national Populist Party by good-hearted patriots seem to be going down a rathole. I find it hard to cite any party-building activities on the part of the national administrative office of the executive committee during the past six months. I contrast this with Baron Eickhoff's efforts in Florida and with those of other party leaders in the various states. All of this has been done without the help of the executive committee, and apparently against its wishes.

There is no other word but sabotage to describe the shameful rejection of a national organizer by vote of the executive committee on December 30, 1985. This is so important I shall lay down the incredible succession of events here.

It was in October or November when I was contacted by a young and successful businessman who wished to work for the party full time. Having first met this man at the Nashville convention, and being even then impressed by his undoubted abilities, although his political experience was limited, I was extremely pleased. In discussing the matter with him--including a special trip I made to meet him in a distant town--I became even more convinced that he could be just what was needed to get the party back in motion after you fired Fred Seipold.

This man agreed to take the position of national director working under the executive committee and would spend his full time traveling around the country working with state organizations, finding candidates and raising funds. He would be paid only if he could raise the money. The most we could have lost would be a mere $6,000 for a six-month trial period and we could fire him in 30 days or 60 days if we wanted to.

This seemed to me like an answer to a prayer. I asked him for some resumes to send to you and John Couture and I checked him out myself. He seemed almost perfect for the job.

I then persuaded him to fly at his own expense to Los Angeles from the east coast to meet you and John during the meeting you had November 8 and 9, 1985 at the Viscount Hotel. He did so and we all had a full and complete opportunity to evaluate him personally. At that time you and John led us to expect that the matter would be brought to a vote by the executive committee immediately. At no time did you express any objections about him, although it was evident to me that you were definitely not enthusiastic about the thought of someone whom you did not totally control having any authority.

As you know, absolutely nothing happened until I finally forced a vote on December 30 during the telephone conference then. Both you and John offered amendments to my motion which I accepted. I made it clear that I would accept any amendments just to get him started. Finally, unable to think of anything better, you gave the transparently insincere excuse that you had to have a copy of the motion before you so that you could study it before you could vote favorably and you accused me of acting hastily. You, John, Miller and Rolland Victor voted against it; Maureen, Don Kimball, Jerry Pope and I voted for it. A tie so the motion was rejected.

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It was patently obvious that your and John's opposition was personally motivated and was contrary to the interests of the party. Neither of you want anyone else to have any authority even if means the continued immobility of the party. Apparently, you do not want any young, new blood in a leadership position, unless it's Nancy Shearer.

You will recall that after I left the line in disgust on December 30 Faye Miller accused me behind my back of stealing money from the party. If she were not the party treasurer (thanks entirely to you, who have sought to keep her in this position for which she is not qualified) no one would listen to her. (Incidentally, her failure to apologize is still an open issue which I shall not drop, nor do I appreciate your part in encouraging her slander, which you know is totally unjustified).

Another matter which you have addressed in a manner which indicates that you are clearly suggesting impropriety in the handling of party funds deals with the question of disbursement of funds to various individuals whom you say "are not now nor have they ever been on the Populist Party payroll, and whose travel was unauthorized by the executive committee."

You cite, among others, Velma Blekeberg who received $132.90. Mrs. Blekeberg, it so happens, is a loyal Populist Party member who came to the convention in Nashville, having contributed to the Bob Richards for President campaign, expecting her hotel costs to be covered during her trip to Nashville, as was promised by the Richards campaign to all who contributed $250 or more to the fund.

Unfortunately, due to an administrative foul-up at the hotel where she stayed, Mrs. Blekeberg was charged, on her credit card, $132.90 for her lodging, even though it should have been charged to the Richards campaign. Mrs. Blekeberg brought the matter up with the Washington office, and when the funds were available, I authorized her reimbursement so as to avoid having a loyal party member unfairly charged for an error of the Richards campaign. Only a deadbeat would object to this disbursement.

As for the $90 disbursed to Mrs. Isabel Taylor, these funds were made in payment to Mrs. Taylor who provided lodging for, among others, Bill Baker, the party's national chairman, when he was visiting Washington. Mrs. Taylor operates a clean, inexpensive rooming house close to LIBERTY LOBBY headquarters, and in an attempt to save the party from having to provide expensive hotel lodging for Mr. Baker, Lois Petersen of the LIBERTY LOBBY staff arranged for Baker to stay at Mrs. Taylor's guest house during his stay in Washington.

I might note, as an aside, that I suggested that you and Eileen stay at Mrs. Taylor's guest house during your Washington visit for the executive committee meeting in November of 1984, but you summarily rejected this, preferring to take quarters at the vastly expensive Capitol Hill Hotel, at the party's expense, of course.

Your condemnation of Peter Polkiewicz for designing and manufacturing party emblems and paraphernalia is grotesque and contemptible. The deal with him would have brought not only profit to the party but a long list of items to improve party identification and morale. Thanks to your criticism, Peter has thrown up his hands in disgust. He thought he was helping us. I did, too.

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I cannot help but recall, in this context, that you told me in 1968, and that you have told others, that you fully expected to make plenty of money out of the American Independent Party, and that your political experience had taught you how money could be made out of the game. Although you never explained to me what you meant, I have from time to time wondered, as I do now.

It seems to me that others might also wonder about this to the point that it could well be a cause of concern among everyone in the party who senses that someone or something seems to keep the party in turmoil (much as the American Independent Party always seemed to be in turmoil), thereby preventing effective action. I have often noted that when a troublemaker accuses someone else of an evil act, he is usually guilty of what he accuses others of.

The history of your perennial, perpetual squabbles with others in the third party movement is too deep and too murky to go into here, but those with long memories cannot help but be reminded by current events of the troubles which plagued the AIP from the very start. I regret that the Populist Party is, unfortunately, falling prey to these same difficulties. I do not regret, though, that I made an honest personal effort to help set the Populist Party in motion, throwing the resources of LIBERTY LOBBY and The Spotlight behind this effort. It is sad to see, however, that a good thing is going sour before the very eyes of the many Americans who gave the party's efforts their all.

You have brought me to the point where I would like to get out and leave the mess to you, who deserve it. Unfortunately, I cannot. You have contrived a tortured situation with the FEC which will require hours of work by someone and probably thousands of dollars in legal fees. You have disaffected the strongest supporters of the party. You have tried to set up a party to "compete" with the real Populist Party. You have set back our progress more than a year. You have made many populists throughout the nation and my associates on The Spotlight disgusted with the whole concept of a third party. Finally, there is the matter of the personal insult and lie Faye Miller is guilty of in accusing me--who has given far more to the party than anyone else and who has not received a dime for it--of stealing money--and this lie left uncontroverted by you and some of the other dignitaries on the executive committee.

These matters must be worked out. I hereby renew my suggestion that it be done speedily. This coming weekend the national committee will elect a new executive committee. If you and any of your puppets are not part of it I invite either the whole committee or its designees to Washington to inspect our records, straighten out the mess with the FEC and work out a solution that will make it possible for me to continue backing the party, as I so want to do. These matters must be addressed this coming weekend to avoid complete suffocation by them.

It is just a damn shame that your mishandling of party affairs has brought on these totally avoidable, time-wasting problems.

I also hope that this coming weekend will see some improvement in the dismal California picture. You deserve credit for founding the AIP and keeping it on the ballot but can be given no credit at all for your consistently negative

attitude toward fielding the best possible candidates--one example of which is the decision of Maureen Salaman not to run for the governorship because of your refusal to supply her with the minimum possible support--a secretary. Fortunately, the very able and dedicated Gary Miller has agreed to run. He deserves support--including financial support--from the AIP.

At this time we have tremendous opportunities in California. With the great influx of new blood by Spotlight people you should have candidates running for every congressional seat. Is it that you fear that strong candidates or too many "outsiders" would threaten your control of the party?

Many people feel that the AIP is not a political party--it is a cocktail party for you and your cronies to have fun at, a hobby and to provide you with a captive audience for your filthy jokes. Yes, the AIP is a joke to the Republicans and Democrats. Seriously, is the AIP a means to an end or the end in and of itself?

If the Populist Party can get itself straightened out and begin putting first things first: leadership (always first), organization, candidates and fundraising rather than groveling in the political gutter in the sport of character assassination, rumor mongering, jockeying for meaningless titles and seeking personal advantage at the expense of the party, we may still make some progress this year and in 1987 and 1988. But the time to put away childish things and get moving is now. Right now.

Sincerely,

Willis A. Carto
Treasurer

C00407518

Summary of Obligations

- Populist Party 11/24/84

OBLIGATIONS		RESOURCES	
LIBERTY LOBBY + SPOTLIGHT	264,888.80	CASH ON HAND	27,442.03
EXPENSE REIMBURSEMENTS	28,467.53		
PAYABLES	15,404.52		
	308,760.85		
LESS - CASH ON HAND	27,442.03		
PARTY DEFICIT	281,318.82		

Exhibit "C"

2004079318

Unanimously approved 8/17/84

Henry

BYLAWS

I. IDENTIFICATION

Following are the Bylaws for the National Committee of the Populist Party of the United States under the authority of the Constitution of the Populist Party National Committee as done in Washington, D. C. on October 23, 1982.

II. MEMBERSHIP AND REPRESENTATION

Membership in the Populist Party is limited to one political party organization recognized by the National Committee from each state, the District of Columbia and any other area specified by the National Committee.

Representation on the National Committee shall be determined as follows:

(1) When a member state political party is qualified to place statewide candidates or presidential electors on the next general election ballot in the state, the state party is entitled to three representatives plus one additional representative for each five electoral votes of the subject state or major fraction thereof.

(2) When a member state political party was qualified in the most recent general election to place statewide candidates or presidential electors on the ballot, but is not so qualified for the next general election ballot, the state organization is entitled to three representatives.

(3) When a member political organization is not qualified to place statewide candidates or presidential electors on the next general election ballot in the state, and was not so qualified in the immediately preceeding general election, the state organization is entitled to two representatives.

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No state political organization shall be a member of the National Committee unless it pays its assessments as established by the National Committee.

The Credentials Committee shall be chosen by the Executive Committee and shall have power to seat a state party organization in any National Convention or on the National Committee. Each ballot-qualified state committee shall have at least one person on the Credentials Committee.

Prior to each National Committee meeting each state political party shall file with the Credentials Committee a list of its representatives and alternates signed by the Chairman and Secretary of the member party. The most recent list so filed shall be presumed to express the intent of the state party.

III. MEETINGS

The National Committee shall hold one regular meeting each year on the first Saturday of March and such special meetings as may be required.

Special meetings may be called by the Chairman or by a majority of the Executive Committee.

Notice of all meetings shall be given in writing to all representatives of record at least 30 days prior to such meetings unless an emergency requires less notice. The order of business shall be stated in the call.

A quorum for business shall be at least one representative, credentialled by the state party, from a majority of the member state parties.

Meetings of the National Committee shall be governed by Roberts Rules of Order Newly Revised, except that the Constitution of the

National Committee, these Bylaws or any special rules adopted by the National Committee, shall take precedence in the event of conflict therewith.

Each representative of a member political party shall be entitled to one vote in all meetings of the National Committee. A representative may vote by proxy but no person may cast more than one vote.

There shall be no solicitation of funds at any National Committee meeting or Convention except as authorized by the National Committee or the Executive Committee. There shall be no sale nor circulation of literature except as so authorized.

IV. OFFICERS

The officers of the National Committee shall be elected at the first regular meeting of the National Committee following each presidential election, and the officers so elected shall be immediately installed and shall serve a term of four years.

Officers may be removed by majority vote of the National Committee.

The National Committee shall elect the following officers: Chairman, Vice-Chairman, Secretary, Treasurer and Parliamentarian plus such assistant officers as may be required.

Officers need not be representatives to the National Committee but must be registered voters in the Populist Party in their state.

The National Committee may establish permanent or temporary committees at its pleasure.

In the event of a vacancy in the office of Chairman the Vice-Chairman shall immediately succeed to that office. In the event

of a vacancy in any other office the Chairman shall appoint a qualified person to fill that office for the remainder of the term.

V. DUTIES OF OFFICERS

The Chairman shall be the chief administrative officer of the National Committee. He shall administer the affairs of the National Committee between meetings of the Executive Committee; establish an office and communications for the National Committee; appoint members of committees subject to approval of the National Committee; preside at all meetings of the National Committee or the Executive Committee and do all other things incumbent upon the Chairman to do to prosecute the interests of the Populist Party.

The Vice-Chairman shall preside at meetings in the absence of the Chairman and shall perform the other duties of the Chairman in his absence or incapacity.

The Secretary shall keep the minutes of all meetings of the National Committee and the Executive Committee, shall sign documents as required by the office and do all other things required in general of a Secretary.

The Treasurer shall account for all funds received and expended by the National Committee. Pursuant to action of the National Committee or Executive Committee the Treasurer shall make available to the Chairman such funds as may be required for the operating expenses of the National Committee, to be replenished upon presentation of valid receipts for the funds expended, and provided funds are available in the National Committee treasury.

The Parliamentarian shall advise on points of order at meetings of the National Committee and Executive Committee. The Parlia-

mentarian shall advise on all procedural matters.

VI. EXECUTIVE COMMITTEE

The Executive Committee shall consist of the officers of the National Committee plus whatever other persons may be selected by the officers. The Executive Committee shall manage the affairs of the Party between meetings of the National Committee and has all powers of the National Committee.

VII. FINANCIAL SUPPORT

Each member state party shall pay to the National Committee an assessment of the sum of twenty dollars every four months for each representative to the National Committee it is entitled to under these Bylaws. Such payments shall be made to the National Committee and shall be received by the National Committee no later than April 30, August 31 and December 31 of each calendar year.

The National Committee is authorized to conduct additional fundraising activities in support of its program and operations.

VIII. NATIONAL CONVENTION

The National Committee shall, during each presidential election year, call a nominating meeting or convention of the member state parties for the purpose of nominating presidential and vice presidential candidates, adopting a Platform and transacting appropriate business. The National Committee shall set the fees required of member state organizations to participate.

IX. POWERS

The National Committee has power to transact business in the name of the national Populist Party, to open a bank account or accounts, to contract for services, equipment, goods or personnel, to borrow money in the name of the national Populist Party, to recognize any group as the official party organization in each

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state and to do all other things necessary to conduct the business of the National Committee. Except when the National Committee is in session, the affairs of the National Committee shall be conducted by the Executive Committee and its powers exercised thereby.

The National Committee recognizes the autonomy of member state parties and their right to conduct and control their own internal affairs.

X. AMENDMENTS

Amendments to these Bylaws may be adopted by majority vote at any meeting of the National Committee provided that the amendment be stated in the call for the meeting and circulated to the chairman of each state party organization at least 30 days prior to such meeting.

ADOPTED by the Delegates to the Populist Party National Convention in Nashville, Tennessee this 18th day of August, 1984.

_____
Chairman

_____
Secretary

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Exhibit "D"

2004079193

POPULIST PARTY

NATIONAL COMMITTEE

P.O. BOX 76737 WASHINGTON, D.C. 20013
(202) 546-5530

NATIONAL CONVENTION

Nashville — WE'RE BACK! 1891 - 1984 — August 17-19, 1984

THURSDAY, August 16	(Convention headquarters, Best Western Capitol Park Inn)	
All day	Staff planning and executive meetings	
2:00 - 5:00 p.m.	Lobby. Registration of officers, speakers, candidates, delegates	
FRIDAY, August 17	PRE-CONVENTION	
9:00 a.m. - 5:00 p.m.	Registration of delegates and press in lobby, Best Western Inn	
9:00 a.m.	Executive Committee meeting. Chairman, WILLIAM W. BAKER	
All day	State caucus meetings	
10:30 a.m.	Rules and Bylaws Committee meeting. Chairman, FLEMING LEE	
1:00 p.m.	Nominations Committee meeting. Chairman, EMMETT MILLER	
3:30 p.m.	Resolutions Committee meeting. Chairman, DON KIMBALL	
5:00 p.m.	Poolside Patio. Welcome reception and social get-together. Dress: Populist Country & Western or casual	
8:00 p.m.	Grand Ole Opry (optional)	
8:30 p.m.	Credentials Committee meeting. Chairman, TOM GOODLOE	
SATURDAY, August 18	CONVENTION	(Nashville Civic Hall)
8:00 a.m. - 5:00 p.m.	Continuing Registration	
9:00 a.m. PROMPTLY	Convening of Convention.	National Chairman, WILLIAM W. BAKER
	Invocation	Rev. G. SIMMONS ROBICHAUX, Chaplain Tennessee Marine Corps League
	Presentation of Colors	
	Pledge of Allegiance	Col. JACK MOHR
	Welcoming Remarks	Tennessee State Chairman, EMMETT L. BAKER
9:20 a.m.	Convention Orientation	Convention Director, EDWARD L. SHAW
9:30 a.m.	Chairman's Report	WILLIAM W. BAKER
9:45 a.m.	Unveiling of Symbol	Contest Chairman, WILLIS A. CARTO
10:00 a.m.	Introduction of Keynote Speaker	COURTNEY SMITH, Louisiana
10:05 a.m.	Keynote Address	Hon. JOHN R. RARICK, Louisiana
10:40 a.m.	Report of Credentials Committee	Chairman, TOM GOODLOE
10:50 a.m.	Report of Rules and Bylaws Committee	Chairman, FLEMING LEE

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11:20 a.m.	Report of Nominations Committee	Chairman, EMMETT MILLER
11:30 a.m.	Recess for lunch	
12:00 noon	DEADLINE FOR ALL RESOLUTIONS IN WRITING	
12:15 p.m.	Rules and Bylaws Committee meeting	
1:00 p.m.	Convention Reconvenes	WILLIAM W. BAKER
	Further report of Credentials Committee Further report of Rules Committee	
1:15 p.m.	Nomination of Presidential Candidates	
2:00 p.m.	Vote on Presidential candidates	
2:45 p.m.	Nomination of Vice Presidential Candidates	
3:30 p.m.	Vote on Vice Presidential Candidates	
4:15 p.m.	Acceptance speeches by Presidential and Vice Presidential nominees	
5:00 p.m.	Campaign kick-off	National Campaign Coordinator, EILEEN M. SHEARER
8:00 p.m.	Buffet dinner and celebration party, honoring our candidates and party workers	
	Addresses by candidates and Parade of Populists	
10:00 p.m.	Resolutions Committee meeting	

SUNDAY, August 19	CONVENTION	(Nashville Civic Hall)
8:00 a.m.	Meeting of Resolutions Committee and Rules and Bylaws Committee	
9:00 a.m.	Convention reconvenes	WILLIAM W. BAKER
	Invocation	Rev. DALE CROWLEY
9:15 a.m.	Report of Resolutions Committee	Iowa State Chairman, DON KIMBALL
10:15 a.m.	Report on Party Ballot Status	National Director of Ballot Qualification, JAMES YARBROUGH
10:35 a.m.	SCHOOL OF POLITICS	Dean, WILLIAM K. SHEARER Asst. Dean, WILLIS A. CARTO
	Breaking the Media Barrier	MAUREEN SALAMAN
11:00 a.m.	Students for Populism	VICTOR MARCHETTI & ANDREW ROSS
11:30 a.m.	Computer Vote Fraud	KENNETH F. & JAMES M. COLLIER
12:00 noon	Recess for lunch	
1:30 p.m.	Successful Petitioning	Maryland State Chairman, TRISHA PATSON
1:55 p.m.	State Party Structure to Precinct Level	EILEEN SHEARER & DON KIMBALL
2:25 p.m.	FEC Requirements	FLEMING LEE & GARY ODOM
2:45 p.m.	The Propaganda War	LOIS PETERSEN
3:00 p.m.	Basic Public Relations & Fund Raising	ED SHAW
3:25 p.m.	Political Tactics	WILLIAM K. SHEARER
3:45 p.m.	Practical Public Psychology	WILLIAM W. BAKER
4:05 p.m.	How to Use Issues and Nonissues	JOHN R. RARICK
4:30 - 5:00 p.m.	Adjournment of Convention	

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Exhibit "E"

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The American Independent

8158 PALM ST. • LEMON GROVE, CALIFORNIA 92045 619 / 460-4484

WILLIAM K. SHEARER
Publisher

August, 1984

RICHARDS, SALAMAN HEAD POPULIST TICKET

Bob Richards of Waco, Texas, winner of two Olympic gold medals, was the choice of Populists for President of the United States at the party's historic convention in Nashville, Tennessee, on August 18, 1984.

Bob Richards

Maureen Kennedy Salaman of San Francisco, California, president of the National Health Federation, was acclaimed as Richards' Vice-Presidential running-mate.

The convention vote on the two candidates was advisory, being contingent upon ratification of the nominations by the state convention of California's American Independent Party, the largest state affiliate of the Populist Party. The two nominations were confirmed by the A.I.P. on August 25, 1984.

At the Nashville convention, Richards defeated his closest challenger Charles Glenn of Pennsylvania by a vote of 469 to 7.

Salaman defeated six opponents by a vote of 351 to the opposition's combined total of 122.

Forty-seven states and the District of Columbia were represented at the Populist Party convention. Total registered delegates numbered 651.

Maureen Kennedy Salaman

Richards, who won the Populist presidential nomination, is a nationally known speaker and author, with an outstanding record of athletic accomplishments. He was a member of three U. S. Olympic teams, and won gold medals in 1952 and 1956 in pole vault competition. One of the top motivational speakers in the country, he has addressed over 12,000 audiences.

The nomination of Richards represents the first time since its formation in 1967 that the American

Independent Party has nominated a candidate for President outside the field of politics.

Salaman, the Populist Vice-Presidential nominee is an outstanding speaker with national recognition who has been an active participant in the health movement and various humanitarian causes since 1964. In addition to her work as president of the National Health Federation, she serves as associate editor of "Health Freedom News," and is a well known radio personality in San Francisco, where she hosts two talk shows.

Among her other activities, Salaman has traveled to the Far East on behalf of the M.I.A. program to locate and free American servicemen unaccounted for in the Korean and Vietnam conflicts.

In a major address to the convention, Richards pledged to campaign on a platform including reform of the economy and reduction of U. S. involvement in foreign lands. He said that if elected, he will abolish the Federal Reserve system, reduce federal spending, eliminate income taxes, and raise $750 billion by taxing 50 percent of the $1.5 trillion that the banks earn each year in interest charges to their customers.

Richards said that by eliminating the Federal Reserve, he would restore to the government, instead of private bankers, the power to issue money.

He also said he would place a tariff on all foreign products entering the U. S. and revitalize American industries such as steel, gas, and heavy equipment.

Richards, promised to stop U. S. commitments to fight foreign wars, and to take the profit out of war. He strongly condemned making profit at the expense of the slaughter of American servicemen.

Salaman, too, pledged to support repeal of the personal income tax and abolition of the Federal Reserve.

"I have one goal in life," she said, "to leave America free. I have a duty to see that my fellow Americans are free. If we are to enjoy the fruits of liberty emblazened with sacrifice in our Constitution and Declaration of Independence, paid for by the man in uniform, purchased by the Man on the Cross, then we have a duty and responsibility to see that those who gave their lives might rest in peace, knowing that the land that they defended is still free."

Salaman said that when she was a young child, her father was killed in World War II in the Pacific. "I was always forbidden to pray, 'God keep Daddy safe.' I was admonished that I must always pray, 'God make Daddy brave and keep him true.'

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"Our nation needs to be reminded that this is the land of the free and the home of the brave."

For two days of sessions, the enthusiastic Populist delegates cheered their candidates and other speakers. They greeted with particular excitement the announcement that Richards and Salaman will probably be on 31 or more state ballots in 1984. The American Independent Party now affiliated with the Populists, has not had this number of ballot positions in a presidential election since 1972.

In support of their candidates, the Populist delegates adopted a "Statement of Critical Issues" which sets forth the main thrust of the party in the 1984 campaign. The six issues selected include:

"1. Abolish the privately owned Federal Reserve system.

"2. Repudiate the national debt.

"3. Repeal the Federal income tax on individuals.

"4. Enact tariff laws which will rejuvenate American industry and protect the living standard of our working men and women.

"5. Restrict immigration to protect employment for American workers.

"6. Restore the America First tradition of non-involvement in foreign wars."

In addition, the Populists adopted resolutions in support of American farmers, a balanced budget, honest elections, and the Monroe Doctrine.

National Committee bylaws were adopted, providing for a board of officers with four year terms commencing in March, 1985, and representation for participating state parties in the National Committee. Following the example of the American Independent Party, the Populst bylaws recognize "the autonomy of member state parties and their right to conduct and control their own internal affairs."

Five officers were elected by unanimous vote to serve the term from August 1984 to March 1985. They include: William W. Baker of Nevada, Chairman: Jim Yarbrough of Georgia,

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vice-chairman; Don Kimball of Iowa, secretary; Emmett Miller of Alabama, Treasurer; and William K. Shearer of California, parliamentarian.

Subsequently, as permitted by the bylaws, the officers unanimously named two additional members of the executive committee: Willis A. Carto, founder of the Populist Party; and Thomas M. Goodloe, chairman of the American Independent Party's National committee.

In conjunction with the Populist convention, the American Independent Party's national executive committeee met in Nashville, and voted unanimously to: (1) suspend operation of the committee; (2) urge support of the candidates and "statement of Critical Issues" adopted by the Populist Party; and (3) make a $1,000 financial contribution to the national Populist Party. It was agreed by the A.I.P. leaders that there was no need for a separate National Committee duplicating the unified effort of the Populist Party's National Committee.

Former Rep. John R. Rarick of Louisana, the American Independent Party's 1980 presidential nominee, was the keynote speaker at the Nashville Populist convention. In a stirring address, Rarick emphasized that the Populists can win by stressing three major issues: money, jobs, and taxes.

The convention concluded with a "School of Politics" which included talks on "breaking the media barrier" by Vice-Presidental candidate Maureen Salaman; "student recruitment" by Victor Marchetti and Andrew Russo; an exposure of "computer vote fraud" by Kenneth and James Collier; "successful petitioning" by Trisha Katson; "party structure" by Don Kimball; "Federal election law compliance" by Fleming Lee; "the propaganda war" by Lois Peterson; "basic public relations" by Ed Shaw; and "practical public psychology" by National Committee Chairman William W. Baker.

Join the swing to the Populists.....

ELECT

BOB RICHARDS
PRESIDENT

MAUREEN KENNEDY SALAMAN
VICE-PRESIDENT

RICHARDS-SALAMAN WILL:

Abolish the Federal Reserve system.

Repeal the Federal income tax on individuals.

Enact tariff laws to protect the living standard of American working men and women.

Restrict immigration to protect jobs for Americans.

Restore the America First policy of non-involvement in foreign wars.

VOTE AMERICAN INDEPENDENT (POPULIST)

SEND CONTRIBUTIONS TO:
American Independent Party
State Headquarters

Eileen M. Shearer, Chairman
Winifred S. Laymon, Treasurer
P. O. Box 427,
Lemon Grove, California 92045
(619) 460-4484

(paid advertisement)

Exhibit "F"

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MINUTES OF THE MEETING

of the

EXECUTIVE COMMITTEE

of the

POPULIST PARTY OF THE UNITED STATES

Washington, D. C.

November 24th & 25th, 1984

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The Executive Committee of the Populist Party of the United States met in Washington, D. C. in the Liberty Lobby Building, 300 Independence Avenue, S. E., on Friday and Saturday, November 24th and 25th, 1984.

The meeting convened at 9:00 a.m. and was called to order by National Chairman William W. Baker who presided. Those Present were the Chairman, the Vice Chairman, James H. Yarbrough, the Secretary, Willis A. Carto, Thomas L. Goodloe, Emmett Miller and William K. Shearer.

Others present with the sanction of the Executive Committee were John Couture, Maureen Salaman, Fred Seipold and Eileen Shearer. Present at the request of the Chairman was Matthew Balik.

Chairman Baker presented an agenda by which he suggested the Executive Committee proceed to consider the following:

1. Current Status of the Party
2. Goals of the Party
3. Necessities of the Party
4. Financial Independence of the Party
5. Results of the 1984 voting and ballot status
6. State Chairmen and State Structures
7. Planning for the March meeting
8. Agenda for the National Committee meeting

The Executive Committee proceeded to discuss the first point of the Chairman's agenda.

There was a motion by William K. Shearer to admit to full Executive Committee membership the Honorable John Couture from Wisconsin and (Mrs.) Maureen Salaman, the Party's recent Vice Presidential candidate. The motion carried 7-0.

Discussion was held on party membership and who were the members of the party, what groups, what economic strata.

Chairman Baker reported on his interview with Braden and Buchanan on "Crossfire" and offered to show the film of it to anyone who wanted to see it during the lunchbreak. He also reported on his 'Klan-Watch' activities and suggested that "we do not have to be too defensive."

Discussion was held on the location of the National Convention for 1988, the apportionment of delegates. The Secretary reported that the party had been invited to hold its 1988 convention in Minneapolis.

It was moved by Willis Carto and seconded by Thomas Goodloe to discuss the financial situation of the party. It was reported that between March and October of 1984 the party had received $ 235,512.03. Other receipts and disbursements were discussed for various periods of time the final totals were as follows:

Total Received for year	$ 648,833.40
Total Disbursements	621,121.37
Cash on Hand	24,712.03

Obligations over cash on hand were discussed to include out-of-pocket and other obligations; also the encumbered debt of the party. There was also debts of the Richards campaign to be considered.

Treasurer Miller reported that he had not been kept totally informed as to the status of the party's funds. It was agreed without a motion that the Treasurer be kept completely informed.

Financial obligations continued to be discussed. A figure of $ 275,073.92 was finally agreed upon as the total for which the party was obligated.

Revised obligations after additional ones were brought to light bringing the total obligations to $ 317, 390.17. It was reported that some of the obligatory debt was due the SPOTLIGHT for services rendered and the use of personal on a pro rata basis. Otherdiscussions showed obligations for the Richards campaign to be around $ 60,000 for a debt owed Park Lane Press and another $ 16,000 yet outstanding. It was also reported that Bob Richards owes the travel bill and also rental money for Dependable Mailing Lists.

The Executive Committee recessed at 10:40 and reconvened at 11:45 a.m.

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Members of the Executive Committee returned from the recess with $ 21,809.19 in additional obligations and bills due. It was discussed that most of the expenses had gone for attorney's fees and field obligations expenses. It was also reported that no substantial payments of the amount of $ 621,121.37 had gone to Liberty Lobby. At that time Chairman Baker recognized Fred Seipold to report on the legal bills. It was reported that in Alaska there was a bill for $ 654 additional and in Indiana $ 500.00 additional and another $ 225 due in New Jersey.

The conduct of John Armor was discussed.

Reports were received about Maine, Montana, New Jersey, New Mexico, Oklahoma, Ohio, North Carolina, Pennsylvania and Texas. Further reports were made on the activities of Fippen and Long, attorneys and their bringing a law suit against the party for $ 3,900.

Payments were authorized to attorneys as follows:

Alaska	$ 654.00
New Jersey	975.90
Wyoming	510.00
South Dakota	25.15
Utah	900.00
Virginia	495.08
Plus $ 500 to answer a lawsuit	500.00
	$4060.13

The Executive Committee adjourned for lunch after 1:00 p.m. and reconveneed at 2:40 p.m. There was a further examination of bills which amounted to "a large total with an inability to cover outstanding obligations among which were 1. payroll, 2. functions, 3. litigation, 4. party-building and other."

Chairman Baker recognized Fleming Lee, the General Counsel, to address the Executive Committee about litigations and the F.E.C. He reported that the basic difficulty the party faced in this area was the activities of Bob Richards who recognized a committee to help him. He then gave a history of the Richards efforts and the funds raised through mailing. He reported that candidate Bob Richards had started another committee in Texas. Mr. Lee said that a candidate should have only one campaign committee and that Mr. Richards had organized one which "was improper." Attention was given to the expenses made on Richards's behalf and money given directly to him.

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Mr. Lee reported that virtually all the funds for the Richards campaign came to the original committee but that Mr. Richards disavowed the original committee itself. The F.E.C. advised Richards to merge what resulted in two campaign committees. He reported that Richards said "no compromise." Richards also reportedly complained of "no control" over the committee set up for him. He also reported that the F.E.C. reported that there were "many violations." Also, that Mr. Richards had written a letter to the F.E.C. but that the Populist Party to date had received no notice of a compaint from the F.E.C. The outcome of it all was that Bob Richards had refused to participate in the campaign and a question remained as to whether or not he must return $ 73,000 to the Populist Party.

Mr. Lee reported that the F.E.C. can bear down hard when put under pressure and that Mr. Richards may be investigated by that agency. The F.E.C., he said, has the information but no complaint has been filed. Mr. Lee advised that the Populist Party would have no obligations to Mr. Richards.

There followeddiscussion on the Richards for President campaign and that the deadline for matching funds has not necessarily passed.

Mr. Carto asked Mr. Lee if the Populist Party should sue Bob Richards personally and Mr. Lee advised that "there is no present basis for a Populist Party suit. Discussion then centered around Libertarian activities. Mr. Shearer said that we should consider costs at all time. He referred to "acrimonious philosophical discussion." Mr. Carto moved and Emmett seconded that discussion on this area be postponed until the March meeting of the Populist Party National Committee.

The Executive Committee recessed at 4:20 p.m. and reconvened at 4:30 p.m.

Committee members expressed concern over the financial situation and discussion followed on that subject. The committee agreed to go on record as accepting the figure of $ 301,887.04 as the total obligation of the party. The Maureen Salaman for Vice President Committee had outstanding credits of $ 9,500 and it was pointed out that the committee for the vice presidential nominee spent less than the amount budgeted.

It was agreed that Emmett Miller and Jim Yarbrough would meet with Blayne Hutzel on Sunday morning to go over more figures.

Mr. Shearer observed that funds will always be short and made some points regarding the party's financial situation.

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Further discussion ensured in re the party's finances and it was reported that allocating personnel costs for services rendered to the Populist Party by both Liberty Lobby and The SPOTLIGHT began June 11th. Liberty Lobby services were reported to be separate from The SPOTLIGHT and also Populist Party expenses were separate from those of Bob Richards. The cost accounting procedures would be explained by Blayne Hutzel.

Mr. Carto concluded that the selection of Bob Richards as a Presidential candidate had been a mistake and that the use of the Wendy Fairfield organization had likewise been a mistake. He reported that between the Populist Party and Bob Richards nearly $ 1,000,000 was raised.

Emmmett Miller addressed the committee about the Populist Party and referred to "well-organized elements in California, Wisconsin and the South." He suggested that the party debt be liquidated by an appeal for funds from party members. Mr. Miller also discussed the need for a uniform national ballot qualification law and suggested further that the Populist Party join in such a lobbying effort in concert with other "third" parties.

Chairman Baker then guided the discussions to the establishment of a second bank account for the party and expressed his desire to bring "external funds into the party." He began discussion centering around the Secretary's refusal to arbitrarily sign bank authorization cards whereupon the Secretary referred to the Uniform Commerical Codes prevalent in most of the states and insisted likewise that Executive Committee action was necessary before any such cards were signed.

At that point Counsel Seipold backed up the Secretary's judgment and said that his action in refusing to sign the cards at Chairman Baker's request was exactly proper.

Chairman Baker alluded to the fact that only now had the Executive Committee been getting knowledge of the party's indebtedness. Mr. Shearer spoke to the legal exposure. Mr. Carto rendered his judgment that one of our goals should be to get the Populist Party out of the "SPOTLIGHT orbit."

Mr. Shearer thereupon discussed the responsibility for funds and suggested that a program of disbursements and control of funds should be a matter of procedure. He suggested that the party had obligations to meet all indebtedness and proposed:

1. The Executive Committee has to have oversight.
2. An active Treasurer with two persons signing checks.
3. A monthly report to the Treasurer.
4. The possible establishment of a sinking fund.

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5. That there be no open-ended expenditures.

The Executive Committee showed itself unanimously in agreement with Mr. Shearer's thoughts. No motions were made.

Chairman Baker offered some thoughts on his ideas for a national Populist Party headquarters, a new building. There was some little discussion and the committee adjourned for dinner.

The Committee came back into session following dinner and immediately decided to put all financial questions on hold.

Chairman Baker then called for discussion on the situations in the various states. Reports were heard on all the states from Mr. Yarbrouhg, Mr. Seipold and the Secretary.

Discussion was held on what the national party was going to be in 1985 and 1986. It was concluded that the party's aims for 1985 & '86 be centered around:

1. Building organizations.
2. Getting petition drives started for 1988.
3. Seeking and running good candidates, and,
4. Weeding out the "creepy crawlers."

It was added that early organizational meetings be held with subsequent meetings and that an emphasis be made to get young people into the party.

Fred Seipold discussed the state party assessment structure.

The meeting recessed at 10:40 p.m. and was scheduled to reconvene at 9:00 a.m. the next day, Sunday the 25th.

The second day of the Executive Committee meeting began at 8:05 a.m. on Sunday, November 20th all members present or appearing shortly thereafter.

Mr. Carto suggested leaving consideration of the states' situations and moving back into financial discussions and the ratio work done by Liberty Lobby and The SPOTLIGHT for the Populist Party.

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The Chair recognized committee member Tom Goodloe of California who announced that in view of the financial situation and the indebtedness of the party he felt moved to tender his resignation. He departed the meeting after his announcement and there was no time allowed for discussion of it.

Mr. Shearer spoke to the resignation of Mr. Goodloe and the duties of the Executive Committee and nominated Mr. Fred Seipold of Idaho who was present at the meeting to fill the vacancy created by the resignation of Mr. Goodloe.

The nomination was moved by Mr. Shearer and seconded by Mr. Yarbrough and carried 7-0.

Discussion then ensued in re the costs of office personnel and it was reported that in April of 1984 71% of the time and efforts of certain persons were devoted to the Populist Party; in May the figure was 57%. Mr. Carto explained the bills for advertising.

Mr. Emmett Miller addressed himself to the expenses of the Populist Party with The SPOTLIGHT and discussed "going-in expenses" and "organizational expenses." John Couture emphasized that the party has "got to move forward."

The Chair called for resumption of the discussion of the states individually and suggested that the national office direct a letter to each state chairman.

Mrs. Salaman suggested that no one be present at the meetings of the Executive Committee except resource people and only when needed. The reference was made to Mr. Balik who included himself in the meetings evidently at the sufferance of the Chair and who participated in the discussions of the committee. No motion was offered or acted upon.

It was explained that the two Populist Party telephone lines were paid for by Liberty Lobby and that The SPOTLIGHT had provided printing and other services to the party.

At 11:55 Mr. Shearer moved the Committee recess until 1:15 and it was so ordered and without objection.

The Executive Committee reconvened at 2:20 p.m.

Mr. Shearer suggested that first we must know all of the party's obligations and then spoke to putting everything in context and then proceed with formal motions. The committee seems in agreement with such a procedure.

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Discussion was held about establishing a finance committee to watch day-to-day expenses; also the establishment of a debt fund. It was suggested that a sinking fund be established and supported by assessments upon members. It was thought unlikely that such an action would prove feasible. It was suggested that there be an account known as the 'debt retirement account' and another to be the 'operating account.'

Suggestions were made for establishing spending formulae and a budget. Emmmett Miller spoke about making final decisions on the party's financial situation.

Mr. Shearer offered the following resolution:

"Resolved, that the Executive Committee of the Populist Party accept obligations of $ 264,888.80 (due Liberty Lobby and Cordite Fidelity Corporation) as the valid and binding debt to be repaid to creditors through fund-raising campaigns to be commenced at the option of the creditors with the advice and consent of the Executive Committee; and,

"Resolved, that the Populist Party establish an operating account with the Security National Bank, Washington, D. C., which fund shall be used for day-to-day administration of the party; and,

"Resolved, that the current account at the Capitol National Bank, Washington, D. C., be used as a debt retirement account and that all expenditures other than debt retirement be approved by the Executive Committee; and,

"Resolved, that the individual members of the Executive Committee be absolved of any liability for debt; that all current bills be paid with existing monies as recommended by Mr. Miller's Expense Statement Memo as items #1 thru #24 of 21 November 1984, and, further, that items #31 and #32 and the remainder of the obligations be paid when the funds become available with the meeting of the obligations to be contingent upon each of the creditors providing each member of the Executive Committee with a written absolution of personal liability and/or obligation; and,

"Resolved, that all current bills be paid with existing funds as per the Expense Statement Memo lines 21-24 and lines 31 and 32 with the remainder of the obligations to be paid as the funds become available specifically lines 27-30, line 33, and line 35 on the aforesaid memo and on Mr. Miller's second sheet, lines 1-12.

Mr. Shearer moved the adoption of his resolution which was seconded by Mr. Couture and it was adopted 9-0.

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The Secretary prepared a proper resolution that the Chairman could use to open a bank account for the new operating account. It was read by the Secretary to the Committee and Mr. Seipold moved its adoption; seconded by Mrs. Salaman. The resolution was adopted by a vote of 9-0.

Mrs. Salaman introduced and led discussion on a "Populist Patriotic Pledge Program" calling for $ 10.00 per month from participating members. It was suggested that the program be implemented by The SPOTLIGHT and that Mrs. Salaman handle the mechanics of establishing such a program. It was moved by Mr. Shearer and seconded by Mr. Seipold that the committee give its approval to the plan. The vote was 7 with two abstentions.

The meeting was recessed by a vote of 8-0 and called back into session at 3:20 p.m. in Executive Session.

The location of the March meeting of the Populist Party National Committee was discussed. The By-laws dictated that the meeting be held the second Saturday in March and that a quorum of 26 states would be required to transact business. The plan for proxies was discussed.

It was moved by Mr. Carto and seconded by Mr. Miller that the March meeting of the Populist Party National Committee be held in Nashville, Tennessee. There was some discussion to include comments upon the treatment of the Populist Party by the Nashville press. The motion was withdrawn.

The meeting date was mandated to be March 9th, 1985, and it was moved by Mr. Couture and seconded by Mr. Shearer that the meeting be held in Chicago, Illinois. The motion was adopted 8-0 and the Secretary was directed to move forward securing people in the Chicago area to make further arrangements for the said meeting of the National Committee.

Vice Chairman Yarbrouhg presided in the absence of Chairman Baker. The Secretary offered a resoluvtion as follows:

> "Resolved that at all subsquent meetings of the Executive Committee that no person shall sit in on the meetings except members of the Executive Committee and any necessary staff or resource personnel and only at the specific request of the Committee with such staff or resource personnel remaining present only during the necessity of their presence."

The Secretary moved the adoption of his resolution and it was seconded by Mrs. Salaman and adopted 8-0.

The Secretary offered another resolution as follows:

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"Resolved, that Mrs. Eileen Shearer be made an Ex Officio member of the Executive Committee with all the privileges of regular membership except the voting privilege, to include participation in discussion and with a perpetual invitation to attend any meetings of that body."

The Secretary moved the adoption of his motion and it was seconded by Mr. Couture and was adopted 8-0.

Discussion reverted to the March meeting of the National Committee and March 9th was mandated upon a motion adopted 8-0 by Mr. Couture and second by Mr. Shearer directing that the national office send forth the official call and that notice be not less than 30 days before the meeting, and that a statement of assessment be included.

The 1988 Populist National Convention was considered again and the Secretary reiterated the invitation by the Populists of Minnesota to have the convention in the Minneapolis and/or St. Paul, MN, area. No action was taken at this early date.

There was discussion on future programs and objectives. It was approved that there be a distribution of the By-Laws.

The Executive Committee then returned to discussion of the finances. An austerity program would have to be adhered to for the ensuing months, it was agreed. Until March, the committee concluded, there would have to be a "caretaker condition," in the words of Mr. Shearer. The committee dealt with projected necessary expenses such as office, phone and necessary salaries.

The idea of a separate national office as offered for consideration by the Chair was dispensed with and a more realistic approach considered. The Secretary suggested that survival is the first law of nature. Mr. Carto suggested that the 546-5530 number for the Populist Party be retained and offered the gratis services of (Mrs.) Lois Petersen to answer the calls and refer them to coordinators around the nation. That way there would be maintained a national number which would have the unifying effect of a national office.

The Executive Committee unanimously agreed upon the following procedure for a "caretaker situation:"

1. Keep the national office technically in the Liberty Building and accept the offer of Mr. Carto for answering and coordination communication by Mrs. Petersen.

2. Divide the nation into three areas, the eastern, the central and the western, retaining three area coordinating chairmen, and,

3. That the area coordinating chairman be paid $ 1,000 per month and allowed expenses up to $ 500.

It was moved by Mr. Shearer and seconded by Mr. Carto that the foregoing conditions acquiesced in by the committe be put into a formal motion and it was adopted 8-0 with the further stipulation that all such payments be made with the approval of the major creditor.

The Secretary then offered the suggestion that if the coordinating chairmen who carried the brunt of the party's work were to be reduced by 1/3rd in their salaries that it seemed logical that the National Chairman be also cut. He put it into the form of a motion which was seconded by Mr. Yarbrough. The motion passed 8-0 with the Chairman abstaining. According to the motion the Chairman would be paid$ 2,000 per month and allowed $ 500 in expenses and further that the Chairman's salary and expenses were ordered to be paid from and out of the independent operating account for which he would henceforth raise his suggested "external funds" and over which he would have control with checks to be signed by himself and the comptroller, Mr. Hutzel.

Mr. Shearer then offered a similar motion stating that "the foregoing motion further constitutes notice to all now in the employ of the party that this is a three-month deal subject to action by the National Executive Committee and ending March 9th and contingent upon the ability to pay future salaries."

The Shearer motion was seconded by Mr. Couture and adopted by a vote of 8-0 with the Chairman abstaining.

There was a motion by Mr. Shearer that the assessments by the national party upon the states (for 1/3d of a year) and the registration fees for the National Committee meeting in March be deposited in the operating account; it was seconded by Mr. Couture and passed 9-0.

The committee then went to discussion of Emmett Miller's idea for a national uniform ballot-qualifcation law. He suggested that such an effort could be coordinated by the Council of State Governments and with Washington State Sen. Jack Metcalf. After discussion the motion was withdrawn temporarily.

The committee then considered a motion by Mr. Carto, seconded by Mr. Shearer that"any majority of the members of the Executive Committee may convene the Executive Committee, with proper notice being given." It was adopted 9-0.

The Chair then recognized Mr. Carto who led a discussion of various groups who should be courted for their potential interest in and possible support of the Populist Party.

The committee recessed for dinner at 7:15 p.m.

The committee reconvened at 9:20 p.m. with the Vice Chairman presiding, the Chairman having had to leave to appear on a radio talk show.

Acting Chairman Yarbrough called the meeting to order and discussion returned to the Miller Resolution for a national uniform ballot access law and Mr. Miller offered the following resolution:

> "Resolved, that the Executive Committee authorize the drafting of a Uniform Political Party Ballot Qualification Law for adoption by the various states of the Union in cooperation with other political parties in lobbying efforts, such proposed law to have targeted requirements of certification of national candidates by a national convention attended by delegates from at least one-half (1/2) the states and by petition in statewide situations of 500 qualified electors distributed by congressional districts.

Mr. Miller then spoke to his motion. Mr. Shearer suggested the motion be amended to include that the proposed law be drafted by Mr. Miller and suggested the assistance of Mr. Richard Winger of San Francisco, California, and further suggested that the motion "not be eroded with other ideas." The amendments were so stipulated and Mr. Miller moved its final adoption with the second by Mr. Shearer and it passed 8-0.

Acting Chairman Yarbrough then recognized Mr. Couture who spoke to the necessity of having an organized basis for starting the party's work. He explained his six-tier program which was/is a proposed program for large party membership and leadership expansion. The committee was very receptive to Mr. Couture's remarks and agreed it was needed to improve the membership numbers and the organization andactivities of the Populist Party.

Other short discussions were held and after 11:00 p.m. the Chair entertained a motion to adjourn and to reconvene on March 9th or 10th in Chicago, Ills., 1985.

Respectfully submitted,

DONALD L. KIMBALL
National Secretary

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Exhibit "G"

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If your Country has a future as an independent nation, that future is Populist . . .

From the desk of
JOHN R. RARICK

BUT, if America is to be submerged into an international swamp, with our precious, blood-bought Constitution canceled by a world economic-political government, the Republican Party and the Democratic Party will be GUILTY of that crime.

Both major parties strongly support internationalism. "America First" is now virtually a dirty name to leaders of the "two" parties.

Now I have been a Democrat all my political life. I served in the House of Representatives for eight years from the Sixth District of Louisiana and before that five years as an elected state judge.

As a Democrat I did all I could to work for Constitutional principles and for American sovereignty.

My record shows it. I am very proud of that record.

Unfortunately, I learned the hard way that as a member of either party you must either "play ball" with the powers that be . . . or else.

The Democrats took away my seniority in 1969, making me a "freshman" in the committees I served. They did this because I persisted in voting and acting according to my conscience instead of the party line.

I was punished for political heresy. For standing up for America.

WHY I AM NOT A REPUBLICAN

Do I hear you ask me, "Then why don't you join the Republican Party?" If that is your question, let me give you only two (out of many) very recent reasons why I'm not joining the Republicans.

Do you remember what Bob Dole--the Republican leader of the Senate and one of the most powerful Republicans in America--had to say right after the Republican Platform Committee brought in their report during the GOP convention in Dallas, last year?

If you watched television, you will recall that a large group of patriotic, mainstream Americans had worked long and hard to hammer out a platform. Since they pretty much represented the Republican grassroots, it was conservative, reflecting the party membership, not David Rockefeller's Council on Foreign Relations or the Trilateral Commission.

Dole was asked by a liberal reporter how long it would take the Republican leadership to forget about the platform.

"About as long as it takes to pack our bags," he sneered.

If that doesn't make you see red, what will?

It beats me how any self-respecting American can support the Republican Party after Dole's contemptuous comment.

Dole, remember, is one of the most powerful men in Washington. He is a vigorous proponent of higher taxes. For YOU. Even as thousands of farmers in his state--Kansas--are going bankrupt, thanks to the Republican free trade and high-interest banker-dictated policies he promotes, Dole demands higher taxes to pay for increased foreign aid and the interest on the so-called "national debt."

(As you know, the "national debt" has been created by bankers literally out of nothing. But you are forced to pay exorbitant interest on it out of your earnings. You should read Don Kimball's new book on this subject.)

Because the newspapers in Kansas are controlled by the banks and the liberals, the voters in that state aren't told the truth about Dole. They think he is "conservative"!

THE GREAT "CONSERVATIVE" FLIM-FLAM

The horrifying fact is that, under a "conservative" banker-controlled president, the Republican Party is dropping all pretense that it is nationalistic and in tune with the Republican mainstream. Just the other day, 35 "conservative" Republican congressmen signed an inflammatory letter to the ambassador from South Africa which could well have been written in Moscow. Joining the most liberal of the Democrats, like Rep. Steven Solarz and Sen. Teddy Kennedy, they threatened dire consequences unless that country immediately does away with apartheid.

One of the signers, Vin Weber, of Minnesota, later explained. Writing in the liberal Washington Post, he said: "WE MUST ESTABLISH THE REPUBLICAN PARTY AS AMERICA'S NEW INTERNATIONALIST PARTY."

Weber said that many Republicans might think this is "treason."

You can forget about the Republicans as you can forget about the Democrats. Both are totally controlled puppets of the internationalists.

I AM A POPULIST

Like so many thousands of former Republicans and Democrats who put their country ahead of their traditional party loyalty, I am now a proud member of the Populist Party.

It took the rebirth of the one and only party which has always stood for American principles to make me realize that I have been a populist all my life.

> I HAVE ALWAYS REVERED THE CONSTITUTION. I HAVE ALWAYS BEEN AN AMERICAN FIRST. I HAVE ALWAYS OPPOSED COMMUNISM AND SOCIALISM. I HAVE ALWAYS BELIEVED THAT THE INTERESTS OF THE PEOPLE SHOULD BE SERVED AHEAD OF THE BANKS AND THE MULTINATIONAL CORPORATIONS AND THE LISPING "INTELLECTUALS."

And I plan to devote all of the time and money I can spare from now on supporting and helping to build the Populist Party.

(Have you noticed many politicians suddenly calling themselves "populist" since our party has re-appeared? Don't let them fool you. Only one party stands for the Jeffersonian principles of populism.)

A POLITICAL MIRACLE

Last year you and I witnessed one of the great political miracles of our time. Almost entirely unnoticed by the press, the Populist Party was reborn and, in a mere eight months, had become an organized and permanent presence on the American scene.

Starting its organizing in March, the party had its first convention since 1896 in September. It nominated candidates and--considering the limited time and funds at its disposal--did far better than any other "third" party, including some which have been active for many years and spent millions.

I'll include a reprint of an article which appeared in The SPOTLIGHT giving the incredible vote. This is an astounding performance. This is the most encouraging thing to happen in years.

Starting to organize in March, the party held its first national convention since 1896 in September and nominated two outstanding candidates for president and vice-president. By October party organizations were functioning in 49 states and the party was on the ballot in 14.

On election day the party received almost as many votes as other "third" parties which have been active for years, and which raised millions of dollars.

This is an astounding record for a fledgling party. I'll enclose reprints from The SPOTLIGHT which detail this historic achievement.

I don't know about you, but to me, this is the most encouraging thing to happen in years! All is NOT lost. We have built a solid foundation for a major new party. Now we must go forward and build that party. We need three things: ORGANIZATION, LEADERSHIP, and FUNDING.

ORGANIZATION

Although the future of the Populist Party is very bright, there are also immediate and pressing problems. There is no time to lose.

Enormous strides have been made setting up state committees and gaining ballot position. Now we must begin the task of organizing the party down to the local level. We have to set up party committees in every county, every precinct.

WE MUST BEGIN NOW. WE CANNOT WAIT. WE MUST PREPARE TO RUN CANDIDATES FOR LOCAL, STATE AND CONGRESSIONAL OFFICES NEXT YEAR--1986. AND THERE WILL BE A PRESIDENTIAL ELECTION IN 1988!

LEADERSHIP

Leadership is another pressing and urgent need. We need hard workers and leaders. We need candidates. We need fundraisers. We need to get more young people involved. So please get in touch with your chairman of the party in your state if you haven't already. GET ACTIVE WITH YOUR POPULIST PARTY!

FUNDING

This brings me to our greatest weakness, our lack of funds. Our potential is almost unlimited but our means available are pathetic. But this is natural. The strength of populism is also its weakness. Populism stands for the people but in politics today the money comes from the special interests. Obviously,

David Rockefeller and his Big Buck Banking Cabal are not standing in the background with their checkbooks. Their money is for the Republicrats and the smaller parties which promote their interests, such as free trade and higher taxes. They will do all they can to frustrate us.

The money to support populism must come from the people it benefits, not the special interests.

That's why we need your help desperately if the Populist Party is to grow --if it is to survive. We must pay off the party debt (almost $200,000) and move forward.

In addition to paying off the debt we need at least a million dollars to finance our activities this year of 1986--this critical year when there is so much to be done!

The Populist Party offers Hope. It may be the last chance you and I have to save America--to painfully pull it back from the brink of the final plunge into the fetid swamp of national destruction. The internationalists --who are very near to dissolving our national independence and our Constitution in a capitalist/Marxist world economic union--must be stopped before it is too late!

AND IT IS NEARLY TOO LATE!

This is why I appeal to you to meet this challenge the only way it can be met--with a new party--the Populist Party.

PLEASE help in every way you can. Otherwise, George Orwell's "1984" will be delayed no longer.

Yours, for the Constitution

JOHN R. RARICK

P.S. I almost forgot. Don Kimball, our Central States Coordinator and secretary of our Executive Committee, has just written a truly great book, The Money and the Power. You must have this 160-page book; it is truly outstanding. I've never read any book which explains the historic money question so well, so clearly, so persuasively. It is truly a superb primer, perfect to give to someone who doesn't understand the total fraud of our dishonest money system. If you contribute $20 or more I will send you a free copy of this $6 book.

Contribute to the party and get up to a $50 tax credit on your 1985 return — $100 for a joint return!

POPULIST PARTY
NATIONAL COMMITTEE
P.O. BOX 76737
WASHINGTON, D.C. 20013

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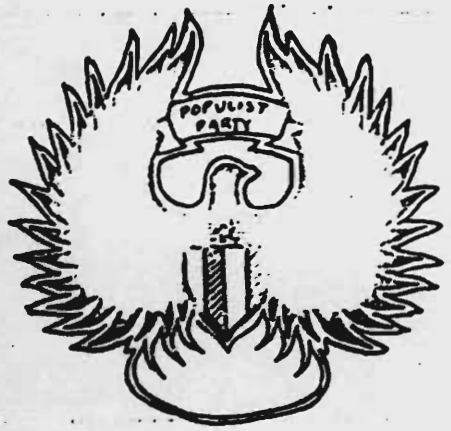

POPULISM—

the Wave of the Future.

☐ Please send me further information about the Populist Party.

☐ Yes, I want to become a supporting member of the Populist Party National Committee. I'm enclosing $15 in annual dues.

☐ I wish to contribute to the Populist Party's national campaign fund. I am enclosing $_____.

NAME _____

ADDRESS _____

_____

TELEPHONE NUMBER _____

Send to:

POPULIST PARTY NATIONAL COMMITTEE
P.O. Box 76737
Washington, D.C. 20013
Telephone: (202) 546-5530

The Populist Party platform is based on the simple premise:

Power to the People—
Not to the Special Interests

The Populist Party Places AMERICA First

The principles of Populism are as fresh today as they were when America's first populist, Thomas Jefferson, penned the Declaration of Independence in 1776.

The new Populist Party was established in Washington, D.C. on February 29, 1984 and is organized in every state. In the recent presidential election the party's candidates for president and vice president were on the ballot in 14 states. By 1988 the party expects to have ballot status in every state.

If you want to help the Populist Party in this state contact:

Local Populist Party units may put their own address here.

Are YOU a Populist?

Check your positions on the issues against those of the various political parties as listed on the chart inside and see where you stand.

Are you a Populist?

Find out.

WHERE DO *YOU* STAND ON THE ISSUES?

MAJOR ISSUE	COMMUNIST PARTY	DEMOCRATIC PARTY	REPUBLICAN PARTY	POPULIST PARTY	YOUR POSITION
REPEAL THE FEDERAL INCOME TAX on the wages of the working middle class, which currently bears most of the tax burden.	NO	NO	NO	YES	
PROTECT AMERICAN JOBS AND INDUSTRY from foreign competition. Institute fair tariff laws to equalize production costs at the water's edge. Promote domestic enterprise. Restrict immigration to protect employment for American workers.	NO	NO	NO	YES	
STOP INFLATION, BRING DOWN INTEREST RATES, AND PREVENT NATIONAL BANKRUPTCY by abolishing the private banking monopoly known as the Federal Reserve System which maintains a profitable deadlock on our economy at the expense of America's workers, farmers and small businessmen.	NO	NO	NO	YES	
RESTORE A STRONG NATIONAL DEFENSE. Establish a military which is second-to-none. Cease shipments of advanced technology and military equipment to enemy nations. Defend America, not the world.	NO	NO	NO	YES	
PROTECT THE RIGHT OF LAW-ABIDING HOMEOWNERS AND SPORTSMEN to keep and bear arms as guaranteed by the Constitution.	NO	NO	NO	YES	
REVITALIZE THE FAMILY FARM. Establish an immediate moratorium on all foreclosures against farmers, homeowners, and small businessmen. Provide parity for family farmers.	NO	NO	NO	YES	
STOP MEDDLING IN FOREIGN WARS. Restore America's traditional non-interventionist foreign policy as laid down by President George Washington. Stop sacrificing American boys in wars fought to benefit the special interests.	NO	NO	NO	YES	
REINVIGORATE THOMAS JEFFERSON'S PRINCIPLE: "Equal Rights for All; Special Privileges for None." End all forced racial busing, quotas and affirmative action programs.	NO	NO	NO	YES	
RESTORE FREEDOM OF CHOICE in health care and education. End government restrictions which interfere with medical freedom and the right of parents and local school districts to guide their children's education.	NO	NO	NO	YES	
REPUDIATE THE NATIONAL DEBT except that held by lenders who have invested their earned money in government securities. This will cut the artificially inflated debt and interest by at least one-half.	NO	NO	NO	YES	

ARE YOU A *POPULIST*?

IMPORTANT ANNOUNCEMENT

The National Committee of the Populist Party, composed of the official delegates from all states having a recognized Populist Party, will be held according to the bylaws.

The meeting will be held at the Bismarck Hotel, 171 W. Randolph St., Chicago. Reservations are available at a special rate to Populist Party members. Dial 800-643-1500.

All Populist Party supporting members are cordially invited to attend.

Registration will begin at noon, Friday, March 8. Business meeting will convene at 9 a.m. Saturday, March 9. A Populist Rally will begin immediately after the business meeting. Following a social event Saturday evening will be a Gala Banquet.

Sunday will feature a very important School of Politics. Experts in the fields of state organization, selection of candidates, ballot qualification, petitioning, use of issues, getting out the vote, etc. will speak and answer questions. The period will include panel discussions, questions and answers and confrontational situations.

Most events will be open to Supporting Members without charge. An appropriate charge will be made for the Populist Rally and Gala Banquet.

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I ALSO WANT TO HELP THE PARTY PASS THE WORD . . .

☐ **I WANT TO PURCHASE:**

_____ copies of the brochure **Are YOU a Populist?** (100 for $5; 200 or more, 4¢ each) . . . . . $_____

_____ copies of the Official Platform of the **Populist Party** (100 for $5; 200 or more, 4¢ each) . . . . . $_____

_____ **Official Populist Party** lapel pin(s) ($5 each) . . . . . $_____

_____ **Populist Party** bumper sticker(s) . . . . . $_____

_____ **Abolish I.R.S.** bumper sticker(s) . . . . . $_____

_____ **Populist Party** button(s) . . . . . $_____

(All bumper stickers and buttons are $1 each. If you order a dozen or more of a particular item, the price is 35¢ each.)

D.C. residents add 6% sales tax. GRAND TOTAL $_____

(Return this card with your order and contribution.) S-2

POPULIST PARTY CONTRIBUTION CARD FOR AMERICA FIRST

YES JUDGE RARICK,

I fully support the POPULIST PARTY. You can count on me to help in this crucial fight for America's survival as a free and independent nation. Please send me a 1985 Supporting Membership card for a minimum donation of $15. And if my contribution is $20 or more, also send me a FREE copy of Don Kimball's book, The Power and the Money. I enclose:

☐$15 ☐$25 ☐$50 ☐$100 ☐$_____Other

018408 M 5PMEM
WILLIAM K SHEARER
9160 PALM ST
LEMON GRV CA 92045

NOTE: Your contribution up to $50 is fully deductible dollar-for-dollar as a tax credit against your 1985 income tax. If you file jointly, you may deduct $100 from the tax you would ordinarily pay. Make check or money order out to POPULIST PARTY and mail to P.O. Box 76737, Washington, D.C. 20013.

(See reverse side to order POPULIST PARTY items.)

FROM_____

_____

_____

PEACE STAMP HERE

POPULIST PARTY

P.O. BOX 76737

WASHINGTON, D.C. 20013

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P.O. Box 76737
Washington, D.C. 20013

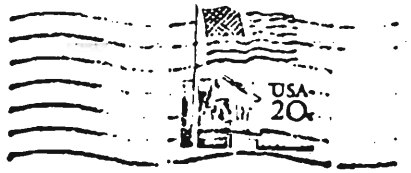

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Exhibit "H"

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POPULIST PARTY
NATIONAL COMMITTEE

EXECUTIVE COMMITTEE
William W. Baker, Chairman
James Yarborough, Vice Chairman
Donald L. Kimball, Secretary
Emmett E. Miller, Treasurer
William K. Shearer, Parliamentarian
Willis A. Carto
Thomas M. Goodhoe

P.O. BOX 76737
WASHINGTON, D.C. 20113
(202) 546-5530

January 28, 1985

To: All Members of the National Committee, Populist Party

From: National Executive Committee

Subject: CALL OF NATIONAL COMMITTEE MEETING, MARCH 9-10, 1985 IN CHICAGO, ILLINOIS

This letter will serve as your official notice of the meeting of the National Committee of the Populist Party to be held Saturday and Sunday, March 9-10, 1985, in Chicago, Illinois. You, and all supporting members of the Populist Party, are cordially invited to attend.

All sessions of the National Committee Meeting will be held at the Bismarck Hotel, 171 West Randolph Street, Chicago, Illinois 60601. Each party member is responsible for making his or her own room reservations and a handy registration card is enclosed for this purpose. Room rates are: $35 for singles; $45 for doubles; and suites are available at special rates. Room reservations may also be made by calling the Bismarck's toll free number: 1-800-643-1500. If your reservation is made by telephone, be sure and inform the hotel that you are with the Populist Party, so that you will qualify for the special room rates quoted above.

Transportation to the hotel is available from Chicago's O'Hare Airport by airport bus at a price of $6.75 one way.

Individual registration fee for the meeting will be $55, payable to the Populist Party. This fee includes National Committee supporting membership for 1985 ($15), ticket to the gala banquet which will be held on Saturday evening, March 9, 1985, and admission to all of the meetings of the National Committee and its sub-committees. This registration fee should be mailed to:

Fred Seipold, Credentials Chairman
P.O. Box 7173
Boise, Idaho 83707

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For further information about meeting arrangements, you are invited to contact Mr. Seipold at 208-336-4335 (office), or 208-343-5049 (residence); or Eileen M. Shearer, National Arrangements Chairman, 619-460-4484.

The Chicago gathering will be the first meeting of the National Committee since the party was formally organized at the National Convention in Nashville, Tennessee in August, 1984.

Principal business of the meeting will be the election of the party's national officers for the 1985-89 term. Officers to be elected include the National Chairman, National Vice Chairman, Secretary, Treasurer, and Parliamentarian.

In addition to the election of officers, the National Committee will formulate policies for the future growth and development of the Populist Party. Among the topics to be considered are:

1. Organizational structure during the next 4 years;

2. Participation of the party in State and Congressional elections in 1986;

3. Party finances;

4. Campaign techniques and practical applications; and

5. Suggestions by National Committee members with regard to the platform of the Populist Party.

The subject of the platform has attracted much interest among party members. While the bylaws provide that the National Convention, not the National Committee, shall adopt the platform, the National Committee can receive input from the party's membership on this subject. Consequently, it is the intention of the National Committee to establish a sub-committee to hold hearings and take testimony on the platform for purposes of making recommendations to the 1988 National Convention. The first of these platform hearings will be held in conjunction with the Chicago National Committee Meeting. Party members who have platform suggestions are invited to present their views at the hearing.

Featured speakers at the National Committee's Saturday evening Banquet will be:

- Honorable John R. Rarick of Lousiana, former member of Congress, keynote speaker at the Populist Party's 1984 National Convention, and the American Independent Party's Presidential Nominee in 1980. Rarick is widely recognized for his courageous advocacy of constitutional government and patriotic causes.

- Maureen Kennedy Salaman, the Populist Party's dynamic 1984 Vice-Presidential nominee. Mrs. Salaman, one of the Nation's outstanding speakers, is President of the National Health Federation, is the star of several radio talk shows, and is a nationally recognized author of books on nutrition and freedom of choice in health care.

In addition to addresses by John Rarick and Maureen Salaman, there will be reports by party officers and executive committee members on all aspects of party affairs.

Voting representation at the National Committee meeting will be in accord with the formula for such representation set forth in the Party's National Bylaws. Section II of the Bylaws states in pertinent part:

"Membership in the Populist Party is limited to one political party organization recognized by the National Committee from each State, the District of Columbia, and any other areas specified by the National Committee.

"Representation on the National Committee shall be determined as follows:

"(1) When a member state political party is qualified to place statewide candidates or presidential electors on the next general election ballot in the state, the state party is entitled to three representatives plus one additional respresentative for each five electoral votes of the subject State or major faction thereof.

(2) When a member state political party was qualified in the most recent general election to place statewide candidates or presidential electors on the ballot, but is not so qualified for the next general election ballot, the state organization is entitled to three representatives.

(3) When a member political organization is not qualified to place statewide candidates or presidential electors on the next general election ballot in the state, and it was not so qualified in the immediately preceding general election, the state organization is entitled to two representatives."

Under this formula the States will be entitled to the following number of votes in the National Committee meeting: California, 12; Kansas, 4; Alabama, Arkansas, Idaho, Louisiana, Minnesota, Mississippi, North Dakota, Rhode Island, Tennessee, Washington, West Virginia, and Wisconsin, 3 each; all other states and the District of Columbia, 2 each.

The Bylaws further provide that:

"No State political organization shall be a member of the National Committee unless it pays its assessments as established by the National Committee."

Section VII of the Bylaws provides that each member State party shall pay to the National Committee an assessment of $20 every 4 months for each voting representative to the National Committee. Two such payments will be due at the National Committee meeting (one for the August-December 1984 period, and one for the January-April 1985 period). Thus, in order to vote in the meeting, a State with two voting members will be required to pay an assessment of $80; a State with three voting representatives will be required to pay an assessment of $120; a State with four voting representatives will be required to pay an assessment of $160; and a State with 12 voting members will be required to pay an assessment of $480. These assessments are in addition to the meeting's registration fee. The National Committee will strictly enforce the rule requiring state parties to be current in their assessments to the National Committee as a condition to voting in the Chicago meeting.

Under the Bylaws of the Populist Party, proxy voting in the National Committee meetings is permitted. However, the Bylaws state that:

"A representative may vote by proxy but no person may cast more than one vote."

This provision insures maximum individual participation in the National Committee meetings and precludes any individual from attempting to control a meeting through accumulating numerous proxies made out to a single individual.

A proxy form, for your use, is included with this official notice of the National Committee meeting.

The importance of the Chicago meeting can not be overemphasized. You will not want to miss this historic event.

Please mail your registration immediately upon receipt of this notice.

We look forward to seeing you in Chicago on March 9-10, 1985.

NATIONAL EXECUTIVE COMMITTEE

by:
Jim Yarborough
Vice-Chairman

by:
Donald L. Kimball
Secretary

2004079230

PROXY FOR ATTENDANCE AT THE MEETING

OF THE NATIONAL COMMITTEE OF THE POPULIST PARTY,

CHICAGO, ILLINOIS,

MARCH 9-10, 1985.

I, _____, a duly qualified member of the National Committee representing the State of _____, do hereby designate _____ whose Post Office address is _____,
(Address, City, State, Zip Code)
as my proxy, with full power to vote and act for me in every respect as a duly-qualified member of the National Committee of the Populist Party, meeting in Chicago, Illinois on the 9th and 10th days of March, 1985.

Executed this _____ day of _____, 1985 at _____
_____.
(City & State)

_____

Member, National Committee, Populist Party

0004074231

YOU ARE INVITED TO ATTEND THE IMPORTANT

NATIONAL COMMITTEE MEETING OF THE POPULIST PARTY

IN CHICAGO, ILLINOIS

MARCH 9-10, 1985

Meeting Place: Bismarck Hotel
171 West Randolph Street
Chicago, Illinois 60601

Meeting Times: Sessions begin at, 9:00 a.m., Saturday, March 9, and throughout the day. At 7:30 p.m., there will be a gala banquet. Principal speakers at the banquet will be honorable John R. Rarick of Louisiana, 1980 Presidential candidate of the American Independent Party, and Maureen Kennedy Salaman, 1984 Vice Presidential nominee of the Populist Party. The National Committee will reconvene at 9:00 a.m., Sunday, March 10, and will continue its meeting until its business is completed.

Registration Fee: Registration fee of $55 includes National Committee supporting membership ($15), ticket to the gala banquet, and entry to all meetings of the National Committee and its sub-committees.

Hotel Reservations: You must make your own hotel reservations. Send in the registration card which accompanies this announcement, or call the Bismarck Hotel at 1-800-643-1500. If you make your reservations by telephone, be sure and inform the hotel that you are with the Populist Party.

- -

MEETING REGISTRATION FORM

(1) Yes, I plan to attend the Chicago National Committee meeting of the Populist Party.

Enclosed find $_____ for ____ registrations at $55 per registration ($40 if paid up supporting member for 1985).

(2) I will be unable to attend the Chicago meeting, but I want to contribute toward the outstanding party building work of the National Committee.

Enclosed find my contribution of ( ) $100, ( ) $50, ( ) $25, other _____.

Name _____

Address _____

City, State, Zip Code _____

Telephone _____

Make all checks payable to the Populist Party
Mail your check and registration form to:

Fred Seipold, Credentials Chairman
POPULIST PARTY
P.O. Box 7173
Boise, Idaho 83707

POPULIST PARTY
NATIONAL COMMITTEE

EXECUTIVE COMMITTEE
William W. Baker, Chairman
James Yarborough, Vice Chairman
Donald L. Kimball, Secretary
Emmett E. Miller, Treasurer
William K. Shearer, Parliamentarian
Willis A. Carto
Thomas M. Goodhoe

P.O. BOX 76737
WASHINGTON, D.C. 20113
(202) 546-5530

January 28, 1985

To: All State Parties and Members of the National Committee

From: National Executive Committee

Subject: ASSESSMENTS

This letter will constitute notice that your State Party's assessments to the National Committee for the last four months of 1984 and the first four months of 1985 are now due. These assessements must be paid in order for your State Party representatives to vote in the National Committee meeting to be held in Chicago, Illinois on March 9-10, 1985.

Section II of the Populist Party's National Bylaws states:

"No State political organization shall be a member of the National Committee unless it pays its assessements as established by the National Committee."

Article VII of the Bylaws provides that each member State party shall pay to the National Committee an assessment of $20 every 4 months for each of the State Party's voting representatives in the National Committee.

Section II of the Bylaws sets forth the formula under which representation in the National Committee is determined.

Under this formula, California has 12 votes in the National Committee; thus its assessments, now due, total $480. Kansas has 4 votes in the National Committee; thus its assessments, now due, total $160. The States of Alabama, Arkansas, Idaho, Louisiana, Minnesota, Mississippi, North Dakota, Rhode Island, Tennessee, Washington, West Virginia, and Wisconsin each have 3 votes in the National Committee, thus each of these States now has assessments due in the amount of $120.

All other state parties have 2 votes in the National Committee; thus each of these States now has assessments due in the amount of $80.

(OVER)

0 0 4 0 7 9 3 2 3 3

The check for your State's assessments should be made payable to the Populist Party, and transmitted to:

Fred Seipold, Credentials Chairman
National Committee, Populist Party
P.O. Box 7173
Boise, Idaho 83707

These assessments must be paid before your States' representatives will be permitted to vote in the National Committee meeting. If you have questions with regard to your assessments, you may contact Mr. Seipold by telephone at 208-336-4335 (office) or 208-343-5049 (residence).

Thank you for your support of the National Committee.

NATIONAL EXECUTIVE COMMITTEE

by: Jim Yarborough
Jim Yarborough
Vice-Chairman

by: Donald L. Kimball
Donald L. Kimball
Secretary

0004079323 4

POPULIST PARTY
BISMARCK HOTEL CHICAGO, ILL. NATIONAL COMMITTEE MEETING
Saturday, March 9, 1985

7:30 a.m. Registration opens, Lobby
YARBROUGH:
9:00 Invocation. Darlene Sartori
Pledge of Allegiance. Col. Tom McCrary
Appointment of Sargeants-at-Arms (Brayshaw, Egan)
9:15 Introduction of Dr. John Roche (Chmn., Taxpayers' Party)
ROCHE. Welcome to Illinois

9:30 YARBROUGH. Introduce Keynote speaker, Wm. K. Shearer
SHEARER. Keynote

10:10 YARBROUGH. Appointment of Committees
Credentials Committee. Fred Seipold
Nominations Committee. Ed Kaiser
Resolutions Committee. Joe Birkenstock
Platform Committee. Don Kimball
Agriculture Committee. Bruce Rutan

10:25 YARBROUGH. Reports of area coordinators
YARBROUGH (15 min.)
SEIPOLD (10 min.)
KIMBALL (15 min.)

11:00 National news conference, SHEARAR
Farmers our guests. RUTAN

12:00 noon Recess
Committee meetings Credentials
Nominations
Resolutions
Agriculture

2:30 p.m. YARBROUGH. National Committee reconvenes
Special presentation (Moment of silence for unborn)

2:35 YARBROUGH. Introduce John Couture
COUTURE. Organization for Victory Plan. Six Tiers, Six Months.

3:05 YARBROUGH introduce Willis Carto.
CARTO. Financial report.

3:25 YARBROUGH introduce Fred Seipold
SEIPOLD. Report of Credentials Committee
3:35 YARBROUGH. Introduce Ed Kaiser
KAISER. Report of Nominations Committee.

3:45 YARBROUGH. Election of officers.

4:05 YARBROUGH. Introduction of new chairman. Acceptence and response by new chairman.

(continued)

4:25 p.m. Recess

4:30-6:30 Platform Committee

7:00 Friendship hour

8:00 Banquet, Pavillion Room. New Chairman presiding.
Invocation
JOHN RARICK
MAUREEN SALAMAN

Sunday, March 10, 1985

8:00 a.m. WALNUT ROOM Prayer meeting.

9:00 National Committee reconvenes.
CHAIRMAN.
Pledge of Allegiance, GARY NUNES

9:05 DR. FLOYD PARKER, Medical Care for the Elderly

9:20 CHAIRMAN introduces party candidates for 1986

9:30 SHEARER. School of Politics. Panel discussion
A. State organization & structure
Organization for Victory Plan (SHEARER, YARBROUGH)
B. Fundraising (CARTO, SALAMAN,
C. News media (KIMBALL, N.SHEARER)
D. Ballot Qualification (SEIFOLD, YARBROUGH, E.SHEARER)
E. Candidates & Candidate selection (RARICK, W.SHEARER)
Issues & Issue selection

12:00 noon Agriculture Committee report RUTAN

12:20 Resolutions Committee Report BIRKENSTOCK

12:40 CHAIRMAN. Closing remarks

1:00 p.m. Benediction

1:15 State party caucuses

2:30 Executive Committee

C 0 0 4 0 7 9 5 2 3 6

Exhibit "I"

0004079337

The American Independent

8158 PALM ST. • LEMON GROVE, CALIFORNIA 92045 619 / 460-4484

WILLIAM K. SHEARER
Publisher

April, 1985

FRED SEIPOLD ELECTED POPULIST PARTY NATIONAL CHAIRMAN

Fred Seipold of Boise, Idaho, was elected national chairman of the Populist Party at the first meeting of the party's National Committee in Chicago, Illinois on March 9, 1985.

Formally organized at a convention in Nashville, Tennessee in August, 1984, the Populist party then elected a temporary slate of officers to serve until the March 1985 meeting in Chicago when officers were elected for a full, four-year term.

Fred Seipold

Elected in Chicago to serve with Seipold were: Jim Yarbrough of Gainesville, Georgia, vice chairman; Donald L. Kimball of Fayette, Iowa, secretary; Faye Miller of Dauphin Island, Alabama, treasurer; and William K. Shearer of Lemon Grove, California, parliamentarian.

Yarbrough, Kimball, and Shearer were re-elected at Chicago, having been among the original officers selected at Nashville. Mrs. Miller, an accountant, succeeds her late husband, Emmett E. Miller, as treasurer. He was elected in Nashville, but died in January, during his term in office.

Seipold, an attorney in private practice in Boise, Idaho, has served as a member of the Populist Party's national executive committee and as Western States Coordinator since November, 1984. During the presidential campaign, he supervised the litigation portion of the party's ballot access effort, and was the attorney who won the case in the Ninth Circuit Court of appeal which placed the Populist Party on the Idaho ballot.

Born in San Francisco, Seipold was reared in the Pacific Northwest. He received a B.S. degree in English and an M.S. degree in Administration at the University of Idaho, followed by a law degree (Juris Doctor) at Gonzaga School of Law, Spokane, Washington.

Prior to attending law school, Seipold spent five years in education as a teacher, coach, and high school principal.

Now 38, Seipold has had a lifelong interest in populist politics. In 1968, he supported Governor George Wallace of Alabama for the presidency.

John Couture

Maureen Salaman

John R. Rarick

Seipold is married, and his wife, Doris is an active supporter of his political endeavors.

Named at Chicago to serve with the officers on the Populist national executive committee were John Couture of Hales Corner, Wisconsin, articulate, long-time populist activist; Maureen Kennedy Salaman of San Francisco, California, president of the National Health Federation and the Populist Party's 1984 Vice-Presidential nominee; and Rolland Victor of Wayne, Nebraska, who was named vice-chairman for agriculture.

Former Rep. John R. Rarick of Louisiana, and Eileen M. Shearer, chairman of the California American Independent Party, were elected by the executive committee to serve as ex-officio members.

Host for the National Committee meeting in Chicago was the Taxpayer's Party of Illinois, whose chairman, Dr. John Roche, welcomed the committee members at the opening session.

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Keynote speaker was William K. Shearer who devoted much of his address to the current plight of American agriculture. He was highly critical of President Reagan's veto of legislation providing debt relief for farmers.

"The Populist Party is strongly in favor of a moratorium on farm foreclosures," Shearer said, "and recognizes that government has the power to reduce interest rates for farm and other borrowers.

"In 1950," he said, "farm income was $19 billion, and farm debt only $12.5 billion. In 1983, in terms of constant dollars, farm income had fallen to $5.4 billion while farm debt had risen to over $216 billion.

"During the last four years, equity in agricultural land has fallen $150 billion. The number of farms is declining as family farmers are forced out, while the size of farms increases as giant corporations take over more and more of agriculture. Family farmers are now forced to make 62 percent of their income away from the farm," he said. "These trends must be reversed."

Shearer said that the Populist Party supports the principle of "full parity" for farmers, and that "the specific manner in which this policy is implemented should be recommended by the farmers themselves, not foisted on the farmers by the politicians."

On behalf of the Populist Party, Shearer invited representatives of all farm organizations to sit down with the party's leadership to inform us of the provisions farmers want in a parity bill. The Populist Party will then join in leading the fight for legislation which will really resolve the farm crisis on terms satisfactory to the farmers."

A number of working committees functioned at the National Committee meeting. These included credentials, chaired by Seipold; nominations, chaired by Dr. Edmon V. Kaiser of California; resolutions, chaired by Joseph Birkenstock, chairman of the Wisconsin Constitutional Party; and agriculture, chaired by farmers Rolland Victor of Nebraska and Bruce Rhutan of Michigan.

A committee to make recommendations on the platform was chaired by Kimball. The committee began the process of taking testimony on the various subjects included in, or to be considered for the 1988 platform.

Resolutions approved by the National Committee:

- Authorized the executive committee to establish a close working relationship with farm organizations in order to build the party and to promote the cause of America's farmers;

- Endorsed the pro-life position on abortion; and

- Affirmed the Populist Party's recognition of the Republic of South Africa as an anti-communist country with which the United States should maintain friendly economic and political ties.

WANTED

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Exhibit "J"

9004079324 1

POPULIST PARTY
NATIONAL COMMITTEE

EXECUTIVE COMMITTEE
William W Baker, Chairman
James Yarborough, Vice Chairman
Donald L Kimball, Secretary
Emmett E Miller, Treasurer
William K Shearer, Parliamentarian
Willis A Carto
Thomas M Goodhoe

P.O. BOX 76737
WASHINGTON, D.C. 20113
(202) 546-5530

March 27, 1985

Mr. Fred Seipold, Chairman
Populist Party National Committee
373 West Fort Street
Boise, Idaho 83701

Dear Fred:

To assist in keeping an accurate record of the transactions of the Executive Committee, I am providing to you, and each member of the Executive Committee, this summary of the financial motions which I offered at the meeting on Sunday, March 10, 1985, and each of which was adopted by the Executive Committee. I have provided explanation of the motions where elaboration will be helpful.

1. Motion instructing the treasurer to pay the following attorneys: Steiner, $510.00; Longacre, $654.00; and Drake, $495.08.

These payments were previously authorized by the Executive Committee at the November, 1984 meeting, but the payments were not made at that time because of shortage of funds.

2. Motion to pay expense accounts of coordinators as follows: Seipold, $2,214.95; Yarbrough, a sum not to exceed $700.00; Kimball, a sum not to exceed $800.00. These were the amounts stated by the coordinators as due for past work, in accord with authorizations of the Executive Committee. Payments to be made promptly by the treasurer upon presentation of proper accounting by the coordinators.

3. Motion to pay all expenses in connection with the Chicago National Committee meeting, including the sum of $1,294.48 advanced by W. K. Shearer. Itemized statement was submitted to treasurer.

An additional $129.65 has since been submitted for payment, with approval by the chairman.

4. Motion to pay remaining bills from the Maureen Salaman Vice-Presidential Campaign as follows: Visa (W. K. Shearer card), $2,649.84, Maureen Salaman, $900.00.

0 0 0 4 0 7 9 3 2 4 2

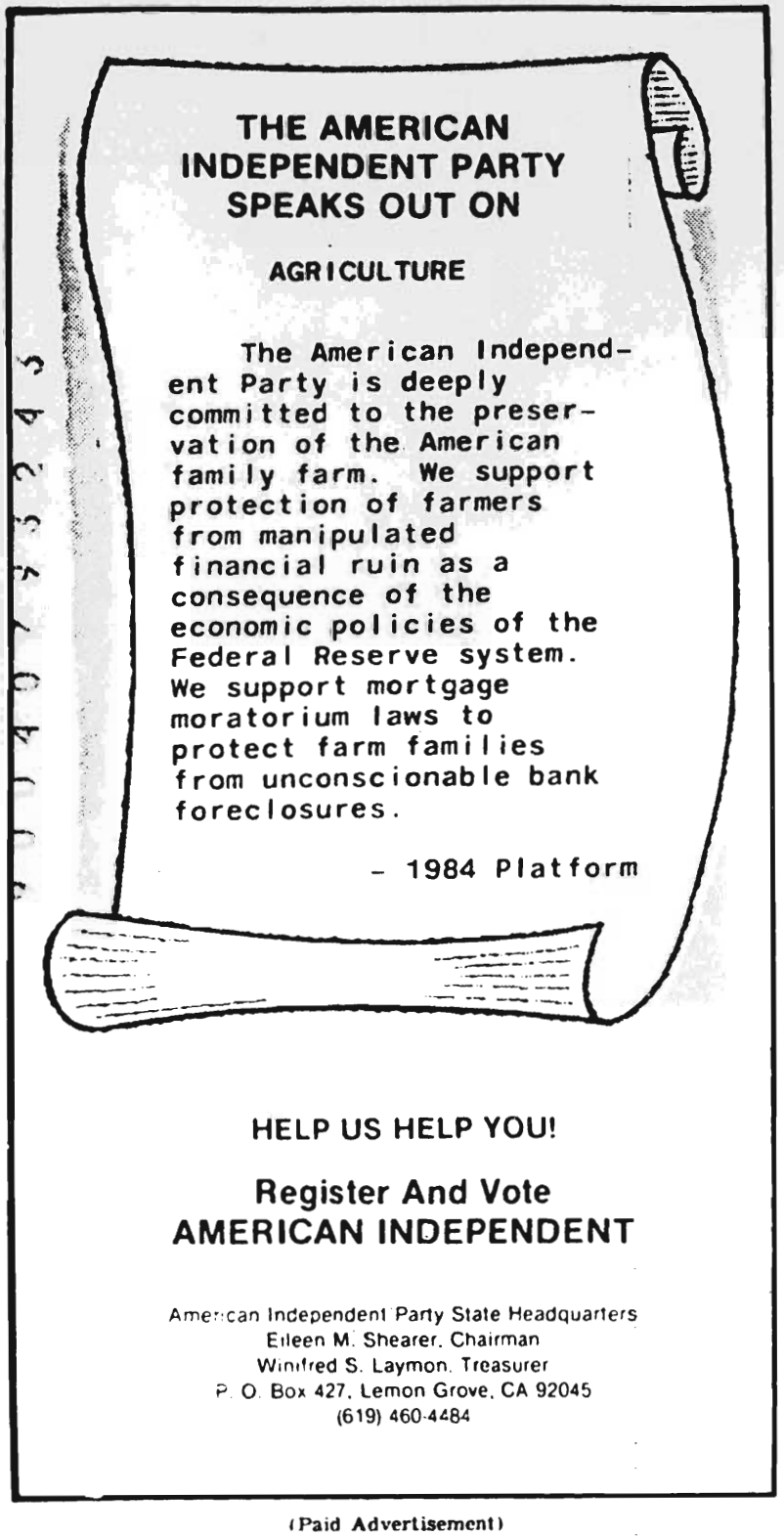
The National Committee adopted an organizational program prepared by Executive Committee member John Couture known as the "six-tier, six-month" plan. The plan describes in detail an organizing procedure whereby a state party can organize from the top to the precinct level in six months time. The National Committee intends to implement the plan in a number of states in 1985.

Saturday evening, March 9, following the National Committee business, a gala banquet was held at the Bismarck Hotel. Principal speakers were John R. Rarick and Maureen Salaman.

Both Rarick, the American Independent Party's 1980 presidential candidate, and Mrs. Salaman, the Populist Party's 1984 vice-presidential candidate, gave inspiring and enthusiastic speeches filled with optimism for the party's future.

On Sunday, March 10, the National Committee sponsored a series of panels on practical politics which included discussions of state organization, precinct work, fund raising, ballot access problems, and effective contact with the news media. Participating in the panels were Seipold, Yarbrough, Salaman, Willis A. Carto, Kimball, Eileen, Bill, and Nancy Shearer.

Following the National Committee meeting, the executive committee met, under Seipold's leadership, to deal with the party's finances, and make plans for the party's future. During the next 60 days, Seipold will make recommendations to the executive committee on establishment of a permanent national headquarters. Meanwhile, he, Yarbrough, and Kimball will continue to coordinate party activities in their respective areas of the country.



(Paid Advertisement)

Itemized Visa bill presented to treasurer by Shearer. Maureen reported that she had submitted her bill to Washington, but did not keep copy. Apparently, the statement has been lost, so it is not possible to present itemized receipts for the $900.00.

5. Motion to pay trade payable bills submitted by W. A. Carto, in total sum of $27,684.86, on a payment schedule to be worked out between the Chairman, Treasurer, and Willis.

The total was arrived at by adding six sets of receipts and/or bills in the folder presented by Carto as follows: (a) $709.00; (b) 3,744.21 (c) $1,042.55; (d) $716.55; (e) $3,330.05; and (f) $18,142.50.

6. Motion that the Chairman, as legal counsel, be instructed to do such research as necessary to determine how the Committee's accounts should be structured and administered to meet all requirements of Federal and other applicable law; to report his findings in writing within 30 days; and that his findings be implemented without the necessity of further board action, to assure that the National Committee is functioning in conformity to the requirements of law.

7. Motion that the following salaries and expense accounts be approved for a period of 60 days commencing March 1, 1985: Seipold, salary $4,000.00 per month, expense account, $2,000.00 per month; Yarbrough, salary, $1,500.00 per month, expense account, $1,000.00 per month; Kimball, expense account, $1,000.00 per month. The same salaries and expense accounts to be continued for an additional 30 days if available funds permit.

8. Motion that the Chairman, as legal counsel, be instructed to draft and secure signatures of necessary parties on legal documents releasing all members of the Executive Committee (past and present) from individual liability on the indebtedness of the Populist Party to Liberty Lobby, the Cordite Corporation, etc., which was, by vote of the Executive Committee in November, 1984, made a condition precedent to the assumption of said debt.

9. Motion that the Chairman be instructed to present recommendations for the location of the national office of the Committee, and a proposed budget for the operation of the National Committee for the remainder of 1985; said recommendations to be presented in writing within 60 days.

Trusting that this will be helpful, I remain

Sincerely yours,

William K. Shearer
Parliamentarian

0040732244

Exhibit "K"

9004079324 5

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WILLIAM K SHEARER
8158 PALM ST
LEMON GROVE CA 92045

PLEASE RETHINK YOUR POSITION VERY CAREFULLY OR YOU WILL OPEN A REAL CAN OF WORMS. AS I HAVE TOLD YOU, THE VIRGINIA CORPORATION IS AND ALWAYS HAS BEEN THE VIRGINIA STATE PARTY. IF YOUR THESIS IS CORRECT THE CONTRIBUTIONS MADE TO THE NATIONAL COMMITTEE BY D.C. HAVE BEEN ILLEGAL AND MUST BE REPAID, INCLUDING AT LEAST $15,715.72 DISPURSED TO YOU AND EILEEN. THE TOTAL OF ILLEGAL CONTRIBUTIONS WOULD BE FAR MORE THAN THE EXISTING DEBTS. YOUR THESIS MAKES YOU LIABLE FOR FINES. IT WILL RESULT NOT ONLY IN MASSIVE CONFUSION FOR SUPPORTERS AND LOSS OF SUPPORT BUT EXPENSIVE FEDERAL INVESTIGATIONS AND SUITS, ALL IN ALL A TREMENDOUS SETBACK FOR THE PARTY. I SUGGEST WE WORK OUT A REASONABLE SETTLEMENT BEFORE TOO LATE. I AM SURE YOU ARE NOT TRYING TO DESTROY THE PARTY. I AM PERFECTLY WILLING TO LET NEUTRAL PARTIES DECIDE.
WILLIS CARTO

17:59 EST

MGMCOMP

P00407932246

TO REPLY BY MAILGRAM MESSAGE, SEE REVERSE SIDE FOR WESTERN UNION'S TOLL - FREE PHONE NUMBERS

Exhibit "L"

0004079324 7

STATEMENT OF ORGANIZATION

(see reverse side for instructions)

1 (a) Name of Committee (in Full) — (b) Check if name or address is changed

POPULIST PARTY

(c) Address (Number and Street)

130 Third St., S.E.

(d) City, State and ZIP Code

Washington, D.C. 20003

2 Date

4-15-84 84 JUL 2 AM 9:46

3 FEC Identification Number

4 Is this an amended Statement? YES NO

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 (if applicable)

(c) This committee supports/opposes only one candidate (name of candidate) and is NOT an authorized committee.

(d) This committee is a national committee of the POPULIST Party.
("National", State or subordinate) (Democratic, Republican, etc.)

(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 nor a party committee.

6

Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship
NONE		

If the registering political committee has identified a connected organization above, please indicate the type of organization.

Corporation — Corporation w/o Capital Stock — Labor Organization — Membership Organization — Trade Association — Cooperative

7 Custodian of Records (enter the name, address (phone number optional) and position of the person in possession of the committee records)

Full Name	Mailing Address and ZIP Code	Title or Position
William [illegible] Baker	Box 11134, Las Vegas, Nev. 89111	Party Chairman

8 Treasurer (enter the name and address (phone number optional) of the treasurer of the committee as of the date this Statement is signed)

Full Name	Mailing Address and ZIP Code	Title or Position
[illegible]	6803 Nesbitt Pl., McLean, Va. 22101	Treasurer

9 Banks or Other Depositories (list the banks or other depositories in which the committee deposits funds, such as checking accounts, savings accounts, certificates of deposit, money market funds, etc.)

Name of Bank, Depository, etc.	Mailing Address and ZIP Code
National Capital Bank	316 Pennsylvania Ave., S.E., Washington, D.C. 20003

10 I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

4-25-84
SIGNATURE OF TREASURER — DATE

NOTE: Misstatement of material fact may subject you to penalties of 2 U.S.C. 437g.

For further information contact

84034007963218

Exhibit "M"

9004079249

FEDERAL ELECTION COMMISSION
WASHINGTON DC 20463

RQ-3

December 13, 1984

Clara Sandahl, Treasurer
Populist Party
130 Third Street, S.E.
Washington, DC 20003

Identification Number: C00186726

Reference: October Quarterly (7/1/84-9/30/84) and 12 Day Pre-General (10/1/84-10/17/84) Reports

Dear Ms. Sandahl:

This letter is to inform you that as of December 12, 1984, the Commission has not received your response to our requests for additional information dated November 21, 1984. Those notices requested information essential to full public disclosure of your Federal election financial activity and to ensure compliance with provisions of the Federal Election Campaign Act (the Act). Copies of our original requests are enclosed.

If no response is received within fifteen (15) days from the date of this notice, the Commission may choose to initiate audit or legal enforcement action.

If you should have any questions related to this matter, please contact Paul Kolesa on our toll-free number (800) 424-9530 or our local number (202) 523-4048.

Sincerely,

John D. Gibson

John D. Gibson
Assistant Staff Director
Reports Analysis Division

Enclosures

C 00186726 840327 764 25 59

Exhibit "N"

0004079325 1

POPULIST PARTY - NATIONAL EXECUTIVE COMMITTEE

The following are the minutes of the Executive Committee Meeting which took place by telephone conference on September 29, 1985 at 6:30 pm Pacific time.

On line for the call were executive committee members, John Couture, Don Kimball, Faye Miller, William Shearer, Jerry Pope, Rolland Victor, Willis Carto and National Administrator, Nancy Shearer.

Mr. Couture requested that Miss Shearer give a report on the new office.

Miss Shearer reported that she had found an office in San Diego for $264.00 on a month to month basis and had retained it. She said she rented a post office box for $53.44 which was paid for thru January 1, 1986 and that she had a phone installed with a $100.00 deposit which went toward the first month's bill. The new office address 3435 Camino Del Rio South, Suite 318, San Diego, CA 92108; the new mailing address 6065 Mission Gorge Road, Box 211, San Diego, CA 92120 and the new phone number is (619) 282-5614. She further reported that she had returned to Phoenix and was released from the lease on her apartment, had the party mail forwarded to the new mailing address, and made sure that the Populist Party was not being held responsible for a lease on a Phoenix office.

Mrs. Miller reported that there is approximately a $1,200.00 balance in the party account in Alabama.

Mr. Carto reported that the Washington account had been drained to pay an outstanding Printers II bill of $3,981.64. He asked that Mrs. Miller return the invoice for that bill to him to avoid double payment.

Maureen Salaman was added to the conference call at this time.

Mr. Shearer made a motion that:

1) There are to be no more expenditures on obligations incurred, and no new bills are to be incurred without specific authorization of the executive committee;

2) All Populist Party mail and or contributions are to be forwarded to the new San Diego administrative office for processing; and

3) All funds or checks of any kind are to be forwarded to Mrs. Miller, the National Treasurer, in Alabama, for deposit only in the Populist Party account there.

Mr. Victor seconded the motion.

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Befor a vote could be taken Mr. Kimball moved to table the above motion until fund raising could be discussed. Mr. Carto seconded the motion and the vote was 4 to 4 with Mr. Kimball, Mrs. Salaman, Mr. Pope, and Mr. Carto voting for the motion, and Mr. Shearer, Mrs. Miller, Mr. Victor, and Mr. Couture voting against it.

Mr. Shearers original motion was then discussed and approved by a vote of 6 to 0 with Mr. Pope, Mr. Victor, Mr. Shearer, Mrs. Miller, Mrs. Salaman and Mr. Couture for the motion, and Mr. Carto and Mr. Kimball abstaining.

The next matter to be discussed was fund raising. Mr. Couture said that he thought the proposed 20K mailing concerning membership dues, should take a very positive stand and that he as chairman wouls sign it. All agreed to this approach.

Mr. Couture then asked about the billing of the state assesments. Miss Shearer said she had it on her calendar of things to do as soon as the new letterhead was ready. She also said she was getting a bulk mailing permit for the party.

Mr. Kimball asked Mr. Carto a question about Mr. Kimball's books, but Mr. Carto had left the conference call.

Mr. Kimball went on to address the committee about his book offer in which he would sell copies of his book to the Populist Party for $4.00 each including postage and handling, and that the party could give his book to every $25.00 contributor.

Mr. Couture made a motion to proceed with Mr. Kimball's book offer one month after the membership fundraiser is out. The motion was seconded by Mr. Victor and was unanimously adopted.

Mr. Couture reported that he had mailed a letter to the New York Times requesting a retraction of its attack on the party and that he had sent copies to the statewide leadership. He further reported that he would be sending a letter to the state leaders asking for information on their goals and timetables for state organizational plans. Mr. Couture also gave a brief description of the Video plan he had been working on, to follow the six month six tier plan or whatever plan was implimented in a particular state.

Mr. Kimball brought up the financial dificulties of Van Loman's campaign in Ohio and asked for input as to what could be done.

Mr. Shearer said that under the circumstances the party could not afford to spend any money, but that committee members who wanted to help out Mr. Loman's campaign should either donate or raise $100.00 to send to Mr. Loman's campaign committee.

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Mr. Kimball said it should be sent ot the Loman for Council Campaign Committee, Box 5112, Cincinatti, Ohio 45205, Attn: Harry Bertram, Jr., Treasurer.

Miss Shearer reported that she really needed some assistance in the office, and offered as a solution the hiring of a secretary for 25 hours a week at $6.00 an hour for a total of $150.00 a week.

Mrs. Salaman moved that Nancy Shearer be allowed to get office help for a maximum of 25 hours at $6.00 an hour for a total of $150.00 a week. Mrs. Miller seconded the motion, and it carried unanimously.

Mr. Kimball made a motion for the committee to meet again by conference call on October 20, 1985 at 6:30 pm Pacific time. Mrs. Salaman seconded the motion, and it carried unanimously.

The meeting was then adjourned by Mr. Couture.

Respectfully submitted,

Nancy Shearer

Nancy Shearer
National Administrator

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Exhibit "O"

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POPULIST PARTY - NATIONAL EXECUTIVE COMMITTEE

The following are the minutes of the Executive Committee Meeting which took place by telephone conference on October 20, 1985 at 6:30 pm Pacific time.

On line for the call were executive committee members, John Couture, Don Kimball, Faye Miller, William Shearer, Jerry Pope, Rolland Victor, and National Administrator, Nancy Shearer.

It was moved by Jerry Pope that dues notices be sent out to the approximately 22 thousand members on the list from Washington, and that the money for this mailing, approximately $8,000.00, be borrowed from William K. Shearer A.P.C. to be paid back to William K. Shearer A.P.C. out of the first available funds from the return on the mailing at 10% interest. The motion was seconded by Faye Miller and carried unanimously.

It was moved by Faye Miller that an IBM PC computer be rented from William K. Shearer A.P.C. at $100.00 a month starting October 1, 1985. Don Kimballl seconded the motion and it was carried unanimously.

William Shearer moved that the party pay $1,180.00 rent on the copy machine used in Arizona which includes a $130.00 repair bill on that machine in return for a complete release from any further obligation to David Sasser and the lessor of the equipment, and further that the amount paid be offset against anything further owed to Fred Seipold. The motion was seconded by Faye Miller and carried unanimously.

It was moved by Willim Shearer that the chairman direct a letter to Willis Carto asking him to pay the Populist Party the approximately $500.00 still due on the rental of the Populist Party mailing list used by the Spotlight for its July fundraiser and that the $1,000.00 already paid to Fred Seipold for that rental be offset against anything found to be owing to Fred Seipold. The motion was seconded by Faye Miller and carried unanimously.

At this time Maureen Salaman was added to the conference call.

William Shearer moved that the treasurer direct a letter to Willis Carto requesting a complete accounting of the Washington DC account including statements of deposits and canceled checks. Also the treasurer was to direct a letter to Printers II asking for copies of the work done by Printers II to back up invoices already received from them. Rolland Victor seconded the motion and it carried unanimously.

There was some discussion of Van Loman's campaign in Ohio. It appeared that he was in need of financial backing. Due to the fact that the Populist Party did not have funds available to help his campaign at this time the committee members decided to try to send $100.00 each for his campaign or to raise the money

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to send him if they did not themselves have funds available at the time.

Faye Miller made a motion to send a direct representative to Atlanta, Georgia to represent the party in the matter of securing improved ballot access in that state. Don Kimball seconded the motion and it carried unanimously.

Don Kimball moved to adjourn the conference call meeting and the motion was seconded by all.

Respectfully submitted,

Nancy Shearer

Nancy Shearer, National Administrator

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Exhibit "P"

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POPULIST PARTY - NATIONAL EXECUTIVE COMMITTEE

The following are the minutes of the Executive Committee Meeting which took place by telephone conference on January 18, 1986 at 8:00 AM Pacific time.

On line for the call were executive committee members John Couture, Don Kimball, Faye Miller, William Shearer, Jerry Pope, Rolland Victor, Richard Weimer, and National Administrator, Nancy Shearer.

Mr. Kimball asked for unanimous consent to change his vote at the previous meeting on adding Mr. Weimer to the executive committee from "no" to "yes".

Mr. Shearer objected to going back in the records and changing votes, but said Mr. Kimball's statement should be added to the record of this meeting.

Mrs. Miller moved:

That a demand be made upon the corporation officers of the Populist Party, Inc., a Virginia corporation, to do the following:

(1) The corporation chartered in the state of Virginia and known as Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia; or, in lieu of the charter being returned that the corporation change it's name, purpose and intent so as differentiate it from the Populist Party of the United States, and make this differentiation clear to the public.

(2) That all bank accounts in the name of the Populist Party, Inc. be closed; and

(3) That any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc. immediately cease; along with any other reference to Populist Party which might confuse the corporation with the Populist Party of the United States.

Mr. Victor seconded the motion and it passed unanimously.

Mrs Miller moved that:

Based upon the information available to the executive committee at this time, the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. These entities are to abandon any and all claims of indebtedness to them by the Populist Party of the United States, and furnish the Populist Party of the United States duly executed documents, signed by the officers and/or owners of such corporations, partnerships or proprietorships stating that the

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Populist Party of the United States is not indebted to them, or 2nd or 3rd party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. Should the above mentioned statements of absolution from each of these entities not be obtained from the officers/owners of same by February 10, 1986, it shall be the duty of these officers/owners to submit all financial records pertaining to any alleged activities at any time in the name of the Populist Party to complete and detailed audit by the Populist Party of the United States or its representative.

The motion was seconded by Mr. Shearer and passed unanimously.

Mr. Shearer moved that the executive committee support Mrs. Miller in her position that she is not responsible for filing any reports with the Federal Election Commission or any corporate forms in the name of the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp. or The Spotlight.

Mr. Victor seconded the motion and it passed unanimously.

Mrs. Miller moved:

That any and all solicitation of funds, sales of merchandise, or use of logo by any entity without express approval of the Executive Committee of the Populist Party of the United States cease immediately and that Graphic Productions be required to account for its unauthorized promotional activities, secure authorization from the Executive Committee, share revenues with the committee, and regularly account for the income from its sales of party materials.

Mr. Shearer seconded the motion and it passed unanimously.

Mr. Pope moved that any state party that tells its people not to contribute to the national be removed, and new officers installed with implementation of the motion to be handled by the chairman.

Mr. Shearer seconded the motion and it passed unanimously.

Mr. Shearer moved that the treasurer make a demand for the $1,500.00 owed to the Populist Party by the Spotlight for use of the mailing list, all money collected by the Populist Party, Inc. since September 29, 1985, and any balance presently in the Populist Party, Inc. account.

The motion was seconded by Mr. Weimer and passed unanimously.

Mr. Shearer moved that the party take all steps necessary to see that the Populist Party mailing list is not used by any one but the Populist Party without consent of the executive committee.

Mrs. Miller seconded the motion and it passed unanimously.

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Mr. Shearer moved that $2,500.00 be alloted for the printing of new literature.

Mr. Pope seconded the motion and it passed unanimously.

Mr. Shearer moved that Mr. Couture be allowed reimbursement for actual expenses incurred for travel while doing Populist Party work, and that Miss Shearer be allowed reimbursement for actual expenses incurred on trips to Oregon and Colorado to organize state parties there, under the supervision of the chairman.

Mr. Kimball seconded the motion and it passed unanimously.

Mr. Kimball moved that Mr. Victor be allotted $500.00 for travel on Populist Party business, to be accounted for to Mrs. Miller.

Mr. Pope seconded the motion and it passed unanimously.

The possible employment of Howard Carson was discussed, but no motion was offered and the matter was dropped.

The meeting was adjourned with the option of another meeting left to call of the chairman if needed before the National Committee meeting on March 1st and 2nd in Los Angeles, California.

Respectfully submitted,

Nancy Shearer

Nancy Shearer, National Administrator

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Exhibit "Q"

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THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

January 10, 1986

To: All State Parties and Members of the National Committee

From: National Executive Committee

Subject: CALL OF NATIONAL COMMITTEE MEETING, MARCH 1-2, 1986 IN LOS ANGELES, CALIFORNIA

This letter will serve as your official notice of the National Committee Meeting of the Populist Party to be held Saturday and Sunday, March 1-2, 1986, in Los Angeles, California. You, and all supporting members of the Populist Party, are cordially invited to attend.

All sessions of the National Committee Meeting will be held at the Los Angeles Airport Hilton, 5711 West Century Boulevard, Los Angeles, California, 90045-5631. Each party member is responsible for making his or her own room reservation and a handy registration card is enclosed for this purpose. Room rates are: $55 for single or double rooms. Room reservations may also be made by calling the Los Angeles Airport Hilton at (213) 410-4000. If your reservation is made by telephone, be sure to inform the hotel that you are with the Populist Party, so that you will qualify for the special room rate quoted above.

Transportation to the hotel from Los Angeles International Airport is available via the Hilton Hotel Shuttle at no charge.

For your further convenience, full travel arrangements, including hotel and airline reservations can be made at no charge by calling Taylor Travel at (619) 268-4106. Ask for Clay Taylor and be sure to let him know you are with the Populist Party. The earlier you make your reservation the better the fare you can obtain.

Individual registration fee for the meeting will be $50, payable to the Populist Party. This fee includes admission to all of the meetings of the National Committee and its sub-committees and your ticket to the Festive Saturday Evening Banquet.

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This registration fee along with the enclosed registration form should be sent in the enclosed return envelope to:

Populist Party Administrative Office
6065 Mission Gorge Road, Box 211
San Diego, CA 92120

For further information about meeting arrangements, you are invited to contact Nancy Shearer or Donna Layton at (619) 282-5614.

The Los Angeles gatthering will be the second meeting of the National Committee since the party was formally organized at the National Convention in Nashville, Tennessee in August, 1984.

Principal Business of the meeting will be consideration of the patry's participation in the 1986 elections in the various States, and continued developement of the Populist Party at the national level.

Featured speaker at the National Committee's Festive Saturday Evening Banquet will be:

- Maureen Kennedy Salaman, the Populist Party's dynamic 1984 Vice-Presidential nominee. Mrs. Salaman, one of the Nation's outstanding speakers, is President of the National Health Federation, is the star of several radio and television talk shows, is a nationally recognized author of books on nutrition and freedom of choice in health care, and is the American Independent Party/Populist Party candidate for Governor of California in the upcomming state election.

Voting representation at the National Committee meeting will be in accord with the formula for such representation set forth in the Party's National Bylaws. Section II of the bylaws states in pertinent part:

"Membership in the Populist Party is limited to one political party organization recognized by the National Committee from each State, the District of Columbia, and any other areas specified by the National Committee.

"Representation on the National Committee shall be determined as follows:

(1) When a member state political party is qualified to place statewide candidates or presidential electors on the next general election ballot in the state, the state party is entitled to three representatives plus one additional representative for each five electoral votes of the subject State or major faction thereof.

(2) When a member state political party was qualified in the most recent general election to place statewide candidates or

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presidential electors on the ballot, but is not so qualified in the next general election ballot, the state organization is entitled to three representatives.

(3) When a member political organization is not qualified to place statewide candidates or presidential electors on the next general election ballot in the state, and was not so qualified in the immediately preceding general election, the state organization is entitled to two representatives.

Under this formula the States will be entitled to the following number of votes in the National Committee meeting: California, 12; Kansas, 4; Alabama, Arkansas, Idaho, Louisiana, Minnesota, Mississippi, North Dakota, Rhode Island, Tennessee, Washington, West Virginia, and Wisconsin, 3 each; all other states and the District of Columbia, 2 each.

The bylaws further provide that:

"No State political organization shall be a member of the National Committee unless it pays its assessments as established by the National Committee."

Section VII of the Bylaws provides that each member State party shall pay to the National Committee an assessment of $20 every four months for each voting representative to the National Committee. Two such payments will be due at the National Committee meeting in March (one for the August-December 1985 period, and one for the January-April 1986 period). Thus, in order to vote in the meeting, a State with two voting representatives will be required to pay an assessmant of $80; a State with three voting representatives will be required to pay $120; a State with four voting representatives will be required to pay $160; and a state with 12 voting representatives will be required to pay $480. These assessments are in addition to the meeting's registration fee. The National Committee will strictly enforce the rule requiring state parties to be current in their assessments to the National Committee as a condition to voting in the Los Angeles meeting.

Under the Bylaws of the Populist Party, proxy voting in the National Committee is permitted. A proxy form, for your use, is included with this official notice of the National Committee meeting. The Bylaws state that:

"A representative may vote by proxy but no person may cast more than one vote."

This provision insures maximum individual participation in the National Committee meeting and precludes any individual from attempting to control a meeting through accumulating numerous proxies made out to a single individual.

The importance of the Los Angeles meeting cannot be overemphasized. Your participation at this national meeting is of the utmost importance to you, your state party, and your country.

Please mail your registration immediately upon receipt of this notice.

We look forward to seeing you in Los Angeles on March 1-2, 1986, and to important Populist victories in the 1986 election.

Sincerely,

John M. Couture, Chairman

MEETING REGISTRATION FORM

(1) Yes, I plan to attend the Los Angeles meeting of the Populist Party National Committee.

Enclosed find $_____for_____registrations at $50 per registration.

(2) I will be unable to attend the Los Angeles meeting, but I want to contribute toward the outstanding party building work of the National Committee.

Enclosed find my contribution of ( ) $100, ( ) $50, ( ) $25, Other _____.

Name_____

Address_____

City, State, Zip Code_____

Telephone_____

Make all checks payable to the Populist Party!

Mail registration form to: Populist Party Administrative Office
6065 Mission Gorge Road, Box 211
San Diego, CA 92120

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Exhibit "R"

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The American Independent

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WILLIAM K. SHEARER
Publisher

March, 1986

WILLIAMS KEYNOTES POPULIST NATIONAL COMMITEE MEETING

Lindsey Williams, popular author and minister, was the keynote speaker at the 1986 annual meeting of the National Committee of the Populist Party, held in Los Angeles, California, on March 1-2.

Williams received an enthusiastic response from the Committee members as he denounced the Federal Reserve system, and exposed the untruths connected with the so-called "energy crisis."

Lindsey Williams

Williams is the author of two books, "The Energy Non-Crisis," and "To Seduce a Nation." A dynamic speaker, he is a strong supporter of the Populist Party and its crusade to restore representative government in America.

In 1974, Williams became Chaplain on the Trans-Alaska oil pipeline. As a result of his executive status with the nine major oil companies, he became privy to first-hand knowledge of the phony nature of the so-called energy crisis.

Principal business before the National Committee was a review of the past year's progress, and reports on various actions taken by the officers and Executive Committee. During 1985, the Populist Party went through a number of crises, including a necessary change in national chairman, but came through the problems with strong new leadership in Chairman John Couture, an efficient national office, reform of party finances to prevent abuses, and a favorable bank balance which enables the party to go forward with optimism in 1986.

At the Los Angeles meeting, the National Committee unanimously adopted the following motion offered by State Chairman Richard Weimer of Indiana:

"Be it resolved that the National Committee of the Populist Party...having reviewed the conduct of the party's business for the past year:

"1. Commends national Chairman John Couture for the outstanding leadership he has provided to the Populist Party during his term as chairman, and rejects the contention of any contrary claimant to the chairmanship as unsupported in law or fact;

"2. Commends national Treasurer Faye Miller and the national Executive Committee for all actions they have taken to assure lawful and fiscally-responsible management of the Populist Party's finances; ratifies the actions of the Treasurer and the Executive Committee, taken during the 1985-86 term, with regard to party finances; and instructs the Treasurer and Executive Committee to continue the policies expressed in the fiscal motions already adopted by the Executive Committee;

"3. Commends National Administrator Nancy Shearer for her capable and efficient administration of the Populist Party's national administrative office."

Responding to concerns expressed by party members that the Populist Party does not have an adopted national platform, Chairman Couture appointed a committee, headed by Wisconsin State Chairman Joseph Birkenstock, to gather proposals for a membership-approved platform.

With regard to the so-called platform document in circulation, the National Committee unanimously adopted the following statement, upon recommendation of Birkenstock's committee:

"The document which has been circulated as the 1984 platform of the Populist Party of the United States has never been adopted by any representative body of the party and is not, in fact, the party platform.

"While it contains many statements which are in conformity with the philosophy of the members, it also contains some statements which many members find unacceptable.

"The document has the status of only a submission by its authors of a recommended platform, and will be considered in due course along with all other submissions for action by the party through its representative bodies."

In order to assure full participation in Executive Committee meetings, the National Committee unanimously adopted a standing rule, recommended by

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Laymon
CANDY COMPANY
of Colton, Calif.

444 Colton Ave. P.O. Box 129
Colton, California 92324
Lon L. Laymon Area Code 714/825-4408

the Rules Committee, which states:

"Any member of the National Executive Committee who has three consecutive unexcused absences from meetings of the Executive Committee shall be deemed to have resigned from the National Executive Committee."

Six committees functioned at the National Committee meeting: Credentials, chaired by Faye Miller of Alabama; Rules, chaired by Richard Weimer of Indiana; Platform, chaired by Joseph Birkenstock of Wisconsin; Resolutions, chaired by Dr. Edmon V. Kaiser of California; Agriculture, chaired by Don Kimball of Iowa; and Campaign, chaired by Kile Daylong, state chairman of the Utah Populist Party.

The resolutions committee reported five resolutions which were adopted by the National Committee. The resolutions:

1. Endorse H.R. 2320, introduced in the House of Representatives, which provides for a reasonable uniform national procedure by which new political parties may qualify for the ballot in the several states, and urge the prompt enactment of this legislation by the Congress.

2. Express opposition to cities, counties, or states providing sanctuary to illegal aliens in violation of Federal immigration laws.

3. Support the right of the states to set their own highway speed limits.

4. Encourage state organizations of the Populist Party to establish telephone information numbers, and print such numbers on party literature.

5. Call on the National Committee to provide each state chairman a list of all state chairmen of the Populist Party, with their addresses, and telephone numbers.

At the opening session of the National Committee, members were welcomed by Eileen M. Shearer, chairman of California's American Independent Party. The American Independent Party is the official California affiliate of the National Populist Party.

WANTED

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$12.00 PER YEAR

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During the course of the meeting, candidates of the state parties for the 1986 election were introduced including California's full slate for statewide partisan office. The California candidates include: Gary Miller of Los Angeles County for Governor; Jim Griffin of Riverside County for Lt. Governor; Ed Vallen of San Bernardino County for U.S. Senator; Gary Odom of Los Angeles County for Attorney General; Theresa Dietrich of Contra Costa County for Secretary of State; Nicholas W. Kudrovzeff of San Mateo County for Controller; and Merton Short of Butte County for Treasurer.

ARE YOU TIRED OF CRIME, HIGH TAXES, EXORBITANT UTILITY RATES, AND LOSS OF AMERICAN JOBS TO UNFAIR FOREIGN COMPETITION? IF SO ... DON'T THROW YOUR VOTE AWAY.

VOTE AMERICAN INDEPENDENT

GOVERNOR GARY V. MILLER Governing Board Member, Mt. SAC Com. Col. Dist.	X
LIEUTENANT GOVERNOR JAMES C. "JIM" GRIFFIN Truck Driver	X
SECRETARY OF STATE THERESA "TENA" DIETRICH Printer	X
CONTROLLER NICHOLAS W. KUDROVZEFF Retired Electrical Director	X
TREASURER MERTON D. SHORT Aviator	X
ATTORNEY GENERAL GARY R. ODOM Attorney	X
U.S. SENATOR EDWARD B. "ED" VALLEN Director, Patriotic Committee	X

HELP US HELP YOU!

Register And Vote

AMERICAN INDEPENDENT

American Independent Party State Headquarters
Eileen M. Shearer, Chairman
Winifred S. Laymon, Treasurer
P.O. Box 427, Lemon Grove, CA 92045
(619) 460-4484

(Paid Advertisement)

Speakers at the National Committee meeting included Populist Party Vice-Chairman Maureen Salaman, who described the battle for "health freedom" now going on in Congress and the state legislatures, and Betty McConkey, state chairwoman of the Populist Party of Iowa, who described the lawsuit the Iowa party has initiated against KWWL-TV in Waterloo, Iowa, in response to the station's defamatory attack on the party, entitled "Harvesting Fear."

McConkey said that individuals in left-wing organizations find left-wing individuals in the media who collaborate to smear conservative individuals and organizations. This is exactly what happened, she said, to the Populist Party of Iowa, "the fastest growing conservative third party organization in the state."

McConkey said the unjust attacks on the Populist Party were a result of the party's suit against the Federal Reserve Board on behalf of the party's farm members.

* * * * *

"The supreme issue . . . is the encroachment of the powerful few upon the rights of the many. This mighty power has come between the people and their government."
- Sen. Robert La Follette

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Exhibit "S"

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POPULIST PARTY - NATIONAL EXECUTIVE COMMITTEE

The following are the minutes of the Executive Committee Meeting which took place by telephone conference on March 8, 1986 at 8:00 AM Pacific time.

On line for the conference call were executive committee members, John Couture, Maureen Salaman, Don Kimball, Faye Miller, William Shearer, Richard Weimer, Jerry Pope, and National Administrator, Nancy Shearer.

Mr. Shearer made a motion that Mr. Couture was to write Mr. Carto and inform him that the Executive Committee of the Populist Party does not consider an audit of accounts maintained in Washington DC in the name of the Populist Party necessary if:

1. Other demands previously made are complied with;

2. Any claim of indebtedness by the Populist Party to The Populist Party, Inc., Cordite Fidelity Corporation, The Spotlight, and Liberty Lobby is abandoned; and

3. The Corporate entity which created the Washington DC accounts, reports and accounts to the Federal Elections Commission for all transactions out of said accounts from start to finish.

If these conditions; are not met an audit by an independent accounting firm,selected by the Executive Committee, will be required, with the expense to be borne by those who established the accounts in Washington DC.

Mr. Weimer seconded the motion.

Mrs. Salaman offered an amendment to the motion to include in the letter to Mr. Carto an apology for any derogatory statements made by any member of the executive committee about Mr. Carto.

Mr. Pope seconded the amendment.

The vote on the amendment was as follows:

Voting yes: Mr. Pope and Mrs. Salaman. Voting no: Mr. Kimball, Mr. Shearer, Mr. Weimer and Mr. Couture. Mrs. Miller abstained from voting.

The vote on the original motion was as follows:

Voting yes were Mr. Kimball, Mrs. Salaman, Mr. Shearer, Mr. Weimer and Mr. Couture. Voting no was Mr. Pope. Mrs. Miller abstained from voting.

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Mr. Shearer asked that Mr. Couture send a letter to Mr. Peter Polkowitz of Graphic Productions informing him that the promotional items he had been selling were not authorized by the executive committee and that he is to submit to the executive committee an accounting of his transactions so far, and if he wants to continue his business he must enter into an agreement with the executive committee.

Mr. Shearer said there were some minutes missing from the record, these being the Chicago National Committee meeting of March 1985; the Los Angeles meeting of March 1986, the telephonic meeting of July 21, 1985 and the Phoenix meeting of June, 1985.

Mr. Kimball said he had the minutes from Phoenix, meeting of June 1985 and the July 21, 1985 meeting, and that he would send them out directly.

Miss Shearer said she would transcribe the Chicago, March 1985 National Committee meeting and the Los Angeles, March 1986 meetings as soon as possible and send them out.

Mr. Shearer went on to report that the Sartore law suit in Indiana had been dismissed in full. He also reported that he was in receipt of the fully executed release on the Idaho equipment matter. Mr. Shearer said he had the computer lease agreement ready for signature and that he would send copies to John Couture and Faye Miller for their approval.

Mr. Shearer moved that all minutes submitted to date be approved. Mr. Weimer seconded the motion and it carried unanimously.

Mrs. Salaman moved that Miss Shearer's salary be raised from $400.00 a week to $500.00 a week and Mrs. Layton's salary be raised from $6.00 an hour to $8.00 an hour.

Mr. Weimer seconded the motion.

After some discussion Mrs. Salaman revised her motion to state that Miss Shearer's salary be reviewed in 45 days but that Mrs. Layton's salary be raised from $6.00 an hour to $8.00 an hour commencing with the March 16 - 22, 1986 pay period.

Mr. Pope seconded the motion.

Mr. Kimball offered an amendment to the motion that Mrs. Layton's pay be raised to only $7.00 an hour.

Mrs. Miller seconded the amendment.

The vote on the amendment was as follows:

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Voting yes: Mr. Kimball, Mrs. Miller and Mr. Pope. Voting no: Mrs. Salaman, Mr. Shearer, Mr. Weimer and Mr. Couture.

The vote on the motion was as follows:

Voting yes: Mr. Kimball, Mrs. Miller, Mr. Pope, Mrs. Salaman, Mr. Weimer and Mr. Couture. Mr. Shearer abstained from voting.

Mrs. Salaman asked that Miss Shearer and Mrs. Layton each prepare a job description for the board's review before the next executive committee meeting.

The meeting was adjourned with the next meeting to be held on Saturday April 5, 1986 at 8:00 AM Pacific time.

Respectfully submitted,

Nancy Shearer
National Administrator

0004073275

Exhibit "T"

0004079327o

POPULIST PARTY
NATIONAL COMMITTEE

P.O. BOX 76737 WASHINGTON, D.C. 20013
(202) 546-5530

March 17, 1986

John Couture
13131 W. Janesville Rd.
Hales Corners, WI 53130

Dear John:

As you are aware, many party members, as well as people who have picked up some party literature or seen a bumper sticker, continue to write in to this address. Many of them wish to pay their dues, others purchase literature, make contributions, ask questions or offer their services.

Due to the present disarray on the executive committee, and the extremely uncertain future of the party as a unified movement, I have asked our staff to resume servicing these inquiries and orders.

It has always been my personal aim, throughout some 30 years of public service, to see that people who support a movement in good faith receive that same commodity back.

A full record will be kept, as always, of action taken in each individual instance.

Sincerely,

Willis A. Carto
Member, Executive Committee

RECEIVED MAR 20 1986

Exhibit "U"

0004079278

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6865 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAURILYN SALAMAN

Secretary
DON KIMBALL

Treasurer
LAVI MILLER

Parliamentarian
WILLIAM K. SHEARER

March 31, 1986

Mr. Willis A. Carto
300 Independence Ave. S.E.
Washington D.C. 20003

Dear Willis,

I am writing to you, in accord with the wishes of the national Executive Committee of the Populist Party, to officially inform you of the actions taken by the Committee with regard to the issues wherein you are at odds with the majority of the members of the Executive Committee, and to seek your compliance with the Committee's mandates. I also hope that this letter will help to resolve, rather than enlarge, the existing problems.

Before going into the position of the Executive Committee, let me say on a personal basis that I am deeply disappointed that you have attacked the Populist Party, and its Executive Committee, charging that we are in "disarray", and have failed to provide leadership, when, in fact, during my six month tenure as chairman, we have made great strides in developing the party. Among the accomplishments of my term, thus far, are the following:

1. When I became chairman, the party had only a little over $1,000.00 in the bank. We now have almost $50,000.00 in the bank, are operating in the black, and have fully met all of our obligations to legitimate creditors.

2. We have established a full time, completely functioning, totally responsible national administrative office. This office functions at minimum cost with one full time administrator and one assistant. It has an appropriate computer, copier, typewriters, and all other necessary, modern operating equipment, and is providing an increasing number of services to the party.

3. My law and business offices in Wisconsin serve as the national office of the party. My office is open from 9:00 AM till usually 6:30 PM (and frequently from 8:00 PM to 10:30 PM) six days per week and often on Sunday afternoons and

evenings. My personal services, my office, secretary, and supporting services cost the party absolutely nothing, except the cost of mailings, and party telephone calls. Unlike the previous chairmen, I have served without pay. Yet, frankly, I believe I have accomplished more for the party in six months than did the previous chairmen during their terms.

4. Ten days after taking office, in a lengthy letter to the New York Times and Milwaukee Journal, I served notice on those who had attacked the Populist Party that the party would not supinely accept any further libels. I received a conciliatory response from the New York Times, and the Milwaukee Journal printed a special editorial letter which extolled the merits of the Populist Party and decried the libelous article complained of. I am not aware of any further libels by the New York Times News Service or the Milwaukee Journal. My letter to these papers was mailed to every state leader of the Populist Party with a cover letter, requesting that each leader direct a copy of my letter to the New York Times to any publication in his or her state which libels the Populist Party.

5. Organization is now going on in the field, and new state organizations are being formed and officially recognized. I have attempted to restore unity to the party. In November, 1986, after numerous phone conferences with Jim Yarbrough, I mailed an "open letter" of reconciliation to Jim, with copies to state leaders, in a beginning effort to heal the wounds resulting essentially from Jim's clashes with former chairman Fred Seipold. My efforts on behalf of unity and reconciliation are continuing.

6. During my administration, for the first time, a comprehensive dues notice mailing, together with membership cards, went out to every recorded member of the Populist Party. This has resulted in strong support in terms both of finances and organization.

7. On March 1-2, 1986, I presided over the annual meeting of the National Committee, which was well attended, and at which the members of the National Committee unanimously confirmed my chairmanship, ratified the acts taken by the Executive Committee during the past year, and commended the efficient functioning of our national administrative office.

8. On November 9, 1985, I participated in conducting a successful Western Regional Conference of the Populist Party.

9. On November 20, 1985 I wrote, printed, and mailed to all state party leaders an 18 page detailed memorandum outlining the organizational programs, and fundamental growth policies of the Populist Party. This was intended, as a "how to do it" manual for the (a) structural organization, and (b) full fleshing out of

every state party. These specified tried and true techniques, if followed, will result in very rapid party growth, and which, if followed, will make swift victory inevitable.

10. On January 6, 1986, I completed a suggested, complete, and detailed model constitution for state parties, and mailed copies of the same to all state party leaders. This will provide guidance and direction for the conduct of state party affairs.

11. The National Committee, under my direction, has prepared new post-election literature for the party, and we are continuing to expand the availability of party building materials.

This does not constitute an exhaustive list of the party's accomplishments during my term to date, but will certainly suffice to show the tremendous progress being made, and that neither the Populist Party, nor its national leadership are in a state of "disarray". I am disappointed that you, although you are a member of the Executive Committee, have refused to participate in the recent telephonic meetings of the Executive Committee. Also, knowing that your stewardship was in question, I am surprised that you did not attend the National Committee meeting, this month, in order to answer questions from members of the National Committee, or, at least, to explain your position on the matters in controversy.

For over a year, the Executive Committee has sought to conform our fiscal affairs to the requirements of the party's membership adopted bylaws, and Federal election laws. At the Executive Committee meeting on March 10, 1985, the Executive Committee adopted a motion directing the then chairman, Fred Seipold, as legal counsel, to do such research as was necessary to determine, how the Committee's accounts should be structured and administered to meet all requirements of Federal and other applicable law; to report his findings in writing within 30 days; and implement these findings without the necessity of further Board action to assure that the National Committee was functioning in conformity to the requirements of law.

The intent of the motion, of course, was to bring all of the bank accounts being operated in the name of the Populist Party under the direct control of the elected treasurer. In spite of the Executive Committee's clear intent, you continued to operate the account or accounts which you had established, using the Populist name, as separate and independent from the official account established by the elected treasurer.

The Executive Committee again considered this problem at the telephonic meeting of September 29, 1985, at which time a motion was adopted that there be no more expenditures on obligations incurred, and no new bills incurred without specific

authorization of the Executive Committee; that all Populist Party mail and or contributions are to be forwarded to the San Diego administrative office for processing; and that all funds or checks of any kind are to be forwarded to the national treasurer, Mrs. Faye Miller, for deposit only in the Populist Party account which she administers.

Although, you were present for the part of the conference call during which this motion was adopted (the record reflects that you abstained from voting on the motion, which was approved 6 to 0), you did not comply with this policy of the Executive Committee, as is confirmed by your recent letter to me, in which you state that you are continuing to collect funds and operate a quote "Populist" bank account independent of the National Committee and the elected treasurer.

On October 20, 1985, in a telephonic meeting of the Executive Committee, a motion was adopted by vote of 6 to 0 that the treasurer direct a letter to you requesting a full accounting of the Washington D.C. account, including statements of deposits and cancelled checks. This material has never been made available by you to the national treasurer.

Finally, having failed to receive your cooperation, on January 18, 1986, the Executive Committee adopted a series of motions, on the accounting problems which your continued operation of one or more "Populist" bank accounts in Washington has generated. Specifically, in order to avoid any confusion among contributors, the Executive Committee now requires of you:

1. That the corporation chartered in the State of Virginia and known as Populist Party, Inc. be immediately dissolved and the charter returned to the State of Virginia, or, in lieu of the charter being returned, that the corporation change it's name, purpose and intent so as to differentiate it from the Populist Party of the United States;

2. That all bank accounts in the name of the Populist Party, Inc. be closed; and

3. That any and all operations, including but not limited to the solicitation of funds by the Populist Party, Inc. immediately cease; along with any other reference to Populist Party which might confuse the corporation with the Populist Party of the United States.

At the January 18, 1986, meeting, the Executive Committee also unanimously approved a motion that " the Executive Committee does not believe that the Populist Party is indebted in any sum or sums whatever to the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. The Executive

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Committee, therefore, directs that you and these entities abandon any and all claims of indebtedness to them by the Populist Party of the United States, and furnish the Populist Party duly executed documents, signed by the officers of such entities stating that the Populist Party is not indebted to them, or to second or third party suppliers and vendors from whom purchases were authorized or incurred by the above mentioned entities in the name of the Populist Party. The motion stated that these acknowledgements must be received by February 10, 1986, and that if the acknowledgements were not forthcoming by said date, the Executive Committee formally demands that all financial records pertaining to any alleged activities at any time in the name of the Populist Party, by any of the described entities, be submitted to a complete and detailed audit by the Populist Party or its representative.

The Executive Committee, by motion, further expressed support of the position taken by the treasurer, Faye Miller, that she is not responsible for filing any reports with the Federal Election Commission, or any corporate forms in the name of the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corp., or The Spotlight. This letter will confirm that Mrs. Miller will make no such filings on behalf of these entities.

The Executive Committee has also authorized me to make a demand on you and The Spotlight for the $1,500.00 owed by The Spotlight to the Populist Party for use of the party's mailing list in 1985. In addition, the Executive Committee demands that you pay to the Populist Party all money collected by the Populist Party, Inc. since September 29, 1985, and any balance presently in the Populist Party, Inc. account.

Finally, the Executive Committee has unanimously adopted a motion requiring that any and all solicitation of funds, sales of merchandise, or use of logo by any entity without express approval of the Executive Committee of the Populist Party cease immediately. The conduct which caused this concern is that of Graphic Productions, which is operated by one of your employees. The motion directs Graphic Productions to account for its unauthorized promotional activities, secure authorization from the Executive Committee for any future activities, enter into a revenue sharing arrangement with the committee, and regularly account for the income from its sales of party materials.

On March 8, 1986, at the Executive Committee's most recent telephonic meeting, an additional motion was adopted with regard to the audit which was conditionally demanded on January 18, 1986. The Executive Committee is prepared to withdraw its request for an audit if you and the entities you control promptly comply with the balance of the above stated directives of the Executive Committee. If you are not willing to comply with these mandates, then the Executive Committee insists upon an audit of

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all bank accounts which you have established using the words "Populist Party" as all or part of the name of such account, with the audit to be conducted by an independent auditor, selected by the Executive Committee, and with the audit paid for by those who opened the accounts, and are thus the cause of the expenditure for the audit.

The Executive Committee believes that the actions we have taken are necessary in order to assure that the conduct of the party's fiscal affairs be in compliance with the bylaws, duly adopted by the membership at the National Convention in Nashville, Tennessee, in 1984, and the requirements of the Federal election laws.

Your compliance with these reasonable requests would do the Populist Party a far better service than the sewing of confusion through attacks on the Populist Party and its Executive Committee, in the pages of "The Spotlight". I certainly do not have any desire to quarrel with you personally, and I believe this is the feeling of the vast majority of those on the Executive Committee. We have taken the steps set forth above only in an effort to assure that the financial affairs of the party are conducted lawfully. I hope you will overcome any hostility which you may feel, and comply with the expressed wishes of the Executive Committee in the interest of compliance with the law, and the wishes of the party's membership as expressed through the bylaws. At the recent meeting of the National Committee the members unanimously ratified the acts of the Executive Committee which I have described in this letter.

Very truly yours,

John M. Couture

John M. Couture
National Chairman

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Exhibit "V"

0004079329

Motion adopted by the National Executive Committee of the Populist Party, during telephonic meeting, Friday, April 18, 1986, 7:00 PM Pacific Time.

I move that Willis A. Carto be removed from the Executive Committee of the Populist Party for breach of fiduciary duty to the members of the party in that he has:

1. Refused to dissolve or change the name of a corporation which he operates, the name of which includes the words "Populist Party," creating confusion among contributors who believe they are contributing to the Populist Party, but whose contributions are placed in the account of the corporation.

2. Refused to turn over to the Treasurer of the Populist Party funds raised in the name of the party, after demand therefor.

3. Continued to operate a bank account in the name of his corporation into which he has wrongfully deposited funds contributed to the party, in spite of the demand that the account be closed.

4. Refused to account to the Executive Committee and Treasurer for funds collected in the name of the Populist Party.

5. Announced that he intends to continue to accept contributions in the name of the party, in spite of the demand of the Executive Committee that he cease to do so.

6. Co-mingled the funds of his business enterprises with contributions received in the name of the Populist Party.

7. Expended funds raised in the name of the Populist Party for non-party purposes.

8. Failed or refused to file necessary reports with the Federal Election Commission.

9. Failed or refused to submit to a full and complete audit of the accounts in which he has placed funds solicited in the name of the Populist Party.

10. Used the party mailing list for his own purposes without compensating the party for use of the list, as he had promised to do.

11. Falsely asserted that the Populist Party is in debt to business entities which he controls.

12. Actively discouraged persons from contributing to the National Populist Party.

Exhibit "W"

9004079327

Motion adopted by the National Executive Committee of the Populist Party, during telephonic meeting, Friday, April 18, 1986, 7:00 PM Pacific Time.

I move that the Treasurer of the National Populist Party be instructed to initiate a complaint with the Federal Election Commission, pursuant to 2 U.S.C. Section 437g, requesting a complete investigation of the activities of Willis A. Carto, The Populist Party, Inc., and other entities which he controls, and which appear to be in violation of 2 U.S.C. Section 432 (a), (b) (1), and (3), 2 U.S.C. Section 434 (a) (1), and (4) (iv), or any other sections of the Federal election laws.

0004075288

Exhibit "X"

2004079329

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

0004079329

April 23, 1986

Mr. Willis A. Carto
300 Independence Ave. S.E.
Washington, D.C. 20003

Dear Willis:

This will acknowledge receipt of your letter dated February 27, 1986, which was delivered to me by Charles Ulmschneider, after copies of the letter had been distributed by him to other persons at the meeting of the National Committee of the Populist Party, on March 1, 1986.

Because you have distributed your letter to others, I shall reply to it. I am certain from the tone and content of your letter, as well as its manner of distribution, that it was intended primarily to influence others, rather than as a personal communication to me. I can discern no interest in fact or truth in your letter, since you included therein at least 10 deliberate untruths, which you knew to be untrue when you wrote them. I shall make reply, however, so that you will be on notice with regard to further dissemination of these falsehoods.

Before addressing these matters, a few preliminary observations are in order.

1. You refer to the memoranda which I addressed to the Executive Committee as "your open letters to the Executive Committee". These communications were not open letters. They were mailed only to members of the Executive Committee, and pertained to matters pending before the Executive Committee. I had no reason to believe any member of the Executive Committee would breach the confidentiality, and, as far as I know, none did except for you. I did not discuss the letters with persons outside the Executive Committee until after distribution of your letter of February 27, 1986. As I said in my memorandum of January 14, 1986, to the Executive Committee:

"It is my hope that the problems discussed herein can be resolved within the confines of the Executive Committee. Of course, if any person chooses to make an issue of these matters in a different forum, I shall feel relieved of the obligation to withhold the contents of this memorandum from those with a proper interest in the party to whom inaccurate information has been presented by other sources."

You, by distribution of your letter of February 27, 1986, have relieved me of the obligation to withhold from party leaders the information contained in my memoranda. The decision to air these matters in a forum outside the Executive Committee was yours, not mine. Since you have chosen to enlarge the circle by dissemination of a communication replete with falsehood, there is no reason why I should permit wrong to mount the throne, while truth lies buried in the dungeon of confidentiality. Therefore, since receipt of your letter, I have made my memoranda available to party leaders outside the Executive Committee and others to whom I am informed your letter was directed.

2. I don't intend to pay any homage to your pretensions that you alone, unaided by any other human being, swam upstream against overwhelming odds to create a new party in America. I have been laboring in that vineyard since 1967, and don't recall your presence there except on two occasions when you were hawking tabloids for your own profit. You didn't even jump off the Republican band wagon until February 1984, and I vividly recall your participation in the 1971 effort with Bob Walters, The Committee To Reelect The President (CREEP), and the American Nazi Party in the unsuccessful drive to cause removal of the American Independent Party from the California ballot. I still have documentary evidence of your participation in this activity.

3. Contrary to your assertions, the Executive Committee of the Populist Party has not been inactive, and the party is not paralyzed. In spite of your obstruction and manipulation of the funds, the Executive Committee has put the party's finances in order, established an efficient and effective administrative headquarters, is continuing the organizational work of the party, and has a favorable bank balance in spite of your sneaky and underhanded efforts to thwart that result. You accuse me of obstructionism, but I haven't obstructed anything except your desire to solicit funds under false pretenses, your attempts to transact party business contrary to Federal election law and the party by-laws, and your venal attempt to perpetuate a system of perpetual bondage for the party to the entities which you control, through the assertion of what I believe to be a phony allegation of party indebtedness to your controlled corporations.

4. I thoroughly disagree with your statement that: "Obviously, attempting to run a successful political campaign pay-as-you-go is totally unrealistic and can be productive of nothing but infinite impotence."

The late President Calvin Coolidge said: "There is no dignity, quite so impressive, and no independence quite so important, as living within your means."

He also said: "Industry, thrift, and self-control are not sought because they create wealth, but because they create character."

I can understand how these concepts may be alien to you, since you want to apply to the party the same kind of profligate deficit spending policy which is guiding President Reagan, and which guided his immediate predecessors, with regard to the conduct of governmental affairs. I assure you that Lord Keynes was not correct in asserting that the more you spend the wealthier you are.

I know that you are smart enough to know all this, and, therefore, I conclude that your advocacy of a perpetual party debt is motivated solely by a desire to keep the party in perpetual economic bondage to you for purposes of control.

5. Finally, I cannot help but note your lack of courage in failing to appear at the National Committee meeting on March 1-2, 1986, to defend your position, or at least answer questions from members of the National Committee about your financial manipulations. I recall that you barely escaped with your skin at the Chicago National Committee meeting, a year ago, because of the inadequacy of your answers with regard to your handling of funds raised and expended in the name of the party. If you had nothing to hide, you had nothing to fear in appearing at the National Committee meeting in Los Angeles. Your failure to be present speaks with greater eloquence as to the truth of matters, than does your nine page letter, replete with misrepresentations, delivered by an errand boy incapable of responding to any inquiry as to your stewardship of the funds which you raised and expended, without full and proper accounting, in the name of the Populist Party.

Now, with these preliminaries disposed of, let us look at the specific misrepresentations included in your letter.

LIE NO. 1: Your statement that your Populist Party corporation "was never activated."

Not only was the corporation activated, but it had and has officers, including a treasurer, who filed reports on its behalf with the Federal Election Commission. Further, you opened a bank account in the name of the corporation, and solicited funds in

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the name of the Populist Party which you deposited to the corporate bank account from which you then disbursed funds.

Further, you did not reveal to the elected officers of the party or the Executive Committee the existence of this corporation, and the fact that the acts being done by you were being done in the name of the corporation. I, personally, did not learn of the nature and activities of the corporation until March, 1985, at San Diego, a week or so following the National Committee meeting in Chicago, when I specifically inquired of you about the matter.

In your letter of February 27, 1986, you admit that: " The legal and official existence of the structured party began the instant Fleming Lee, at the party's first national convention in Nashville, on August 18, 1984, read the by-laws, took a vote, and proclaimed their adoption."

I concur with your statement that the legal and official existence of the structured party began at the Nashville convention. My concerns are that, with a legal and official party in existence, with elected officers, and particularly an elected treasurer, why did you not turn the party funds over to the treasurer as the law would seem to require? Why did you continue to solicit funds in the name of the party, an unincorporated association, but deposit and expend them through the corporate account? Why did you not reveal to the officers and Executive Committee that the corporation was functioning in place of the "legal and official" party organization?

You have never provided satisfactory answers to any of these questions, nor do I believe that you can.

LIE NO. 2: That Emmett Miller, the elected treasurer of the Populist Party, audited the books, accounts, and records of your corporate entity at the Executive Committee meeting held in Washington, D.C. on November 24-25, 1984.

I was present at the entire Executive Committee meeting, and I made inquiries with regard to the finances, as did Emmett and other members of the Executive Committee. I saw the materials you presented, and no one would need a degree in accounting to know that it would have been a physical impossibility to audit the books and records from the scanty materials you presented, and in the brief time allowed for review of this material while we were in Washington. The document which you attached to your letter and which you describe as "Emmett's audit written in his own hand," is nothing but a "Summary of Obligations", as the document states on its face, listing the obligations which you claimed were owed by the party, and the cash on hand in the bank account at the time we met.

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It is true, that in an effort to resolve the impasse at the meeting, I moved to acknowledge the debt you presented, providing that certain contingencies were met which would (a) relieve the individual Executive Committee members from any liability for the debt, since we had not been privy to the financial transactions which created it; and (b) that an austerity program go into effect to prevent further indebtedness being incurred. Had you disclosed to the Executive Committee that this debt was really that of the your corporation, and not that of the Populist Party, an unincorporated association, I can assure you I would have made no such motion.

Even so the contingencies were never met. Releases of the Executive Committee members from liability were never received from Liberty Lobby, or the Cordite Fidelity Corporation; and you apparently kept adding to the debt outrageous amounts for alleged services which the Executive Committee did not authorize, and had no way to verify.

From November 1984 to the present, you have consistently advocated that the Executive Committee, and elected treasurer, should breach their fiduciary duty to take control of the party's financial transactions. You have objected to the committee's advance consideration and approval of expenditures, and committee review and authorization for payment of bills. As you state in your letter: " I have told you and the Executive Committee many times, the important things to think about are growth, organization, membership, planning ahead and raising funds," in other words, anything except what you are doing with the money. Not only do the Bylaws require that the Executive Committee act on financial matters, but implementation of all the projects you describe is dependent upon our ability to pay for the cost. It is clear to me that we would never be able to accomplish any of these objectives if we allowed the finances of the party to remain in your hands, while you use the funds to subsidize your other ventures, and continue to add to the alleged debt of the party to your entities, keeping the party in perpetual bondage, while the real control over its affairs is not exercised by its elected leadership, but by you and your employees acting as officers of your corporation.

LIE NO. 3: In your letter you describe what you call my "novel theory that there have been two parties...."

You know full well that I believe there to be only one Populist Party, and that is the unincorporated association, created by the national convention in Nashville, Tennessee on August 18, 1984, with officers elected by the convention membership in accord with by-laws adopted by the convention. You concede in your letter that this event was the beginning of the "legal existence of the structured party."

I hold that your corporation is not a party, but a device through which you are enabled to solicit funds in the name of the party from those who believe they are giving to the party, but whose funds are, in fact, deposited in the corporate account controlled by you, rather than turned over to the elected treasurer and party Executive Committee.

If this has not been your intent, I see no reason why you did not turn the control of the accounts over to the elected treasurer of the party following the national convention in August, 1984, or in November, 1984, following the election, or at least after the election of new officers for the full term at the Chicago National Committee meeting in March, 1985.

LIE NO. 4: You allege in your letter that I "secretly -- and without approval of the Executive Committee -- registered something called 'The Populist Party of the United States' with the F.E.C. on August 5, 1985."

I did no such thing. In fact, I have had no contact of any kind with the Federal Election Commission from the inception of the Populist Party to the present time.

Mrs. Miller, the elected treasurer of the Populist Party, did file with the F.E.C. for a registration number, which she is required by law to do. That number is different and separate from that of your corporation. Mrs. Miller is required to account for the receipts and expenditures of the party. She cannot be expected to report on transactions from accounts of yours over which she has no control, and about which you have provided such inadequate information that no one in his or her right mind would attest to the validity or propriety of the transactions from such accounts.

Finally, both the Executive Committee and the entire National Committee have ratified the acts of Mrs. Miller and the Executive Committee in their effort to protect the financial integrity of the Populist Party.

You fool no one by your continued transmittal of incomplete information to Mrs. Miller, with the demand that she report on the transactions from your accounts. She is not about to sign a report as to your transactions, which she has had no opportunity to verify, thus becoming an unwitting fall guy in F.E.C. proceedings pertaining to your handling of the accounts or your corporate entities.

LIE NO. 5: That Mrs. Miller has acted "without approval of the Executive Committee."

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On January 18, 1986, the Executive Committee adopted a motion, made by me, "that the Executive Committee support Mrs. Miller in her position that she is not responsible for filing any report with the Federal Election Commission or any corporate forms in the name of the Populist Party, Inc., Liberty Lobby, Cordite Fidelity Corporation, or `The Spotlight'."

On March 2, 1986, the entire National Committee adopted a motion stating that the National Committee: "Commends national Treasurer, Faye Miller and the National Executive Committee for all actions they have taken to assure lawful and fiscally responsible management of the party's finances; ratifies the actions of the Treasurer and the Executive Committee taken during the 1985-86 term with regard to party finances; and instructs the Treasurer and Executive Committee to continue the policies expressed in the fiscal motions already adopted by the Executive Committee."

LIE NO. 6: You say in your letter: "You state that party records have not been sent to Faye Miller. Perhaps you are unaware of the volume of material Blayne Hutzel has sent to your treasurer, each one via certified or registered mail, and we have the return receipts to prove it. She has been supplied with literally everything yet we have yet to receive the courtesy of even an acknowledgement."

You know as well as I do that Mrs. Miller has not been supplied with "literally everything". For example, she has not been provided with any list of contributors and amounts contributed to make up the $173,000.00 which you collected in 1985. How could she possibly verify the contribution portion of an F.E.C. report without this backup information?

Second, Mrs. Miller has never received the cancelled checks for the accounts you administer, nor full backup for the expenditures which you have made from the accounts. How can she be expected to verify the expenditure side of an F.E.C. report without this information?

I am not certain that any of us have knowledge of all of the accounts which you opened using one or another form of the name Populist Party. I certainly do not have this information, nor does Mrs. Miller.

I have never noticed that you have any trouble doing a sixth grade math problem, and you don't need any additional schooling to know that no responsible person could verify a report to the F.E.C. based on the incomplete accounting and financial information which you have provided to Mrs. Miller.

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LIE NO. 7: Your claim that Clara Sandahl, a person most of the Executive Committee have never even heard of, is "treasurer of the Populist Party." You state in your letter of February 27, 1986:

"I could take many pages citing inaccuracies and outright misstatements in your letters. For example, you state: 'The fact that the Populist Party, Inc. is a separate entity from the Populist Party, the unincorporated association, is confirmed by a letter from the F.E.C. dated August 22, 1985, to Clara Sandahl, treasurer of the Populist Party, Inc.' Your statement is untrue. The letter is addressed not as you state but to, 'Treasurer of the Populist Party.'"

Specifically what I said in my January 16, 1986 memorandum to the Executive Committee was that: "... on March 13, 1985, the Federal Election Commission addressed a letter to Clara Sandahl, treasurer of Mr. Carto's Populist Party Corporation, stating ...."

My words did not describe the manner of salutation from the F.E.C., but the actual position held by Clara Sandahl. The F.E.C. was apparently duped by you and your employees into believing that Mrs. Sandahl was the treasurer of the Populist Party, which she is not.

The Populist Party has had only two elected treasurers in its brief history: Emmett Miller, who was elected by the National Convention in Nashville, Tennessee, and who served until his death in January, 1985; and Mrs. Faye Miller, who was elected at the March, 1985 National Committee meeting in Chicago, and who has served continuously from her election to the present time.

I had never heard of Mrs. Sandahl until I began to look into these matters, after March, 1985, when I learned that you were purporting to operate the party's financial affairs through a separate corporation, and I began to make inquiry on that subject.

You state in your letter that Mrs. Miller remains as treasurer of the Populist Party due primarily to my efforts. This is untrue. I am sure that Mrs. Miller could be reelected in her own right at any time, as evidenced by the unanimous vote of the National Committee to support what she has done as treasurer.

You have made repeated efforts to seek Mrs. Miller's removal from the office of treasurer because you could not control her, and because she would not sign reports to the F.E.C. covering transactions from your corporate account, an account over which she had no control, and inadequate information to validate the transactions.

I remind you that Mrs. Miller was elected by a substantial majority at the National Committee meeting in Chicago in March, 1985, and her acts as treasurer were unanimously ratified by the National Committee one year later at the meeting in Los Angeles on March 2, 1986.

You, by contrast, have never been elected to any office in the party. You have been twice named to the Executive Committee by vote of the elected officers of the party, as allowed by the bylaws, and on April 18, 1986, you were removed by vote of the Executive Committee for your gross breach of fiduciary duty to the Populist Party, its members and contributors. Based upon your record, of which the National Committee members and state party leaders are finally acquiring full knowledge, I don't think that you could beat an asthmatic turtle across a tennis court in a National Committee meeting. When the National Committee held its 1986 annual meeting, at which time your stewardship with regard to party finances was subject to review, you were found neither among the dead, nor the wounded, but among the missing. This is potent testimony as to your personal faith in your ability to defend your record with regard to the party's financial affairs.

LIE NO. 8: You state, with regard to the November 1984 meeting of the Executive Committee in Washington, D.C.: "that I (Carto) suggested that you and Eileen stay at Mrs. Taylor's guest house during your Washington visit for the Executive Committee meeting in 1984, but you summarily rejected this, preferring to take quarters at the vastly expensive Capitol Hill Hotel, at the party's expense, of course."

You are correct in stating that I did reject staying at Mrs. Taylor's guest house, an accommodation which you offered at the party's expense. Instead, I chose to stay at the Capitol Hill Hotel, at my own expense. You know full well that I never billed the party for my stay at the hotel, but paid the bill myself, precisely as I told you I would do when I rejected the Taylor facility.

Not only did I pay my own bill at the hotel, but I registered under my own name, which is something I have noted you do not have the courage to do when you attend party meetings.

LIE NO. 9: You state: "I cannot help but recall... that you told me in 1968, and that you have told others, that you fully expected to make plenty of money out of the American Independent Party, and that your political experience had taught you how money could be made out of the game."

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I never made any such statement to you or anyone else. On the contrary, I worked at considerable financial sacrifice to keep the American Independent Party alive in the difficult period after the Wallace campaign of 1968, while you were working with Nixon's Committee To Re-elect The President (CREEP), Bob Walters, and the American Nazi Party to try to secure removal of the American Independent Party from the California ballot.

LIE NO. 10: You state that Maureen Salaman decided "not to run for the Governorship because of your refusal to supply her with the minimum possible support -- a secretary."

Mrs. Salaman's reasons for not seeking the nomination to run for governor on the American Independent Party ticket are far different than you assert, and are fully explained in her letter to Eileen and me, dated February 10, 1986, a copy of which is attached hereto.

In addition to these 10 deliberate misrepresentations, there are some additional matters discussed in your letter which deserve a passing comment.

1. You shed crocodile tears in your letter over Baron Eichoff of Florida, who was obviously doing your dirty work when he circulated a notice to the members of the Populist Party of Florida discouraging contributions to the national party. Eichoff said: "Many of you have been bombarded with requests from the national Populist Party for membership fees and monthly pledges. As a Florida Populist, you may disregard these mailings."

The dissemination of this material by Eichoff was in direct conformity to the policy which you touted in "The Spotlight" by means of a letter to the editor published on February 3, 1986, which said:

"I have been a dedicated Populist since the inception of the Populist Party, but due to what many perceive to be disarray in the Populist Party at the Executive Committee level, I am hesitant to send any contributions to the Populist Party's national office in San Diego, California.

"For that reason I am sending all of my contributions to my state Populist Party."

This diatribe was followed by two more in a similar vein in the letters to the editor collum of "The Spotlight" on February 17, 1986.

Finally, "The Spotlight" contained a glowing tribute to Eichoff in the March 31, 1986 edition, the same edition which included a front page attack on the party's elected leadership by your paid henchman, Robert Weems.

It doesn't take too much imagination to see what you and Eichoff are doing.

2. You shed more crocodile tears over the refusal of the Executive Committee to hire your hand picked applicant for "national organizer". I can hardly see why the Executive Committee can be faulted for declining to hire a person who had no political experience, no proved ability to raise funds, whose "success" in business was not documented in any way, and whose semi-literate resume boldly proclaimed that he wanted to get into politics because he wanted to put less time into his work than was required by private business.

3. You make a snide reference to my daughter's work as administrator of the national office of the Populist Party. In your blind malice, you are apparently unprepared to admit that any child of mine could do a good job for the party.

Fortunately, the National Committee disagrees with you. At its recent meeting in Los Angeles, the National Committee unanimously adopted a resolution commending "National Administrator Nancy Shearer for her capable and efficient administration of the Populist Party's national administrative office."

I might add that Nancy's record speaks for itself. After nine months of your administration of the party's affairs, you informed us that you had incurred a debt in our name in excess of a quarter of a million dollars.

After six months of Nancy's work as administrator of the national office, including responsibility for fund raising, the Populist Party has almost $50,000.00 in the bank.

I think that any intelligent person looking at the record would choose Nancy over you, based on that performance.

4. I appreciate your coming forward with explanations of two of the expenditures from your corporate account which I questioned (the Blekeberg and Taylor expenditures), but I also note that you have provided no documentation to support your explanation. I also note that you offer no explanation as to the other two expenditures which I questioned in the same paragraph of my January 14 memorandum (the Bemis and Pariah expenditures). Like much else about your transactions, these expenditures remain unexplained.

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5. You allege in your letter that I condemn Peter Polkiewicz "for designing and manufacturing party emblems and paraphernalia". I don't condemn Polkiewicz. I simply point out that he is an employee of yours; that his operation was financed by you out of money which you raised in the name of the Populist Party, without authority of the Executive Committee; and that with these funds he launched a profit making venture using the party name and emblem.

Mr. Polkiewicz, with your aid and participation, is engaging in a fund raising activity which was not authorized by the Executive Committee. If he wishes to continue, he should account for his transactions, and enter into a profit sharing agreement with the Populist Party. This is not an unreasonable request, and you would certainly be taking a similar stand if someone else was raising money in the name of one of your entities without proper authorization.

6. In your letter, you cast aspersions at the American Independent Party, and perhaps this is a prejudice you picked up when you were working with CREEP, Bob Walters and The American Nazi Party to secure removal of the A.I.P. from the California ballot.

What you cannot escape is the fact that the American Independent Party is permanently ballot qualified in California, has the largest membership of any minority party in any state in the union, is the largest state affiliate of the national Populist Party, and is one of the few ballot qualified state parties in the Populist movement at this time.

I point out that if you had had your way in 1971, there would be no American Independent Party today, but then I acknowledge that a ballot qualified party is unnecessary to you for your fund raising objectives.

7. You accuse the party leadership of accomplishing nothing, but I call to your attention that the American Independent Party in California has fielded a full slate of statewide candidates in the 1986 election. Although you are a resident of California, you did nothing to help bring about this accomplishment. In fact, you haven't even given our statewide candidates a write up in "The Spotlight", while you devote front page coverage to an attack on the party and its elected leadership by Robert Weems, who is even socially unacceptable to the Ku Klux Klan.

8. You misstate the record when you say: "that you and I have never had the slightest disagreement over political philosophy and the party platform Bob and I drew up two years ago."

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As you are well aware, I do not agree with all of your philosophical peculiarities, particularly those which you express through your front group "The Committee For Hysterical Review". I do not believe that Adolf Hitler was one of nature's noblemen, or that the Nazi concentration camps during World War II were operated as five star hotels. Nor do I share your enthusiasm for the Skin Heads, or your apparent view that an American political party should be operated like a Munich beer hall putsch.

The only candidates for office which I see you encouraging in "The Spotlight" are either Nazis, Klansmen, jail birds, or some combination of the above. Contrary to your apparent belief, Nazism is not Populism. Populism is an American philosophy with roots deep in American soil. Nazism is a European aberration which cannot survive in an American atmosphere. It is just the kind of dictatorial socialistic system which caused the exodus from Europe to America of people seeking freedom and opportunity.

The document which you call a party platform, but which has never been approved by any representative body of the party, contains a number of worthwhile and commonly shared sentiments. Neither I, nor most other members of the party, however, agree with all that it contains. I, for instance, am not in favor of foreign aid, which you endorse in the so called platform; nor do I support the implied assault on first amendment rights which you gratuitously included.

Chairman John Couture has commenced action to see that the party has an opportunity to adopt a membership approved platform, and I fully support his decision to do so.

Finally, on the subject of philosophy, I reject, as do all true Populists, your support of the "former" Marxist, Lyndon La Rouche, and his gang of nuts. They, like your Nazi associates, have nothing in common with real Populism.

I further reject your so-called "tri-partisan approach" to elections, which is obviously the current scheme to keep you in good standing with the Republicans for the sake of "Spotlight" subscriptions (the loss of which you lament), while putting the Populist Party, which you no longer control, in cold storage.

In conclusion, and returning to the principal point, you had every opportunity to act honorably and in accord with the law in matters pertaining to the party's finances. You chose to go a different way and now you must live with the unhappy consequences of your breach of fiduciary duty to the party. The Executive Committee gave you every opportunity to put matters right by:

A. Dissolving the corporation which you are operating in the party name, or changing the corporation's name so that it cannot be confused with the Populist Party.

B. Closing all bank accounts which you operate in the name of the Populist Party, and transmitting the funds remaining therein to the party's elected treasurer, Faye Miller.

C. Ceasing all solicitation of funds in the name of the Populist Party.

D. Cancelling the phony debt which you claim is owed by the party to your various entities, or submitting the records of these entities to a full audit by an auditor selected by the Executive Committee and paid for by the entities whose operation has made the audit necessary.

E. Paying the party the $1,500.00 which you owe it for use of the party's mailing list for a promotional mailing for "The Spotlight", as well as all money collected by you in the name of the Populist Party since September 29, 1985, the date when the Executive Committee instructed you to cease any solicitations in the name of the party.

F. Causing your employee, Peter Polkiewicz, to cease his solicitations in the name of the party until such time as he has made an accounting to the Executive Committee of the Populist Party, and entered into an appropriate profit sharing agreement with the party.

I enjoyed your comment that "I have often noted that when a trouble maker accuses someone else of an evil act, he is usually guilty of what he accuses others of." I suspect that you wrote your letter of February 27, 1986 while looking into a mirror.

Be assured that I shall provide a copy of this letter to all those persons known to me to whom you distributed your malicious and deliberately untruthful letter of February 27, 1986.

Sincerely yours,

William K. Shearer

0004073303

NHF NATIONAL HEALTH FEDERATION

A NONPROFIT HEALTH RIGHTS CORPORATION

MAUREEN KENNEDY SALAMAN
President

February 10, 1986

MR. & MRS. W. SHEARER
8158 Palm Street
Lemon Grove, CA 92045

Dear Eileen & Bill:

I do hope my decision not to run for Governor of California has not hurt you or weakened our friendship.

Please try to understand my circumstances. Two projects which I have been working on for considerable time have come through for me. One is a regular TV show which I will have to have the time to research, write and produce.

My work with C.N.N. has proven successful and I will be taping what I hope to be just the first of many tapes for them in which I offer alternative viewpoints.

These responsibilities, of course, are all above and beyond the regular work load that I carry as N.H.F. president, editor of "Health Freedom News", and columnist for "Let's Live", "Townsend Doctors Newsletter", and "Chiropractic '83", plus my regular weekly radio talk shows.

It is for these reasons that Frank has unequivocally refused to allow me to run.

For, if poverty is a lack of people to help, then I am poverty stricken. I do not have the time to pick up my cleaning at the dry cleaners or function as a normal human being now. To add to that the time it takes to open, read and respond to the added mail that my candidacy would require, the time-consuming phone calls which would need to be responded to, are beyond my capabilities.

I will surely support the parties, ideals and goals wholeheartedly. Whoever you pick to run will have my heartfelt support.

You are good people trying to do a good thing.

Sincerely,

Maureen Salaman

MAUREEN SALAMAN

MS/pm

PS Please share this letter with members of the executive committee, all other concerned parties, and contact the various registrar of voters.

212 WEST FOOTHILL BLVD. • MONROVIA, CALIFORNIA 91016 • P.O. BOX 688 • (818) 357-2181 • (818) 359-8334

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 31, 1986

Faye Miller, Treasurer
Populist Party of the United States
1921 Summer Place Drive West
Mobile, Al 36618

Dear Ms. Miller:

This letter will acknowledge receipt of a complaint filed by you which we received on July 23, 1986, which alleges possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by Populist Party, Populist Party, Inc., Liberty Lobby, Inc., Committee to Defend the Liberty Lobby, Inc., Willis Carto, Blayne Hutzel, The Spotlight, and Cordite Fidelity, Incorporated. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to this office. We suggest that this information be sworn to in the same manner as your original complaint. For your information, we have attached a brief description of the Commission's procedures for handling complaints. We have numbered this matter under review MUR 2210. Please refer to this number in all future correspondence. If you have any questions, please contact Lorraine F. Ramos at (202) 376-3110.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

Enclosure

0004730

pelm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 31, 1986

Populist Party, Inc.
Clara Sandahl, Registered Agent
6803 Nesbitt Place
McLean, VA 22101

Re: MUR 2210

Dear Ms. Sandahl:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Populist Party, Inc. may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2210. Please refer to this number in all future correspondence.

Under the Act, Populist Party, Inc. has the opportunity to demonstrate in writing that no action should be taken against it in this matter. Its response must be submitted within 15 days of your receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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

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

9004079330

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

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel Statement

9004079307

PERM

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 31, 1986

Liberty Lobby, Inc.
Committee to Defend the Liberty Lobby, Inc.
Blayne Hutzel, Controller
300 Independence Avenue, S.E.
Washington, D.C. 20003

Re: MUR 2210

Dear Mr. Hutzel:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Liberty Lobby, Inc. and Committee to Defend the Liberty Lobby, Inc. may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2210. Please refer to this number in all future correspondence.

Under the Act, Liberty Lobby, Inc. and Committee to Defend the Liberty Lobby, Inc. have the opportunity to demonstrate in writing that no action should be taken against them in this matter. Their response must be submitted within 15 days of your receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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

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

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

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

Enclosures
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Procedures
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9004079310

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 31, 1986

The Spotlight
Cordite Fidelity, Incorporated
Mike Piper, Registered Agent
208 4th Street, S.E.
Washington, D.C. 20003

Re: MUR 2210

Dear Mr. Piper:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that The Spotlight and Cordite Fidelity, Incorporated may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2210. Please refer to this number in all future correspondence.

Under the Act, The Spotlight and Cordite Fidelity, Incorporated have the opportunity to demonstrate in writing that no action should be taken against them in this matter. Their response must be submitted within 15 days of your receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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

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

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

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

Enclosures
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Designation of Counsel Statement

9004079311

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 31, 1986

Populist Party
Blayne Hutzel, acting as treasurer
130 3rd Street, S.E.
Washington, D.C. 20003

Re: MUR 2210

Dear Mr. Hutzel:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that Populist Party and you, acting as treasurer, may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2210. 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 Populist Party and you, acting as treasurer, in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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

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

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

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

Enclosures
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9004079331 3

perm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 31, 1986

Mr. Willis Carto
300 Independence Avenue, S.E.
Washington, D.C. 20003

Re: MUR 2210

Dear Mr. Carto:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2210. Please refer to this number in all future correspondence.

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

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

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

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

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

Enclosures
Complaint
Procedures
Designation of Counsel Statement

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LIBERTY LOBBY

300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202 LIBERTY 6-5611

GCC# 1354

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

86 AUG 28 P 3:33

August 21, 1986

86 AUG 28 P4:23

Ms. Joan D, Aikens, Chairman
Federal Election Commission
Washington, DC 20463

Dear Ms. Aikens:

On July 1 and July 17, 1986 you wrote to Mr. Blayne Hutzel in re MUR 2199. On July 31, before he had completed his reply, he received a letter and a large assembly of documents from Mr. Lawrence M. Noble, Deputy General Counsel re MUR 2210. At that time I also received apparently the same letter and documentation from Mr. Noble, as did Mr. Michael C. Piper. I believe that a fourth letter and assembly was also received by the Populist Party at the above address.

The purpose of this letter is to respond to all of the above because I am the person responsible. Thus, I am the person who should in the future be addressed directly regarding questions concerning the party's early administration. And, to avoid confusion and duplication, I shall comminicate only with you instead of the various persons who have been writing to Mr. Hutzel, Mr. Piper and Mrs. Clara Sandahl until I receive your written instruction to communicate with a designee even if in the future I or someone else should receive letters from others under your direction.

In reviewing our file I find that to date there have been the following exchanges of correspondence. With each multi-paged reply from Messrs. Hutzel or Piper or Mrs. Clara Sandahl documentation has been included:

LETTER from the FEC to the treasurer of record of the Populist Party, dated January 23, 1986. This letter orders the treasurer of record, Clara Sandahl, to file reports with the FEC for the year 1985, signed by Joan Aikens.

LETTER from Clara Sandahl to the FEC, dated February 5, 1986, explaining to the FEC that Faye Miller is now the treasurer of the Populist Party and responsible for the requested filings.

INTERIM AUDIT REPORT by the FEC of the Populist Party's 1984 activities, dated April 3, 1986, signed by Robert J. Costa.

LETTER from Michael C. Piper to the FEC charging Faye Miller with violation of Federal Election Laws, dated May 2, 1986.

PART ONE of the Washington headquarters' response to the 1984 Interim Audit Report by the FEC, dated May 5, signed by Blayne Hutzel.

LETTER from Michael Piper to John D. Gibson of the FEC, dated May 9, reiterating the points made in Clara Sandahl's letter of February 5.

PART TWO of the Washington headquarters' response to the 1984 Interim Audit Report by the FEC, dated July 1, signed by Blayne Hutzel.

FEC STATEMENT charging the Washington headquarters office with "failure to file" for the 1985 period, dated July 1, signed by Joan Aikens.

FEC STATEMENT charging the Washington headquarters office with possible violations of Federal Election Laws, dated July 17, signed by Joan Aikens. Many of the charges appear to be on false information provided by Faye Miller.

FEC RESPONSE to Michael Piper's complaint against Faye Miller, dated July 23, 1986, signed by Lawrence M. Noble.

LETTER from John D. Gibson to Clara Sandahl (Treasurer, Populist Party) saying that the committee has failed to file its July 1986 Quarterly Report, dated August 6, 1986.

LETTER from Joan D. Aikens to Blayne E. Hutzel (Populist Party), dated August 6, 1986, saying that the Populist Party and Hutzel, acting as treasurer, violated law by failing to file an April, 1986 Quarterly Report. This letter rehashes the charges made in previous letters re MUR 2190.

LETTER dated July 12, 1986 but mailed August 11, 1986 from Maureen Salaman, national vice chairman of the Populist Party and addressed to Robert Raich filing a formal complaint against Faye Miller for failure to file, etc. sent to the FEC.

An inspection of the above correspondence reveals that answers have already been supplied to many questions raised in your letters of July 1 and 17 to Mr. Hutzel and Mr. Noble's letter of July 31 to me, Hutzel, Piper, et al. Mr. Hutzel's letter to your Mr. Robert J. Costa of May 5, 1986, for example, covers much of the same ground of yours of July 17.

Unfortunately, the matter is considerably compounded in its complexity by the design of Mrs. Faye Miller and her principal, Mr. William K. Shearer, who are wilfully misrepresenting the facts, trying to create misunderstanding, confusion and expense for this office in a childish and vindictive effort to manipulate your agency.

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Their basic allegation that there are two Populist Parties borders on the lunatic and is a proposition no one connected with the party besides them and, perhaps, Mr. Shearer's hand-picked and illegal chairman, Mr. John Couture, will assert. In his lengthy letter of May 5, 1986 to Mr. Costa, Mr. Hutzel lays out in some detail the history of the party. Also, Mrs. Sandahl in her letter of February 5, 1986 to you does the same.

In addition, I append a copy of a statement signed on August 10, 1986 by virtually all state leaders of the party which affirms that there is only one party and that the filing Mrs. Miller made on January 31, 1986 is misfeasant, illegal, void and fradulent because it had never been discussed, let alone authorized, by either the national or the executive committee.

Contrary to her statements, Mrs. Miller has been supplied with all of the information she needed to file proper statements. Mr. Hutzel tells me that, over the past 11 months, he has sent Mrs. Miller 18 packages or envelopes of data to keep her abreast of all facts. He has postal return receipts for them. On September 19, 1985 he sent her a filled-out form to continue the proper FEC registration. A copy of this form was even included among the documentation Mr. Noble appended to his letter of July 31 as Exhibit "U". It was also included as Exhibit "A" in Clara Sandahl's letter of February 5, 1986.

As regards that documentation, as Exhibit "R" there appears copies of letters dated June 5, 1986 allegedly sent by Mrs. Miller to Mr. William G. Sweet, controller of The SPOTLIGHT and to Mr. Hutzel. Both Mr. Hutzel and Mr. Sweet deny ever having received such letters. Thus they appear to be inventions of Mrs. Miller of the same sort as her alleged filing with your office on August 5, 1985.

The fact is, at no time has this office ever received any requests in any form from Mrs. Miller or anyone else for any data to make proper FEC reports. On the other hand, we have on our own volition sent all the data necessary for the accomplishment of timely and legal reports.

To turn to Mr. Noble's letter and massive documentation of July 31, I believe that most of the allegations have been responded to by previous correspondence from this office or are disposed of by your own audit. Most of these allegations are incredibly immaterial and frivolous. The 37-page complaint was written by Mr. Shearer, an attorney whose professional fee is $150 or $200 per hour. Assuming that he charges for this massive document I must conclude that his main purpose is to strip the Populist Party bank account of whatever few dollars remain there.

Between July 5 and 19, 1985 three accountants from your office spent eleven days at this office auditing the books and accounts for the Populist Party. Your agency's report was issued April 3, 1986. Nothing was found in regard to any of Mr. Shearer's allegations for the simple reason that these allegations are products of his imagination and are false, malicious and libelous.

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To state it clearly: all contributions to the Populist Party, which arrived at P.O. Box 76737 in 1984 and 1985, insofar as I am aware, went to that entity and were recorded on the official books of the Populist Party whether the bank account was in the name of a Virginia corporation or not. It is simply a lie to state that any money went to enrich any other entity or person except it went through the books first. I am certain that Mr. Shearer realizes that, having received more than $15,000 of these funds himself. (I received nothing.)

Mr. Shearer's "complaint" is simply not serious; its real purpose is to attempt to embroil this office in endless and expensive research, discussions and litigation. His motives are made clear by his personal efforts to involve columnist Jack Anderson in the matter by "leaking" to him some of the allegations made in his complaint filed with your office.

It will serve no purpose and only add to your work as well as mine if I am compelled to endlessly recite the same answers to similar questions. I respectfully request that you delegate one of your people to collect the materials your office has in order to refine and define all of the matters still at issue and to conduct liasion with me in regard to them. I am sure that there are many legitimate questions and I am completely willing to do what I can to resolve them informally and systematically, one at a time, and hopefully dispose of them.

Although a great deal of my time is spent away from Washington I hope and believe that every question your office has can be resolved without litigation and it is my intention, because we are very much nonprofit, to handle this without outside counsel. Any communications from you or your disignee will immediately be forwarded to me by Mr. Hutzel if I am not in town, so this should not be a problem. I await your further action.

Sincerely,

Willis A. Carto
Treasurer

P.S. In addition to a copy of the signed declaration of party leaders of August 10 I enclose a copy of the current issue of The SPOTLIGHT which, on pages 4 and 5, reprints said declaration.

Washington
District of Columbia

Subscribed and sworn before me on this 21st day of August, 1986

Lois Petersen

Lois Petersen NOTARY

My commission expires January 31, 1990

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AS A DULY ELECTED OFFICER OF THE NATIONAL AND/OR A STATE ORGANIZATION OF THE POPULIST PARTY, I HEREBY SOLEMNLY DECLARE:

1. There is one and only one Populist Party, that being the entity registered with the Federal Election Commission by Clara Sandahl in June of 1984. Any other entities registered with the FEC in the subsequent period have not been authorized either by the national committee or its executive committee and are therefore illegal and void.

2. I categorically reject efforts intended to split the party and I repudiate the leadership of persons who claim that the Populist Party registered by Mrs. Faye Miller with the FEC in 1986 is, in any way, shape or form, a separate entity from the Populist Party registered with the FEC by Clara Sandahl. The two "Populist Party" entities are one and the same.

3. The Populist Party is the spiritual descendant of the party of the same name of the nineteenth century. It was reactivated in February, 1984 when the Populist Party Platform was promulgated. The history of the party subsequently has been given in detail by Mr. Blayne Hutzel in a letter to the Federal Election Commission dated May 5, 1986 and by Mrs. Clara Sandahl in a letter to the FEC dated February 5, 198(6). These letters and the documents attached to these letters prove beyond doubt that the party founded in February, 1984 is the same Populist Party that exists today in spite of the dishonest and self-serving allegations to the contrary made by certain officers and pretending officers of the present Executive Committee of the Populist Party.

4. I recognize that the Populist Party owes a moral debt far greater than the monetary debt existing to the creators of the Populist Party who financed it through the beginning. In its audit report dated April 3, 1986 the FEC calculated that this debt, in monetary terms, is $203,190.37 to Liberty Lobby, Inc. and Cordite Fidelity, Inc. In the name of the Populist Party I accept that debt.

5. I endorse, in full, the complaint filed with the Federal Election Commission by Michael Piper, the former executive director of the Populist Party National Committee headquarters in Washington, alleging that Populist Party treasurer Faye Miller submitted false, erroneous and incomplete information with the FEC and as a result is subject to the penalties of 2 U.S.C. § 437g. I request that this investigation, MUR 2176 be re-opened for further review. I likewise endorse the complaint being filed with the FEC by Maureen Salaman, national vice chairman of the Populist Party of the United States.

6. The attempt by so-called leaders of the Populist Party to repudiate that debt even after they themselves accepted it by official vote of of the Executive Committee on November 24, 1984 is reprehensible and immoral and cannot be supported by any honest person. The Populist Party cannot project the message that it countenances cheating, dishonesty and ingratitude and I for one cannot and will not be associated with deadbeats who urge such a policy for my party.

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7. I affirm that the proper business of the leadership of the Populist Party is to build the party in every state, to find leaders and candidates the people can trust and to encourage unity. I deplore the efforts of certain persons on the Executive Committee to sabotage this essential activity.

8. I believe that the legal chairman of the Populist Party is Fred Seipold. Mr. Seipold, in spite of self-serving allegations by certain persons did not resign his office.

9. I am appalled that certain persons on the present Executive Committee flout the by-laws by improperly calling meetings, by not notifying all members of meetings, by taking extremely important actions, by keeping financial information secret and not discussing plans for wasteful expenditures and by wasting thousands of dollars printing and mailing attacks on other populists and on unnecessary hired personnel. I also deplore the nepotism so evident at the national level and the prevalent attitude that the purpose of party funds is to pay salaries, not necessarily to advance the cause of populism.

10. I find the pretending chairman, the treasurer and the parliamentarian of the party to be guilty of divisive, irresponsible and damaging activities and of contempuous behavior to party ideals and to party members. I have no confidence in them and I hereby call for their resignations. Pending that, I urge loyal party members to direct their financial support to either their state organizations or to the National Confederation of Populist Party State Leaders.

DONE at Cincinatti, Ohio this tenth day of August, 1986.

NAME	PRESENT OR PAST OFFICE	ADDRESS
FRED R. SEIPOLD	NATIONAL CHAIRMAN	1515 E. TROPICANA, #520 LAS VEGAS, NV. 89119
Maureen Kennedy	National Vice Chairman	Suite 1608 1177 California St 94108
James D. Pope	Member National Executive Committee	1002 Forest Ave Covington, Ky 41016
Robert H. Weems, Jr.	First National Chairman	Rt 5 Box 93
Van D. Inman	Ohio State Chairman P.O. Box 5112 Cinn. O. 45238	Florence, MS 39073
Emmett L. Bailey	Chairman Emeritus	4040 Grantham Miami, Fla. 33
Dayton Gardner	Ch. & Comm. Md	Prince Frederick Md
Don D. Pearson, Ma.	Chairman, Wentville Mo.	20676
Mary A. Heiler	Florida State Secretary	P.O. Box 6038, Malcust Fl

Page 3

Ruth Ream	[redacted] State Secretary National Committeewoman	[redacted] 5 Co 48 Jamestown, Ohio
William H. Walker	Oakland Co. Chairman for State of Michigan	832 Madison, Birmingham Michigan 48008
Donald B. Wassell	Chairman, Populist Party of Pennsylvania	5145 Lakeview Rd, Gibsonia PA 15044
Tom McAtee	Candidate 14th Congressional District	5316 Friendship Pgh. Pa. 15224
Marvin Seat	KENTUCKY STATE VICE CHAIRMAN	124 LAKE ST FULTON, KY, 42041
Lyle A. Meadows	Florida State Executive Committee	P.O. Box 105 Cocoa Beach FL 32931
Anita M. Timmerhint	Kentucky State Secretary	P.O. Box 633 Florence, Ky. 41042
Johnny E. Vogel	Iowa Representative of Populist party	RR1 Box 42 Ayala, Ia 50277
Willard [illegible]	Member, Executive Committe	300 Independence Ave SE, Wash. D.C.
Michael Piper	former executive director Populist Party headquarters Washington, DC	208 4th Street, SE WASHINGTON, DC 20003
Kenneth P. Crank	Nat'l Committee Woman Idaho Populist Party	Blue Pearl Malta Idaho 83342
Trisha Katson	former chairman - Maryland	300 Independence Ave. S.E. Washington D.C. 20003
Robert D. Smedley	W.Va. Chairman	Rt 1, Box 73, Ballard, WV 24918

SENSITIVE

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

LECTION COMMISSION
Street, N.W.
gton, D.C. 20463

96 OCT 1 P12:23

GENERAL COUNSEL'S REPORT

NSMITTAL
ISSION _____

DATE
BY O

MUR 2210
Date Complaint Received
By OGC 7/23/86
Date of Notification to
Respondents 7/31/86
Staff Member R. Raich

nant's Name: Populist Party of the United States

pondents' Names: Populist Party and Blayne Hutzel,
acting as treasurer
Liberty Lobby, Inc.
Cordite Fidelity, Inc.
The Spotlight
Willis Carto
Blayne Hutzel

Relevant Statutes: 2 U.S.C. §§ 433(c)
434(b)(5)(A)
434(b)(3)(A)
434(a)(4)(A)(i)
434(b)(8)
441b(a)
11 C.F.R. § 104.11

Internal Reports Checked:
MUR 2211 (formerly MUR 2128)
MUR 2211 (formerly MUR 2190)
MUR 2211
MUR 2176
MUR 2187
AR86-9

Federal Agencies Checked: None

SUMMARY OF ALLEGATIONS

This matter results from a complaint filed by one faction of the Populist Party against another faction of the Party. Each faction has registered a political committee with the Commission. The name of the political committee that filed the complaint is Populist Party of the United States ("PPUS"). Its treasurer is Faye Miller of Mobile, Alabama. The name of the respondent political committee is Populist Party ("PPDC"). The Commission

SENSITIVE

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

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

FIRST GENERAL COUNSEL'S REPORT 86 OCT 1 P12:23

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION _____

MUR 2210
Date Complaint Received
By OGC 7/23/86
Date of Notification to
Respondents 7/31/86
Staff Member R. Raich

Complainant's Name: Populist Party of the United States

Respondents' Names: Populist Party and Blayne Hutzel, acting as treasurer
Liberty Lobby, Inc.
Cordite Fidelity, Inc.
The Spotlight
Willis Carto
Blayne Hutzel

Relevant Statutes: 2 U.S.C. §§ 433(c)
434(b)(5)(A)
434(b)(3)(A)
434(a)(4)(A)(i)
434(b)(8)
441b(a)
11 C.F.R. § 104.11

Internal Reports Checked: MUR 2211 (formerly MUR 2128)
MUR 2211 (formerly MUR 2190)
MUR 2211
MUR 2176
MUR 2187
AR86-9

Federal Agencies Checked: None

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SUMMARY OF ALLEGATIONS

This matter results from a complaint filed by one faction of the Populist Party against another faction of the Party. Each faction has registered a political committee with the Commission. The name of the political committee that filed the complaint is Populist Party of the United States ("PPUS"). Its treasurer is Faye Miller of Mobile, Alabama. The name of the respondent political committee is Populist Party ("PPDC"). The Commission

has previously determined that Blayne Hutzel of Washington, D.C. is acting as PPDC's treasurer. The Complaint alleges that Willis Carto directs and controls PPDC and the other respondents in this matter. In the response to the complaint (Attachment 1) Mr. Carto agrees, stating, "I am the person responsible." See Attachment 1, page 1.

The complaint discusses various issues that do not violate provisions of the Federal Election Campaign Act of 1971, as amended, (the "Act"). Other matters complained of do allege violations of the Act. With regard to some of those matters, the Commission, in MUR 2211, has already found reason to believe against PPDC and Blayne Hutzel, acting as treasurer. In that MUR, the Commission found that they may have violated:

> 2 U.S.C. § 434(a)(4)(A)(iv) -- by failing to file 1985 Mid-Year and Year-End Reports;
>
> 2 U.S.C. § 434(a)(4)(A)(i) -- by failing to file a 1986 April Quarterly Report;
>
> 2 U.S.C. § 433(c) -- by failing to amend the Statement of Organization to reveal that Blayne Hutzel is acting as treasurer;
>
> 2 U.S.C. § 441b(a) -- by knowingly accepting corporate contributions; and
>
> 2 U.S.C. 432(h)(1) -- by commingling funds.

This report discusses the alleged violations of the Act raised in the present complaint, about which the Commission has not already made findings. The General Counsel's Office will also recommend that the Commission merge this matter with MUR 2211.

The response to the complaint does not directly address the complaint's factual or legal allegations that may constitute

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violations of the Act. Instead, the response argues that PPDC and PPUS are one entity. This Office rejects that theory. Under the Act, the term "political commitee" means any "group of persons" which receives contributions or makes expenditures aggregating in excess of $1,000 during a calendar year. See 2 U.S.C. § 431(4)(A). PPDC allegedly receives contributions and makes expenditures far in excess of $1,000 per year. It is obvious that PPUS and PPDC are comprised of different groups of persons. Both factions of the Populist Party have political committees registered with the Commission. Both committees are ongoing and active. PPDC has not filed a termination report nor an amended Statement of Organization to indicate it is the same political committee as PPUS. The record is replete with examples demonstrating that the leaders of neither faction of the party have control over the actions or finances of the other faction of the Party. Accordingly, it is the conclusion of the General Counsel's Office that PPDC and PPUS are both distinct political committees.

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FACTUAL AND LEGAL ANALYSIS

A. Failure to Amend

All political committees must file a Statement of Organization with the Commission. 2 U.S.C. § 433(a). The Statement of Organization must include a listing of all banks, safety deposit boxes, or other depositories used by the committee. 2 U.S.C. § 433(b). Any change in information previously submitted in a Statement of Organization must be reported within ten days of the date of the change. 2 U.S.C. § 433(c).

PPDC's Statement of Organization lists only one depository: an account at National Capital Bank. (See Attachment 2.) The complaint, at paragraph 24(b), alleges that PPDC engages in transactions through at least two other bank accounts. PPDC has not amended its Statement of Organization to list the additional bank accounts. Accordingly, this Office recommends that the Commission find reason to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 433(c) by failing to amend the Statement of Organization to list all depositories.

B. Failure to Disclose Purpose of Expenditures

Each report must disclose the name and address of each person to whom an expenditure is made in an aggregate amount in excess of $200 during a calendar year, together with the date, amount, and purpose of such expenditure. 2 U.S.C. § 434(b)(5)(A).

The complaint, at paragraph 24(E), alleges that PPDC's 1984 reports disclose payments of $8,000 to Victor Marchetti but fail to disclose the purpose of those payments. Accordingly, this Office recommends that the Commission find reason to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 434 (b)(5)(A).

C. Failure to Disclose Contribution

Each report must disclose the identification of each person who makes a contribution in excess of $200, together with the date and amount of any such contribution. 2 U.S.C.

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§ 434(b)(3)(A). The term "identification" means, in the case of an individual, the name, mailing address, and occupation of such individual, as well as the name of his employer. 2 U.S.C. § 431(13)(A).

The complaint, at paragraph 31 and in an accompanying affidavit, alleges that PPDC's 1984 reports fail to disclose a $500 contribution from William K. Shearer. Accordingly, this Office recommends that the Commission find reason to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 434(b)(3)(A).

D. Failure to File Report

All unauthorized political committees must file either monthly reports or a series of reports that includes quarterly reports in a calendar year in which a regularly scheduled general election is held. 2 U.S.C. § 434(a)(4)(A)(i).

The complaint, at paragraph 39, alleges that PPDC has failed to file required reports from January 1, 1985 through the present date. The Commission has already found reason to believe PPDC violated the Act by failing to file 1985 Mid-Year and Year-End Reports and the 1986 April Quarterly Report. It appears that PPDC also failed to file a 1986 July Quarterly Report, which was due July 15, 1986. Accordingly, this Office recommends that the Commission find reason to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(i) by failing to file a 1986 July Quarterly Report.

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E. Failure to Report Debts and Obligations

Each report filed by a political committee must disclose the amount and nature of outstanding debts and obligations owed by or to such political committee. 2 U.S.C. § 434(b)(8). Debts and obligations owed by or to a political committee must be continuously reported until extinguished. 11 C.F.R. § 104.11(a). Any loan, debt, or obligation, the amount of which is over $500, must be reported as of the time of the transaction. 11 C.F.R. § 104.11(b).

The complaint, at paragraph 44 and in an accompanying affidavit, alleges that Liberty Lobby, Inc. and Cordite Fidelity, Inc. claim the Populist Party owes them a total of $299,816.64 for transactions that occurred during the 1984 election period. PPDC was the only Populist Party political committee in existence during 1984. The complaint further alleges that PPDC's reports, covering the period from its inception in March 1984 through November 26, 1984, fail to disclose any of the debts or obligations PPDC may owe to Liberty Lobby, Inc. and Cordite Fidelity, Inc. Accordingly, this Office recommends that the Commission find reason to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 434(b)(8) and 11 C.F.R. § 104.11.

F. Corporate Contributions

It is unlawful for any corporation to make a contribution in connection with any federal election, or for any officer or any director of any corporation to consent to any such contribution

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by the corporation. 2 U.S.C. § 441b(a). The term "contribution" includes any loan or anything of value (except a loan by a bank) to any political party or organization. 2 U.S.C. § 441b(b)(2).

The complaint alleges, at paragraph 47(A), that during 1984, Liberty Lobby, Inc. made a $7,500 loan to PPDC. The complaint also alleges, at paragraph 47(E), that The Spotlight gave PPDC $10,478.55 in December 1984 (purportedly resulting from an "incorrect disbursement" in August 1984).

The Spotlight is published by Cordite Fidelity, Inc. Blayne Hutzel is the controller of Liberty Lobby, Inc. Willis Carto is the treasurer of Liberty Lobby, Inc. The complaint alleges that Willis Carto controls and directs Liberty Lobby, Inc., Cordite Fidelity, Inc., and The Spotlight. It appears that Blayne Hutzel and Willis Carto, as officers of corporations, consented to contributions by those corporations. Accordingly, this Office recommends that the Commission find reason to believe Liberty Lobby, Inc., Cordite Fidelity, Inc., The Spotlight, Blayne Hutzel, and Willis Carto violated 2 U.S.C. § 441b(a). (The Commission previously found reason to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 441b(a) by knowingly accepting corporate contributions.)

G. Request for Audit

The complaint, at paragraph 24, requests an audit of Willis Carto, his employees, and entitites he controls. This Office notes that the Commission has already audited PPDC for the period March 1, 1984 through December 31, 1984. PPDC has now responded

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to the Interim Audit Report. Contrary to Mr. Carto's statement in his response to the complaint that "[n]othing was found in regard to any of Mr. Shearer's allegations," the Interim Audit Report highlighted numerous potential violations of the Act, several of which are also mentioned in the complaint. The Commission has sent an Order to Answer Written Questions and Subpoena to Produce Documents to PPDC and Blayne Hutzel, acting as treasurer. If PPDC provides thorough answers to the Order and Subpoena, the need for a new audit may be alleviated. In addition, the General Counsel's Office would like to give the respondents an opportunity to respond to the Commission's reason to believe findings resulting from this Report before making a recommendation with respect to a new audit.

H. Request for Referral to I.R.S.

The complaint, at paragraph 51, requests an investigation of the tax returns of entitites associated with Willis Carto. Apparently, on its Virginia or federal income tax returns, Populist Party, Inc. may have claimed as a loss an amount that was not a bona fide loss or deducted an amount it was not entitled to deduct, perhaps in violation of 26 U.S.C. §§ 165, 166, or 271. This Office wishes to provide the respondents an opportunity to respond to the Commission's reason to believe findings resulting from this Report before making a recommendation with respect to referring information to the Internal Revenue Service or the Virginia Department of Taxation.

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I. Merger

Because the issues and parties in this matter are similar to those in MUR 2211, the General Counsel's Office recommends that the Commission merge this matter with MUR 2211.

RECOMMENDATIONS

1. Find reason to believe Populist Party and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. §§ 433(c), 434(b)(5)(A), 434(b)(3)(A), 434(a)(4)(A)(i), and 434(b)(8), and 11 C.F.R. § 104.11.

2. Find reason to believe Liberty Lobby, Inc., Cordite Fidelity, Inc., The Spotlight, Blayne Hutzel, and Willis Carto violated 2 U.S.C. § 441b(a).

3. Merge this matter with MUR 2211.

4. Approve and send the attached letters.

Charles N. Steele
General Counsel

9/30/86
Date

By: Lawrence M. Noble (RVH)
Lawrence M. Noble
Deputy General Counsel

Attachments
1. Response to complaint
2. PPDC's Statement of Organization
3. Letters (2)

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Populist Party and Blayne Hutzel, acting as treasurer	)	MUR 2210
Liberty Lobby, Inc.	)	
Cordite Fidelity, Inc.	)	
The Spotlight	)	
Willis Carto	)	
Blayne Hutzel	)	

CORRECTED CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 3, 1986, the Commission decided by a vote of 6-0 to take the following actions in MUR 2210:

1. Find reason to believe Populist Party and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. §§ 433(c), 434(b)(5)(A), 434(b)(3)(A), 434(a)(4)(A)(i), and 434(b)(8), and 11 C.F.R. § 104.11.

2. Find reason to believe Liberty Lobby, Inc., Cordite Fidelity, Inc., The Spotlight, Blayne Hutzel, and Willis Carto violated 2 U.S.C. § 441b(a).

3. Merge this matter with MUR 2211.

4. Approve and send the letters, as recommended in the First General Counsel's Report signed September 30, 1986.

Commissioners Aikens, Elliott, Harris, Josefiak, McDonald and McGarry voted affirmatively for this decision.

Attest:

10-6-86
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 7, 1986

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Populist Party
Blayne Hutzel
300 Independence Avenue, S.E.
Washington, D.C. 20003

RE: MUR 2211 (formerly MUR 2210)
Populist Party and Blayne Hutzel, acting as treasurer
Blayne Hutzel

Dear Mr. Hutzel:

The Federal Election Commission notified you and Populist Party and you, as treasurer, on July 31, 1986, 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 you at that time.

Upon further review of the allegations contained in the complaint, and information supplied by Willis Carto, the Commission, on October 3 , 1986, determined that there is reason to believe that you and Populist Party and you, as treasurer, have violated the Act and a Regulation promulgated pursuant thereto. Specifically, it appears that:

Populist Party ("PPDC") and you, acting as treasurer, violated --

2 U.S.C. § 433(c) by failing to amend the Statement of Organization to list all depositories;

2 U.S.C. § 434(b)(5)(A) by failing to disclose the purpose of $8,000 in payments to Victor Marchetti;

2 U.S.C. § 434(b)(3)(A) by failing to disclose a $500 contribution from William K. Shearer;

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2 U.S.C. § 434(a)(4)(A)(i) by failing to file a 1986 July Quarterly Report; and

2 U.S.C. § 434(b)(8) and 11 C.F.R. § 104.11 by failing to disclose debts and obligations PPDC allegedly owes to Liberty Lobby, Inc. and Cordite Fidelity, Inc.; and

Liberty Lobby, Inc., Cordite Fidelity, Inc., The Spotlight, and you violated 2 U.S.C. § 441b(a) by making, or by consenting to, corporate contributions.

The Commission also voted to merge MUR 2210 into MUR 2211.

Willis Carto's response to the Commission's initial notification of this complaint did not provide complete information regarding the matters in question. You may submit any factual or legal materials that you believe are relevant to the Commission's analysis of this matter. Please file any such response within fifteen days of your receipt of this notification. Be advised that at the conclusion of the fifteen-day period, the General Counsel's Office may make additional recommendations to the Commission concerning an audit or a referral of information to the Internal Revenue Service or the Virginia Department of Taxation.

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 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 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, requests for pre-probable cause conciliation will not be entertained 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 General Counsel is not authorized to 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.

9104079333

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

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosure
Procedures

0004079336

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 7, 1986

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Willis Carto
300 Independence Avenue, S.E.
Washington, D.C. 20003

RE: MUR 2211 (formerly MUR 2210)
Populist Party and
Blayne Hutzel, acting as treasurer
Liberty Lobby, Inc.
Cordite Fidelity, Inc.
The Spotlight
Willis Carto
Blayne Hutzel

Dear Mr. Carto:

The Federal Election Commission notified you and the other respondents on July 31, 1986, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). Copies of the complaint were forwarded to you and the other respondents at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on October 3 , 1986, determined that there is reason to believe that you and the other respondents have violated the Act and a Regulation promulgated pursuant thereto. Specifically, it appears that:

Populist Party ("PPDC") and Blayne Hutzel, acting as treasurer, violated --

2 U.S.C. § 433(c) by failing to amend the Statement of Organization to list all depositories;

2 U.S.C. § 434(b)(5)(A) by failing to disclose the purpose of $8,000 in payments to Victor Marchetti;

0004079337

2 U.S.C. § 434(b)(3)(A) by failing to disclose a $500 contribution from William K. Shearer;

2 U.S.C. § 434(a)(4)(A)(i) by failing to file a 1986 July Quarterly Report; and

2 U.S.C. § 434(b)(8) and 11 C.F.R. § 104.11 by failing to disclose debts and obligations PPDC allegedly owes to Liberty Lobby, Inc. and Cordite Fidelity, Inc.; and

Liberty Lobby, Inc., Cordite Fidelity, Inc., The Spotlight, Blayne Hutzel, and Willis Carto violated 2 U.S.C. § 441b(a) by making, or by consenting to, corporate contributions.

The Commission also voted to merge MUR 2210 into MUR 2211.

Your response to the Commission's initial notification of this complaint did not provide complete information regarding the matters in question. You may submit any factual or legal materials that you believe are relevant to the Commission's analysis of this matter. Please file any such response within fifteen days of your receipt of this notification. Be advised that at the conclusion of the fifteen-day period, the General Counsel's Office may make additional recommendations to the Commission concerning an audit or a referral of information to the Internal Revenue Service or the Virginia Department of Taxation.

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 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 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, requests for pre-probable cause conciliation will not be entered into 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 General Counsel is not authorized to 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.

9004073338

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

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosure
Procedures

9004079333339

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: June 23, 1986

ANALYST: Brian J. Hancock

I. COMMITTEE: Populist Party (C00186726)
Clara Sandahl, Treasurer
130 Third Street, S.E.
Washington, D.C. 20003

II. RELEVANT STATUTE: 2 U.S.C. §434(a)(4)(A)(i)
11 CFR 104.5(c)(1)(i)(A)

III. BACKGROUND:

Failure to File the 1986 April Quarterly Report

The Populist Party ("the Party") failed to file the 1986 April Quarterly Report of Receipts and Disbursements covering the period from January 1, 1986 through March 31, 1986. The Party was notified on March 21, 1986 that the report was due on April 15, 1986 (Attachment 2). A Non-Filer Notice was sent to the Party on May 7, 1986 (Attachment 3).

A response was received from Mr. Piper, former Executive Director, on May 12, 1986, which explained the current status of the Party (Attachment 4).

On the morning of June 9, 1986, the RAD analyst attempted to call Michael Piper, a representative of the Populist Party, on four separate occasions. The phone line to Mr. Piper's office was busy on each of these attempts. Later in the day, the RAD analyst was able to reach the secretary at Mr. Piper's office, who promised to leave a message with Mr. Piper asking him to contact the RAD analyst as soon as possible. Mr. Piper has yet to return the phone call (Attachment 5).

As of this date, the 1986 April Quarterly Report has not been filed.

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

20040793340

FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C) (83-84)

PARTY RELATED

COMMITTEE / DOCUMENT	RECEIPTS		DISBURSEMENTS		TYPE OF FILER / COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
POPULIST PARTY					**PARTY NON-QUALIFIED**		**ID #C00186726**
CONNECTED ORGANIZATION: NONE							
1984 STATEMENT OF ORGANIZATION					2JUL84	2	84FEC/318/2651
JULY QUARTERLY	196,843		183,890		15MAR84 -30JUN84	16	84FEC/321/2440
JULY QUARTERLY - AMENDMENT	235,512		184,774		1MAR84 -30JUN84	4	84FEC/339/1077
JULY QUARTERLY - AMENDMENT	-		-		1MAR84 -30JUN84	2	84FEC/356/2060
REQUEST FOR ADDITIONAL INFORMATION					15MAR84 -30JUN84	4	84FEC/340/5289
REQUEST FOR ADDITIONAL INFORMATION 2ND					15MAR84 -30JUN84	5	84FEC/348/3551
OCTOBER QUARTERLY	268,872		317,057		1JUL84 -30SEP84	27	84FEC/339/1418
OCTOBER QUARTERLY - AMENDMENT	-		-		1JUL84 -30SEP84	7	84FEC/357/0415
OCTOBER QUARTERLY - AMENDMENT	-		-		1JUL84 -30SEP84	2	85FEC/365/5153
REQUEST FOR ADDITIONAL INFORMATION					1JUL84 -30SEP84	4	84FEC/349/2146
REQUEST FOR ADDITIONAL INFORMATION 2ND					1JUL84 -30SEP84	7	84FEC/356/4569
REQUEST FOR ADDITIONAL INFORMATION					1JUL84 -30SEP84	3	85FEC/365/2108
REQUEST FOR ADDITIONAL INFORMATION					1JUL84 -30SEP84	1	85FEC/365/2445
REQUEST FOR ADDITIONAL INFORMATION 2ND					1JUL84 -30SEP84	2	85FEC/367/1698
REQUEST FOR ADDITIONAL INFORMATION 2ND					1JUL84 -30SEP84	1	85FEC/367/2537
PRE-GENERAL	32,750		8,544		10CT84 -17OCT84	6	84FEC/347/2806
PRE-GENERAL - AMENDMENT	-		-		10CT84 -17OCT84	1	84FEC/356/2057
PRE-GENERAL - AMENDMENT	-		-		10CT84 -17OCT84	2	85FEC/360/0544
REQUEST FOR ADDITIONAL INFORMATION					10CT84 -17OCT84	2	84FEC/349/2143
REQUEST FOR ADDITIONAL INFORMATION 2ND					10CT84 -17OCT84	1	84FEC/357/0211
REQUEST FOR ADDITIONAL INFORMATION					10CT84 -17OCT84	3	85FEC/365/2112
REQUEST FOR ADDITIONAL INFORMATION					10CT84 -17OCT84	1	85FEC/365/2446
REQUEST FOR ADDITIONAL INFORMATION 2ND					10CT84 -17OCT84	1	85FEC/367/2538
REQUEST FOR ADDITIONAL INFORMATION 2ND					10CT84 -17OCT84	1	85FEC/367/2539
POST-GENERAL	108,615		129,220		18OCT84 -26NOV84	9	84FEC/353/1212
POST-GENERAL - AMENDMENT	-		-		18OCT84 -26NOV84	2	84FEC/356/2058
REQUEST FOR ADDITIONAL INFORMATION					18OCT84 -26NOV84	2	85FEC/365/2116
REQUEST FOR ADDITIONAL INFORMATION 2ND					18OCT84 -26NOV84	1	85FEC/367/2540
YEAR-END	15,631		19,065		27NOV84 -31DEC84	11	85FEC/365/1085
REQUEST FOR ADDITIONAL INFORMATION					27NOV84 -31DEC84	3	85FEC/368/0509
REQUEST FOR ADDITIONAL INFORMATION 2ND					27NOV84 -31DEC84	4	85FEC/369/3855
TOTAL	661,380	0	658,660	0		137	TOTAL PAGES

Debts and obligations owed by the committee: $174,116.42

Debts and obligations owed to the committee: $0

Ending cash on hand as of 12/31/84: $2,718.63

All reports have been reviewed.

FEDERAL ELECTION COMMISSION
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C) (85-86)

PARTY RELATED

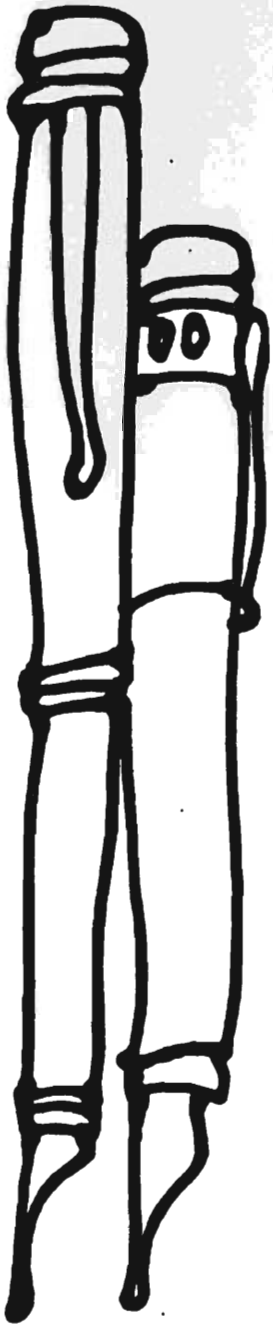
COMMITTEE	DOCUMENT	RECEIPTS		DISBURSEMENTS	TYPE OF FILER / COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
POPULIST PARTY					PARTY NON-QUALIFIED		ID #C00186726
CONNECTED ORGANIZATION: NONE							
1985	NOTICE OF FAILURE TO FILE				1JAN85 -30JUN85	1	85FEC/386/3153
	NOTICE OF FAILURE TO FILE				1JUL85 -31DEC85	1	86FEC/403/3696
1986	MISCELLANEOUS REPORT				12MAY86 TO FEC	3	86FEC/413/3956
	NOTICE OF FAILURE TO FILE				1JAN86 -31MAR86	1	86FEC/413/3086
	TOTAL	0	0	0	0	6	TOTAL PAGES

ATTACHMENT #1
Page 2 of 2

QUARTERLY REPORT NOTICE

FEDERAL ELECTION COMMISSION

PARTIES AND PACS March 21, 1986



WHO MUST FILE
ALL Party Committees, Non-connected Committees and Separate Segregated Funds, except those filing monthly (see below), must file a quarterly report by April 15, 1986.

WHAT MUST BE REPORTED
The report must disclose all financial activity that occurred from the close of books for last report filed through March 31, 1986. Political committees that have not previously filed a financial disclosure report should report all financial activity through March 31, 1986.* For more detailed instructions, consult your campaign guide.

WHEN TO FILE
Reports sent by registered or certified mail must be postmarked no later than midnight April 15, 1986. Reports hand delivered or mailed first class must be received no later than close of business April 15, 1986.

WHERE AND HOW TO FILE
Committees should consult the instructions on the enclosed FEC Form 3X for details.

MONTHLY FILERS
Committees that file on a monthly schedule must file their next report by April 20, 1986, and disclose all financial activity of their committee from March 1 through March 31, 1986. (See the schedule of monthly reports on the reverse side.)

COMPLIANCE
Political committees are fully liable for failure to file any report required under the Act. Failure to file in a timely fashion is also a serious violation. Offending committees are subject to enforcement action. Committees must also submit legible reports which can be clearly reproduced. Illegible reports and reports submitted on non-FEC forms will not be accepted, and committees filing such documents will be required to refile.

---

*The first report filed by a committee shall include all amounts received or disbursed prior to becoming a political committee, even if such amounts were not received or disbursed during the current reporting period. See 11 CFR 104.3(a) and (b).

-over-

REMINDERS

QUARTERLY FILERS
Committees that make contributions or expenditures (including independent expenditures) in connection with an election, must file a pre-election report if this activity has not been previously disclosed. See the January 1986 issue of the Federal Election Commission Record for primary election filing requirements.

MONTHLY FILERS
Committees that file monthly must follow the schedule below. Pre-general election reports sent by registered or certified mail must be postmarked no later than midnight October 20, 1986. All other reports sent by registered or certified mail must be postmarked no later than midnight on the filing date in order to be timely. Reports hand delivered or mailed first class must be received by close of business on the filing date.

REPORT	PERIOD COVERED			FILING DATE
February	01/01	-	01/31	02/20/86
March	02/01	-	02/28	03/20/86
April	03/01	-	03/31	04/20/86
May	04/01	-	04/30	05/20/86
June	05/01	-	05/31	06/20/86
July	06/01	-	06/30	07/20/86
August	07/01	-	07/31	08/20/86
September	08/01	-	08/31	09/20/86
October	09/01	-	09/30	10/20/86
Pre-election	10/01	-	10/15	10/23/86
Post-election	10/16	-	11/24	12/04/86
Year-End	11/25	-	12/31	01/31/87

INDEPENDENT EXPENDITURES
Any independent expenditure aggregating $1,000 or more and made between 2 and 20 days before an election must be reported within 24 hours after the expenditure is made. See 11 CFR 104.4(c)(2) and (3) for information concerning where to file.

FOR INFORMATION CALL: Information Services Division
800/424-9530 or 202/376-3120

2004079344

Attachment #3

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

RQ-7

May 7, 1986

Clara Sandahl, Treasurer
Populist Party
130 Third Street, S.E.
Washington, D.C. 20003

Identification Number: C00186726

Reference: April Quarterly Report (1/1/86-3/31/86)

Dear Ms. Sandahl:

It has come to the attention of the Federal Election Commission ("the Commission") that you may be in violation of 2 U.S.C. §434(a) for failing to file the above referenced Report of Receipts and Disbursements. You were notified previously of the due date for this report.

It is important that you file this report immediately with the Federal Election Commission, 999 E Street, N.W., Washington, DC 20463 (or with the Clerk of the House or the Secretary of the Senate, as appropriate). A copy of the report or the relevant portions should also be filed with the Secretary of State or equivalent state officer. See 2 U.S.C. §439.

Although the Commission may initiate an audit or legal enforcement action concerning this matter, your prompt response and a letter of explanation will be taken into consideration.

If you have any questions, please contact Brian Hancock on our toll-free number (800) 424-9530. Our local number is (202) 376-2480.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

MAY 12 AM 8:38

300 Independence Avenue, SE
Washington, DC 20003
May 9, 1986

John D. Gibson
Assistant Staff Director
Reports Analysis Division
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Dear Mr. Gibson:

Your letter of May 7, 1986 addressed to Clara Sandahl, the former treasurer of the Populist Party, has been forwarded to my attention. Mrs. Sandahl has been retired for some time now, and no longer maintains any association with the Populist Party.

In an effort to assist the Federal Election Commission in its examination of the Populist Party's affairs, I am responding to, and acknowledging, your letter of May 7.

I must note, however, that although I served as executive director of the Populist Party national headquarters office in Washington, DC during the period of February through December 1984, I no longer have any official capacity with the party.

Nonetheless, all of us here in Washington who were involved in the Populist Party's initial organizational efforts are committed to assisting the FEC in any way possible.

Blayne Hutzel, one of my associates, is currently in the process of preparing a response to the interim report issued by the audit team which examined the Populist Party's records for the 1984 election period. I am confident that the response being prepared by Mr. Hutzel will answer any questions that the FEC may have in regard to the party's activities in 1984.

Despite this, a number of questions remain, the primary question being whether or not Clara Sandahl, treasurer of record of the Populist Party registered with the FEC under Identification #C00186726, is responsible for filing reports with the FEC for the 1985 and 1986 periods.

It is Mrs. Sandahl's position (one with which I concur wholeheartedly) that she relinquished all such responsibility when Mrs. Faye Miller was elected Populist Party treasurer on March 9, 1985.

A letter stating Mrs. Sandahl's position in regard to this matter is already on file with the FEC. Likewise, a similar statement which I have prepared and filed with the FEC. A copy of that statement is enclosed for your convenience. I believe that it may help clarify a number of the matters involved.

As you are probably aware, Mrs. Miller, the new party treasurer, has registered a separate and completely new Populist Party with the records division of the FEC. This was done without either the approval of the Populist Party National Committee or without even advance notice to the Populist Party executive committee.

It is my opinion, as noted in the sworn statement (copy enclosed), that this was done for the purpose of avoiding payment of a number of substantial and legitimate debts incurred by the Populist Party during its formative stages in the 1984 election period.

Let me be candid about this: that is not only my opinion, I know it to be a fact. Be that as it may, I do recognize, however, that the FEC has certain responsibilities in regard to fulfilling its duties as charged by the FECA, and I am providing the information so that the FEC can proceed unhindered.

We here in Washington have NOTHING to hide, and look forward to meeting with you or with any other FEC officials who might wish to discuss any of these matters further.

I have indicated in a conversation (May 8) with Brian Hancock of your staff that Blayne Hutzel and I would prefer to meet with the FEC, at its convenience, and answer any and all questions concerning the current status of the Populist Party.

I hasten to add, in spite of what Mrs. Faye Miller's actions might suggest, that there is only one Populist Party, not two Populist Parties. The Populist Party of which Mrs. Miller is treasurer of record is the very same Populist Party of which Mrs. Clara Sandahl also, incredibly enough, happens to be treasurer of record, the creation of Mrs. Miller's new "party" notwithstanding.

I have been informed that a member of the Populist Party's executive committee is currently in the process of preparing a statement for presentation to the FEC which will, in part, request a ruling by the FEC to this effect: that the Populist Party entity registered by Mrs. Miller is the same Populist Party initially registered by Mrs. Sandahl.

I suspect that a ruling on this matter will certainly make things a lot easier for all of those persons involved (both at the FEC and at the various and sundry offices of the Populist Party, past and present). I hope you agree with this assessment.

2573113937

I believe that if Mr. Hutzel and I have the opportunity to sit down and discuss these matters with your staff, perhaps at our office with all necessary documentation within easy reach, we might be able to expedite matters.

Rest assured that as soon as we have been able to prepare an adequate response to the FEC's interim audit report for the 1984 period that we will promptly make contact with your office in order to do so.

In the meantime, if there are any questions which you might have, by all means please contact me at your convenience. I can be reached at (202) 544-1794 during regular business hours.

I look forward to meeting with your staff and setting the record straight, once and for all.

Cordially,

Michael Collins Piper

MICHAEL COLLINS PIPER

CC: William Baber/FEC
Brian Hancock/FEC
Clara Sandahl

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3613511 2233

Attachment #5

MEMORANDUM TO THE FILES:

COMMITTEE: Populist Party

I.D. NUMBER: C00186726

CONTACT: Michael Piper, Committee Representative

DATE: 6/9/86

ANALYST: Brian J. Hancock

SUBJECT: Failure to file the 1986 April Quarterly Report

I attempted to call Michael Piper, the representative for the Populist Party on four separate occasions this morning, but found his phone line to be busy on each attempt.

Later in the day, I was able to reach the secretary at Mr. Piper's office, who stated that she would leave a message for Mr. Piper to call me.

Mr. Piper has not returned my call.

C00407734

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

DATE AND TIME OF TRANSMITTAL
BY OGC TO THE COMMISSION _____

MUR:
STAFF MEMBER: Robert Raich

SOURCE OF MUR: I N T E R N A L L Y G E N E R A T E D

RESPONDENTS' NAMES: Populist Party and Blayne E. Hutzel, acting as treasurer

RELEVANT STATUTE: 2 U.S.C. § 434(a)(4)(A)(i)

INTERNAL REPORTS CHECKED: MUR 2190
MUR 2176
MUR 2187
AR85-45/AR86-9

FEDERAL AGENCIES CHECKED: None

GENERATION OF MATTER

This is a matter generated as the result of a referral by the Reports Analysis Division. See Attachment 1.

SUMMARY OF ALLEGATIONS

The referral alleges that the Populist Party ("PPDC") has failed to file its 1986 April Quarterly Report.

FACTUAL AND LEGAL ANALYSIS

All political committees which are not authorized committees of a candidate must file either monthly reports in all calendar years or a series of reports, including quarterly reports during calandar years in which there is a regularly scheduled general election. 2 U.S.C. § 434(a)(4). Such quarterly reports must be filed no later than the 15th day after the last day of each calendar quarter. 2 U.S.C. § 434(a)(4)(A)(i).

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PPDC was required to file a 1986 April Quarterly Report covering the period from January 1, 1986 through March 31, 1986. That report was due on April 15, 1986. Although PPDC is registered with the Commission as a political committee, PPDC failed to file its 1986 April Quarterly Report.

Based on information obtained in the context of other MURs, it appears that PPDC's failure to file is the result of an ongoing dispute between two factions of the Populist Party. Both factions have political committees registered with the Commission. One faction (PPDC) is headquartered in Washington, D.C., and is registered under the name "Populist Party." The other faction has a treasurer located in Mobile, Alabama, and is registered under the the name "Populist Party of the United States" ("PPUS"). PPDC contends that it and PPUS are actually one organization, and that personnel at PPUS are responsible for filing FEC reports concerning the financial activity of PPDC's operations. PPUS contends that it and PPDC are two separate entities. The Populist Party's executive committee has asked PPDC to close its bank account and to cease its operations, but PPDC has refused to comply with that request. PPDC has sent some of its financial information to PPUS; however, it appears that the information sent is not sufficiently detailed to meet either the reporting or recordkeeping requirements of the Act. As a result of the dispute between PPDC and PPUS, there has been no reporting or public disclosure of PPDC's financial activity since 1984.

Clara Sandahl is listed as PPDC's treasurer of record with the

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Commission. Ms. Sandahl has previously informed the FEC that she no longer works at PPDC and is not its treasurer. From information obtained in connection with other investigations, this Office notes that every month since July 1985 Blayne E. Hutzel, as "controller," has sent copies of certain PPDC financial records to PPUS's treasurer. This Office also notes that during the audit fieldwork in AR85-45/AR86-9 Blayne E. Hutzel served as PPDC's spokesman and that he is now preparing PPDC's response to the Interim Audit Report. Accordingly, the Office of the General Counsel believes that Blayne E. Hutzel is acting as treasurer of PPDC. This approach is consisent with the Commission's actions in other MURs. See, e.g., MUR 1735 (Northeast Conservative PAC), MUR 1927 (Connor), MUR 2002 (Batts), and MUR 2083 (Richards).

Despite the dispute between the factions, PPDC is registered with the Commission as an ongoing committee. It has not filed a termination report nor amended its Statement of Organization to indicate it is the same committee as PPUS. This Office believes, therefore, that the dispute between the factions does not absolve PPDC from its reporting responsibilities. Consequently, this Office recommends that the Commission find reason to believe Populist Party (PPDC) and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(i) by failing to file a 1986 April Quarterly Report.

In MUR 2190 (formerly MUR 2128) the Commission has found reason to believe PPDC and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file a 1985 Mid-

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Year Report, § 433(c) by failing to amend the Statement of Organization, § 441b(a) by knowingly accepting corporate contributions, and § 432(h)(1) by commingling funds. Additionally, in MUR 2190 the Commission has found reason to believe PPDC and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file a 1985 Year-End Report. Because the issues and parties in this matter are similar to those in MUR 2190, the General Counsel's Office recommends that the Commission merge this matter with MUR 2190.

RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe Populist Party and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(i).
3. Merge this matter with MUR 2190.
4. Approve the attached General Counsel's Factual and Legal Analysis.
5. Approve and send the attached letter.

Charles N. Steele
General Counsel

Date 7/24/86

BY: Lawrence M. Noble
Deputy General Counsel

Attachments
1. Referral
2. General Counsel's Factual and Legal Analysis
3. Letter

0 0 4 0 7 9 3 3 5 3

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) RAD Ref. 86NF-11 (2211)
Populist Party and Blayne E. Hutzel,)
acting as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on July 29, 1986, the Commission decided by a vote of 6-0 to take the following actions in RAD Ref. 86NF-11:

1. Open a MUR.
2. Find reason to believe Populist Party and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(i).
3. Merge this matter with MUR 2190.
4. Approve the General Counsel's Factual and Legal Analysis, as recommended in the First General Counsel's Report signed July 24, 1986.
5. Approve and send the letter, as recommended in the First General Counsel's Report signed July 24, 1986.

Commissioners Aikens, Elliott, Harris, Josefiak, McDonald and McGarry voted affirmatively for this decision.

Attest:

7-29-86
Date

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

Received in Office of Commission Secretary: Thurs., 7-24-86, 5:12
Circulated on 48 hour tally basis: Fri., 7-25-86, 2:00
Deadline for vote: Tues., 7-29-86, 4:00

9004079354

perm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 6, 1986

CERTIFIED MAIL --
RETURN RECEIPT REQUESTED

Blayne E. Hutzel
Populist Party
130 Third Street, S.E.
Washington, D.C. 20003

RE: MUR 2211
Populist Party and Blayne E. Hutzel, acting as treasurer

Dear Mr. Hutzel:

On July 29, 1986, the Federal Election Commission found reason to believe Populist Party and you, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(i) by failing to file a 1986 April Quarterly Report. The General Counsel's Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. Also on that date, the Commission determined to merge this matter with MUR 2190. In the future, both of these matters will be referenced as MUR 2211.

Under the Act, you have an opportunity to demonstrate that no action should be taken against you and the committee. You may submit any factual or legal materials which you believe are relevant to the Commission's consideration of this matter. Please submit any such materials within fifteen days of your receipt of this letter. Statements should be submitted under oath.

In the absence of any additional information which demonstrates that no further action should be taken against you and the Committee, 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

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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, requests for pre-probable cause conciliation will not be entertained 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 is not authorized to 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 a statement authorizing such counsel to receive any notifications and other communications from the Commission.

The investigation now being conducted will be 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 Robert Raich, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Joan D. Aikens

Joan D. Aikens
Chairman

Enclosures
General Counsel's Factual and Legal Analysis
Procedures
Designation of Counsel Statement

0704979335

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

BEFORE THE FEDERAL ELECTION COMMISSION

86 AUG 15 P1:11

In the Matter of	)	
	)	
Populist Party and Blayne E. Hutzel, acting as treasurer	)	MUR 2211

SENSITIVE

GENERAL COUNSEL'S REPORT

A. Background

On January 17, 1986 and July 10, 1986 (as MURs 2128 and 2190) the Commission found reason to believe Populist Party (the "Committee") and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. §§ 434(a)(4)(A)(iv), 433(c), 441b(a), and 432(h)(1). On July 29, 1986 (as MUR 2211) the Commission found reason to believe the Committee and Blayne E. Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(i) and merged these matters as MUR 2211. On July 10, 1986 the Commission also approved Questions and Documents Requests to the respondents. The Commission's letter to the respondents, and the instructions with the Questions and Requests, stated that a response would be due within 15 days from the respondents' receipt of those materials. The respondents received the materials on July 24, 1986; accordingly, a response was due by August 8, 1986.

The respondents have neither responded nor requested an extension of time to respond. On August 1, 1986 a Commission attorney spoke with Mike Piper, the person handling this matter for the respondents. The attorney reminded Mr. Piper of the approaching deadline. Mr. Piper indicated that he had other priorities.

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The Office of the General Counsel believes the best way to obtain the information necessary for this investigation is with a subpoena ordering the respondents to provide information. Accordingly, the General Counsel's Office recommends that the Commission approve the attached Order and Subpoena.

B. Recommendations

1. Approve the attached Order to Submit Written Answers and Subpoena to Produce Documents.

2. Approve and send the attached letter.

Charles N. Steele
General Counsel

8/15/96
Date

BY: _____
Lawrence M. Noble
Deputy General Counsel

Attachments

1. Order and Subpoena
2. Letter

9004079358

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	MUR 2211
Populist Party and Blayne E. Hutzel, acting as treasurer	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 20, 1986, the Commission decided by a vote of 5-0 to take the following actions in MUR 2211:

1. Approve the Order to Submit Written Answers and Subpoena to Produce Documents, as recommended in the General Counsel's Report signed August 15, 1986.

2. Approve and send the letter, as recommended in the General Counsel's Report signed August 15, 1986.

Commissioners Aikens, Elliott, Harris, Josefiak, and McDonald voted affirmatively for this decision. Commissioner McGarry did not vote.

Attest:

8/20/86
Date

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

Received in Office of Commission Secretary: Fri., 8-15-86, 1:11
Circulated on 48 hour tally basis: Mon., 8-18-86, 11:00
Deadline for vote: Wed., 8-20-86, 11:00

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 25, 1986

Populist Party
Blayne E. Hutzel, acting as treasurer
130 Third Street, S.E.
Washington, D.C. 20003

RE: MUR 2211
(formerly MUR 2190 and
MUR 2128)
Populist Party and Blayne
E. Hutzel, acting as
treasurer

Dear Mr. Hutzel:

On January 23, July 17, and August 6, 1986, you were notified that the Commission found reason to believe Populist Party and you, acting as treasurer, violated 2 U.S.C. §§ 434(a)(4)(A)(iv), 433(c), 441b(a), 432(h)(1), and 434(a)(4)(A)(i), provisions of the Federal Election Campaign Act of 1971, as amended. In addition, on July 17, 1986, you were sent Questions and Document Requests to which you have failed to respond. An investigation of this matter is being conducted and it has been determined that information from you is necessary.

Consequently, the Federal Election Commission has issued the attached Order and Subpoena which requires you to provide information which will assist the Commission in carrying out is 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 responses to this Order and Subpoena. It is required that you submit the information under oath and that you do so within fifteen days of your receipt of this Order and Subpoena.

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If you have any questions, please direct them to Robert Raich, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

BY: Lawrence M. Noble
Deputy General Counsel

Enclosure
Order and Subpoena

00040793361

GCC 1418

RECEIVED
OFFICE OF THE FEC
COMMISSION SECRETARY

86 SEP 5 P3:29

300 Independence Ave SE
Washington, DC 20003
September 4, 1986

Ms. Joan D. Aikens, Chairman
Federal Elections Commission
Washington, DC 20463

Ref: MUR 2211

Dear Ms. Aikens:

Please refer to my letter of August 18 and Mr. Carto's of August 21.

It is my understanding that, to avoid confusion and duplication, all matters concerning the Populist Party are to be directed only to Mr. Willis Carto. He is the only person authorized to correspond with your organization.

Accordingly, I am forwarding to him the above mentioned MUR and letter dated August 25, 1986, signed by Lawrence M. Noble.

Your cooperation and understanding is very much appreciated.

Sincerely,

Blayne E. Hutzel

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86 SEP 5 P3:58

RECEIVED
GENERAL COUNSEL

Rec. 9-11-86
Aikens
CCC#1993
MUR 2211

LIBERTY LOBBY

300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202 LIBERTY 6-5611

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FEC
SECRETARY

86 SEP 11 P2:52

September 6, 1986

16 SEP 11 P 4:45
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL'S OFFICE

Ms. Joan D. Aikens, Chairman
Federal Election Commission
Washington, D. C. 20463

Dear Ms. Aikens:

This is in response to the letter and enclosures addressed to Mr. Blayne Hutzel from Mr. Lawrence M. Noble and dated August 25. At my request, Mr. Hutzel sent it to me for response and I reply from my office in California. I believe that Mr. Hutzel received this on Thursday, September 4.

On August 21 I wrote you that I would reply to you personally until I received instructions from you as to whom you delegate to conduct liasion with this office.

I am puzzled as to whether my letter of August 21 crossed in the mail with Mr. Noble's of August 25 or if it was mailed in error because the order and subpoena enclosed is undated and unverified.

In any event, many of the questions therein are repetitive of ones we have already replied to. As stated in my earlier letter, we want to reply to all of your questions fully but would request to do so systematically and without repetition.

In regard to reports for 1985, we are in a dilemma. On the one hand the party membership and leadership virtually unanimously agrees that there is only one Populist Party and that any filings that have been made which challenge this basic fact were filed erroneously, falsely and illegally because such filings were never authorized by any responsible party body. On the other hand, the law requires filings. Until the facts of this matter are finally resolved by your agency, would you accept an informal filing of funds received in Washington for the Populist Party but not according to the theory that there are two Populist Parties?

Of course, it is our contention that Mrs. Miller has been sent all the data she needs to make a proper filing and we cannot concede that she has no responsibility to do so.

I will await your response to the above as well as my letter of August 21.

Sincerely,

Willis A. Carto
Treasurer

Your Influence Counts . . . USE IT!

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 19, 1986

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Willis Carto
Liberty Lobby, Inc.
300 Independence Avenue, S.E.
Washington, D.C. 20003

RE: MUR 2211

Dear Mr. Carto:

This responds to your letter dated September 6, 1986, to Chairman Aikens.

On August 20, 1986, the Commission approved the Order to Submit Written Answers and Subpoena to Produce Documents enclosed with the Commission's letter of August 25, 1986. Accordingly, you should see to it that all questions are answered completely and in a single response, and that all requested documents are produced. Because you state that the Order and Subpoena you received is undated and unverified, I am enclosing a copy, dated, signed, and attested to. Your response is now due at the Commission 15 days from the date your office receives this letter. Although the Order and Subpoena is directed to Blayne E. Hutzel, acting as treasurer, in accordance with his letter dated September 4, 1986, the enclosed is being sent directly to you.

With regard to your question concerning a "theory that there are two Populist Parties," be advised that this Office does not advance any such theory. It does appear, however, that there are two political committees affiliated with the Populist Party. Each political committee must file reports of receipts and disbursements with the Commission. See 2 U.S.C. § 434(a)(1).

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Should you have further questions, please direct them to Robert Raich, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele
General Counsel

Lawrence M. Noble (LPZ)

By: Lawrence M. Noble
Deputy General Counsel

Enclosure
Duplicate Order and Subpoena

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GCC 1768

LIBERTY LOBBY

300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202 LIBERTY 6-5611

MUR 2211

86 OCT 17 AM 11:

October 14, 1986

Mrs. Joan D. Aikens
Federal Election Commission
Washington, DC 20463

Dear Mrs. Aikens:

This is in response to the letter and subpoena received on September 29 from Mr. Lawrence M. Noble who replied to my letter of September 6 to you. I must respond to you because I have advised you in my above-cited letter, as well as my letter to you of August 21, that I would respond to you personally until you instructed me otherwise. I trust that Mr. Noble will understand, therefore, that I mean no discourtesy in not responding to him personally, just as I know that you mean no discourtesy in not responding to me.

I will try to reply to the questions in Mr. Noble's letter but before doing so must make clear that there is no such thing as a "Populist Party DC" for two reasons: (1) The Populist Party entity that formerly operated out of this address was at all times a proper entity of the one and only Populist Party, and (2) All operations of this entity were suspended and disbanded early this year. Thus, although I will respond to your questions in regard to "PPDC," I do so with this in mind.

ANSWERS

1. a. There is not and has never been any formal relationship. Beginning in early 1984, Liberty Lobby, Inc. began to supply support services for the Populist Party for which the party was billed. The commission audited these accounts and on April 3, 1986 issued an interim audit report which showed a substantial indebtedness due to Liberty Lobby, Inc. by the Populist Party. All attempts to collect this debt have failed so we will file suit vs. Mrs. Miller for the balance due tomorrow. I had hoped to be able to include a copy of our complaint herein but rather than further delay this response and submit it late, I shall forward it on as soon as possible. The suit will be filed in the U.S. District Court, Southern District of Alabama, Southern Division, in Mobile, Alabama, the site of Mrs. Miller's residence. Our attorney is Mr. Michael S. Evers, Esq., 105 N. Foster St., Dothan, Alabama 36303.

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86 OCT 17 PM 2:06

b. None. On September 27, 1984 CDLL paid $22,660 to Postmaster, Sidney, Ohio for postage for a fundraising letter sent out by the PP. The amount was repaid in full by PP check no. 1393 on November 12, 1984.

c,d. Cordite Fidelity Corporation is the publisher of The SPOTLIGHT, a weekly newspaper which accepted ads from PP. There is no legal connection. PP was billed for all ads. After the failure of PP to pay, PP was sued in the action described in (a), above, in which Liberty Lobby, Inc. and Cordite Fidelity are joint plaintiffs.

e. Populist Party, Inc. is or was a Virginia corporation originally intended to be the Virginia branch of PP. For purposes of convenience, the PP bank account was opened under that entity because at the time funds began to arrive, there was no other entity, as the national committee had not yet been established. Any and all decisions in regard to adding to or depleting that account were made as the original inchoate and informal PP evolved into a party operating under bylaws, which were adopted on August 17, 1984 in Nashville. No decisions in regard to spending funds from that account were ever made by any director of the Virginia corporation at any time. In fact, there never were bylaws or director meetings of the Virginia incorporation. The charter and all files of the corporation were turned over to the Virginia party chairman, Mr. Steve Giles, 5805 Howard Dr., Mechanicsville, Va. 23111. It is not known if he has kept the corporation active or not and if he has I do not know whom the officers may be.

2. a. As the founder of the party I was of course originally and solely responsible for all decisions. As I involved more persons in the effort, which grew extremely rapidly through February or March, 1984 through October, responsibility was more and more diffused. The organization of the party started to become formal after the meeting I called in Washington over the weekend of May 19-10 and became formal on August 17 when the bylaws were adopted by the national convention. Almost all of the officers of the party elected in Nashville had attended the May 19-20 meeting in Washington. All this and much more is explained in detail in Mr. Blayne Hutzel's lengthy letter dated May 5, 1986 to Mr. Robert J. Costa.

b. The officers of the executive committee of the PP are well known to you unless in the meantime they have been "fired" by the party boss, Mr. William K. Shearer, as I and many others have been.

c. I am treasurer and a director of Liberty Lobby, Inc. There are 11 other directors. Chairman is Col. Curtis B. Dall, Vice Chairman is Dr. Martin A. Larson and secretary is Mrs. Lois Jackson.

d. Gen. William C. Lemly, Chairman; Mr. Edward J. McCrink, Vice Chairman; Mrs. Olive Snead, Secretary; Mr. Steve Goodyear, Treasurer.

e,f. The former publishes the latter. Editor-in-chief is Mr. Vince Ryan. Other managers or controllers are listed on page 2 of each weekly issue.

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g. See 1 (e,) above.

3. Most of the persons listed above have no involvement in any other entity other than the one listed. Many may have been members of the Populist Party.

4. Please refer to paragraph 2 of this letter, page 1.

5. Mrs. Clara Sandahl and Mr. Blayne Hutzel have had responsibility for maintaining all financial records of the Populist Party in Washington. Signatories on the two accounts have been: W.A. Carto and Lois Petersen (National Capital Bank) and William W. Baker, Blayne E. Hutzel, Emmett E. Miller, Sr. (Security National Bank). The person who prepared reports for your agency was Mr. Bernard DeRemer.

6. Yes. After the executive committee meeting of November 1984 an account was opened at the Security National Bank, Capital Hill Office, 215 Pennsylvania Ave. SE, Washington, DC 20003.

7. a. No.

b. No.

c. Please see 2, above. I do not have complete information you request as these are all separate entities.

8. I trust you mean Mrs. Sandahl's letter dated February 5, 1985 instead of 1986. Mr. Hutzel is the controller of Liberty Lobby, Inc., a salaried position. In that position he served as informal "controller" for the Populist Party until all functions were turned over to the executive committee. This transitional phase was prolonged by the untimely death of the party's elected treasurer, Mr. Emmett Miller. Liberty Lobby billed Mr. Hutzel's services to the Populist Party, as well as the services of other personnel, and serve as a portion of the debt owed to Liberty Lobby, Inc. by PP.

9. a. There is only one Populist Party and, as explained above (page 1, paragraph 2) there has never been an independent "PPDC."

b. N.A.

10. Clara Sandahl was bookkeeper of Liberty Lobby, Inc. until her retirement on September 27, 1985. Mr. Blayne Hutzel is the controller of Liberty Lobby, Inc. As such, she and Mr. Hutzel have done work for the Populist Party. Their time was billed to the Populist Party.

c. The writer is also employed by Liberty Lobby, Inc. All of my work for the Populist Party has been on a volunteer basis. I have no offices with Committee to Defend Liberty Lobby, Inc. or Cordite Fidelity, Inc.

d. Mr. Piper is an employee of Cordite Fidelity, Inc. Much of his work in behalf of the Populist Party has been volunteer although a substantial amount has also been billed to PP. He has no connection with CDLL.

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11. All of the records of the Virginia incorporation are in the possession of Mr. Steve Giles (address 1 (e), above).

12. The person answering the above questions is undersigned. I was assisted by Mr. Hutzel.

I certify that the above answers are correct to the best of my knowledge and belief.

Sincerely,

Willis A. Carto
Treasurer

Washington

District of Columbia

Subscribed and sworn before me this
14th day of October, 1986

Lois Petersen Notary Public

Lois Petersen

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SCC#1806
RECEIVED AT THE FEC
7:24
MUR2211

LIBERTY LOBBY

300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202 LIBERTY 6-5611

October 17, 1986

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Joan D. Aikens
Federal Election Commission
Washington, DC 20463

Dear Ms. Aikens:

This is in response to your letter of October 7.

(1) The amended statement of organization is enclosed.

(2) The purposes of the remittances to Victor Marchetti were for public relations.

(3) A contribution of $500 from William K. Shearer, Box 427, Lemon Grove, Calif. 92045 was itemized as a receipt of the October 15, 1984 quarterly report, page 3, box G.

(4) The 1986 quarterly reports are enclosed.

(5) The interim audit of the commission issued on April 3, 1986 showed an indebtedness of the Populist Party due to Liberty Lobby, Inc. and Cordite Fidelity, Inc. of $203,190.37. The complaint of Liberty Lobby and Cordite Fidelity vs. Populist Party, mentioned in my letter of October 14 is enclosed.

Sincerely,

Willis A. Carto
Treasurer

86 OCT 21 AM 10:34
86 OCT 22 AM 10:12
86 OCT 21 PM 5:36
RECEIVED FEC SECRETARY

FEC

STATEMENT OF ORGANIZATION

(see reverse side for instructions)

1. (a) Name of Committee (in Full) ☐ Check if name or address is changed.
Populist Party (of the United States)

2. Date
October 20, 1986

(b) Address (Number and Street)
130 Third Street, SE

3. FEC Identification Number
C00186726

(c) City, State and ZIP Code
Washington, DC 20003

4. Is this an amended Statement? ☒ YES ☐ NO

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 (National, State or subordinate) committee of the Populist (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 nor a party committee.

6. Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship
Populist Party of the United States (Registered as a separate committee with the FEC and designated C00201343)	6065 Mission Gorge Road Box 211 San Diego, CA 92120	new national headquarters

If the registering political committee has identified a "connected organization" above, please indicate type of 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, the person in possession of committee books and records.

Full Name	Mailing Address and ZIP Code	Title or Position
Willis A. Carto	130 Third Street, SE, Wash DC 20003	Records Custodian; DC office
Faye G. Miller	PO Box 377, Dauphin Island, AL 36528	National 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 and ZIP Code	Title or Position
Faye G. Miller Tel: (205) 861-6462 or (205) 344-5975	PO Box 377, Dauphin Island AL 36528	National 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
National Capital Bank of Washington (account closed)	316 Pennsylvania Ave, SE Wash DC 20003
Security National Bank (account closed)	215 Pennsylvania Ave. SE, Wash DC 20003
AmSouth Bank N.A.	PO Drawer 1628, Mobile, AL 36629
Central Bank of the South	PO Box 1288, Mobile, AL 36601

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Willis A. Carto — SIGNATURE OF TREASURER — OCT. 17 1986 (Date)

Type or Print Name of Treasurer

Custodian of Records: DC Office — Custodian of Records

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.

For further information contact: Federal Election Commission, Toll Free 800-424-9530, Local 202-523-4068

FEC FORM 1 (3/80)

0 0 0 1 8 6 7 2 6

FEC

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

(Summary Page)

87 OCT 20 P7:24

ALIGN AREA | ALIGN AREA

1. Name of Committee (In Full)

Populist Party

Address (Number and Street)

130 Third St SE

City, State and ZIP Code

Washington, DC 20003

☐ Check here if address is different than previously reported.

2. FEC Identification Number

C00186726

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 7/1/86 through 9/30/86		
6. (a) Cash on hand January 1, 19 86		$3,699.43
(b) Cash on Hand at Beginning of Reporting Period	$ - 0 -	
(c) Total Receipts (from Line 18)	$ - 0 -	$2,033.88
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ - 0 -	$5,733.31
7. Total Disbursements (from Line 28)	$ - 0 -	$5,733.31
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ - 0 -	$ - 0 -
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)	$ 267,128.98	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Willis A. Carto

XXXXXXXXXXXXXXXXXX Custodian of Records: DC Office

SIGNATURE OF XXXXXXXXX

OCT. 17 1986

Date

Custodian of Records: DC Office

For further information contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-523-4068

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)

C00186726 2 4 7 3 3 7 0

DETAILED SUMMARY PAGE
of Receipts and Disbursements
(Page 2, FEC FORM 3X)

Name of Committee (In Full)	Report Covering the Period		
Populist Party	From: 7/1/86	To: 9/30/86	
	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	- 0 -	2,033.88	11(a)
(Memo Entry Unitemized $_____)			
(b) Political Party Committees			11(b)
(c) Other Political Committees			11(c)
(d) TOTAL CONTRIBUTIONS (other then loans) (add 11(a), 11(b) and 11(c))	- 0 -	2,033.88	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			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	- 0 -	2,033.88	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	- 0 -	5,733.31	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			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))			26(d)
27. OTHER DISBURSEMENTS			27
28. TOTAL DISBURSEMENTS (add lines 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	- 0 -	5,733.31	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	- 0 -	2,033.88	29
30. TOTAL CONTRIBUTION REFUNDS from Line 26(d)			30
31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	- 0 -	2,033.88	31
32. TOTAL OPERATING EXPENDITURES from Line 19	- 0 -	5,733.31	32
33. OFFSETS TO OPERATING EXPENDITURES from Line 15			33
34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)	- 0 -	5,733.31	34

C 00407937

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

Page 1 of 2 for
LINE NUMBER 10
(Use separate schedules for each numbered line)

Name of Committee (in Full) Populist Party	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 The Spotlight 300 Independence Ave SE Washington, DC 20003	17,989.16			17,989.16
Nature of Debt (Purpose): Advertising				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor The Spotlight 300 Independence Ave SE Washington, DC 20003	48,214.48			48,214.48
Nature of Debt (Purpose): Support Services				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor The Spotlight 300 Independence Ave SE Washington, DC 20003	21,028.23			21,028.23
Nature of Debt (Purpose): Mailing List Rental				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor Liberty Lobby, Inc. 300 Independence Ave SE Washington, DC 20003	165,181.67			165,181.67
Nature of Debt (Purpose): Support Services				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor Liberty Lobby, Inc. 300 Independence Ave SE Washington, DC 20003	13,985.75			13,985.75
Nature of Debt (Purpose): Mailing List Rental				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor Executive Systems, Inc. 4833 Rugby Ave Bethesda, Md 20814	659.69			659.69
Nature of Debt (Purpose): Computer Service				
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) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				

C00407374

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

Page 2 of 2 for
LINE NUMBER 10
(Use separate schedules for each numbered line)

Name of Committee (In Full) Populist Party	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 Bob Richards For Pres. Comm. 130 Third St SE Washington, Dc 20003	70.00			70.00
Nature of Debt (Purpose): Petition Expenses				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
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):				
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) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				267,128.98

C00407437

ORT OF RECEIPTS AND DISBURSEMEN

For a Political Committee Other Than an Authorized Committee

(Summary Page)

FILED WITH THE FEC

86 OCT 20 P 7:24

ALIGN AREA

ALIGN AREA

1. Name of Committee (In Full)

Populist Party

Address (Number and Street)

130 Third St SE

City, State and ZIP Code

Washington, DC 20003

☐ Check here if address is different than previously reported.

2. FEC Identification Number

C00186726

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 4/1/86 through 6/30/86		
6. (a) Cash on hand January 1, 19 86		$ 3,699.43
(b) Cash on Hand at Beginning of Reporting Period	$ 5,546.81	
(c) Total Receipts (from Line 18)	$ 144.50	$ 2,033.88
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$ 5,691.31	$ 5,733.31
7. Total Disbursements (from Line 28)	$ 5,691.31	$ 5,733.31
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$ - 0 -	$ - 0 -
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)	$ 267,128.98	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Willis A. Carto

XXXXXXXXXXXXXXXXXXXX Custodian of Records: DC Office

SIGNATURE OF TREASURER

OCT. 17 1986

Date

Custodian of Records: DC Office

For further information contact:

Federal Election Commission

Toll Free 800-424-9530

Local 202-523-4068

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)

C00407937

DETAILED SUMMARY PAGE of Receipts and Disbursements (Page 2, FEC FORM 3X)

Name of Committee (in Full)	Report Covering the Period		
Populist Party	From: 4/1/86	To: 6/30/86	
	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	144.50	2,033.88	11(a)
(Memo Entry Unitemized $144.50)			
(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))	144.50	2,033.88	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			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	144.50	2,033.88	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	5,691.31	5,733.31	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			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))			26(d)
27. OTHER DISBURSEMENTS			27
28. TOTAL DISBURSEMENTS (add lines 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	5,691.31	5,733.31	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	144.50	2,033.88	29
30. TOTAL CONTRIBUTION REFUNDS from Line 26(d)			30
31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	144.50	2,033.88	31
32. TOTAL OPERATING EXPENDITURES from Line 19	5,691.31	5,733.31	32
33. OFFSETS TO OPERATING EXPENDITURES from Line 15			33
34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)	5,691.31	5,733.31	34

C00407937

SCHEDULE B **ITEMIZED DISBURSEMENTS**

Page 1 of 1 for
LINE NUMBER 19
(Use separate schedule(s) for each category of the Detailed Summary Page)

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)

Populist Party

A. Full Name, Mailing Address and ZIP Code Executive Systems Inc. 4833 Rugby Ave Bethesda, Md 20814	Purpose of Disbursement Computer Service Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 4/2/86	Amount of Each Disbursement This Period 3,131.53
B. Full Name, Mailing Address and ZIP Code Verkouteren, Auerback, Olsen, Co. 850 Sligo Ave Silver Spring, Md 20910	Purpose of Disbursement Accounting Service Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 4/21/86	Amount of Each Disbursement This Period 435.00
C. Full Name, Mailing Address and ZIP Code Executive Systems Inc 4833 Rugby Ave Bethesda, Md 20814	Purpose of Disbursement Computer Service Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 4/21/86	Amount of Each Disbursement This Period 1,391.63
D. Full Name, Mailing Address and ZIP Code Executive Systems Inc. 4833 Rugby Ave Bethesda, Md 20814	Purpose of Disbursement Computer Service Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year) 4/21/86	Amount of Each Disbursement This Period 733.15
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement 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 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 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 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 Disbursement for: ☐ Primary ☐ General ☐ Other (specify):	Date (month, day, year)	Amount of Each Disbursement This Period
SUBTOTAL of Disbursements This Page (optional)			
TOTAL This Period (last page this line number only)			5,691.31

C00174378

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

Page 1 of 2 for
LINE NUMBER 10
(Use separate schedules for each numbered line)

Name of Committee (In Full)	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
Populist Party				
A. Full Name, Mailing Address and Zip Code of Debtor or Creditor The Spotlight 300 Independence Ave SE Washington, DC 20003	17,989.16			17,989.16
Nature of Debt (Purpose): Advertising				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor The Spotlight 300 Independence Ave Se Washington, DC 20003	48,214.48			48,214.48
Nature of Debt (Purpose): Support Services				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor The Spotlight 300 Independence Ave SE Washington, DC 20003	21,028.23			21,028.23
Nature of Debt (Purpose): Mailing List Rental				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor Liberty Lobby, Inc. 300 INdependence Ave SE Washington, DC 20003	165,193,.97		12.30	165,181.67
Nature of Debt (Purpose): Support Services				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor Liberty Lobby, Inc. 300 Independence Ave SE Washington, DC 20003	13,985.75			13,985.75
Nature of Debt (Purpose): Mailing List Rental				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor Executive Systems, Inc. 4833 Rugby Ave Bethesda, Md 20814	5,916.00		5,256.31	659.69
Nature of Debt (Purpose): Computer Service				
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) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				

C00407537

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (In Full) Populist Party	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 Bob Richards For Pres. Comm. 130 Third St SE Washington, DC 20003	70.00			70.00
Nature of Debt (Purpose): Petition Expense				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
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):				
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) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				267,128.98

C00407333

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Polit[illegible]ommittee Other Than an Authorized Comm[illegible]

FEC

(Summary Page)

ALIGN AREA [ ] ALIGN AREA

1. Name of Committee (In Full)

Populist Party

Address (Number and Street)

130 Third St. SE

City, State and ZIP Code

Washington, DC 20003

[ ] Check here if address is different than previously reported.

2. FEC Identification Number

C00186726

3. [ ] This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate boxes)

(a) [X] 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 [X] NO

SUMMARY	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period 1/1/86 through 3/31/86		
6. (a) Cash on hand January 1, 1986		$3,699.43
(b) Cash on Hand at Beginning of Reporting Period	$3,699.43	
(c) Total Receipts (from Line 18)	$1,889.38	$1,889.38
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B)	$5,588.81	$5,588.81
7. Total Disbursements (from Line 28)	$ 42.00	$ 42.00
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d))	$5,546.81	$5,546.81
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)	$ 272,397.59	

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Willis A. Carto

XXXXXXXXXXXXXXXXXX Custodian of Records: DC Office

SIGNATURE OF XXXXXXXXX

OCT. 17 1986

Date

Custodian of Records: DC Office

For further information contact:
Federal Election Commission
Toll Free 800 424 9530
Local 202 523-4068

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)

C00407981

DETAILED SUMMARY PAGE of Receipts and Disbursements (Page 2, FEC FORM 3X)

Name of Committee (in Full)	Report Covering the Period: From: 1/1/86 To: 3/31/86		
Populist Party	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. (Memo Entry Unitemized $1,889.38)	1,889.38	1,889.38	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))	1,889.38	1,889.38	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			16
17. OTHER RECEIPTS (Dividends, Interest, etc.)			17
18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17)	1,889.38	1,889.38	18
II. DISBURSEMENTS			
19. OPERATING EXPENDITURES	42.00	42.00	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			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))			26(d)
27. OTHER DISBURSEMENTS			27
28. TOTAL DISBURSEMENTS (add lines 19, 20, 21, 22, 23, 24, 25, 26(d) and 27)	42.00	42.00	28
III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES			
29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d)	1,889.38	1,889.38	29
30. TOTAL CONTRIBUTION REFUNDS from Line 26(d)			30
31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29)	1,889.38	1,889.38	31
32. TOTAL OPERATING EXPENDITURES from Line 19	42.00	42.00	32
33. OFFSETS TO OPERATING EXPENDITURES from Line 15			33
34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32)	42.00	42.00	34

C00407982

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

Page 1 of 2 for
LINE NUMBER 10
(Use separate schedules for each numbered line)

Name of Committee (in Full) Populist Party	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 The Spotlight 300 Independence Ave Se Washington, Dc 20003	17,989.16			17,989.16
Nature of Debt (Purpose): Advertising				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor The Spotlight 300 Independence Ave Se Washington, DC 20003	41,214.48	7,000.00		48,214.48
Nature of Debt (Purpose): Support Services				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor The Spotlight 300 Independence Ave SE Washington, DC 20003	21,028.23			21,028.23
Nature of Debt (Purpose): Mailing List Rental				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor Liberty Lobby, Inc 300 Independence Ave SE Washington, DC 20003	165,322.32		128.35	165,193.97
Nature of Debt (Purpose): Support Services				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor Liberty Lobby, Inc 300 Independence Ave SE Washington, DC 20003	13,985.75			13,985.75
Nature of Debt (Purpose): Mailing List Rental				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor Executive Systems, Inc 4833 Rugby Ave Bethesda, Md 20814	5,916.00			5,916.00
Nature of Debt (Purpose): Computer Service				
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) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				

C00407933

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

Name of Committee (In Full) Populist Party	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 Printer II, Inc 5241 Frolich Lane Tuxedo, Md 20781	6,640.18		6,640.18	- 0 -
Nature of Debt (Purpose): Printing Services				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor Bob Richards for Pres. Comm. 130 Third St SE Washington, DC 20003	70.00			70.00
Nature of Debt (Purpose): Petition Expense				
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):				
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) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				272,397.59

20004077384

RECEIVED AT THE FEC

JS 44
(Rev. 07/86)

CIVIL COVER SHEET

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I (a) PLAINTIFFS

LIBERTY LOBBY, INC.
CORDITE FIDELITY, INC.

DEFENDANTS

FAYE MILLER, as Treasurer of the Populist Party of the United States, an unincorporated association

(b) COUNTY OF RESIDENCE OF FIRST LISTED PLAINTIFF (EXCEPT IN U.S. PLAINTIFF CASES)

District of Columbia

COUNTY OF RESIDENCE OF FIRST LISTED DEFENDANT (IN U.S. PLAINTIFF CASES ONLY)
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED

(c) ATTORNEYS (FIRM NAME, ADDRESS, AND TELEPHONE NUMBER)

Michael S. Evers
105 North Foster Street
Dothan, Alabama 36303
(205) 793-6555

ATTORNEYS (IF KNOWN)

II. BASIS OF JURISDICTION (PLACE AN x IN ONE BOX ONLY)

- ☐ 1 U.S. Government Plaintiff
- ☐ 3 Federal Question (U.S. Government Not a Party)
- ☐ 2 U.S. Government Defendant
- ☒ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (For Diversity Cases Only)

(PLACE AN x IN ONE BOX FOR PLAINTIFF AND ONE BOX FOR DEFENDANT)

	PTF	DEF		PTF	DEF
Citizen of This State	☐ 1	☒ 1	Incorporated or Principal Place of Business in This State	☐ 4	☐ 4
Citizen of Another State	☐ 2	☐ 2	Incorporated and Principal Place of Business in Another State	☒ 5	☐ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☐ 6

IV. CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE A BRIEF STATEMENT OF CAUSE)

(DO NOT CITE JURISDICTIONAL STATUTES UNLESS DIVERSITY)

Seeks payment for goods and services rendered.

V. NATURE OF SUIT (PLACE AN x IN ONE BOX ONLY)

CONTRACT
- ☐ 110 Insurance
- ☐ 120 Marine
- ☐ 130 Miller Act
- ☐ 140 Negotiable Instrument
- ☐ 150 Recovery of Overpayment & Enforcement of Judgment
- ☐ 151 Medicare Act
- ☐ 152 Recovery of Defaulted Student Loans (Excl Veterans)
- ☐ 153 Recovery of Overpayment of Veteran's Benefits
- ☐ 160 Stockholders Suits
- ☒ 190 Other Contract
- ☐ 195 Contract Product Liability

REAL PROPERTY
- ☐ 210 Land Condemnation
- ☐ 220 Foreclosure
- ☐ 230 Rent Lease & Ejectment
- ☐ 240 Torts to Land
- ☐ 245 Tort Product Liability
- ☐ 290 All Other Real Property

TORTS

PERSONAL INJURY
- ☐ 310 Airplane
- ☐ 315 Airplane Product Liability
- ☐ 320 Assault, Libel & Slander
- ☐ 330 Federal Employers' Liability
- ☐ 340 Marine
- ☐ 345 Marine Product Liability
- ☐ 350 Motor Vehicle
- ☐ 355 Motor Vehicle Product Liability
- ☐ 360 Other Personal Injury

PERSONAL INJURY
- ☐ 362 Personal Injury—Med Malpractice
- ☐ 365 Personal Injury—Product Liability
- ☐ 368 Asbestos Personal Injury Product Liability

PERSONAL PROPERTY
- ☐ 370 Other Fraud
- ☐ 371 Truth in Lending
- ☐ 380 Other Personal Property Damage
- ☐ 385 Property Damage Product Liability

CIVIL RIGHTS
- ☐ 441 Voting
- ☐ 442 Employment
- ☐ 443 Housing/ Accommodations
- ☐ 444 Welfare
- ☐ 440 Other Civil Rights

PRISONER PETITIONS
- ☐ 510 Motions to Vacate Sentence
- ☐ 530 Habeas Corpus
- ☐ 540 Mandamus & Other
- ☐ 550 Civil Rights

FORFEITURE/PENALTY
- ☐ 610 Agriculture
- ☐ 620 Food & Drug
- ☐ 630 Liquor Laws
- ☐ 640 R.R. & Truck
- ☐ 650 Airline Regs
- ☐ 660 Occupational Safety/Health
- ☐ 690 Other

LABOR
- ☐ 710 Fair Labor Standards Act
- ☐ 720 Labor/Mgmt Relations
- ☐ 730 Labor/Mgmt Reporting & Disclosure Act
- ☐ 740 Railway Labor Act
- ☐ 790 Other Labor Litigation
- ☐ 791 Empl Ret Inc Security Act

BANKRUPTCY
- ☐ 422 Appeal 28 USC 158
- ☐ 423 Withdrawal 28 USC 157

PROPERTY RIGHTS
- ☐ 820 Copyrights
- ☐ 830 Patent
- ☐ 840 Trademark

SOCIAL SECURITY
- ☐ 861 HIA (1395ff)
- ☐ 862 Black Lung (923)
- ☐ 863 DIWC (405(g))
- ☐ 863 DIWW (405(g))
- ☐ 864 SSID Title XVI
- ☐ 865 RSI (405(g))

FEDERAL TAX SUITS
- ☐ 870 Taxes (U.S. Plaintiff or Defendant)
- ☐ 871 IRS—Third Party 26 USC 7609

OTHER STATUTES
- ☐ 400 State Reapportionment
- ☐ 410 Antitrust
- ☐ 430 Banks and Banking
- ☐ 450 Commerce/ICC Rates/etc
- ☐ 460 Deportation
- ☐ 470 Racketeer Influenced and Corrupt Organizations
- ☐ 810 Selective Service
- ☐ 850 Securities/Commodities/ Exchange
- ☐ 875 Customer Challenge 12 USC 3410
- ☐ 891 Agricultural Acts
- ☐ 892 Economic Stabilization Act
- ☐ 893 Environmental Matters
- ☐ 894 Energy Allocation Act
- ☐ 895 Freedom of Information Act
- ☐ 900 Appeal of Fee Determination Under Equal Access to Justice
- ☐ 950 Constitutionality of State Statutes
- ☐ 890 Other Statutory Actions

VI. ORIGIN (PLACE AN x IN ONE BOX ONLY)

- ☒ 1 Original Proceeding
- ☐ 2 Removed from State Court
- ☐ 3 Remanded from Appellate Court
- ☐ 4 Reinstated or Reopened
- ☐ 5 Transferred from another district (specify)
- ☐ 6 Multidistrict Litigation
- ☐ 7 Appeal to District Judge from Magistrate Judgment

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION ☐ UNDER F.R.C.P. 23

DEMAND $ $289,326.19

Check YES only if demanded in complaint
JURY DEMAND: ☐ YES ☐ NO

VIII. RELATED CASE(S) IF ANY (See instructions):

JUDGE _____ DOCKET NUMBER _____

DATE
October 15, 1986

SIGNATURE OF ATTORNEY OF RECORD
Michael S. Evers

UNITED STATES DISTRICT COURT

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

LIBERTY LOBBY, INC., a non-profit corporation, and CORDITE FIDELITY, INC., a corporation,	)	OCT. 15 1986
Plaintiffs,	)	
vs.	)	Civil Action No. _____
FAYE MILLER, as Treasurer of the Populist Party of the United States, an unincorporated association,	)	
Defendant.	)	

COMPLAINT

PARTIES

1. Plaintiff LIBERTY LOBBY, INC. is a non-profit corporation incorporated under the laws of the District of Columbia having its principal place of business in the District of Columbia.

2. Plaintiff CORDITE FIDELITY, INC. is a corporation incorporated under the laws of the State of Delaware having its principal place of business in the District of Columbia.

3. Defendant FAYE MILLER, Treasurer of the Populist Party of the United States, an unincorporated association, is a citizen of the State of Alabama over the age of twenty-one years.

JURISDICTION

4. Plaintiffs invoke the jurisdiction of this Honorable Court pursuant to the provisions of 28 U.S.C. §1332(a)(1) and (c). Plaintiffs cause of action is between two corporations

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MICHAEL G. BYERS
ATTORNEY AT LAW
108 N. FOSTER STREET
DOTHAN, ALABAMA 36303
205-793-0555

with principal places of business in the District of Columbia and a citizen of the State of Alabama. The matter in controversy exceeds, exclusive of interest and costs, the sum of $10,000.

STATEMENT OF FACTS

5. On or about March 5, 1984 the Populist Party of the United States (hereinafter "The Party") was created and organized in Washington, D.C.

6. Plaintiff's thereafter agreed to and did furnish to The Party administrative personnel, office space, postage, advertising, printing, telephones, and other various forms of support and funding with the understanding that these expenses would be repaid by The Party from fundraising receipts.

7. Between March, 1984 and December, 1984, the Plaintiffs furnished the aforementioned goods and services to the Party and applied a portion of The Party's fundraising receipts to satisfaction of such debt.

8. The Federal Election Commission conducted an audit of The Party in 1985 and concluded that The Party was indebted to the Plaintiffs in the amount of $203,190.37 for goods and services rendered in 1984. In addition, Plaintiffs furnished in 1984 computer services, travel expenses, mailing list rentals, advertising and miscellaneous expenses in the amount of $86,135.82 which were not included in the FEC audit report. These additional expenses have been reported to the FEC by the Plaintiffs. Accordingly, The Party is indebted to

9004074537387

MICHAEL G. BYERS
ATTORNEY AT LAW
108 N. FOSTER STREET
DOTHAN, ALABAMA 36303
205-793-6888

Plaintiffs in the amount of $289,326.19.

9. Defendant, as Treasurer of The Party, wholly failed, neglected, and refused to pay said sum of $289,326.19 or any part thereof, though often requested to do so, and by reason of the premises there is now due and owing from Defendant to Plainitffs the aforesaid sum of $289,326.19, together with interest at 12 per cent per annum from the 31st day of December, 1984.

10. It has become necessary for Plaintiffs in attempting to collect their account to employ the undersigned counsel to file this suit, and they have contracted to pay said attorney a reasonable attorney's fee. Plaintiffs are entitled to recover reasonable attorney's fees from the Defendant, for which this suit is also brought.

WHEREFORE, Plaintiffs pray that upon a final hearing hereof, they have judgment for their debt in the total sum of $289,326.19, together with interest at 12 per cent per annum from December 31, 1984, plus reasonable attorney's fees and all costs of suit, and for such other and further relief, general and specific, in law and in equity, to which the Plaintiffs may show themselves justly entitled, and in duty bound will ever pray.

Michael S. Evers
105 N. Foster Street
Dothan, Alabama 36303
(205) 793-6555
Attorney for Plaintiffs

MICHAEL S. EVERS
ATTORNEY AT LAW
105 N. FOSTER STREET
DOTHAN, ALABAMA 36303
205-793-6555

Serve Defendant at:

Faye Miller
1921 Summer Place Drive West
Mobile, AL 36618

9004079339

MICHAEL S. BYERS
ATTORNEY AT LAW
105 N. FOSTER STREET
DOTHAN, ALABAMA 36303
205-793-6933

MUR 221

RECEIVED AT THE FEC
GCC# 2075
86 NOV 24 A10:46

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

IN REPLY ADDRESS: November 19, 1986

Office of Treasurer
1921 Summer Place Dr W
Mobile, Ala 36618

86 NOV 24 A10:46

RECEIVED
OFFICE OF THE
GENERAL COUNSEL

Mr. Robert Raich
General Counsel
Federal Election Commission
999 "E" St Nw
Washington, D.C. 20463

Dear Sir:

Attached are documents relative to action taken by Mr. Carto's entiti es against the Populist Party of the United States.

While this action in itself is not relevant to any matters before the Federal Election Commission, I forward this to your attention in order to emphasize one accompanying document - the "Agreement", signed by the officers of the Populist Party, Inc. - all of whom are now, or have been employees, of Mr. Carto's. The contents I believe, of this "Agreement" are relevant to matters now before the Commission.

Very truly yours,

POPULIST PARTY OF THE UNITED STATES

Faye Miller

Faye Miller
Treasurer

Encl.

2004079390

AGREEMENT

KNOW ALL MEN BY THESE PRESENTS:

We, the undersigned, acknowledge and represent ourselves to be duly authorized officers of that corporation known as Populist Party, Inc., which is licensed to do business within the State of Virginia, and which lists as it's primary place of business 6803 Nesbitt Pl., McLean, Va., _____, and we further declare that we possess the power and authority to bind said corporation by our signatures hereon.

The above-named corporation does hereby agree to hold forever harmless and free from personal liability all those persons named in Appendix A, which is attached hereto and incorporated herein by reference, for any and all debts incurred by said corporation at the request of, on behalf of, or for the benefit of The Populist Party of The United States, any agent thereof, or any person(s) or group representing themselves to be The Populist Party of The United States.

The above-named corporation further agrees to hold forever harmless and free from personal liability all those persons named in Appendix A, which is attached hereto and incorporated herein by reference, for the consequences of any action taken, or service rendered by, said corporation at the request of, on behalf of, or for the benefit of The Populist Party of The United States, any agent thereof, or any person(s)

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or group representing themselves to be The Populist Party of The United States.

The above-named corporation agrees that the freedom from liability granted herein shall cover the period of time beginning March 1, 1984, and continuing through March 10, 1985, inclusive, and said freedom shall extend in perpetuity.

The above-named corporation, through it's duly authorized representatives whose signatures appear hereon, recognizes that those persons to whom freedom from liability is granted by this AGREEMENT were, throughout the period of time over which this AGREEMENT holds binding, in no position to preview, assess, support or oppose any of the actions described above. Further, it is acknowledged that this condition prevailed through no fault of the persons herein excused from liability.

IN WITNESS WHEREOF, we have hereunto set our hands this 12 day of August, 1985.

Populist Party, Inc.
corporation

by: _____, title: President

by: _____ title: Secretary-Treasurer

by: _____, title: Vice President

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APPENDIX A

Mr. William W. Baker

Mr. James H. Yarbrough

Mr. Donald L. Kimball

Mr. Emmett Miller

Mr. William K. Shearer

Mr. Willis Carto

Mr. John Couture

Mr. Thomas L. Goodloe

Mrs. Eileen Shearer

Mrs. Maureen Kennedy Salaman

Mr. Fred R. Seipold

Mrs. Faye Miller

Mr. John Rarick

Mr. Rolland Victor

The original of this APPENDIX is attached to, and incorporated therein by reference, the original of an AGREEMENT executed by officers of that corporation known as

Populist Party, Inc.

dated the 12 day of August, 1985.

EXHIBIT "A"

U.S. DISTRICT COURT
SO. DIST. AL.
MOBILE, A[illegible]
Oct 16 9 46 AM '86
FILED. CLERK'S OFFICE

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

LIBERTY LOBBY, INC., a non-profit corporation, and CORDITE FIDELITY, INC., a corporation, Plaintiffs, vs. FAYE MILLER, as Treasurer of the Populist Party of the United States, an unincorporated association, Defendant.	Civil Action No. 86-0925-C-M

COMPLAINT

PARTIES

1. Plaintiff LIBERTY LOBBY, INC. is a non-profit corporation incorporated under the laws of the District of Columbia having its principal place of business in the District of Columbia.

2. Plaintiff CORDITE FIDELITY, INC. is a corporation incorporated under the laws of the State of Delaware having its principal place of business in the District of Columbia.

3. Defendant FAYE MILLER, Treasurer of the Populist Party of the United States, an unincorporated association, is a citizen of the State of Alabama over the age of twenty-one years.

JURISDICTION

4. Plaintiffs invoke the jurisdiction of this Honorable Court pursuant to the provisions of 28 U.S.C. §1332(a)(1) and (c). Plaintiffs cause of action is between two corporations

0004073394

MICHAEL D. BYERS
ATTORNEY AT LAW
100 N. FOSTER STREET
DOTHAN, ALABAMA 36303
205-793-8555

with principal places of business in the District of Columbia and a citizen of the State of Alabama. The matter in controversy exceeds, exclusive of interest and costs, the sum of $10,000.

STATEMENT OF FACTS

5. On or about March 5, 1984 the Populist Party of the United States (hereinafter "The Party") was created and organized in Washington, D.C.

6. Plaintiff's thereafter agreed to and did furnish to The Party administrative personnel, office space, postage, advertising, printing, telephones, and other various forms of support and funding with the understanding that these expenses would be repaid by The Party from fundraising receipts.

7. Between March, 1984 and December, 1984, the Plaintiffs furnished the aforementioned goods and services to the Party and applied a portion of The Party's fundraising receipts to satisfaction of such debt.

8. The Federal Election Commission conducted an audit of The Party in 1985 and concluded that The Party was indebted to the Plaintiffs in the amount of $203,190.37 for goods and services rendered in 1984. In addition, Plaintiffs furnished in 1984 computer services, travel expenses, mailing list rentals, advertising and miscellaneous expenses in the amount of $86,135.82 which were not included in the FEC audit report. These additional expenses have been reported to the FEC by the Plaintiffs. Accordingly, The Party is indebted to

0004079339

MICHAEL M. BYERS
ATTORNEY AT LAW
100 N. FOSTER STREET
DOTHAN, ALABAMA 36303
205-793-0660

Plaintiffs in the amount of $289,326.19.

9. Defendant, as Treasurer of The Party, wholly failed, neglected, and refused to pay said sum of $289,326.19 or any part thereof, though often requested to do so, and by reason of the premises there is now due and owing from Defendant to Plainitffs the aforesaid sum of $289,326.19, together with interest at 12 per cent per annum from the 31st day of December, 1984.

10. It has become necessary for Plaintiffs in attempting to collect their account to employ the undersigned counsel to file this suit, and they have contracted to pay said attorney a reasonable attorney's fee. Plaintiffs are entitled to recover reasonable attorney's fees from the Defendant, for which this suit is also brought.

WHEREFORE, Plaintiffs pray that upon a final hearing hereof, they have judgment for their debt in the total sum of $289,326.19, together with interest at 12 per cent per annum from December 31, 1984, plus reasonable attorney's fees and all costs of suit, and for such other and further relief, general and specific, in law and in equity, to which the Plaintiffs may show themselves justly entitled, and in duty bound will ever pray.

Michael S. Evers

Michael S. Evers
105 N. Foster Street
Dothan, Alabama 36303
(205) 793-6555
Attorney for Plaintiffs

MICHAEL S. EVERS
ATTORNEY AT LAW
105 N. FOSTER STREET
DOTHAN, ALABAMA 36303
205-793-6555

0004079396

Serve Defendant at:

Faye Miller
1921 Summer Place Drive West
Mobile, AL 36618

0004077393907

MICHAEL S. STERN
ATTORNEY AT LAW
102 N. FOSTER STREET
MOBILE, ALABAMA 36602
205-705-0000

IN THE UNITED STATES DISTRICT COURT FOR

THE SOUTHERN DISTRICT OF ALABAMA - SOUTHERN DIVISION

LIBERTY LOBBY, INC.; CORDITE FIDELITY, INC.,	:	
Plaintiffs,	:	
VS.	:	CIVIL ACTION NO. 86-0925-C-M
FAYE MILLER, as Treasurer of the Populist Party of the United States, an unincorporated association,	:	
Defendant.	:	

ANSWER

Comes now the Defendant, FAYE MILLER, as Treasurer of the Populist Party of the United States, an unincorporated association, and for answer to the bill of complaint says as follows:

1. The Defendant admits that the Plaintiff, Liberty Lobby, Inc., is a non-profit corporation, having its principal place of business in the District of Columbia, but is presently without knowledge or information sufficient to form a belief as to the truth of the allegations that the Plaintiff, Liberty Lobby, Inc., is incorporated under the laws of the District of Columbia.

2. The Defendant admits that the Plaintiff, Cordite Fidelity, Inc., is a corporation having its principal place of business in the District of Columbia, but is presently without knowledge or information sufficient to form a belief as to the truth of the allegations that it is incorporated

under the laws of the State of Delaware.

3. Admitted.

4. Paragraph 4 of the complaint contains conclusions of law and not averments of fact to which an answer is required. Insofar as an answer may be deemed required as to some portions, it is denied.

5. The Defendant hereby specifically denies all the allegations of Paragraph 5.

6. The Defendant denies the allegations of Paragraph 6.

7. The Defendant denies the allegations of Paragraph 7 with the exception of the allegation that the Plaintiffs applied a portion of the Party's fundraising receipts to satisfaction of said debt, to which the Defendant is presently without knowledge or information sufficient to form a belief as to the truth of this allegation.

8. The Defendant denies the allegations of Paragraph 8.

9. The Defendant admits that she has refused to pay the said sum of money claimed in the complaint from the funds of the Populist Party of the United States, but denies the remainder of the allegations in Paragraph 9.

10. The Defendant admits that apparently the Plaintiffs have employed the undersigned counsel to file this suit in an attempt to collect this account but deny that under the law or the facts, the Plaintiffs are entitled to recover a reasonable attorney's fee from the Defendant even if this amount of money is determined to be due and owing.

DEFENSES

FIRST DEFENSE

The complaint fails to state a claim upon which relief can be granted.

SECOND DEFENSE

The Defendant is not indebted to the Plaintiffs for the sums of monies set out in the complaint since she never authorized the incurrment of any of said debts and the Populist Party of the United States never authorized and is not liable for any of said debts.

THIRD DEFENSE

If the Defendant in her capacity as Treasurer of the Populist Party of the United States is determined to be indebted to the Plaintiffs for the debts as set out in the complaint, then a thirty entity, known as the Populist Party, Inc., has agreed to hold her harmless and free from liability for any such debts incurred during the period March 1st, 1984 through March 10th, 1985, as evidenced by a written agreement dated August 12th, 1985, executed on behalf of the Populist Party, Inc., by its President, Vice-President and Secretary-Treasurer.

FOURTH DEFENSE

The Defendant has attached hereto and makes a part hereof of her answer a third party complaint in accordance with Rule 14 of the Federal Rules of Civil Procedure, 1986, adding as a third party defendant, a separate corporation called the Populist Party, Inc., who has accepted and agreed to pay any and all indebtedness owed to the Plaintiffs under the cause of action stated therein.

WHEREFORE, having fully answered, the Defendant prays that this action be dismissed and that the Defendant be awarded her costs and that the court grant the Defendant general relief.

Respectfully submitted,

BILLY C. BEDSOLE
ATTORNEY FOR THE DEFENDANT, FAYE MILLER, as Treasurer of the Populist Party of the United States, an unincorporated association
P. O. Box 8367, Mobile, AL 36608
(205) 471-5401

CERTIFICATE OF SERVICE

I hereby certify that I have served a true and correct copy of the foregoing upon all parties to this cause or their attorneys of record by placing same in the U.S. Mail, postage prepaid and addressed to their regular mailing addresses or by hand delivery this 12 day of Nov, 19.5[illegible].

IN THE UNITED STATES DISTRICT COURT FOR THE

SOUTHERN DISTRICT OF ALABAMA - SOUTHERN DIVISION

LIBERTY LOBBY, INC., a non-profit corporation, and CORDITE FIDELITY, INC., a corporation,	:	
Plaintiffs,	:	
VS.	:	
FAYE MILLER, as Treasurer of the Populist Party of the United States, an unincorporated association,	:	CIVIL ACTION NO. 86-0925-C-M
Defendant, and Third Party Plaintiff,	:	
VS.	:	
POPULIST PARTY, INC., a corporation,	:	
Defendant.	:	

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THIRD PARTY COMPLAINT

1. The Plaintiffs, LIBERTY LOBBY, INC., a non-profit corporation and CORDITE FIDELITY, INC., a corporation, have filed a complaint against the Defendant, FAYE MILLER, as Treasurer of the Populist Party of the United States, an unincorporated association, and a copy of which is hereto attached as Exhibit "A".

2. The original Plaintffs as set out in the original bill of complaint, have based their suit on alleged services and merchandise furnished to the Defendant between March, 1984 and December, 1984, which is claimed to be due and owing in the total sum of $289,326.19. The third party defendant, POPULIST PARTY, INC., a corporation, incorporated in the State of Virginia, by written agreement dated August 12, 1985, and a copy of which is attached hereto and made a part hereof, agree to hold harmless and free from liability the said FAYE MILLER, from any and all debts incurred for the benefit of the Populist Party of the United States between the period of time beginning March 1st, 1984 through March 10th, 1985.

WHEREFORE, the Defendant, FAYE MILLER, as Treasurer of the Populist Party of the United States,an unincorporated association, would respectfully request that if she is held responsible for the debts as set out in the original bill of complaint, then she would demand judgment against the Populist Party, Inc., for all sums that may be adjudged against her in favor of the Plaintiffs, Liberty Lobby,Inc., and Cordite Fidelity, Inc.

BILLY C. BEDSOLE
ATTORNEY FOR SAID DEFENDANT and
THIRD PARTY PLAINTIFF
P. O. Box 8367
Mobile, AL 36608
(205) 4715401

Address of Third Party Defendant,
POPULIST PARTY, INC.,
P. O. Box 76737
Washington, D.C. 20013

CERTIFICATE OF SERVICE

I hereby certify that I have served a true and correct copy of the foregoing upon all parties to this cause or their attorneys of record by placing same in the U.S. Mail, postage prepaid and addressed to their regular mailing addresses or by hand delivery this 14 day of Nov, 1996.

Billy C. Baker

RECEIVED AT THE FEC
COC#26116
87 FEB 2 P12:34

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
3435 Camino del Rio South
Suite 318
San Diego, CA 92108

Mailing Address
6065 Mission Gorge Road
Box 211
San Diego, CA 92120

(619) 282-5614

Chairman
JOHN M. COUTURE
13131 W. Janesville Rd.
Hales Corners, WI 53130
(414) 425-8181

Vice-Chairman
MAUREEN SALAMAN

Secretary
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K. SHEARER

1921 Summer Place Dr W
Mobile, Ala

January 30, 1987

RECEIVED
FEC MAIL
GENERAL COUNSEL
87 FEB 2 P4:18

Gentlemen:

Attached is copy of letter which is self explanatory.

Faye Miller

Faye Miller
Treasurer
Populist Party of the United States

87 FEB 2 P12:34
RECEIVED
FEC

C00407346

THE POPULIST PARTY OF THE UNITED STATES

Administrative Office
~~3315 Camino del Rio South~~
~~Suite 315~~
~~San Diego, CA 92108~~

Mailing Address
~~6065 Mission Gorge Road~~
~~Box 211~~
~~San Diego, CA 92120~~

(619) 282-5614

Chairman
JOHN M COUTURE
~~[illegible]~~
~~[illegible]~~

Vice-Chairman
MAUREEN SALAMAN

Secretar
DON KIMBALL

Treasurer
FAYE MILLER

Parliamentarian
WILLIAM K SHEARER

IN REPLY ADDRESS:

Office of the Treasurer
1921 Summer Place Dr West
Mobile, Al 36618

January 30, 1987

Mr. Raymond
Federal Election Commission
999 E Street NW
Washington, D.C. 20463

---CERTIFIED -------
RETURN RECEIPT

Dear Sir:

Attached is copy of letter addressed to Mr. Brian Hancock of your agency by Michael Piper, an employee of Willis Carto. You will note Mr. Piper refers to "instruction of Mr. Raymond of the FEC...." as his basis for filing the revised, amended State of Registration with the name of Willias A. Carto designated as Treasurer and my name inserted as a Treasurer (National). IF I am to believe that Mr. Piper is correctly reporting your"instructions", then I have no alternative, without further explanation, but to believe that you "instructed" Mr. Piper to file or have filed with the Federal Election Commission a fradulent document. That you, as an official/employee of the Commission would so instruct someone, I find very difficult to believe. However, these so-called instructions of yours resulted in an amended Statement of Organization being filed with and accepted by the Commission which was signed by a person, Willis Carto, representing himself to be Treasurer of the Populist Party DC office. Yet, this is the very person who has seen to it that no mail is accepted by this DC office relative to a lawsuit filed by his entities in Federal Court here in Mobile against us - the duly elected and organized Populist Party. Again, these people - Carto and Piper - have used the Federal Election Commission to further wage a propaganda war against us, as well as thwart the efforts and progress of a Federal Court case by refusing to accept service on court papers pertaining to the Populist Party D.C. This type of conduct on the part of the D.C. Populist Party has been an ongoing habit of theirs and one which they have been able to affect with immunity thus far.

This "DC Office" referred to herein is the office of the private corporation, chartered by Willis Carto employees in 1984 and is that which is totally controlled by Carto through his employees; is the same corporation exercising complete and absolute control over the bank accounts in Washington thru which he has funneled hundreds of thousands of dollars over a period of the last 3 years - funds

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collected thru fund raisings in the name of the Populist Party in which it was represented to the public that these solicitations were those for the use of the Populist Party - the duly organized Populist Party, that is.

However, to my knowledge, there is no record on file with your organization or anywhere else, including the Secretary of States office in Richmond Virginia whereby Willis Carto is Treasurer - or any other official of even this private corporation of his. The fact that he has never held this position, either by election or by appointment of the Treasurer of record of the D.C. Populist Party, Clara Sandahl, would certainly appear to preclude his filing any type of amended Statement of Organization which would reflect a change in organization. His first filing of an amended Statement of Organization on December 17, 1986 was rejected by Brian Hancock for the reason that he was not apparently an incoming or outgoing Treasurer. Yet, on December 23, Michael Piper refiles this identical document and only changes it to reflect that Carto is "Treasurer, C.D. Office", reciting as his basis for this "Instructions of Mr. Raymond of the FEC ..."

Of course, the purpose of this amended document was to place my name on your permanent records as Treasurer of the Populist Party DC. His being permitted to fradulently sign a document as Treasurer in order to fradulently place my name in a position I have never held is simply abominable. In addition to, but no doubt more importantly, he has been placed in a position now that he can "muddy" up the water insofar as his failure to file your reports and also to thwart the progress of the Federal Court case by maintaining that I am the "Treasurer of the Washington Populist Party and that service should be given me for records, etc. What can we say to the Federal Judge here - Carto has an official document from you -letter of December 23 to me as Treasurer, D.C. - in which you the Election Commisison acknowledge this.

In addition to the above, Willis Carto is again in a position to propagadize the public thru his nationwide publication, "The Spotlight". It is almost diabolical the manner in which he has "used" and "abused" the Federal Election Commission in his devious campaign against the duly organized Populist Party in his concerted efforts to destroy the conservative third party movement.

His (Carto's) record in attempting to destroy any viable conservative third party in order to enhance the vote for the Republican Party is long standing and irrefutable. However, this is the first time he has enjoyed the privilege of being able to invoke the so-called quotations and inuendos of a federal agency to add vaidity to his statements. I am sure you will agree that once these quotations ,etc (whether they are truthful or not becomes academic) are printed and over a long period of time, without refutation, the public has little choice than to accept them as facts.

The fact that Willis Carto, Mike Piper, etc. can so orchestrate events as to serve their purpose does indeed leave many pertinent questions unanswered. Not only are we again faced with the probability of another propaganda war against us, but most particularly there is now a Federal lawsuit demanding payment of $289,000 plus dollars from us that he has managed to maneuver the Election Commision into to his advantage.

Mr Raymond, it is not my intention to criticize Mr. Hancock or Mr. Gibson in this instance. They, no doubt, followed routine procedures.

Further, and most emphatically, UNDER NO CIRCUMSTANCES SHALL THE ELECTION COMMISSION EVER DIRECT OR COOPERATE IN MY NAME BEING PLACED ON ANY DOCUMENT AS BEING CONNECTED WITH THE POPULIST PARTY WASHINGTON, D.C. AND ANY DOCUMENT NOW ON FILE WITH SUCH DESIGNATION MUST BE IMMEDIATELY NULLIFIED.

We would appreciate your reply to these matters at your very earliest convenience.

Very truly yours,

Faye Miller

Faye G. Miller

cc: Mr. Robert Raich - General Counsel
Mr. Brian Hancock
Mr. John D. Gibson

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130 Third Street, SE
Washington, DC 20003
December 23, 1986

Brian Hancock
Reports Analysis Division
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Dear Brian:

In accordance with the instructions of Mr. Raymond of the FEC, in a telephone conversation on December 23, I am returning a revised, amended Statement of Registration for the Populist Party (ID #C))186726) with the name of Wfillis A. Carto designated as "Treasurer" rather than as "Custodian of Records."

Please remember that Faye G. Miller is, of course, national treasurer of the Populist Party. Willis A. Carto is the custodian of records for the former national headquarters of the Populist Party in Washington, DC.

I hope this will be of some assistance.

Sincerely,

Michael Piper

MICHAEL PIPER

CC: Willis A. Carto

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FEC
SECRETARY
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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 28, 1986

Mr. T.H. Franklin
D.C. Corporations Division
614 H Street, N.W.
Room 407
Washington, D.C. 20001

RE: Committee to Defend the
Liberty Lobby, Inc.

Dear Mr. Franklin:

You have stated to representatives of this Office that Committee to Defend the Liberty Lobby, Inc. is incorporated in the District of Columbia. Kindly provide us with copies of that corporation's Charter and Articles of Incorporation. Please forward those documents to the attention of Mr. Robert Raich.

I certify that the Federal Election Commission, an agency of the United States Government, requires the information requested above in the performance of its official duties.

Sincerely,

Charles N. Steele
General Counsel

BY: Lois Lerner
Associate General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 6, 1987

Faye Miller
Treasurer
Populist Party of the United States
1921 Summer Place Drive West
Mobile, Alabama 36618

Dear Mrs. Miller:

This responds to your letter to the Commission dated January 30, 1987.

On July 23, 1986, the Commission received the complaint you filed against Willis Carto and others. As you were informed by letter dated July 31, 1986, we will notify you as soon as the Commission takes final action on your complaint. Be assured that the Commission is presently giving this matter all due consideration.

Sincerely,

Charles N. Steele
General Counsel

By: Lawrence M. Noble
Deputy General Counsel

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SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Populist Party and Blayne Hutzel, acting as treasurer	)	MUR 2211
Liberty Lobby, Inc.	)	
Cordite Fidelity, Inc.	)	
The Spotlight	)	
Blayne Hutzel	)	
Willis Carto	)	

GENERAL COUNSEL'S REPORT

The Office of General Counsel is prepared to close the investigation in this matter as to Populist Party and Blayne Hutzel, acting as treasurer; Liberty Lobby, Inc.; Cordite Fidelity, Inc.; The Spotlight; Blayne Hutzel; and Willis Carto based on the assessment of the information presently available.

24 Feb 1987
Date

By: Charles N. Steele
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

BY HAND

March 4, 1987

Mr. Willis Carto
300 Independence Avenue, S.E.
Washington, D.C. 20003

RE: MUR 2211
Populist Party and Blayne Hutzel, acting as treasurer
Liberty Lobby, Inc.
Cordite Fidelity, Inc.
The Spotlight
Blayne Hutzel
Willis Carto

Dear Mr. Carto:

Based upon information contained in a properly filed complaint and information ascertained in the normal course of carrying out its supervisory responsibilities, the Federal Election Commission found reason to believe you and the other respondents in this matter violated 2 U.S.C. §§ 434(a)(4)(A)(iv), 433(c), 441b(a), 432(h)(1), 434(a)(4)(a)(i), 434(b)(5)(A), 434(b)(3)(A), and 434(b)(8) and 11 C.F.R. § 104.11, provisions of the Federal Election Campaign Act of 1971, as amended, (the "Act") and regulations promulgated pursuant thereto.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe you and the other respondents violated the Act. This Office is also prepared to recommend that the Commission find no probable cause to believe Populist Party and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 432(h)(1). The Commission may or may not approve the General Counsel's recommendations.

Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within fifteen days of your receipt of this notice, you may file with the Secretary of the Commission a brief (10 copies if possible) stating your position on the issues and replying to the

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brief of the General Counsel. Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible. The General Counsel's brief and any brief which you submit will be considered by the Commission before proceeding to a vote on whether there is probable cause to believe a violation occurred.

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

Sincerely,

Charles N. Steele
General Counsel

Enclosure
Brief

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Populist Party and Blayne Hutzel, acting as treasurer	)	MUR 2211
Liberty Lobby, Inc.	)	
Cordite Fidelity, Inc.	)	
The Spotlight	)	
Blayne Hutzel	)	
Willis Carto	)	

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF FACTS

In MURs 2128, 2190, 2210, and 2211 (now all merged into MUR 2211) the Commission found reason to believe that Populist Party ("PPDC") and Blayne Hutzel, acting as treasurer, violated the following provisions of the Act and Regulations:

> 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file a 1985 Mid-Year Report and a 1985 Year-End Report;
>
> 2 U.S.C. § 433(c) by failing to file an amended Statement of Organization disclosing that Blayne Hutzel is acting as PPDC's treasurer, or disclosing all depositories;
>
> 2 U.S.C. § 441b(a) by knowingly accepting corporate contributions;
>
> 2 U.S.C. § 432(h)(1) by commingling its funds with those of other entities;
>
> 2 U.S.C. § 434(a)(4)(A)(i) by failing to file a 1986 April Quarterly Report and a 1986 July Quarterly Report;
>
> 2 U.S.C. § 434(b)(5)(A) by failing to disclose the purpose of payments to Victor Marchetti;
>
> 2 U.S.C. § 434(b)(3)(A) by failing to report a $500 contribution from William K. Shearer;
>
> 2 U.S.C. § 434(b)(8) by failing to disclose in its 1984 reports the amount and nature of outstanding debts and obligations allegedly owed by PPDC; and

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11 C.F.R. § 104.11 by failing continuously to report debts and obligations allegedly owed by PPDC, and by failing to report such debts or obligations as of the time of the transaction.

The Commission also found reason to believe that Liberty Lobby, Inc., Cordite Fidelity, Inc., The Spotlight, Blayne Hutzel, and Willis Carto violated 2 U.S.C. § 441b(a) by making, or consenting to, corporate contributions.

The Commission conducted an investigation which included asking Questions of various persons, and issuing an Order to Submit Written Answers and Subpoena to Produce Documents to PPDC and Blayne Hutzel, acting as treasurer.

On the basis of information obtained during the Commission's investigation, this Office recommends that the Commission find probable cause to believe against the respondents with regard to all but one of the violations mentioned above.

II. LEGAL ANALYSIS

A. Violations By PPDC

1. Political Committee Status

The central principle of PPDC's position appears to be that it is not a political committee. It would prefer to think of itself as simply the Washington, D.C. office of the Populist Party. As such, PPDC apparently believes that it is not required to comply with provisions of the Act. PPDC's position is untenable.

A short history of the Populist Party is helpful in understanding the issues here. The party was founded in October 1982 by, among others, Willis Carto. On July 2, 1984, a political committee affiliated with the Party registered with the Commission by filing a Statement of Organization. That political

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committee listed its name as "Populist Party," and it is that same political committee which is the respondent in this MUR, i.e., PPDC. Willis Carto has controlled PPDC from its inception until today.

On March 9, 1985, the party's National Committee 1/ elected officers, including a new treasurer, Faye Miller. Miller registered a new political committee with the Commission under the name "Populist Party of the United States" ("PPUS"). Miller states that she registered the new political committee to distinguish it from PPDC because of concerns that various monies previously spent by PPDC were not for bona fide party activities.

PPDC asserts that PPUS had no authority to establish itself as a new political committee. Pursuant to the Act 2/, however, two separate political committees do exist. 3/ In addition, the

1/ The term "National Committee" is a designation by the party itself. The designation does not reflect a Commission determination that any entity connected with the Populist Party qualifies as a "national committee" within the meaning of 2 U.S.C. § 431(14).

2/ See 2 U.S.C. §§ 431(4)(A) and 433(a).

3/ The term "political committee" means any group of persons which receives contributions or makes expenditures in excess of $1,000 during a calendar year. 2 U.S.C. § 431(4)(A). Both PPDC and PPUS have received contributions and made expenditures far in excess of $1,000 per year. The term "political party" means an organization which nominates a candidate for election to any federal office whose name appears on the ballot as the candidate of such organization. 2 U.S.C. § 431(16). In 1984, Populist Party presidential and vice presidential nominees were on the ballot as candidates of the party in eight states. All committees (other than authorized committees of a candidate and separate segregated funds) must file a Statement of Organization within ten days after becoming a political committee. 2 U.S.C. § 433(a).

PPDC and PPUS have filed separate Statements of Organization, and it is clear that they consist of different groups of persons. Therefore, each is a distinct political committee, though both are affiliated with the same political party. Both committees are subject to the provisions of the Act.

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evidence indicates that PPDC and PPUS are indeed operating quite independently from each other at this time, and that officials of neither faction of the party have any control over the other faction. For example, the Populist Party executive committee passed a motion requiring that all Populist Party mail, contributions, funds, or checks of any kind be forwarded to PPUS personnel. Carto replied that his staff would continue to handle dues, purchases, contributions, and questions received at his Washington, D.C. office. As another example, two corporations controlled by Carto have recently filed suit in federal court against Faye Miller, as treasurer of PPUS, claiming they are owed nearly $300,000 for services rendered between March 1984 and December 1984. 4/

Any probable cause findings against PPDC will also be against Blayne Hutzel, acting as treasurer. Clara Sandahl, PPDC's treasurer of record, retired on September 27, 1985. A number of facts indicate that Hutzel is acting as the treasurer of PPDC: Willis Carto admits that Hutzel served as PPDC's "controller." For many months in 1985 and 1986, Hutzel, as "controller," mailed copies of some PPDC financial records to PPUS. Hutzel served as PPDC's spokesman during the audit fieldwork at PPDC. Hutzel responded more than once to the Interim Audit Report for PPDC. Despite these facts, PPDC's

4/ During that period, the only existing political committee affiliated with the Populist Party was PPDC.

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amended Statements of Organization (filed on October 20 and December 30, 1986) list Faye Miller as treasurer -- apparently due to PPDC's unwillingness to admit that it and PPUS are distinct political committees. PPDC's amended Statements of Organization and 1986 reports are signed by Willis Carto (some as "Custodian of Records: D.C. Office") however, it nevertheless appears that Hutzel is still the person who is responsible for all PPDC financial matters. Accordingly, he is acting as PPDC's treasurer, and as such, he is liable for all violations committed by PPDC.

2. Failure to File 1985 Reports

All political committees, other than authorized committees of a candidate, must file either monthly reports or a series of reports, including a Mid-Year Report and a Year-End Report in each calendar year during which there is no regularly scheduled general election. 2 U.S.C. § 434(a)(4)(A)(iv).

PPDC has filed neither a 1985 Mid-Year Report nor a 1985 Year-End Report. As a result, there has been no disclosure of a substantial amount of political financial activity. The evidence indicates that between January 1, 1985, and August 1, 1985, alone, PPDC received $173,000 in contributions. That information is still not part of the public record. Accordingly, this Office recommends that the Commission find probable cause to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv).

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3. Failure to Amend Statement of Organization Properly

Each political committee, other than an authorized campaign committee or a separate segregated fund, must file a Statement of Organization within ten days of becoming a political committee. 2 U.S.C. § 433(a). The Statement of Organization must include, inter alia, the name and address of the committee's treasurer and a listing of all banks, safety deposit boxes, or other depositories used by the committee. 2 U.S.C. § 433(b). Any change in information previously submitted in a Statement of Organization must be reported no later than ten days after the date of the change. 2 U.S.C. § 433(c).

Blayne Hutzel started acting as PPDC's treasurer on September 27, 1985 (when Clara Sandahl retired), if not earlier. PPDC's amended Statements of Organization, filed on October 20 and December 30, 1986, do not list Hutzel as treasurer, rather, they list Faye Miller as treasurer although it appears that she has no authority or control over PPDC's financial activity and she denies that she is treasurer of PPDC.

PPDC's original Statement of Organization lists only a depository at National Capital Bank. Shortly after November 25, 1984, PPDC opened a new depository at Security National Bank. That depository was not disclosed until PPDC filed its amended Statement of Organization, on October 20, 1986. In addition, based on a review of some of PPDC's financial records, the complaint notes the existence of at least one more depository, designated by PPDC with the code "AB". That depository is not

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disclosed on any Statement of Organization filed by PPDC. Accordingly, this Office recommends that the Commission find probable cause to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 433(c).

4. Accepting Corporate Contributions

It is unlawful for any corporation to make a contribution in connection with any federal election, or for any political committee or other person knowingly to accept or receive any such contribution. 2 U.S.C. § 441b(a).

The Spotlight is a weekly newspaper published by Cordite Fidelity, Inc. In December 1984, The Spotlight gave PPDC $10,478.55 (purportedly resulting from an "incorrect disbursement" in August 1984). Also, in March, 1984, Liberty Lobby Inc. made a $7,500 loan to PPDC. PPDC knowingly accepted those contributions. This Office, therefore, recommends that the Commission find probable cause to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 441b(a).

5. Commingling Funds

Each political committee must designate one or more financial institutions as its campaign depository or depositories. 2 U.S.C. § 432(h)(1). All receipts received by a political committee must be deposited in such an account, and no disbursements (other than petty cash disbursements) may be made except by check drawn on such an account. Id.

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The Commission found reason to believe PPDC violated Section 432(h)(1) because it was alleged that PPDC was commingling its funds with those of others.

PPDC used as one of its depositories a bank account under the name, "The Populist Party, Inc." (Populist Party, Inc. is a Virginia corporation that has now been dissolved. It appears that the corporation never conducted any business. Willis Carto has stated to the Commission that the bank account was in Populist Party, Inc.'s name for "convenience.") During its investigation, the Commission obtained bank records concerning that account. Although the bank account is in the name of Populist Party, Inc., it appears that only receipts of PPDC were deposited into the account and that only disbursements of PPDC were made from the account. Accordingly, this Office recommends that the Commission find no probable cause to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 432(h)(1).

6. Failure to File Timely 1986 Reports

All political committees, other than authorized committees of a candidate, must file either monthly reports or a series or reports, including quarterly reports in each calendar year during which there is a regularly scheduled general election. 2 U.S.C. § 434(a)(4)(A)(i). Such reports must be filed no later than the fifteenth day after the last day of each calendar quarter, except the report for the fourth quarter must be filed by January 31 of the following year. Id. In addition, such committees must file a Post-General Election Report no later than the 30th day after the general election. 2 U.S.C. § 434(a)(4)(A)(iii).

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PPDC filed its 1986 April Quarterly Report, its 1986 July Quarterly Report, and its 1986 October Quarterly Report on October 20, 1986. Because those reports were not filed in a timely manner, this Office recommends that the Commission find probable cause to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(i).

PPDC filed its 1986 Post-General Election Report on January 27, 1987. Because that report was not filed in a timely manner, this Office recommends that the Commission find probable cause to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iii).

7. Failure to Disclose Purpose of Expenditures

Each report filed by a political committee must disclose the name and address of each person to whom an operating expenditure in an aggregate amount in excess of $200 is made, together with the date, amount, and purpose of such operating expenditure. 2 U.S.C. § 434(b)(5)(A).

The complaint states that PPDC reported making $8,000 in payments to Victor Marchetti for unknown purposes. 5/ In his response to the reason to believe notification, Carto contends that the purpose of the disbursements was "for public relations." PPDC has filed no reports disclosing that Marchetti's payments were for public relations. Accordingly, this Office recommends that PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 434(b)(5)(A).

5/ This Office identified only $6,000 of such payments in PPDC's reports.

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8. Failure to Disclose Contribution

Each report filed by a political committee must disclose the identification of each person who makes a contribution to the committee during the reporting period in an amount in excess of $200, together with the date and amount of such contribution. 2 U.S.C. § 434(b)(3)(A). The term "identification" means the name, mailing address, occupation, and employer of an individual. 2 U.S.C. § 431(13)(A).

The complaint, filed on July 23, 1986, states that PPDC failed to report a 1984 $500 contribution from William K. Shearer. In his response to the reason to believe notification, Carto states that Shearer's contribution "was itemized as a receipt of the October 15, 1984 quarterly report." What Carto neglects to tell the Commission is that Shearer's contribution was disclosed for the first time in an amended 1984 October Quarterly Report filed on August 7, 1986, nearly two years late. Because the information was not disclosed timely, this Office recommends that the Commission find probable cause to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 434(b)(3)(A).

9. Failure to Report Debts and Obligations

Each report filed by a political committee must disclose the amount and nature of outstanding debts and obligations owed by such committee. 2 U.S.C. § 434(b)(8). Debts

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and obligations owed by a political committee shall be continuously reported until extinguished. 11 C.F.R. § 104.11(a). Any loan, debt, or obligation over $500 shall be reported as of the time of the transaction. 11 C.F.R. § 104.11(b).

The complaint alleges that Liberty Lobby, Inc. and Cordite Fidelity, Inc. claim the Populist Party owes them money for transactions that occurred during the 1984 election period. The corporations' claim for money has been asserted in differing amounts depending upon the occasion. The largest amount the corporations have alleged they are due is $299,816.64. PPDC was the only Populist Party political committee in existence during 1984, when the alleged indebtednesses were incurred. Therefore, PPDC was required to report the debts. However, PPDC's reports, covering the period from its inception in March 1984 through November 26, 1984, fail to disclose those debts or obligations PPDC owed to Liberty Lobby, Inc. and Cordite Fidelity, Inc. Accordingly, this Office recommends that the Commission find probable cause to believe PPDC and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 434(b)(8) and 11 C.F.R. § 104.11.

B. Violations by Other Respondents

It is unlawful for any corporation to make a contribution in connection with any federal election, or for any officer or director of any corporation to consent to any such contribution. 2 U.S.C. § 441b(a).

In March 1984, Liberty Lobby, Inc. made a $7,500 loan to PPDC. In December 1984, The Spotlight gave PPDC $10,478.55,

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purportedly resulting from an "incorrect disbursement" in August 1984. Those transactions constitute contributions by corporate entities. Accordingly, this Office recommends that the Commission find probable cause to believe Liberty Lobby, Inc., Cordite Fidelity, Inc., and The Spotlight violated 2 U.S.C. § 441b(a).

There is uncontroverted evidence that Willis Carto controls and directs Liberty Lobby, Inc., Cordite Fidelity, Inc., and The Spotlight. Blayne Hutzel and Willis Carto are officers or directors of Liberty Lobby, Inc. and Cordite Fidelity, Inc. As officers or directors, Hutzel and Carto consented to the contributions the corporations made to PPDC. Accordingly, this Office recommends that the Commission find probable cause to believe Blayne Hutzel and Willis Carto violated 2 U.S.C. § 441b(a).

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III. GENERAL COUNSEL'S RECOMMENDATIONS

1. Find no probable cause to believe Populist Party and Blayne Hutzel, acting as treasurer, violated 2 U.S.C § 432(h)(1).
2. Find probable cause to believe Populist Party and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. §§ 434(a)(4)(A)(iv), 433(c), 441b(a), 434(a)(4)(A)(i), 434(a)(4)(A)(iii), 434(b)(5)(A), 434(b)(3)(A), and 434(b)(8) and 11 C.F.R. § 104.11.
3. Find probable cause to believe Liberty Lobby, Inc., Cordite Fidelity, Inc., and The Spotlight violated 2 U.S.C. § 441b(a).

4. Find probable cause to believe Blayne Hutzel and Willis Carto violated 2 U.S.C. § 441b(a).

3 March 1987
Date

Charles N. Steele
General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Populist Party and Blayne Hutzel, acting as treasurer	)	MUR 2211
Liberty Lobby, Inc.	)	
Cordite Fidelity, Inc.	)	
The Spotlight	)	
Blayne Hutzel	)	
Willis Carto	)	

AFFIDAVIT OF SERVICE

Washington, D.C.)
District of Columbia)

Ahmad R. Coston, being duly sworn, makes the following his affidavit and states:

1. I am an administration aid employed by the Federal Election Commission at 999 E Street, N.W., Washington, D.C., but I am not a party to, nor do I have any interest in this matter.

2. That on March 4, 1987, at 4 p.m., I personally delivered a sealed envelope addressed to Willis Carto at 300 Independence Avenue, S.E., Washington, D.C. That sealed envelope contained a General Counsel's Brief and transmittal letter dated March 4, 1987.

Ahmad R. Coston
Administrative Aid
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Subscribed and sworn to before me this 14th day of July, 1986, Washington, D.C. 20463.

Notary Public
999 E Street, N.W.
Washington, D.C.

My Commission expires 4/1/88

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RECEIVED AT THE FEC

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LIBERTY LOBBY

300 INDEPENDENCE AVENUE, S.E.
WASHINGTON, D. C. 20003
PHONE: 202 LIBERTY 6-5611

March 16, 1987

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Mr. Charles N. Stoele
General Counsel
Federal Election Commission
Washington, D. C, 20463

Re: MUR 2211
Your letter and brief of March 4, 1987

Dear Mr. Steele:

Your above-cited letter and 13-page brief was received at this office on or about March 6. I was away from the office at that time and it was forwarded to me.

My plans at this time are to remain in California, where I reside, until the middle of next month. I have, however, asked Mr. Hutzel to assemble the papers, documents and records we need to properly respond to your brief. Mr. Hutzel has been doing this since Wednesday of last week, devoting as much time to it as he can.

In order to properly respond to your brief we need more time than you have given us. In fact, it is impossible for us to prepare a proper response by the end of this week, the expiration of the time you have allotted.

Thus, I request that you give us an extension of time until May 6. Within that period, we will be able to do all of the needed research and compilation and respond properly to your lengthy brief.

We appreciate your consideration of this request.

Sincerely,

Willis A. Carto
Treasurer

cc: Mr. Blayne Hutzel

SENSITIVE

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 6, 1987

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FILED
OFFICE OF THE SECRETARY

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble
Acting General Counsel

SUBJECT: MUR 2211 Request for Extension of Time

In a letter received March 24, 1987, Willis Carto requested an extension of until May 6 to respond to the General Counsel's Brief. (Attachment 1.) The letter explains that an extension is necessary to respond properly to the Brief.

The Brief was hand-delivered to the respondents on March 4, 1987. The transmittal letter with the Brief specifically informed Mr. Carto that he could file a response brief "[w]ithin fifteen days" of his receipt of that letter. Accordingly, a response was due March 19, 1987. In addition, on March 12, 1987, a Commission attorney telephoned an associate of Mr. Carto, Mike Piper, reminding him that a reply was due March 19, 1987. Piper did not request, nor inquire about, any extension of time.

On several previous occasions, in letters notifying the respondents of the reason to believe findings that are the basis of this MUR, the respondents have been notified that requests for extensions of time must be filed at least five days prior to the original due date. Mr. Carto's request, however, was postmarked on March 17, 1987, only two days prior to the due date. That request was not received until March 24, 1987, five days after the due date for the brief itself.

In addition, by the time Mr. Carto's letter was received at the Commission, this Office had already prepared a General Counsel's Report with probable cause recommendations.

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Mr. Carto has expressed his desire to respond to the General Counsel's Brief, but he indicates that he will not be in Washington during a portion of the requested extension period. Therefore, this Office recommends that the Commission grant the requested extension, providing that the response brief must be received at the Commission by the close of business on May 6, 1987.

RECOMMENDATIONS

1. Grant the respondents an extension of until close of business on May 6, 1987, to deliver a response brief to the Commission.

2. Approve and send the attached letter.

Attachments
1. Request for extension
2. Letter

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Populist Party and Blayne Hutzel, acting as treasurer	)	MUR 2211
Liberty Lobby, Inc.	)	
Cordite Fidelity, Inc.	)	
The Spotlight	)	
Blayne Hutzel	)	
Willis Carto	)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on April 9, 1987, the Commission decided by a vote of 6-0 to grant the respondents an extension of until close of business on May 6, 1987, to deliver a response brief to the Commission and to approve and send the letter, as recommended in the General Counsel's Memorandum to the Commission dated April 6, 1987.

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

Attest:

4-9-87
Date

Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary: Mon., 4-6-87, 4:17
Circulated on 48 hour tally basis: Tues., 4-7-87, 11:00
Deadline for vote: Thurs., 4-9-87, 11:00

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 16, 1987

Mr. Willis A. Carto
300 Independence Avenue, S.E.
Washington, D.C. 20003

RE: MUR 2211
Populist Party and Blayne Hutzel, acting as treasurer
Liberty Lobby, Inc.
Cordite Fidelity, Inc.
The Spotlight
Blayne Hutzel
Willis Carto

Dear Mr. Carto:

This is in response to your letter dated March 16, 1987, which we received on March 24, 1987, requesting an extension of until May 6, 1987, to respond to the General Counsel's Brief. After considering the circumstances presented in your letter, the Federal Election Commission has granted the requested extension. Accordingly, your response must be received at the Commission by close of business on May 6, 1987.

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

Sincerely,

Lawrence M. Noble
Acting General Counsel

By: George F. Rishel
Acting Associate
General Counsel

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GCC 3281

MARK LANE
132 THIRD STREET, S. E.
WASHINGTON, D. C. 20003
(202) 547-6700

MEMBER OF THE BAR
NEW YORK

May 1, 1987

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
87 APR 31 P5:02

Lawrence M. Noble, Esquire
Acting General Counsel
Federal Election Commission
999 E. Street, N.W.
Washington, D.C. 20463

Re: MUR 2211
Populist Party and Blayne Hutzel acting as treasurer; Liberty Lobby, Inc., Cordite Fidelity, Inc., The Spotlight, Blayne Hutzel, Willis Carto

Dear Mr. Noble:

This is to inform you that I have just been retained by Liberty Lobby, Inc., Cordite Fidelity, Inc., The Spotlight, Mr. Blayne Hutzel and Mr. Willis Carto in the above-referenced matter.

I understand that a response to the General Counsel's Brief is scheduled to be due on May 6, 1987. Inasmuch as the case is rather complicated, deals with numerous factual assertions which are in contention and encompasses alleged violations of numerous statutes by various individuals and corporations, I respectfully request that you extend the due date for the response brief for thirty days, that is until June 6, 1987. I assure you that I do not plan to seek a further extension past that date and that, should you agree to permit my brief to be accepted on that date, I will file it in a timely fashion.

On March 26, 1987 Mr. Carto received a copy of the final audit of the Populist Party which was approved by the Commission on March 23, 1987. This final audit is quite different in substance and scope from the Brief dated March 4, 1987. The substantial differences pose a problem for me in seeking to prepare a response. Shall I assume that allegations absent from the final audit, approved by the Commission, which were present in the Brief have been abandoned by the Commission? In short shall my response to be each matter alleged in the Brief or only to those allegations in the final audit? I will continue to examine the documents, continue with my research and begin to interview witnesses and secure statements as to relevant facts

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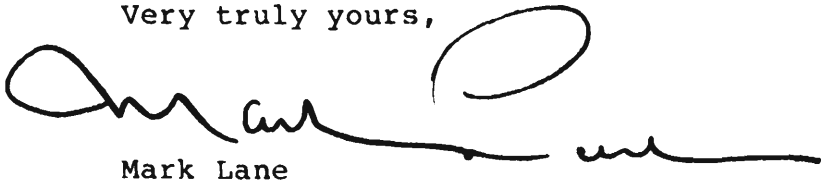
pending your response. However, until I understand which of the two different documents the Commission would like a response to, the latter final audit approved of by the Commission which appears to have superceded the Brief, or the Brief, in spite of the subsequent document approved by the Commission, it will be difficult to draft a comprehensive and responsive document.

Under the circumstances I request permission to file a responsive brief by June 6, 1987. I also request that your office respond to the questions of substance and procedure set forth in this letter.

Since Mr. Rishel signed the letter of April 16, 1987, on your behalf, a copy of this letter is being set to him. A copy is also being made available to Mr. Raich.

In order that you may have the maximum time that the circumstances permit to respond to our request, copies of this letter are being delivered to your office this day by hand.

Very truly yours,



Mark Lane

ML/bcw
cc: George F. Rishel, Esquire
Acting Associate General Counsel
Federal Election Commission
999 E. Street, N.W.
Washington, D.C. 20463

Robert Raich, Esquire
Federal Election Commission
999 E. Street, N.W.
Washington, D.C. 20463

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FEC # 3300

MARK LANE
132 THIRD STREET, S. E.
WASHINGTON, D. C. 20003
(202) 547-6700

MEMBER OF THE BAR
NEW YORK

87 MAY 5 P12:05

May 5, 1987

Lawrence M. Noble, Esquire
Attention Robert Raich, Esquire
Acting General Counsel
Federal Election Commission
999 E. Street, N.W.
Washington, D.C. 20463

Re: MUR 2211
Populist Party and Blayne Hutzel acting as treasurer; Liberty Lobby, Inc., Cordite Fidelity, Inc., The Spotlight, Blayne Hutzel, Willis Carto

Dear Mr. Noble:

I enclose herewith a letter from the organizations and individuals referred to in MUR 2211 designating me as counsel and requesting that all communications from the Federal Election Commission be directed to me.

Very truly yours,

Mark Lane

ML/bcw
Enclosure

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STATEMENT DESIGNATING MARK LANE AS COUNSEL FOR ALL INDIVIDUALS AND ORGANIZATIONS NAMED IN MUR 2211

Re: MUR 2211
Populist Party and Blayne Hutzel acting as treasurer; Liberty Lobby, Inc., Cordite Fidelity, Inc., The Spotlight, Blayne Hutzel, Willis Carto

Each of the undersigned has retained Mark Lane, Esquire as counsel in the above-referenced matter pending before the Federal Election Commission and each requests that all communication relevant to this matter be directed to designated counsel, Mark Lane, Esq.

Blayne Hutzel

Liberty Lobby, Inc.
Willis A. Carto, Treasurer

Cordite Fidelity, Inc.
Mike Piper, Secretary

The Spotlight
Vince Ryan, Editor

Willis A. Carto

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BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE
EXECUTIVE SESSION
MAY 19 1987

87 MAY 12 P4:56

In the Matter of	)	
	)	
Populist Party and Blayne Hutzel, acting as treasurer	)	MUR 2211
Liberty Lobby, Inc.	)	
Cordite Fidelity, Inc.	)	
The Spotlight	)	
Blayne Hutzel	)	
Willis Carto	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On March 4, 1987, the Commission delivered to the respondents a General Counsel's Brief recommending findings of probable cause to believe.

The respondents requested, and received, an extension of time until the close of business on May 6, 1987, to respond to the General Counsel's Brief. See Attachment 1. In a letter dated May 1, 1987, (Attachment 2) the respondents' counsel requested another extension, of until June 6, 1987, (a Saturday) to respond to the General Counsel's Brief. At the instance of this Office, respondents submitted a designation of counsel statement. (Attachment 3.)

In the extension request, respondents' counsel asked a number of procedural questions. A Commission attorney has now answered those questions in a telephone conversation with resondents' counsel.

II. ANALYSIS

It is the position of the General Counsel's Office that the requested extension should not be granted. The reply brief was

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originally due on March 19, 1987. In response to an untimely extension request, the Commission granted an extension of until May 6. Now, an attorney who states that he has "just been retained" requests yet another extension for a period of an entire month. */

On April 1, 1987, Mike Piper, an agent of the respondents, stated that he had been working on a response brief, and that he had "kind of a draft" available at the time, but he wanted to "run it by" Willis Carto, and that they would get "something" to us within two weeks. The extension granted by the Commission was for a period of more than two weeks after that date, but the respondents have not replied to the General Counsel's Brief. In addition, the timing of the second extension request strongly suggests that its purpose is for delay.

In earlier stages of these proceedings, the respondents have been nonresponsive or untimely, and their responses have never proven particularly informative. For example, on July 17, 1986, in MUR 2190, the Commission mailed questions to Populist Party ("PPDC") and Blayne Hutzel. Those questions were not accompanied by a subpoena. A response to those questions was due on August 8, 1986. In an August 1, 1986, telephone conversation, Mike Piper stated to a Commission attorney that they would be late in responding because both Piper and Hutzel had more important business to attend to than complying with Commission deadlines.

*/ Although the respondents have not filed a reply brief with the Commission, the March 23, 1987, issue of The Spotlight contains an article about the General Counsel's Brief. See Attachment 3.

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In fact, the respondents never responded to those questions.

On August 5, 1986, the respondents received notices of the complaint in MUR 2210. Responses were due on August 20, 1986. On August 19, 1986, the Commission received a letter from Blayne Hutzel stating that Willis Carto would reply on behalf of all parties with regard to all matters. On August 28, 1986, the Commission received a letter from Carto containing a number of conclusory statements, but little of substance concerning the complaint in MUR 2210 or the issues in MUR 2190, and no answers to the Commission's questions.

As a further example, on August 25, 1986, the Commission again mailed PPDC and Hutzel questions, this time with a subpoena, but apparently the subpoena mailed was inadvertently not signed. Carto, therefore, did not answer. On September 19, 1986, the Commission again mailed the questions, with a signed subpoena. A response was due on October 14, 1986. On October 17, 1986, the Commission received the response, but many questions were not answered. This Office, however, chose not to seek subpoena enforcement action.

For the reasons stated above, the General Counsel's Office recommends that the Commission deny the second extension request.

One pertinent fact has changed since the Commission delivered the General Counsel's Brief on March 4, 1987. On March 18, 1987, PPDC filed its 1985 Mid-Year and Year-End Reports. Because those reports were filed late, the 2 U.S.C. § 434(a)(4)(A)(iv) violations have not been remedied. Although

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the filing of the reports is a mitigating factor, it does not remedy the violations.

For the reasons stated above and in the General Counsel's Brief, this Office recommends that the Commission follow the probable cause to believe recommendations in the Brief.

III. DISCUSSION OF CONCILIATION AND CIVIL PENALTY

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IV. RECOMMENDATIONS

1. Deny the request for a second extension of time.

2. Find no probable cause to believe Populist Party and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 432(h)(1)

3. Find probable cause to believe Populist Party and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. §§ 434(a)(A)(iv), 433(c), 441b(a), 434(a)(4)(A)(i), 434(a)(4)(A)(iii), 434(b)(5)(A), 434(b)(3)(A), and 434(b)(8) and 11 C.F.R. § 104.11.

4. Find probable cause to believe Liberty Lobby, Inc., Cordite Fidelity, Inc., and The Spotlight violated 2 U.S.C. § 441b(a).

5. Find probable cause to believe Blayne Hutzel and Willis Carto violated 2 U.S.C. § 441b(a).

6. Approve the attached conciliation agreement.

7. Approve and send the attached letter.

5/12/87
Date

Lawrence M. Noble
Acting General Counsel

Attachments
1. Letter granting first extension
2. Second extension request
3. Designation of counsel statement
4. Article from The Spotlight
5. Conciliation agreement
6. Letter

0074079344

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Populist Party and Blayne Hutzel, acting as treasurer	)	
Liberty Lobby, Inc.	)	MUR 2211
Cordite Fidelity, Inc.	)	
The Spotlight	)	
Blayne Hutzel	)	
Willis Carto	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of May 19, 1987, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2211:

1. Deny the request for a second extension of time.

2. Find no probable cause to believe Populist Party and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 432(h)(1).

3. Find probable cause to believe Populist Party and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. §§ 434(a)(4)(A)(iv), 433(c), 441b(a), 434(a)(4)(A)(i), 434(a)(4)(A)(iii), 434(b)(5)(A), 434(b)(3)(A), and 434(b)(8) and 11 C.F.R. § 104.11.

4. Find probable cause to believe Liberty Lobby, Inc., Cordite Fidelity, Inc., and The Spotlight violated 2 U.S.C. § 441b(a).

(continued)

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5. Find probable cause to believe Blayne Hutzel and Willis Carto violated 2 U.S.C. § 441b(a).

6. Approve the conciliation agreement attached to the General Counsel's report dated May 12, 1987.

7. Direct the Office of General Counsel to send an appropriate letter.

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

Attest:

5-20-87
Date

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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 26, 1987

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mark Lane, Esquire
132 Third Street, S.E.
Washington, D.C. 20003

Re: MUR 2211
Populist Party and Blayne
Hutzel, acting as treasurer
Liberty Lobby, Inc.
Cordite Fidelity, Inc.
The Spotlight
Blayne Hutzel
Willis Carto

Dear Mr. Lane:

This is to advise you that on May 19, 1987, the Federal Election Commission considered and rejected a request for a second extension of time to reply to the General Counsel's Brief.

On that date, the Commission also found that there is no probable cause to believe Populist Party and Blayne Hutzel, acting as treasurer, violated 2 U.S.C. § 432(h)(1).

In addition, on that date the Commission found that there is probable cause to believe the respondents in this matter violated 2 U.S.C. §§ 434(a)(4)(A)(iv), 433(c), 441b(a), 434(a)(4)(A)(i), 434(a)(4)(A)(iii), 434(b)(5)(A), 434(b)(3)(A), and 434(b)(8) and 11 C.F.R. § 104.11, provisions of the Federal Election Campaign Act of 1971, as amended, and regulations promulgated pursuant thereto.

The Commission has a duty to attempt to correct such violations for a period of 30 to 90 days by informal methods of conference, conciliation, and persuasion, and by entering into a conciliation agreement with a respondent. If we are unable to reach an agreement during that period, the Commission may institute a civil suit in United States District Court and seek payment of a civil penalty.

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Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree with the provisions of the enclosed agreement, please sign and return it, along with the civil penalty, to the Commission within 10 days. I will then recommend that the Commission approve the agreement. Please make your check for the civil penalty payable to the Federal Election Commission.

If you have any questions or suggestions for changes in the enclosed conciliation agreement, or if you wish to arrange a meeting in connection with a mutually satisfactory conciliation agreement, please contact Robert Raich, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
Acting General Counsel

Enclosure
Conciliation Agreement

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GCC#3488

MARK LANE
132 THIRD STREET, S. E.
WASHINGTON, D. C. 20003
(202) 547-6700

MEMBER OF THE BAR
NEW YORK

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
87 MAY 29 P5: 22

May 29, 1987

Secretary
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2211
Populist Party and Blayne Hutzel acting as treasurer,
Liberty Lobby, Inc.
Cordite Fidelity, Inc.
The Spotlight
Blayne Hutzel
Willis A. Carto

Dear Sir:

Sometime ago I filed a request for an extension of time to submit a brief in response to the Brief of the General Counsel in this matter. Mr. Raich , of the General Counsel's Office, suggested that I should submit the brief as soon as possible, even in the absence of a ruling by your commission.

Accordingly, I enclose the Respondents' Brief in this matter and I have this day served upon the Office of the General Counsel of the Federal Election Commission three copies of the brief pursuant to the request of Charles N. Steele, General Counsel.

Very truly yours,

Mark Lane

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Populist Party and Blayne Hutzel, acting as treasurer	)	
Liberty Lobby, Inc.	)	MUR 2211
Cordite Fidelity, Inc.	)	
The Spotlight	)	
Blayne Hutzel	)	
Willis Carto	)	

RECEIVED
OFFICE OF THE
GENERAL COUNSEL
87 MAY 29 P5: 22

RESPONDENTS' BRIEF

I. THE POPULIST PARTY IS A NATIONAL COMMITTEE

The Populist Party, hereinafter referred to as PPDC1, was and continued to be a national committee as defined by the law.

Section 431(14) of Title 2 of the United States Code (USC), defines the term "national committee." A national committee is an organization which is responsible for the ongoing operations on a day to day basis of a political party. The national committee functions, as implied by its name, on a national level. The Federal Election Commission itself has established criteria to determine whether or not an organization asserting itself to be a national committee does in fact qualify as a national committee under the law. These criteria have previously been applied by the Federal Election Commission through the

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1. The abbreviation PPDC has been utilized throughout previous correspondence by counsel for the Federal Election Commission. That abbreviation is adopted here for purposes of convenience only in order that the Respondents' Brief may be compared with the Brief of the General Counsel.

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process of an Advisory Opinion Request in matters concerning the Socialist Party, the Citizens Party, Liberal Party, Pyramid Freedom Party, and the Libertarian Party. The application of the same criteria considered in those matters by the FEC to the facts in this matter reveals that PPDC is in fact a national committee.

The General Counsel, in his Brief asserts that the PPDC "would prefer to think of itself as a simply the Washington, D.C. office of the Populist Party." (General Counsel's Brief, hereinafter G.C. Brief, p. 2) Having established what he asserts to the PPDC position, the General Counsel then concludes that "PPDC's position is untenable." (G.C. Brief, p. 2) Whether it is untenable or not the position proffered by the General Counsel on behalf of PPDC is not and has not been the position which the PPDC has asserted in these proceedings or elsewhere.

On May 5, 1986, Mr. Blayne Hutzel responded to the April 3, 1986 letter addressed to Ms. Clara Sandahl by Robert J. Costa, Assistant Staff Director for the Audit Division, Federal Election Commission. In that letter, Mr. Hutzel stated "I believe that the evidence shows that the Populist Party in 1984 was and is today a proper national committee." (Hutzel Letter, p. 1) Mr. Hutzel set forth evidence which convinced the PPDC that that organization was a national committee. Enclosed with that letter supporting the contention of the PPDC that it was a national committee were documents which also were relied upon by the PPDC in reaching its own determination. Mr. Hutzel sent to Mr. Costa

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a copy of the constitution of the Populist Party of the United States, which organization has now been renamed PPDC by the Federal Election Commission.

On or about October 23, 1982, the constitution of the Populist Party of the United States was promulgated. Those who worked for the Populist Party of the United States (PPDC) as well as those who contributed to it believed that they were in the process of developing a national political organization and that they constituted a national committee.

On February 22, 1984 PPDC registered with the Secretary of State in the State of California under the name of the Populist Party. On that occasion the organization stated that its "principle activity" was "supporting or opposing specific candidates or measures" and "[s]eeking candidates for Populist, America first views, in various elected offices." Mr. Hutzel submitted to Mr. Costa a copy of the document demonstrating that the Populist Party had been registered with the Secretary of State for the State of California (Hutzel Letter, p. 1).

Two days after the Populist Party registered with the Secretary of State for the State of California, a post office box was secured in Washington, D.C. by the PPDC. The post office box was registered in the name of Populist Party - USA. The United States Post Office assigned Post Office Box 76737 to the Populist Party. Mr. Hutzel submitted to Mr. Costa a copy of the registration form by which the Populist Party - USA (PPDC) secured a post office box in Washington, D.C. (Hutzel Letter,

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p.1)

One week after the registration of the PPDC in the state of California the Populist Party of the United States (PPDC) prepared and published a platform setting forth the ideological and political positions to which it would adhere. Mr. Hutzel submitted a copy of that published platform to Mr. Costa (Hutzel Letter, p. 1)

Approximately one week later a bank account was opened in the name of the "Populist Party, Inc." The resolution by which the bank account for the PPDC was established was submitted to Mr. Costa. (Hutzel Letter, p. 1)

Approximately one month later the PPDC organized its first fund raising effort. This activity was in the form of a letter sent out in the name of the Populist Party's national committee. The address of the committee was set forth as P.O. Box 76737, Washington, D.C. 20003. Later during that year, two additional letters seeking financial support were also mailed. Mr. Hutzel sent to Mr. Costa a copy of the initial fund raising letter. (Hutzel letter, p. 2)

The Federal Election Commission, on July 2, 1984 acknowledged receipt of the statement of organization filed on behalf of the Populist Party (PPDC) by its treasurer Ms. Clara Sandahl. Mr. Hutzel sent to Mr. Costa both copies of the registration statement which had been prepared by the PPDC on April 16, 1984 and the acknowledgment of its receipt from the FEC dated July 2, 1984. (Hutzel Letter, p. 2)

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During May of 1984 the Populist Party was engaged in organizational activities. A memorandum was issued to the chairpersons and officers of each state organization which memorandum was entitled General Memo #4 and addressed itself to the question of the "State Committee Relationship to the Federal Election Commission." This memorandum was sent to Mr. Costa by Mr. Hutzel. (Hutzel Letter, p. 2) Part of the organizational activities of the Populist Party centered around the conference held in Washington, D.C. on May 19 and 20, 1984. The conference drew representatives from eight different states and focused upon such questions as ballot qualifications and progress on a state by state basis, the planning of a national convention, the selection of presidential and vice-presidential candidates and guidelines for the development of national and state committee bylaws. Various decisions were made at the conference including the establishment of a speaker's bureau and the appointment of a national director and assistant director for state ballot qualification matters. In addition, at the conference, the Populist Party focused attention upon the need to disseminate party information to the public through a discussion of publicity for the Party and considered the appointment of a director of public relations so that the national office of the Populist Party would be in a position to disseminate party information to the public. In addition, at the conference the Populist Party considered the appointment of a national director and an assistant director to aid in the establishment of state affiliates

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across the country. In addition, the Populist Party at its conference in Washington, D.C. selected a date and location for the national convention at which the party policy and national platform would be promulgated and at which the party could elect officers of the party and nominate its presidential candidate. All of this information was submitted to the Federal Election Commission by Mr. Hutzel in his letter to Mr. Costa. (Hutzel Letter, pp. 1-3)

Less than one month after the Washington, D.C. conference the executive secretary of the Populist Party in a letter to counsel for the Populist Party set forth once again the intent of the Populist Party to provide assistance to any candidate of the Populist Party at the state level as well as at the national level. A copy of that letter was sent to Mr. Costa by Mr. Hutzel. (Hutzel Letter, p. 3) During August, a national convention was held by the Populist Party in Nashville, Tennessee. Representatives who resided in almost every state in the United States were present. At that convention the report of the bylaws committee was adopted. Mr. Hutzel submitted to Mr. Costa a copy of the bylaws which were adopted at the National Convention of the Populist Party held in Nashville, Tenn. from August 17 through August 19, 1984. (Hutzel Letter, p. 3)

The Hutzel letter, as set forth above was a response to a document sent by Mr. Costa to Mrs. Sandahl on April 3, 1986. The document was entitled INTERIM REPORT OF THE AUDIT DIVISION ON THE POPULIST PARTY. The Interim Report asserted that the Federal

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Election Commission in determining whether or not an organization qualifies to be classified as a national committee, considers the following activities of the organization:

* establishment of a national office which disseminates party information to the public;

* development of procedures to aid in the establishment of state affiliates across the country;

* the conduct of a national convention to determine party policy and national platform, election of party officers and the nomination of its Presidential candidate;

* promotion of party candidates for Federal, State and local offices; and

* maintenance of a speaker's bureau and engaging in other activities outside of those which directly influence specific elections, such as voter registration and get-out-the-vote drives, organizing volunteer workers, and publicizing issues through its publications.

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It is abundantly clear from the facts submitted to Mr. Costa by Mr. Hutzel and from the documents in support of the statements made by Mr. Hutzel in that letter that the criteria previously established and relied upon Federal Election Commission to determine whether or not an organization qualifies as a national committee have been met by the Populist Party (PPDC). Although the interim report asserts that "[i]f the Commission determines that the commmittee has met the criteria necessary to qualify as a national committee or if the committee presents additional documentation adequate to support its contention, the findings will be changed, as necessary," the submission of

documentation which overwhelming supported the contention of the Populist Party (PPDC) apparently has had little effect upon the General Counsel of the Federal Election Commission.

The first criteria set forth by the Federal Election Commission through its Audit Division in this matter refers to the establishment of a national office which disseminates party information to the public. It is apparent that the national office of the Populist Party (PPDC) was devoted to the dissemination of information to the public about the Populist Party, its candidates and its platform. Numerous articles, radio interviews and press statements were regularly and continually issued by the national committee regarding the candidates of the Populist Party, the positions of the Populist Party and the organizational efforts of the Populist Party. Indeed, as the Federal Election Commission knows and as the Federal Election Commission had been previously informed, the first conference of the Populist Party which was held in Washington, D.C. on May 19 through 20, 1984 was devoted to a published agenda which focused upon "Public Relations: Identification of Responsibility for and methods to reach our public." In addition, the very first conference had as a major agenda item "Meetings, speaking tours, speakers bureau, propaganda." At that conference, decisions by representatives from eight states called for the establishment of a speaker's bureau and the need for "discussion of publicity." Similar attention was paid to these subjects at the first national convention of the Populist Party which was held in

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Nashville, Tenn. from August 17 through 19, 1984.

While it is true that major newspapers such as the Washington Post and the New York Times and major television news broadcasts gave far less attention to the Populist Party, its candidates, its platform and its program than were devoted by the establishment media to the candidates of the Republican and Democratic parties, that failure cannot be fairly considered the responsibility of the Populist Party. Indeed, The Spotlight, a weekly national newspaper, which was not unsympathetic to the goals of the Populist Party continued to give regular attention to the candidates of the Populist Party, the program of the Populist Party and the platform of the Populist Party as well as to the organizational efforts made by the Populist Party.

The second criteria set forth by the Federal Election Commission through its audit division in this matter dealt with the development of procedures to aid in the establishment of state affiliates across the country. In addition to registering in the State of California, the Populist Party secured a charter from the States of Virginia. The fourth memorandum published by the Populist Party was a six page document issued to all state party chairmen and party officers. The original registration of the Populist Party on February 22, 1984 demonstrated that it was the aim of the organization to seek candidates throughout the United States who would serve in various elected offices. The first conference of the fledgling Populist Party found representatives from eight states in attendance and established a

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national director and assistant director for state ballot qualification. Internal documents reveal that leaders of the Populist Party continued to state that the effort of the Populist Party was to seek candidates for various political offices throughout the United States who advocated the positions of the Populist Party and to provide assistance and support for all such candidates. The success of the newly organized Populist Party in this regard was in part demonstrated by the attendance of more than seven hundred persons representing almost every state within the United States at the first convention of the Populist Party. At that convention, procedures were explored to aid in the establishment of state affiliates across the country. This activity was made possible by the considerable pre-convention preparation which found the organizers of the National Committee of the Populist Party reaching out into almost every state in the United States for the purpose of seeking to establish state affiliates throughout the United States. Representatives of the Populist Party of various states throughout the United States participated in adopting the official bylaws of the Populist Party as well as in the selection of presidential and vice-presidential candidates. At the convention considerable attention was focused upon the development of state affiliates throughout the United States and in coordinating the activities of the states affiliates with the National Committee of the Populist Party. Documents as well as published press statements have previously been submitted to the Federal Election Commission

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demonstrating by the Populist Party the accuracy of each of these assertions. It is true that at the conclusion of this activity, the Populist Party had not been able to develop precinct officers in every election district in each city in each state of the United States in the manner that the Democratic and Republican parties have functioned over the last years. However, the efforts of the Populist Party through its National Committee were serious efforts which were obviously less successful in this regard than the efforts of major political parties which are far better financed, publicized and which have enjoyed a long history and tradition of such efforts. The criteria established by the Federal Election Commission relating to this consideration, that is, the "development of procedures to aid in the establishment of state affiliates across the country" does not contemplate the necessity that such procedures will result in immediate success. The National Committee of the Populist Party and the Populist Party devoted substantial energy, time and money to the development of procedures which they contemplated would assist in the establishment of state affiliates throughout the United States.

The National Committee of the Populist Party provided funding for ballot access drives in numerous states. These drives were in large part coordinated by persons who secured signatures on petitions mandated by the law. The circulators of the petitions were hired and paid, in many cases, directly by the National Committee of the Populist Party. In those instances where the payment for services was not made directly by the

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National Committee or the persons who circulated petitions were not hired and paid by the National Committee, the hiring and the compensation was effectuated by field coordinators of the National Committee. The Populist Party presidential candidate appeared on the ballot in fourteen states. In eleven of those fourteen states the success which rewarded the effort to place the presidential candidate on the ballot was directly traceable to the financial and technical support provided exclusively by the National Committee of the Populist Party. These efforts comprise the first national work of the Populist Party in its ballot access drive and its success was due to the activities of the National Committee and the active support of the state organizations which were aided and assisted by the expertise, knowledge, energy and funds provided by the National Committee of the Populist Party.

In his letter to Mr. Costa, Mr. Hutzel provided an outline of this activity and offered as an example, the name and telephone number of the chairman of the Populist Party of West Virginia who was able to provide the verification of the National Committee's efforts in support of the state affiliate in West Virginia.

In addition, the National Committee of the Populist Party provided to the various state committees a series of memoranda, letters and advice which comprised legal guidance, technical assistance and suggestions regarding campaign tactics and publicity efforts. Copies of some of these documents were

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provided to the Federal Election Commission by Mr. Hutzel in his letter to Mr. Costa. (Hutzel Letter, p. 4)

In addition, the National Committee of the Populist Party provided direct assistance to state committees when the state committees were unable to secure the sum required for a filing fee to place national candidates of the Populist Party on the ballot. In Louisiana the National Committee provided the filing fee in the amount of $500.00 so that the Populist Party of Louisiana would be able to place national candidates of the Populist Party on the ballot in that state. The National Committee provided similar services for the state affiliate of the Populist Party in the State of West Virginia. The Federal Election Commission has knowledge of this activity both from the letter to Mr. Costa signed by Mr. Hutzel and through the provision of documentary evidence submitted to Mr. Costa with that letter. (Hutzel Letter, p. 4)

The third criteria cited by the Federal Election Commission in its Interim Report centered upon "the conduct of a national convention to determine party policies and national platform, the election of party officers, and the nomination of its presidential candidate." (Interim Report, p.2) The national convention of the Populist Party which was held in Nashville, Tennessee from August 17 through 19, 1984 was the result of a conference held in Washington, D.C. on May 19 and 20, 1984. The pre-convention conference in Washington attracted persons from eight states all of whom remained active with the Populist Party

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throughout the election year. Among the business items on the agenda at the first national conference of the Populist Party was the calling of a national convention. In order that the national convention might be successful, the conference in Washington directed its attention to the development of programs and a platform which could be presented at the national convention. The pre-convention conference considered ballot qualifications on a state by state basis, the methods of selection for the presidential and vice-presidential candidates, public relations and other outreach activity including the development of a speakers bureau, speaking tours, and the appointment of a director for public relations. The conference considered and determined the compensation to be paid to full time workers pending the national convention, elected a chairman and began work on the platform and program. It was clear to those present at the founding conference that without paid full time employees an adequate national convention with an opportunity for success could not be arranged. Therefore, fund-raising methods and activities were discussed in order that persons could be retained on a full time basis to plan for the convention.

At the Washington conference, a date and place for the national convention was agreed upon. It was agreed that the national convention would take place in Nashville, Tennessee during three days in August 1984.

Based upon the work done at the founding conference in Washington in May, and the work accomplished between that

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conference and the August convention in Nashville, a successful convention founding the Populist Party took place during August 1984. Seven-hundred and forty-nine persons from almost every state within the United States were present at the convention. The convention determined the policy of the Populist Party, established a national platform, elected party officers and nominated a presidential and vice-presidential candidate for the Populist Party. When one compares the results of the national convention of the Populist Party with the third criteria established by the Federal Election Commission, one can only conclude that the Populist Party met that criteria fully. According to the Federal Election Commission, in determining whether or not an organization qualifies to be classified as a national committee a factor to be considered is that the organization conducts "a national convention to determine party policy and national platform, election of party officers and the nomination of its presidential candidate." (Interim Report, p. 2)

The fourth criteria set forth by the FEC in its Interim Report in this regard contemplates the "promotion of party candidates for Federal, States and local offices." (Interim Report, p.2) An examination of the internal documents already provided by the Populist Party to the Federal Election Commission reveals the continuing and serious effort of the Populist Party to secure and promote candidates for Federal, State and local office. A newly formed national political organization, however devoted it may be to an effort to secure local candidates

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throughout the country, encounters numerous obstacles. It is clear, however, that the Populist Party and the National Committee of the Populist Party did promote efforts to secure and support local candidates. This effort was discussed at the founding conference of the Populist Party in Washington during May of 1984 as well as at the founding convention of the Populist Party in Nashville, in August of 1984.

On October 9, 1984, the candidate for vice-president of the Populist Party, Maureen Kennedy Salaman, spoke at a rally in Everett, Washington on behalf of the candidate of the Populist Party for Congress from the second Congressional district of Washington. Newspaper reports of Ms. Salaman's efforts on behalf of Gary Franco, the candidate for Congress, were published. The National Committee of the Populist Party sought and secured public attention for Mr. Franco's campaign in various ways. Some of the reports and press releases regarding Mr. Franco's campaign were published in The Spotlight and in fact have been submitted to the Federal Election Commission by Mr. Hutzel. (Hutzel Letter, p. 3) In addition, the Populist Party and the National Committee of the Populist Party assisted Mr. Franco in his campaign in numerous other ways. This information was provided to the Federal Election Commission by Mr. Hutzel along with the name and telephone number of the campaign manager for Mr. Franco so that the FEC might verify the activity of the National Committee of the Populist Party in promoting and supporting a candidate for a Federal Office. (Hutzel Letter, p. 4)

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In addition, the chairman of the National Committee of the Populist Party also provided technical assistance and coordinated a national newspaper publicity campaign on behalf of Lucille Bieger who was a candidate for the United States Senate from the State of Kansas. The official Populist Party National Committee affiliate in Kansas was in fact the Conservative Party of Kansas. Ms. Bieger was the candidate of the Conservative Party of Kansas.

The fifth criteria provided by the Federal Election Commission contemplates the "maintenance of a speaker's bureau and engaging in other activities outside of those which directly influence specific elections, such as voter registration and get-out-the vote drives, organizing volunteer workers, and publicizing issues through its publications." (Interim Report, p. 3) The Populist Party established a speaker's bureau at its first pre-convention conference held in May 1984 in Washington, D.C. At its national convention in August 1984 in Nashville, the Populist Party focused upon the development of the speaker's bureau. The Federal Election Commission knows of the establishment of the speaker's bureau inasmuch Mr. Hutzel so informed Mr. Costa. Mr. Hutzel also submitted to the FEC a newspaper report reflecting the establishment of the speaker's bureau. (Hutzel Letter, p. 4) In addition, the Populist Party and the National Committee of the Populist Party as well as the affiliates of the Populist Party, participated in voter registration and get-out-the-vote drives, organized volunteer workers and continued to

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publicize issues through its publications without regard to directly influencing specific elections. In California the Populist Party functioned through its affiliate the American Independent Party. This Populist Party affiliate published a special tabloid urging the registration of voters, publicizing issues and promulgating a get-out-the-vote campaign. A copy of that tabloid was submitted to the FEC by Mr. Hutzel. (Hutzel Letter, p. 5)

In an effort to publicize those issues which the Populist Party and the national committee of the Populist Party considered to be significant, the Populist Party published a leaflet entitled "Statement of Critical Issues." In addition, the Populist Party published a leaflet entitled "Are You a Populist?" Many thousands of copies of these leaflets were printed and distributed throughout the United States by the Populist Party through the efforts of its national committee and by its various affiliates. These leaflets were submitted to the FEC previously. (Hutzel Letter, p. 5)

In addition, the National Committee of the Populist Party was engaged in a national drive to establish campaign headquarters in local communities to organize local affiliates and to publicize issues which it considered to be significant. Copies of newspaper reports demonstrating this activity were submitted to the FEC. (Hutzel Letter, p. 5) The National Committee of the Populist Party sent mass mailings not only to members of the Populist Party but to many others who resided in all sections of

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the United States encouraging a national debate on the issue of immigration.

In addition, the Populist Party widely advertised the availability of bumper stickers which promoted the Populist Party and focused attention upon one of its programs. While it is anticipated that there are those in the Federal bureaucracy who may not agree with the political position espoused by the Populist Party, when it called for the abolition of the Internal Revenue Service, it cannot be said that the Populist Party in widely advocating that position did not publicize its issue. The FEC is in possession of the advertisement by which the Populist Party announced the availability of the bumper sticker "Abolish IRS, Vote Populist Party." (Hutzel Letter, p. 5)

In addition, the Populist Party published advertisements in support of its get-out-the-vote drive and copies of those advertisements have been furnished to the FEC. (Hutzel Letter, p. 5)

In addition, the Populist Party as an organizational activity published advertisements which encouraged Populist Party members and others to write letters to the editor about specific issues and about the Populist Party. The Populist Party and the national committee also encouraged members of the Populist Party to reproduce pre-prepared advertisements to promote the Populist Party at the local level. The Federal Election Commission is aware of this activity and has been furnished with the documents referred to above. (Hutzel Letter,

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p. 5)

II. BLAYNE HUTZEL IS NOT AND NEVER WAS THE TREASURER OF THE POPULIST PARTY.

The General Counsel in his Brief asserts that "any probable cause findings against PPDC will also be against Blayne Hutzel, acting as treasurer. Clara Sandahl, PPDC's treasurer of record retired on September 27, 1985." (G.C. Brief, p. 4) The General Counsel's Brief fails to address the uncontradicted record which has been submitted to him and which has been thoroughly documented by the Populist Party. The uncontested facts reveal that during July 1984, the Federal Election Commission recognized the Statement of Organization of the Populist Party which asserted that Clara Sandahl was treasurer. At the first national convention of the Populist Party held in Nashville during August 1984, national officers were elected by the delegates at the convention. The first treasurer ever elected by the convention of the Populist Party was Mr. Emmett Miller. Mr. Miller served in that capacity until he died in January 1985. Thereafter, as the Federal Election Commission concedes, on March 9, 1985, the national committee of the Populist Party meeting in Chicago elected the widow of Emmett Miller, Mrs. Faye Miller as its new treasurer. (General Counsel's Brief, p. 3) After conceding that Mrs. Miller was elected as the new treasurer for the Populist Party on March 9, 1985, the General Counsel in his Brief asserts in the next two sentences:

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> Miller registered a new political committee with the Commission under the name "Populist Part of the United States" ("PPUS"). Miller states that she registered the new political committee to distinguish it from PPDC because of concerns that various monies previously spent by PPDC were not for bona fide party activities. (G.C.Brief, p. 3)

The clear implication in the General Counsel's Brief is that upon being elected treasurer, Mrs. Miller left the PPDC and registered a new committee. In fact, the Federal Election Commission did not recognize the Statement of Organization of the PPUS until January 1986. Mrs. Miller has never resigned as the last duly elected treasurer of the Populist Party (PPDC). The appointment of Mr. Hutzel as the treasurer for PPDC was made solely and exclusively by the General Counsel of the Federal Election Commission. Mr. Hutzel was neither elected at a convention of the Populist Party nor was he appointed by any person or chosen by the National Committee of the Populist Party to be its treasurer. In his brief, the General Counsel states "PPDC asserts that PPUS had no authority to establish itself as a new political committee. Pursuant to the Act, however, two separate political committees do exist." (G.C.Brief, p. 3) Whether or not the treasurer of the Populist Party had the authority to establish a new political committee is less relevant

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than the fact that when Mrs. Miller submitted a Statement of Organization to the FEC (in addition to having no authority to do so) she failed to inform the Populist Party (PPDC) of her action. Thus, the leaders and active members of the Populist Party (PPDC) continued to believe that Mrs. Miller, who had been elected treasurer on March 9, 1985 by the National Committee of the PPDC to replace her deceased husband who had been elected treasurer at the August 1984 founding convention of the PPDC, was in fact the only legitimate treasurer of the Populist Party (PPDC). To this day Mrs. Miller elected as treasurer of the PPDC at its national committee meeting in March 1985, has not resigned from that position. The very first notice that members of the Populist Party (PPDC) received indicating that Mrs. Miller had filed a Statement of Organization for PPUS came in a communication from the Federal Election Commission. However, the FEC which apparently had known for a considerable period of time that Mrs. Miller, acting on her own, had submitted a Statement of Organization for PPUS, did not formally notify the PPDC of that fact until July 1986. In the interim the Populist party (PPDC) was obligated to file timely and proper reports. Leaders of the Populist Party (PPDC), not knowing that Mrs. Miller was engaged in activity with another formal organization and knowing only that Mrs. Miller was the only legitimate treasurer of the Populist Party (PPDC), having been duly elected to that position at the National Committee meeting of the PPDC, continued to request that Mrs. Miller carry out her functions on behalf of the

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PPDC as only she was authorized to do.

Accordingly, persons associated with the Populist Party (PPDC) asked for the assistance of the controller of Liberty Lobby, Mr. Blayne Hutzel. Inasmuch as Mr. Hutzel is an accountant he was requested to organize, compile and dispatch to Mrs. Miller all of the relevant documents which were required to place her in a position so that she might file timely and proper reports with the Federal Election Commission. Mr. Hutzel, at the request of persons associated with the Populist Party (PPDC) sent to Mrs. Miller copies of check stubs, bank statements, cash receipts and disbursements journals, and general entries so that she would be in a position to file appropriate and proper statements with the Federal Election Commission. These documents were provided for Mrs. Miller on a regular monthly basis. This material was dispatched by Mr. Hutzel to Mrs. Miller along with letters of explanation. Since Mrs. Miller was the duly elected treasurer of the Populist Party (PPDC) she was obligated, and in fact the only person authorized, to file the required reports with the FEC.

During this entire period Mrs. Miller never indicated to those associated with the Populist Party (PPDC) that she was not going to comply with the Act which mandated that she file the appropriate reports. Indeed, Mrs. Miller accepted the documentation, on one occasion refusing to return a document which was subsequently required by the PPDC, never notified the Populist Party (PPDC) that she had decided not to file the appropriate and

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mandated reports and never notified those associated with the leadership of the Populist Party (PPDC) that she had resigned as the only duly elected treasurer of the Populist Party (PPDC).

After the leadership of the PPDC learned that Mrs. Miller had submitted a Statement of Organization for the PPUS they were placed in a quandary regarding the relevant provisions of the Act. From this one set of facts two alternative methods were apparent. One, continue to insist that Mrs. Miller meet her obligations which she assumed when she accepted the position of national treasurer for the Populist Party. Inasmuch as the relevant documents had been provided to Mrs. Miller and she not only failed to meet her obligation to file the mandated reports but she had become active in the organization of a rival committee, it seemed apparent that Mrs. Miller might not meet her obligation under the law to file the reports. Accordingly, a second position was developed by the leaders of the PPDC. It was advocated that they file the appropriate reports, in the absence of Mrs. Miller meeting her obligations, and that they explain to the FEC that while it was their position that Mrs. Miller alone was obligated to file the reports, that as a convenience to the FEC and out of concern that the Act be complied with by someone that they had filed the required reports. Those who opposed that position on principle held to the belief that Mrs. Miller alone was obligated to act, that she had been provided with the documents to act appropriately and that no one other than Mrs. Miller was authorized to file the

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reports. However, counsel for the Federal Election Commission informed leaders of the PPDC that failure to file reports, then a civil violation, might in the near future be considered by the FEC a criminal violation. Under those circumstances, and without the advice of counsel, the PPDC filed the reports which only Mrs. Miller was obligated to have submitted.

As the leaders of the PPDC feared, the FEC has now taken the position that Mr. Hutzel who submitted the documents to Mrs. Miller so that she could file appropriate and timely reports was in fact "acting as treasurer" of the PPDC. (G.C. Brief, p. 4) Mr. Hutzel, being the only accountant in Washington, D.C. familiar with the relevant documents, was asked to assist the FEC in its audit of the PPDC. The Federal Election Commission, instead of citing Mrs. Miller for her deliberate and specific failures has chosen to elect Mr. Hutzel treasurer of the PPDC for his efforts to assist the Populist Party in meeting its obligations by sending appropriate documents to Mrs. Miller and by responding to the requests of the FEC. Mr. Hutzel resides in the metropolitan area of Washington, D.C. and out of a courtesy to the FEC answered the questions of its investigators regarding financial matters. For his trouble Mr. Hutzel has been cited by the FEC. The General Counsel cites among Mr. Hutzel's numerous transgressions the fact that "[f]or many months in 1985 and 1986, Hutzel, as 'controller' mailed copies of some PPDC financial records to PPUS. Hutzel served as PPDC's spokesman during the audit field work at PPDC. Hutzel responded more than once

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to the Interim Audit Report for PPDC. Despite these facts, PPDC's amended Statements of Organization (filed on October 20 and December 30, 1986) list Faye Miller as treasurer -- apparently due to PPDC's unwillingness to admit that it and PPUS are distinct political committees. (General Counsel Brief, pp. 4-5) In summary, the General Counsel concludes "[a]ccordingly, he is acting as PPDC's treasurer, and as such, he is liable for all violations committed by PPDC."

The General Counsel's Brief could not be more in error in asserting that Hutzel mailed copies of some "PPDC financial records to PPUS." (G.C.Brief, p.4) Inasmuch as Mr. Hutzel did not know and could not know that Mrs. Miller had filed a Statement of Organization on behalf of PPUS, it is inaccurate and false to assert that Mr. Hutzel sent financial records to PPUS. It may well be that the General Counsel and others at the FEC knew of Mrs. Miller's intentions and actions but since they failed, or refused, to share that information with the PPDC, it is inappropriate to now assert that Mr. Hutzel submitted financial records records of the PPDC to the PPUS. Mr. Hutzel had sent the required documents to the duly elected treasurer of the Populist Party (PPDC) not knowingly to a person who had secretly filed a Statement of Organization for another entity.

The General Counsel's Brief asserts that the PPDC continues to list Faye Miller as its treasurer "apparently due to PPDC's unwillingness to admit that it and PPUS are distinct political committees." (G.C.Brief, p. 5) The General Counsel's Brief is

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completely in error. Mrs. Miller has been listed as treasurer by the PPDC not because the PPDC does not recognize the existence of PPUS, but because Mrs. Miller is the duly elected national treasurer of PPDC, having been elected to that position on March 9, 1985 by the National Committee of the Populist Party (PPDC) and having accepted that position. Inasmuch as Mrs. Miller was elected by the National Committee, has neither been impeached nor otherwise removed by the National Committee or a national convention of the Populist Party and since she has not resigned from that position, it would be presumptuous and inappropriate to assert that she is not the treasurer of PPDC. These considerations apparently do not effect the decision-making apparatus of the office of the General Counsel of the FEC which has removed her from all responsibility and obligation under the law and chosen Mr. Hutzel as its appointed treasurer for PPDC.

The arguments set forth above have been fully and thoroughly documented by letters and appropriate financial reports which have been furnished to the FEC. The letter of transmittal which contained the required financial documents sent to Mrs. Miller by Mr. Hutzel and other relevant information and documents have long since been provided to the office of the counsel of the FEC.

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III. THE RESPONDENTS DID NOT DISCLOSE A $10,478.55 CONTRIBUTION TO PPDC BECAUSE SUCH CONTRIBUTION WAS NOT MADE.

The General Counsel in his Brief asserts "[i]n December 1984, The Spotlight gave PPDC $10,478.55 (purportedly resulting from an 'incorrect disbursement' in August 1984)." (G.C.Brief, p. 7) The General Counsel's Brief is correct in asserting that the exchange of funds resulted from an incorrect disbursement which had in fact been made inadvertently. That brief, however, is incorrect in asserting that the exchange was "purportedly" the result of an incorrect disbursement. During 1984 both Spotlight and the Populist Party utilized the services of the same printer, Print Media Communications. A bill in the amount of approximately $15,000.00 was paid by the Populist Party for printing. A review of the entries revealed to Spotlight and to the Populist Party that the Populist Party had inadvertently paid in addition to approximately $5,000 for which it was truly indebted to the printer an additional $10,478.55 which in fact was the uncontested debt of Spotlight to the printer. When this error was discovered, the Spotlight merely repaid to the Populist Party that sum which the Populist Party had inadvertently paid to the printer. Thus, the record clearly reveals that not only did Spotlight not contribute or loan $10,478.55 to the Populist Party but inadvertently for a short period of time the Populist Party "loaned" that sum to the Spotlight.

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IV. THE RESPONDENTS DID NOT DELIBERATELY FAIL TO DISCLOSE PURPOSES OF EXPENDITURES.

The General Counsel's Brief asserts correctly that a political committee must disclose the name and address of each person to whom an operating expenditure in an aggregate amount in excess of $200 is made, together with the date, amount, and purpose of such operating expenditure, citing 2 U.S.C. Section 434(b)(5)(A). (G.C.Brief, p. 9) The respondents appropriately reported the payment of a sum in excess of $200 to Mr. Victor Marchetti revealing that Mr. Marchetti had been paid for "Professional Work" and for "Party Fees." Thereafter, Mr. Carto asserted that Victor Marchetti had done some public relations work for the Populist Party. In fact, Mr. Marchetti provided services to the Populist Party including public speaking at the convention, and serving as an advisor to a youth group of the Populist Party known as American Students for Populism. In addition, Mr. Marchetti made some radio appearances and offered advice. Clearly, Mr. Marchetti's services were professional and were designed to assist the Populist Party. While it conceded that each of the specific aspects of Mr. Marchetti's services were not detailed there clearly was no effort by the respondents to deceive the FEC or to fail to report Mr. Marchetti's activities. Indeed, Mr. Marchetti did render "professional" and "Party" services. Since Mr. Marchetti's work on behalf of the

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Populist Party was publicly known, indeed, as we have said, he appeared on radio programs and spoke at the convention, it cannot fairly be said that the respondents sought to deceive the FEC by not detailing Mr. Marchetti's precise role.

It should be noted here that none of the persons who actively participated in the work of compiling data and filing out the appropriate forms had ever been involved in such activities in the past. Persons whose primary work assignment was not with the Populist Party, in their spare time sought to master the complexities of the FEC regulations and fill out forms to the best of their ability. Counsel was not employed by the Populist Party for this specific purpose. Therefore, it is not surprising that minor and technical errors and omissions can be alleged by the General Counsel after a thorough and meticulous examination of all of the books and records of the Populist Party.

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V. FAILURE TO DISCLOSE CONTRIBUTION

The respondents did disclose the contribution of $500 made to the Populist Party in 1984 by William K. Shearer. That contribution was disclosed and itemized as a receipt on the October 15, 1984 Quarterly Report as Amended. The contribution, however, was not properly referred to at the time that a quarterly report was filed during 1984. Again, persons with no training in law or accounting and contributing their services on a part time basis, prepared the raw data for the quarterly

reports. That there was no intention to deceive is apparent from the fact that the contribution was present on the records maintained by the Populist Party and was submitted to the FEC in an amended copy of the quarterly report.

VI. FAILURE TO REPORT DEBTS AND OBLIGATIONS

The General Counsel's Brief asserts that each report filed by a political committee must disclose the amounts and nature of outstanding debts and obligations owed by such committee citing 2 U.S.C. Section 434(b)(8). The debts to which the General Counsel's Brief addresses itself is a sum due to Liberty Lobby, Inc. and Cordite Fidelity, Inc. That debt and those obligations were reported to the FEC during 1984 on the report submitted for the period ending December 31, 1984. It is true that earlier quarterly reports did not contain reference to the debts. However, it was the belief of those persons who had neither training nor experience in filling out such forms, that the debts and obligations need only be reported in a timely fashion on the report to be submitted for the period covering the last quarter of 1984.

In this instance, as in others referred to, there clearly was no intention to deceive the FEC and any technical violation can be ascribed to the inexpertise of the persons who were compiling data, preparing the reports and submitting them to the FEC for the first time. It is in this light that technical violations, if they exist, should be considered.

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CONCLUSION

To the extent that errors of omission or commission, can be ascribed to the Populist Party subsequent to March 9, 1985, the responsibility must clearly rest with the duly elected treasurer Faye Miller. Mrs. Miller was elected, as the General Counsel's Brief accurately asserts on March 9, 1985 by the National Committee of the Populist Party. Mrs. Miller was provided with documents and data so that she could meet her obligations and file the reports in an appropriate and timely fashion. That Mr. Hutzel transmitted the documents to her does not, through the application of any rule of law or logic, transpose Mr. Hutzel into the treasurer or the person acting as treasurer for the Populist Party. Counsel for the respondents shutters to contemplate what the Federal Election Commission, through its General Counsel, might have charged had he been contacted at an earlier stage and asked to mail the appropriate data to Mrs. Miller so that she could meet the obligations which she had assumed and accepted.

It must be emphasized and it should be understood that Mrs. Miller accepted the responsibility of treasurer of the Populist Party at a time when there was only one National Committee and that she failed or refused to disclose to that Populist Party that she had not filed the appropriate documents with the FEC. She had failed to disclose as well to the Populist Party that

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she was filing a Statement of Organization for another committee. Above all, she has never resigned as the duly elected treasurer of the Populist Party referred to by the General Counsel as the PPDC. Apparently, Mrs. Miller, in consultation with Mr. Shearer acted in a fashion to the advantage of PPUS and to the disadvantage of PPDC. While this was apparently known at a fairly early stage by the FEC, the PPDC was not informed of the situation until a much later date.

Why the General Counsel seeks to remove all responsibility from Mrs. Miller to meet her statutory obligation under these circumstances is difficult to fathom.

As to those errors which the General Counsel ascribes to the PPDC prior to March 9, 1985, any errors which may have been made by an inexperienced and untrained staff preparing such documents for the first time, were remedied by amendments, having been fully explained, and clearly, were not made for purposes of deception.

Respectfully submitted,

Mark Lane
Attorney for Respondents
132 Third Street, S.E.
Washington, D.C. 20003
(202) 547-6700

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MARK LANE
132 THIRD STREET, S. E.
WASHINGTON, D. C. 20003
(202) 547-6700

MEMBER OF THE BAR
NEW YORK

June 16, 1987

Robert Raich, Esquire
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 2211
Populist Party and Blayne
Hutzel, acting as treasurer
Liberty Lobby, Inc.
Cordite Fidelity, Inc.
The Spotlight
Blayne Hutzel
Willis Carto

Dear Mr. Raich:

It was good to meet with you and Mr. Anderson on June 11, 1987 to discuss the matters in contention in the above-referenced matter. As I informed you that I would I have consulted with the accountant for Cordite Fidelity Corp. and with Mrs. Miller.

I am informed that the records of the Cordite Fidelity Corp. and the Populist Party reveal that a check in the amount of $15,940.33 was drawn upon the Populist Party account, check #1265, to the order of Print Media Communication. This check was dated August 28, 1984. That check, in error, paid for the printing of Populist Party material, in the amount of $5,461.78 and printing for the Cordite Fidelity Corp. in the amount $10,478.55. Thereafter, Cordite Fidelity Corp. drew a check on its account to the Populist Party in the amount of $10,478.55 in order to repay the Populist Party for the sum which it had expended, in error, in paying Print Media Communication.

I am assured by the accountant that there is no entry which revealed, as you stated at the meeting on June 11, 1987, that a sum approximately in the amount of $10,000.00 was thereafter credited to the Populist Party. Inasmuch as this is a new allegation by the Federal Election Commission, it seems appropriate that you submit to us evidence for this allegation.

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In reference to the statements made by Mrs. Miller to me I intend to submit to you in the near future, a written statement by Mrs. Miller revealing that neither Blayne Hutzel nor Willis Carto were the persons charged with the responsibility of reporting to the Federal Election Commission.

Very truly yours,

Mark Lane

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HAND DELIVERED
87 JUL 21 AM 8:48

THE POPULIST PARTY OF THE UNITED STATES

RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL
87 JUL21 P3:20

IN REPLY ADDRESS:

Office of the Treasurer
1921 Summer Place Drive West
Mobile, Al 36618

(205) 344-7956

July 17, 1987

Mr. Robert Raich
Federal Election Commission
Washington, D.C.
Washington, D.C. 20463

Re: Federal District Court Case No. 86-0925-C
Liberty Lobby, Cordite Fidelity, Inc. vs
Populist Party of the U.S.
and
MUR 2211

Dear Sir:

Attached are documents regarding the above which you requested.

For the record I would like to offer the following brief comments regarding the above mentioned.

In late 1986 this lawsuit was brought by Liberty Lobby and Cordite Fidelity against the Populist Party of the U.S. for a debt. From the beginning Bill Shearer Attorney, of San Diego, aserved as Co-Counsel and chief advisor to the Alabama attorney, Mr. Billy Bedsole, in all matters regarding this suit. On June 8, 1987 Bill Shearer resigned from the Populist Party Executive Committee and as Counsel and advisor in this case. He also refused to send Populist Party contributions in his possession to me, the National Treasurer, resulting in my being left without counsel to defend this suit. Having completely relied on him to direct the local attorney and having very little actual knowledge of the background of this suit, I was forced, for the first time, to delve deeply into matters pertaining to this case.

Not only did my in-depth study of records and information pertaining to this case convince me that the debt claimed by Liberty Lobby and Cordite Fidelity was indeed a legitimate debt, this pursuit of facts brought forcefully to my attention certain other information and data which proved beyond a doubt that multitudinous concealment and misrepresentation of facts had been perpetrated by Bill Shearer not only on the supporters of the Populist Party but on the Federal Election Commission as well, and that I had unknowingly assisted him by lending my position as National Treasurer to these endeavors without ever a question as to their validity.

As a result I felt it incumbent on me to make every effort to set the record straight insofar as any matter that I was a party to is concerned. It was for this reason, and this reason alone, that I personally agreed to the judgement in favor of Liberty Lobby and Cordite Fidelity and that I composed the Affidavit of June 23 regarding other Populist Party matters.

To have further employed delaying tactics regarding this lawsuit, as I had been instructed to do by Bill Shearer prior to his resignation, and to have failed to present the true facts regarding the other matters I had been a party to would have meant that I was now knowingly a party to this abominable conduct. Such is incomprehensible.

Certain of these documents were typed in Mr. Evers' office, the Liberty Lobby attorney, for my convenience and upon my instructions. I was at all times fully aware of and understood fully the contents of each document; these are those statements I know, after thorough investigation and consideration, to be true, right and proper.

Any inference by anyone that collusion or any improper conduct is involved in the preparation of these documents is simply another of the many examples of attempted fraud and deceit.

Should further details be required, please advise.

Very truly yours,

Faye G. Miller

Faye G. Miller

Encl

0004735486

IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

LIBERTY LOBBY, INC., et al.,	)	
	)	
Plaintiffs,	)	
	)	
vs.	)	CIVIL ACTION NO. 86-0925-C
	)	
FAYE MILLER, etc.,	)	
	)	
Defendant.	)	

ORDER

Attorney Billy C. Bedsole has filed a motion for leave to withdraw (Doc. #17) as attorney for the defendant Faye Miller, as Treasurer of the Populist Party of the United States, an unincorporated association. This motion is GRANTED.

The progress of this case will not be delayed because the defendant is without counsel, and the court will not be inclined to grant extensions or postpone hearings because the defendant is without counsel.

The Clerk of the Court is instructed to send notice to the defendant of all hearings, and either the defendant or her attorney should be present at all such hearings.

The Clerk is directed to send a copy of this order by certified mail to the defendant Faye Miller.

DONE this 22 day of June, 1987.

Emmett R. Cox
UNITED STATES DISTRICT JUDGE

JUN 22 REC'D

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AO 72A
(Rev. 8/82)

IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

LIBERTY LOBBY, INC., a non-profit corporation, et al.,	)	
Plaintiffs,	)	
vs.	)	CIVIL ACTION NO. 86-0925-C
FAYE MILLER, as Treasurer of the Populist Party of the United States, an unincorporated association,	)	
Defendant.	)	

ORDER

Defendant's motion to proceed pro se (Doc. #20) is GRANTED.

DONE this 26th day of June, 1987.

Edward R. Cox
UNITED STATES DISTRICT JUDGE

JUN 26 RECD

0004079348

IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

LIBERTY LOBBY, INC., a non-profit corporation, et al.,	)	
Plaintiffs,	)	
vs.	)	CIVIL ACTION NO. 86-0925-C
FAYE MILLER, as Treasurer of the Populist Party of the United States, an unincorporated association,	)	
Defendant, and Third Party Plaintiff	)	
vs.	)	
POPULIST PARTY, INC., a corporation,	)	
Defendant.	)	

STATEMENT AND CONFESSION OF JUDGMENT

I, Faye Miller, Treasurer of the Populist Party of the United States, above-named defendant, hereby confess that the Populist Party of the United States is justly indebted to Liberty Lobby, Inc. and Cordite Fidelity, Inc., above named plaintiffs, in the sum of $ 289,326.19.

This confession of judgment is for debts justly due and owing from the Populist Party of the United States to the plaintiffs for goods and services furnished to the Populist Party between March 1984 and December 1984.

I hereby authorize the clerk of the United States District Court for the Southern District of Alabama, Southern Division, to enter a judgment in the Court in favor of Liberty Lobby, Inc. and Cordite Fidelity, Inc. and against

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me, Faye Miller, as Treasurer of the Populist Party of the United States, for the sum of $ 289,326.19, with interest at 12 per cent per annum from December 31, 1984, the sum of $ 5,500.00, plaintiffs attorney's fees in this cause, and costs.

Dated June 23, 1987.

Faye Miller
FAYE MILLER, pro se

STATE OF ALABAMA)
)
COUNTY OF HOUSTON)

Executed before me this 23rd day of June, 1987.

Theresia H. Bowers
Notary Public

Commission expires: 3/22/90

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IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

LIBERTY LOBBY, INC., a non-profit corporation, et al.,	)	
Plaintiffs,	)	
vs.	)	CIVIL ACTION NO. 86-0925-C
FAYE MILLER, as Treasurer of the Populist Party of the United States, an unincorporated association,	)	
Defendant.	)	

MEMORANDUM OPINION

Defendant Faye Miller has filed a "Statement and Confession of Judgment" (Doc. #22) to which plaintiffs have consented (Doc. #23). The court is of the opinion that final judgment should be entered in favor of plaintiffs and against defendant Faye Miller, in her official capacity as Treasurer of the Populist Party of of the United States, an unincorporated association, in the amount of $289,326.19, plus attorney's fees of $5,500.00, plus interest and costs. Accordingly, the court will by separate document enter final judgment in the case.

DONE this 26th day of June, 1987.

UNITED STATES DISTRICT JUDGE

JUN 26 RECD

AO 72A
(Rev. 8/82)

IN THE UNITED STATES DISTRICT COURT FOR THE
SOUTHERN DISTRICT OF ALABAMA
SOUTHERN DIVISION

LIBERTY LOBBY, INC., a non-profit corporation, and CORDITE FIDELITY, INC., a corporation,	)	
Plaintiffs,	)	
vs.	)	CIVIL ACTION NO. 86-0925-C
FAYE MILLER, as Treasurer of the Populist Party of the United States, an unincorporated association,	)	
Defendant.	)	

FINAL JUDGMENT

It is ORDERED and ADJUDGED that plaintiffs Liberty Lobby, Inc., and Cordite Fidelity, Inc., have and recover from defendant Faye Miller, in her official capacity (and only in her official capacity) as the Treasurer of the Populist Party of the United States, an unincorporated association, the sum of TWO HUNDRED EIGHTY-NINE THOUSAND THREE HUNDRED TWENTY-SIX AND 19/100 DOLLARS ($289,326.19), plus interest thereon at the rate of 12% per annum from December 31, 1984, to the date of entry of this judgment, plus attorney's fees in the amount of FIVE THOUSAND FIVE HUNDRED AND 00/100 DOLLARS ($5,500.00).

Plaintiffs are also entitled to recover of the defendant their taxable costs.

DONE this 26th day of June, 1987.

JUN 26 REC'D

UNITED STATES DISTRICT JUDGE

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AO 72A
(Rev. 8/82)

FEDERAL ELECTION COMMISSION

POPULIST PARTY and BLAYNE HUTZEL, acting as Treasurer, LIBERTY LOBBY, INC.; CORDITE FIDELITY, INC.; THE SPOTLIGHT; BLAYNE HUTZEL; and WILLIS CARTO	)	RE: MUR 2211

AFFIDAVIT OF FAYE MILLER, TREASURER,
ON BEHALF OF THE POPULIST PARTY OF THE UNITED STATES

I, Faye Miller, being duly sworn state that:

1. I am the duly elected treasurer of the Populist Party of the United States, having been elected to this office for a four-year term by the Party's national committee at its first annual meeting in Chicago, Illinois on March 9, 1985. By virtue of this office, I am a member of the Party's national executive committee and have served in this capacity continually since March 9, 1985.

2. Prior to my election as treasurer, that position was held by my husband, Emmett Miller, who was elected at the Party's national convention on August 19, 1984 and served until his death on January 10, 1985.

3. At the direction of the Party's legal counsel, William K. Shearer, I executed and submitted certain documents to the Federal Election Commission in 1985 and 1986 which had the effect of creating the myth that there were two Populist Parties and that certain debts of the Party were not legitimate. These documents were prepared by Mr. Shearer and contained factual allegations and legal positions that were beyond my personal ability to substantiate. I placed explicit faith, trust, and confidence in the representations made by Mr. Shearer because of his experience with Party affairs and his training as an

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attorney. I acted in complete reliance on Mr. Shearer's representations and statements and believed them to be true. At all times herein mentioned, I was ignorant of certain facts concealed by Mr. Shearer. Had I known Mr. Shearer's representations and statements were false, or been aware of the matters concealed, I would not have executed or submitted these documents.

4. Shortly after I assumed the office of treasurer of the Party, I began receiving FEC filing forms from Blayne Hutzel, who had been handling the Party's reporting requirements. I felt that I lacked sufficient information to complete the forms so I decided to ask Mr. Hutzel to supply additional documentation. Mr. Shearer instructed me not to seek the necessary materials, however, and commanded me to file a new Statement of Organization with the FEC. Thereafter, because I was not familiar with the business of the Party or with its financial condition, I had only such information about it as I derived from Mr. Shearer.

5. It was my intent to file the FEC reporting forms based upon the additional information I believed I could secure from Blayne Hutzel since I believed that I was obligated, as treasurer, to file those forms. Mr. Shearer instructed me not to file the reporting forms and I mistakenly accepted his advice. Since Mr. Shearer also told me not to have contact with Mr. Hutzel, I did not inform Mr. Hutzel that I had not, and would not, file the FEC reporting forms.

6. Relying on Mr. Shearer's instructions, I filed a new Statement of Organization with the FEC without informing Mr.

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Hutzel and refused to file any more documents forwarded to me by Mr. Hutzel or others in the Washington, D.C. offices of Liberty Lobby and The Spotlight. I would not have filed this document with the FEC if Mr. Shearer had made a good faith disclosure of the relevant facts as his fiduciary duty to the Party and his fellow executive committee members obligated him to do.

7. I am now informed and believe that Mr. Shearer's actions were designed to sow discord and disunity among Party officials so as to enable him, or others, to acquire and appropriate to their own use complete control of the Populist Party.

8. I am also now informed and believe that Mr. Shearer's intent was to render the Party insolvent so as to enable him, or others, to organize another Populist Party and carry on business under another name, for the purpose of cheating and defrauding creditors of the original Populist Party.

9. I am further informed and now believe that Mr. Shearer unlawfully and with fraudulent intent connived to wreck the Populist Party, despoil it of its assets and dispose of the same to the ultimate damage of the Party.

10. Mr. Shearer has consistently refused to reveal to me the current financial condition of the Populist Party even through I am its duly elected treasurer. I have only recently discovered the true amount of indebtedness incurred by the Party during 1984. I can no longer disregard the overwhelming evidence which proves that the Party is heavily indebted to Liberty Lobby, Inc. and Cordite Fidelity, Inc.

11. The Populist Party, under Mr. Shearer's domination, has

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floundered and practically ceased to exist. Now he has notified me in writing that he has unconditionally resigned from the Party and no longer intends to be involved with its operation.

12. As a result, Mr. Shearer, as an executive committee member and parliamentarian, and as the individual who completely dominated the Party, has caused me and all other Party officials to be placed in a position where we are unable to ascertain the true facts concerning the Party's financial affairs.

13. Further, the affiant sayeth not.

Done this 23rd day of June, 1987.

Faye Miller
FAYE MILLER

STATE OF ALABAMA)
)
COUNTY OF HOUSTON)

Executed before me this 23rd day of June, 1987.

Theresa H. Bowers
Notary Public

Commission expires: 3/22/90

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 31, 1987

Mark Lane, Esquire
132 Third Street, S.E.
Washington, D.C. 20003

RE: MUR 2211
Populist Party and
and Blayne Hutzel,
acting as
treasurer
Liberty Lobby, Inc.
Cordite Fidelity, Inc.
The Spotlight
Blayne Hutzel
Willis Carto

Dear Mr. Lane:

On May 26, 1987, you were notified that the Federal Election Commission found probable cause to believe your clients committed numerous violations of the Federal Election Campaign Act of 1971, as amended, and a regulation promulgated pursuant thereto. On that same date, you were sent a conciliation agreement offered by the Commission in settlement of this matter.

On July 17, 1987, you stated that you would contact Robert Raich later that day. You failed to do so. On July 23, July 28, and July 30, 1987, you failed to return telephone calls from Mr. Raich. Please note that pursuant to 2 U.S.C. § 437g(a)(4)(A)(i), the conciliation period in this matter may not extend for more than 90 days, but may cease after 30 days. Insofar as more than 30 days have elapsed without receipt of an acceptable conciliation agreement from you, a recommendation concerning filing a civil suit will be made to the Commission by the Office of the General Counsel unless we receive a response from you before August 13, 1987.

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Should you have any questions, please contact Robert Raich, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Lawrence M Noble (LFT)

Lawrence M. Noble
Acting General Counsel

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87 AUG 7 AM: 47

MARK LANE
132 THIRD STREET, S. E.
WASHINGTON, D. C. 20003
(202) 547-6700

MEMBER OF THE BAR
NEW YORK

August 5, 1987

Lawrence M. Noble, Esquire
Acting General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

87 AUG 7 P12:24

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

Re: MUR 2211
Populist Party and Blayne
Hutzel acting as treasurer,
Liberty Lobby, Inc.
Cordite Fidelity, Inc.
The Spotlight
Blayne Hutzel
Willis A. Carto

Dear Mr. Noble:

Your letter dated July 31, 1987, is almost incomprehensible when compared with the facts. Left out of your fragmentary and selective telephone chronology in which you assert that I did not return two telephone calls made by Mr. Raich are the relevant facts. I wrote to Mr. Raich on July 31, 1987 and suggested that we meet at any time convenient to him during the next few days. I enclose a copy of that letter for your files.

I spoke with Mr. Raich on August 3, 1987 regarding such a meeting. When I called him on August 4, 1987, from outside of my office, I was informed by FEC personnel only that "Mr. Raich is not answering." I received the same reply at 11:25 a.m. that day when I called again.

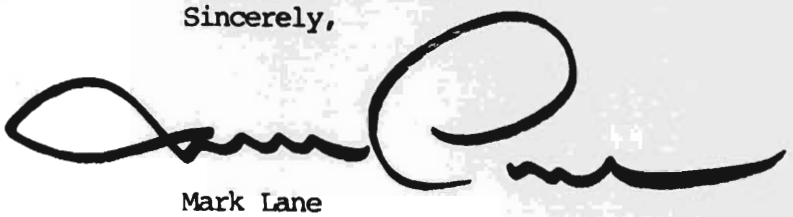
Far more relevant, however, is that in response to your May 26, 1987 notification I submitted, in writing, a three-page letter dated June 24, 1987, which was accompanied by a four-page affidavit which refuted almost all of the charges relied upon in your document of May 26, 1987.

I enclose a copy of that letter and affidavit for your consideration.

I have not received in reply a single written response to my counter-proposal.

Self-serving paper records are, in my view, of limited value. Perhaps your office will respond in writing to the central issues contained in my letter of June 24, 1987 which was supported by evidence. If so, we can begin to seriously examine the possibility of settlement. If you decline to do so, before or after August 13, 1987, we may resolve the matter in another fashion.

Sincerely,



Mark Lane

ML/bcw
Enclosures

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SENSITIVE

EXECUTIVE SESSION

OCT 20 1987

BEFORE THE FEDERAL ELECTION COMMISSION

RECEIVED
FEDERAL ELECTION COMMISSION
87 OCT 14 PM 1:33

In the Matter of	)	
	)	
Populist Party and Blayne Hutzel, acting as treasurer	)	MUR 2211
Liberty Lobby, Inc.	)	
Cordite Fidelity, Inc.	)	
The Spotlight	)	
Blayne Hutzel	)	
Willis Carto	)	

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On May 19, 1987, the Commission found probable cause to believe the respondents violated the Act and Regulations, and approved a conciliation agreement in settlement of this matter. On May 29, 1987, the respondents received the letter informing them of the probable cause findings and enclosing the conciliation agreement. The 90-day statutory period for conciliation expired on August 27, 1987. The respondents have not submitted any signed conciliation agreement. Accordingly, the Office of the General Counsel recommends that the Commission authorize this Office to file a civil suit for relief in United States District Court against respondents to enforce compliance with the Act.

II. DISCUSSION OF CONCILIATION NEGOTIATIONS

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III. RECOMMENDATIONS

1. Authorize the Office of the General Counsel to file a civil suit for relief in United States District Court against Populist Party and Blayne Hutzel, acting as treasurer; Liberty Lobby, Inc.; Cordite Fidelity, Inc.; The Spotlight; Blayne Hutzel; and Willis Carto.

2. Approve and send the attached letter.

Date 10/14/87

Lawrence M. Noble
General Counsel

Attachments
I. Letters from respondents' counsel
II. Letter dated 7/31/87 to respondents' counsel
III. Proposed Letter

2004079505

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Populist Party and Blayne Hutzel, acting as treasurer	)	MUR 2211
Liberty Lobby, Inc.	)	
Cordite Fidelity, Inc.	)	
The Spotlight	)	
Blayne Hutzel	)	
Willis Carto	)	

CERTIFICATION

I, Mary W. Dove, recording secretary for the Federal Election Commission executive session on October 20, 1987, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions on MUR 2211:

1. Authorize the Office of the General Counsel to file a civil suit for relief in United States District Court against Populist Party and Blayne Hutzel, acting as treasurer; Liberty Lobby, Inc.; Cordite Fidelity, Inc.; The Spotlight; Blayne Hutzel; and Willis Carto.

2. Approve and send the letter attached to the General Counsel's Report dated October 17, 1987.

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

Attest:

10-21-87
Date

Mary W. Dove
Mary W. Dove
Administrative Assistant

0004073504

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

27 October 1987

Mark Lane, Esquire
132 Third Street, S.E.
Washington, D.C. 20003

RE: MUR 2211
Populist Party and
Blayne Hutzel,
acting as
treasurer
Liberty Lobby, Inc.
Cordite Fidelity, Inc.
The Spotlight
Blayne Hutzel
Willis Carto

Dear Mr. Lane:

You were previously notified that on May 19, 1987, the Federal Election Commission found probable cause to believe your clients violated numerous provisions of the Federal Election Campaign Act of 1971, as amended, and a regulation promulgated pursuant thereto.

As a result of our inability to settle this matter through conciliation within the allowable time period, the Commission has authorized the General Counsel to institute a civil action for relief in United States District Court.

Should you have any questions, or should you wish to settle this matter prior to suit, please contact Ivan Rivera, Assistant General Counsel, at 376-8200, within five days of your receipt of this letter.

Sincerely,

Lawrence M. Noble

Lawrence M. Noble
General Counsel

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FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 MAR 24 AM 10:40

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

FEDERAL ELECTION COMMISSION, Plaintiff, v. POPULIST PARTY, et al., Defendants.	)	Civil Action No. 88-0127(RCL) FINAL CONSENT ORDER AND JUDGMENT

FILED
MAR 22 1989
Clerk, U.S. District Court
District of Columbia

FINAL CONSENT ORDER AND JUDGMENT

WHEREAS, this action for declaratory, injunctive and other appropriate relief was instituted by the plaintiff Federal Election Commission (the "Commission") pursuant to the express authority granted the Commission by sections 307(a)(6) and 309(a)(6)(A) of the Federal Election Campaign Act of 1971, as amended (the "Act"), codified at 2 U.S.C. §§ 437d(a)(6) and 437g(a)(6)(A), against the defendants Populist Party, Blayne E. Hutzel, Liberty Lobby, Inc., Cordite Fidelity, Inc., the Spotlight and Willis Carto; and

WHEREAS, this Court has original jurisdiction over this suit pursuant to 28 U.S.C. § 1345 as an action brought by an agency of the United States expressly authorized to sue by an Act of Congress, and venue is properly found in the United States District Court for the District of Columbia in accord with 2 U.S.C. § 437g(a)(6)(A), as all defendants can be found, reside or transact business in this district;

NOW, THEREFORE, the parties agree to entry of this Court's Judgment and consent to the issuance of this Order, as evidenced by the signatures of defendants' counsel and plaintiff's counsel affixed hereto;

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

I. The Commission has met all of the jurisdictional prerequisites to and requirements for filing Civil Action No. 88-0127(RCL);

II. Defendant Populist Party is a political committee within the meaning of 2 U.S.C. § 431(4)(A) and is registered with the Commission;

III. Defendant Liberty Lobby, Inc., is a corporation organized under the laws of the District of Columbia on February 1, 1962;

IV. Defendant Cordite Fidelity, Inc., is a corporation organized under the laws of the State of Delaware and authorized, pursuant to the District of Columbia Business Corporation Act, to do business in the District of Columbia under Certificate of Authority issued January 27, 1986, with Mr. Mike Piper, 208 4th Street, S.E., Washington, D.C. 20003, designated as registered agent;

V. Defendant The Spotlight is a newspaper published weekly by defendant Cordite Fidelity, Inc.;

VI. Defendant Willis Carto, was and is acting as treasurer of the Populist Party, see 2 U.S.C. §§ 432(a), 432(c)

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and 434(a)(1), and was and is an officer or director of defendant Liberty Lobby, Inc., and defendant Cordite Fidelity, Inc.;

VII. Pursuant to 2 U.S.C. § 434(a)(4)(A)(iv), all political committees, other than authorized committees of a candidate, are required to file a Mid-Year Report and a Year-End Report in each calendar year during which there is no regularly scheduled general election. The Mid-Year Report must be filed no later than July 31 of that year. The Year-End Report must be filed no later than January 31 of the following year;

VIII. The Populist Party and Willis Carto, acting as treasurer, were required to file a 1985 Mid-Year Report no later than July 31, 1985; the report was filed on or about March 18, 1987, approximately 595 days late;

IX. The Populist Party and Willis Carto, acting as treasurer, were required to file a 1985 Year-End Report no later than January 31, 1986; the report was filed on or about March 18, 1987, approximately 411 days late;

X. The Populist Party and Willis Carto, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file a 1985 Mid-Year Report by July 31, 1985;

XI. The Populist Party and Willis Carto, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file a 1985 Year-End Report by January 31, 1986;

XII. On or about July 2, 1984, a Statement of Organization was filed with the Commission designating Clara Sandahl as treasurer of a political committee named the "Populist Party,"

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and listed a campaign depository at the National Capital Bank. That Statement of Organization was not amended until October 20, 1986, and again thereafter on December 30, 1986;

XIII. Pursuant to 2 U.S.C. § 433(b), the Statement of Organization of a political committee must include the name and address of the committee's treasurer and a listing of all banks, safety deposit boxes, or other depositories used by the committee. Pursuant to 2 U.S.C. § 433(c), any change in information previously submitted in a Statement of Organization must be reported no later than ten days after the date of the change;

XIV. On or about September 27, 1985, Clara Sandahl retired as treasurer of record of the Populist Party, and Willis Carto assumed the functions of and acted as treasurer of defendant Populist Party, being principally responsible for the financial matters of and concerning that defendant. Amended Statements of Organization filed by the defendant Populist Party on October 20, 1986, and December 30, 1986, failed to disclose that Willis Carto was and is acting as treasurer of the defendant Populist Party;

XV. On or about November 25, 1984, the Populist Party opened a new campaign depository at Security National Bank. That depository was not disclosed until the Populist Party filed an amended Statement of Organization on October 20, 1986;

XVI. The Populist Party and Willis Carto, acting as treasurer, violated 2 U.S.C. § 433(c) by failing to file an amended Statement of Organization within ten days of a change

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in information, by failing to disclose the name of the person acting as treasurer, and by failing to designate and disclose all campaign depositories;

XVII. Pursuant to 2 U.S.C. § 441b(a), it is unlawful for any corporation to make a contribution in connection with any federal election, or for any political committee or other person knowingly to accept or receive any such contribution, or for any officer or director of any corporation to consent to any such contribution;

XVIII. In or about December 1984, The Spotlight, a weekly newspaper published by Cordite Fidelity, Inc., gave to the Populist Party approximately $10,478.55;

XIX. The Spotlight and Cordite Fidelity, Inc., violated 2 U.S.C. § 441b(a) by making a corporate contribution of approximately $10,478.55 to the Populist Party;

XX. In or about March 1984, Liberty Lobby, Inc., made a loan to the Populist Party of approximately $7,500;

XXI. Liberty Lobby, Inc., violated 2 U.S.C. § 441b(a) by making a corporate contribution of approximately $7,500 to the Populist Party;

XXII. Willis Carto is an officer or director of Liberty Lobby, Inc., and Cordite Fidelity, Inc., and Willis Carto controls and directs Liberty Lobby, Inc., and Cordite Fidelity, Inc., and its weekly newspaper, The Spotlight;

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XXIII. Willis Carto, as an officer or director of Liberty Lobby, Inc., and Cordite Fidelity, Inc., violated 2 U.S.C. § 441b(a) by consenting to corporate contributions to the Populist Party;

XXIV. The Populist Party and Willis Carto, acting as treasurer, violated 2 U.S.C. 441b(a) by knowingly accepting and receiving contributions of approximately $10,478.55 and $7,500 from corporations;

XXV. Pursuant to 2 U.S.C. § 434(a)(4)(A)(i), political committees, like the defendant Populist Party, are required to file reports in each calendar year during which there is a regularly scheduled general election. Such reports must be filed no later than the fifteenth day after the last day of each calendar quarter, except that the report for the fourth quarter must be filed no later than January 31 of the following calendar year. Pursuant to 2 U.S.C. § 434(a)(4)(A)(iii), all such political committees are required to file a post-general election report, which must be filed no later than the 30th day after the general election;

XXVI. The Populist Party and Willis Carto, acting as treasurer, filed the 1986 April Quarterly Report on October 20, 1986, approximately 188 days after it was due on April 15, 1986;

XXVII. The Populist Party and Willis Carto, acting as treasurer, filed the 1986 July Quarterly Report on October 20, 1986, approximately 97 days after it was due on July 15, 1986;

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XXVIII. The Populist Party and Willis Carto, acting as treasurer, filed the 1986 October Quarterly Report on October 20, 1986, approximately five days after it was due on October 15, 1986;

XXIX. The Populist Party and Willis Carto, acting as treasurer, filed the 1986 30-Day Post-General Election Report on January 27, 1987, approximately 54 days after it was due on December 4, 1986;

XXX. The Populist Party and Willis Carto, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(i) by failing to file the 1986 April Quarterly, 1986 July Quarterly and 1986 October Quarterly Reports on time;

XXXI. The Populist Party and Willis Carto, acting as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iii) by failing to file the 1986 30-Day Post-General Election Report;

XXXII. Pursuant to 2 U.S.C. § 434(b)(5)(A), each report filed by a political committee must disclose the purpose of each operating expenditure in excess of $200;

XXXIII. The Populist Party and Willis Carto, acting as treasurer, did not disclose in any report required to be filed by statute, the purpose of approximately $8,000 in operating expenditures made to Victor Marchetti;

XXXIV. The Populist Party and Willis Carto, acting as treasurer, violated 2 U.S.C. § 434(b)(5)(A) by failing to disclose the purpose of operating expenditures in excess of $200 to Victor Marchetti;

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XXXV. Pursuant to 2 U.S.C. § 434(b)(3)(A), each report filed by a political committee must disclose the identification of each person who makes a contribution to the committee during the reporting period in an amount in excess of $200, together with the date and amount of each such contribution;

XXXVI. The Populist Party and Willis Carto, acting as treasurer, filed the 1984 October Quarterly Report and failed to itemize therein receipt of a $500 contribution from William K. Shearer. Shearer's contribution was disclosed for the first time almost two years later in an amended 1984 October Quarterly Report filed with the Commission on or about August 7, 1986;

XXXVII. The Populist Party and Willis Carto, acting as treasurer, violated 2 U.S.C. § 434(b)(3)(A) by filing a report that did not itemize a contribution from William K. Shearer in excess of $200;

XXXVIII. Pursuant to 2 U.S.C. § 434(b)(8), each report filed by a political committee must disclose the amount and nature of outstanding debts and obligations owed by such committee. Pursuant to 11 C.F.R. § 104.11, debts and obligations owed by a political committee must be continuously reported until extinguished. Pursuant to 11 C.F.R. § 104.11, any loan, debt, or obligation in an amount over $500 must be reported as of the time of the transaction;

XXXIX. The Populist Party and Willis Carto, acting as treasurer, did not disclose at the time of the transaction approximately $299,816.64 of outstanding debts and obligations

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incurred in 1984, owed to Liberty Lobby, Inc., and Cordite Fidelity, Inc., nor were these unextinguished debts and obligations continuously reported;

XL. The Populist Party and Willis Carto, acting as treasurer, violated 2 U.S.C. § 434(b)(8) by failing to disclose certain outstanding debts and obligations in reports filed with the Commission;

XLI. The Populist Party and Willis Carto, acting as treasurer, violated 11 C.F.R. § 104.11 by failing to continuously report certain unextinguished debts and obligations;

XLII. The Populist Party and Willis Carto, acting as treasurer, violated 11 C.F.R. § 104.11 by failing to report certain loans, debts, or obligations in amounts over $500 at the time of the transaction;

XLIII. Defendants Populist Party, Liberty Lobby, Inc., Cordite Fidelity, Inc., the Spotlight and Willis Carto shall pay to the Federal Election Commission within twenty (20) days of the entry of this Final Consent Order and Judgment a civil penalty of Twenty Thousand Dollars ($20,000), pursuant to 2 U.S.C. § 437g(a)(6)(B), for which defendants shall be jointly and severally liable;

XLIV. Defendants Populist Party, Liberty Lobby, Inc., Cordite Fidelity, Inc., the Spotlight and Willis Carto are permanently enjoined from similar future violations of the Federal Election Campaign Act of 1971, as amended; and,

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XLV. The parties shall bear their own costs and fees in this matter.

Dated: [illegible]
Washington, D.C.

Royce C. Lamberth
Royce C. Lamberth
United States District Judge

We hereby consent to the entry of the foregoing Consent Order and Judgment.

So Stipulated:

John L. McGann, Esquire
(D.C. Bar #114561)

FOR DEFENDANTS POPULIST PARTY, BLAYNE E. HUTZEL, LIBERTY LOBBY, INC., CORDITE FIDELITY, INC., THE SPOTLIGHT and WILLIS CARTO
132 Third Street, S.E.
Washington, D.C. 20003
(202) 525-7536

Lawrence M. Noble
General Counsel
(D.C. Bar #244434)

Richard B. Bader
Associate General Counsel

Ivan Rivera
Assistant General Counsel

Michael A. Dymersky
Attorney
(D.C. Bar #370593)

March ~~February~~ 21, 1989

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

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UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

FEDERAL ELECTION COMMISSION, Plaintiff, v. POPULIST PARTY, et al., Defendants.	)	Civil Action No. 88-0127(RCL) CERTIFICATE OF SERVICE

CERTIFICATE OF SERVICE

I hereby certify that on the 21st day of March, 1989, I caused to be served, by first-class mail, postage prepaid, a copy of the Final Consent Order and Judgment in the above-captioned litigation to the following counsel for defendants:

John L. McGann
132 Third Street, S.E.
Washington, D.C. 20003

March 21, 1989

Michael A. Dymersky
Attorney
(D.C. Bar No. 370693)

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2211

DATE FILMED 8/24/21 CAMERA NO. 3

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