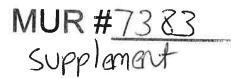


Certified Public Accountant

P.O. Box 71 · 21000 Rogers Drive, Suite 104 Mail Box 12 Rogers · Minnesota 55374

Rogers · Minnesota 55374 Phone 763-428-4447 · Fax 866-425-4086 michael@marquardtassociates.com



3 JHZ 21 AM

ENERAL COUNSEL

June 15, 2018

Office of General Counsel Federal Election Commission 999 E. St. MW Washington, DC 20463

Complaint Hughes for Congress David Hughes P. O. Box 248 Karlstad, MN 56732

Federal Committee IDC00610071

Sir:

Attached is a complaint against the Hughes for Congress campaign. This is the response to the request for more information.

I was at the CD 7 Republican Convention at Thumper Pond, Ottertail, MN on May 18-19. I had threats made to me at the convention. The Federal Election Commission (FEC) complaint I filed on May 1, 2018 regarding Hughes for Congress FEC Form 3.

On May 19, 2019 a large, young man with black hair and beard came over to me when I was standing up against the wall, with my cane near the door. I had my files under my arm. He asked, "Are you Marquardt, CPA, who filed the complaint?" I looked at his name tag - Kip. I told Kip, "I am." I recognized him from Friday. We sat at the table next to where Kip was sitting at the Hughes for Congress table at the dinner. I was told by others at the convention that his name is Kip Christianson.

Kip said, "You are in big trouble! I want to see the signed originals of the complaint." Kip wanted to see the signed original complaint. I told him Linda had the notarized complaint.

I pointed to Linda and told him, she is in the black dress, at the registry table. Linda Marquardt had a copy in her hand and was talking to someone about 50 ft. away.

Kip asked again, "I want to see the original complaint. I think your wife forged your name on the complaint."

Kip then said, "You're in big trouble. The campaign will ruin you professionally. Your wife forged the complaint and I want to see the original."

Kip again asked if the papers were the originals. I pointed to Linda and again said she had the original paper. Kip did not go over to her.

Kip stood there and moved to the side of my ear, so no one would hear. Kip said, "Your wife forged the complaint and you are big trouble. The campaign will ruin you professionally. The campaign would sue you." Then he abruptly left.

Linda came to me and I told her what he had said. We decide to leave and sat in our car. People at the convention knew we were in the car. There we two papers with people there. We thought it would be taken care of by the board members that had their files.

I believe he did this to distract from the complaint as an issue and buying time before the vote.

After being threatened, we were afraid to go back into the convention. We could not talk to delegates and alternates to explain the complaint. We could not pass out copies of the complaint. There was no microphone available for awhile.

David Hughes has avoided meaningful discussions about fiscal issues. This is serious when you are the only check signer and decision maker on a Federal campaign. I wrote David letters about how serious this is over two quarters or six months.

It appears that numbers of people are involved in a problem that is the responsibility of David Hughes:

The CD 7 Board had to review the documents that I presented on April 21, 2018. The responsibility for the David Hughes for Congress campaign became the responsibility of the Executive Board to follow up on these financial issues that had been reported falsely. Only the Board would know because they had a copy of the bank statement as documentation.

The CD 7 Board is trying to help David by giving him time to amend FEC FORM 3 before the convention.

David's response was to make repeated calls to the Chair to find and tear up the documents so no one would see them.

The Board begins to struggle because David has many supporters. The Convention is 28 days away. David keeps working the board until the Chair Bishop throws away his legal papers to get David to leave him alone.

Everyone is working to cover for David. The convention on May 19th comes. David sees me but does not talk to me. David knows what I know now. He signed my name with the electronic signature when I told him I would not sign these reports because I could not verify them. I had no Treasurer duties because David controls them.

David's problem becomes problem for Amanda Hughes. She was telling the delegates and alternates that there was no complaint filed until Linda showed her the paper. Now Amanda is in trouble when the board knows and several other people are aware that there is a complaint.

Then while I am standing there Kip comes and now Kip is in trouble for threatening me and accusing my wife, Linda, of forging my notarized signature. Using this young man to cast doubt on me, a desperate act. David's problem becomes my fault. This young man does not have 50 years of experience and does not have the documentation I used as evidence. He did not talk to the FEC.

Everyone now is in trouble. David didn't do anything.

I cannot cover for David because I have to report the falsification of records. It is deceitful to the donors and misleading.

Anywhere along the way David could have come to my office and told me that he was sorry about what was going on and I could have helped. The trail of text messages and emails are always very telling when you are caught because you blame the people that work for you and only wanted to help.

David Hughes campaign has continually harassed people, and taken away their free speech because they were afraid of David Hughes. Hughes campaign spread false accusations that the acting treasurer and campaign manager were fired. The acting treasurer and campaign manager actually resigned by mailing the Minnesota GOP. David Hughes was emailed. David confirmed that by email and text as to the reason for the resignation. There are copies of resignations letters, email, phone messages and other messages attached dating back to the 1st quarter 2018. These issues of financial and fiscal policy occurred over six months and were never addressed by David or able to be resolved. These people were only used on the way and then find themselves involved and doing things that they may not have done. My observation is that if you advise Hughes and he cannot make you do what he wants he will humiliate, pressure, malign, accuse of forgery and defame you to cover the facts.

Hughes continues to use the names of people that have resigned on his media and they are still there today with Campaign Manager, Kip Christianson in a Press Release May 29, 2018.

Michael Marquardt

Certified Public Accountant

Signed, Sworn to and Acknowledged before the this 15 day of June 2018 by

Suganne un Popp

Notary Public

My commission expires

County registered in Wush

SUZANNE M POPP
Notary Public
Minnesota
My Commission Expires January 31, 2020

CAMPAIGN FUNDAMENTALS CONSORTIUM

June 15, 2018

I, Lindarae Marquardt, am responding to the accusation that I forged my husband's notarized signature on Michael Marquardt, CPA, and FEC Complaint of April 30, 2018. I was at the CD 7 convention and never talked to Kip Christianson and had not ever seen him that I would recall before this event.

I was standing with a copy of the complaint in my hand. I was talking to people that wanted to know about the complaint.

I saw my Mike and walked over to see what was going on with him. He told me that I was accused of forgery by the young man known as Kip. I was shocked that anyone would think that a Spire Bank, stamped notarized statement would be forged without even looking at it. He never came to see me or ask to look at the paper signed complaint. It is my experience that this aggressive young man was trying to buy time on a convention floor and attempting to discredit the document before the vote is taken to suppress the information that was of value to the body. I was alarmed that Kip Christianson would threaten my husband. I am curious that no one from CD 7 talk to Michael Marquardt, CPA after 28 days had gone by with the board in a stir and David calling everyone.

The Republican State Convention in Duluth, MN was on June 1-2, 2018. I attended the convention with friends to help the fundraising efforts for other candidates. I was getting in my car around midnight and my friends were with me. The former Hughes fundraiser had been in the restaurant/ hospitality room on June 1, 2018. A man on the sidewalk approached the car wanting to talk to them. I recognized him as Kip from the endorsing convention the week before. Kip wanted to talk to the people I was with. I told him it was late and very cold and that we wanted to leave. We got in the car and left.

On June 2, 2018, I went to the convention. I saw Kip there and tried to avoid him. Kip Christianson talked to the people that were with me Friday night. Kip told them that he wanted to talk to me. They told me that they took care of it. They told Kip to leave (them or me) alone. Kip Christianson told them that he is Dave's fundraiser and campaign manager now.

Peter Balega is a Senate District Chair in CD 7 and an attorney. I gave the papers that were given to the CD 7 Board and the FEC to him for review. I have followed party protocol in these matters. It is not usual for a campaign workers and volunteers to move to other campaigns that can use their talents. I have never been in a campaign that has had these issues with financial clarity and a candidate that pretends he doesn't know what he is doing while he is doing it.

The Hughes explanation that is circulating is the Marquardt's are bitter and Mike Marquardt did not know what he was doing because he never filed a report where a candidate had loaned himself money. This again is a cover-up to deal with what is factual not personal or emotional. When they talk to people about their report and show it to them, they leave valuable information that are required by auditors, bank statements, receipts, logs, documents of loans etc. Dave Hughes has been told this many times.

Lindarae Marquardt

P.O. Box 322

Alexandria, MN 56308

State of Minnesota, County of Wyst
Signed, Sworn to and Acknowledged before,
me this 15 day of June. 2018
by

Sugarne MPope

1-31-2020
Writing to get the state of Minnesota, County of Wyst
Writing to get the state of Minnesota, County of Wyst
Writing to get the state of Minnesota, County of Wyst

Signed, Sworn to and Acknowledged before,
by

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SUZANNE M POPP
Notary Public
Minnesota
My Commission Expires January 31, 2020

That's fine, Eric. You and I disagree with my FEC stuff. It's a simple disagreement. Doesn't mean we hate each other or parted on bad terms. Right?

How is it you think you know what documentation I have? You and I have never discussed it.

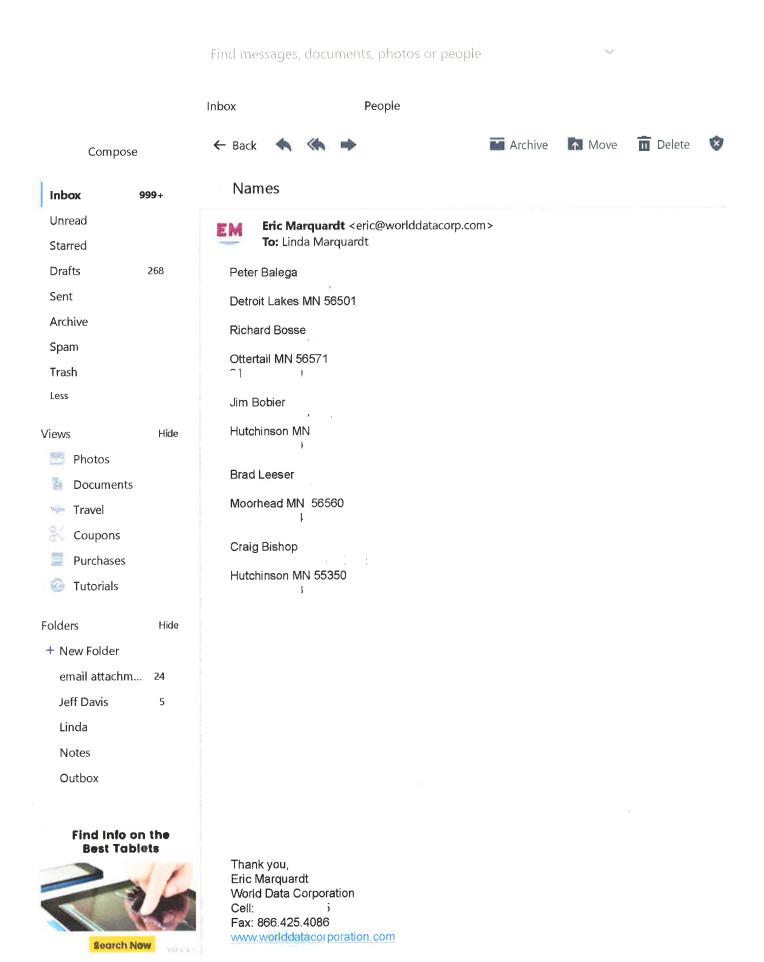
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Mon. Apr 2, 11 00 PM

We discussed it, we hand Linda, Anna and me on the call a few weeks ago and you decided to hang up on us after 20 minutes. Eric Marquardt, acting campaign manager resigned from the Hughes Campaign March 21st. After a 45 minute telephone conversation I told Dave I would be sending him a resignation letter. Dave replied with "why" after I sent in my resignation. Reasons for resignation.

- Hughes only received 35% of the Trump Vote. Those people will not be returning in
 2018 because they are unhappy with the Republicans putting up road blocks for Trump.
- Taking large amounts of donor money out of campaign account when we need money to make phone calls, do mailing, purchase lists.
- Arguing with supporters and non-supporters
- Lying about reaching \$100,000 milestone when Dave gave himself a \$40,000 that he is paying back which is in the FEC report.
- I have received and estimated 700 email between Dave and his wife Amanda. This doesn't include 100's of text messages. Dave could have contacted several people and raised a decent amount of money if he put the same effort into his campaign instead of emails.
- Demanding I give him lists. All candidates I have worked with understand what World
 Data does is proprietary and is not given out. Dave doesn't understand what proprietary
 is. Dave has been given two proprietary lists.
- Dave tells vendors that the check is in the mail when he hasn't mailed it. Dave Ladd helped Dave make connections to farmers and Dave has yet to Pay Dave. Dave has \$4,200 of unpaid invoices that are over a month late that I know of.
- Not updating the website by the end of January. People in VA couldn't figure out who Dave was.
- Dave is trying to appear as a supporter of the Trump agenda but the Pro-Trump organizations are catching on to it and not buying into Dave.
- Not making fundraising and delegate calls
- Not Following up 3 offers to use an Airplane. Dave had several excuses why he didn't.
- Hung up on us during a conference call because he didn't like discussing the campaign financial issues.
- Dave/Amanda send demanding, demining and offensive emails/text messages and end them with a bible verse.
- Dave/Amada are still harassing the fundraiser since she has left the campaign.
- Falsifying 1qtr 2018 FEC report. Enters in all receipts but fails to enter in disbursements for January and skips February and March.

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Michael Marquardt

From:

DAVID HUGHES *** 1]

Sent:

03/22/2018 10:53 AM

To:

Subject: Re: Resignation as Treasurer

Dear Mike,

Thanks for your note.

It would be very helpful for me to know why you've resigned. As I indicated in my emails to you yesterday, and I believe I left you a voice message as well, the matter of the "loan payback" is an honest mistake with regard to how to correctly attribute it in the FEC reports. I wish you and I could have talked before you indicated your resignation.

I'd still like to speak with you, so I can fully understand your concerns you voiced in your two memos, and so I can go about, with or without you on the team, making the necessary corrections you recommend.

Please continue to try to reach me by phone. I'll keep trying to reach you as well.

Have a great day, Mike.

Dave Hughes

From: Michael Marquardt <

Sent: Thursday, March 22, 2018 10:43 AM

To: 'DAVID HUGHES'

Subject: Resignation as Treasurer

March 22, 2018

David Hughes

David Hughes for Congress

David:

I hereby resign as Treasurer of David Hughes for Congress campaign. My resignation is effective immediately, March 22, 2018.

1 1 - . .

Michael Marquardt CPA

ENDORSEMENTS

EVENTS

ISSUES

NEWS

CONTACT

DONATE



News

FOR IMMEDIATE RELEASE

May 29, 2018

CONTACT:

Kip Christianson - Campaign Manager, Hughes for Congress

763-443-0599

Kip@HughesForCongress.us

Dave Hughes Wins GOP Endorsement and Formally Files for Congressional Race Against Collin
Peterson

KARLSTAD, MN - May 29 - Setting up a rematch of the incredibly close 2016 MN-07 congressional race in which he was outspent 35-1, Dave Hughes formally filed his candidacy for the 2018 election with the Minnesota Secretary of State's Office on Friday. This comes less than a week after he received an overwhelming endorsement by the $7^{\rm th}$ District Republican Party at their convention in Ottertail.



MEET DAVE

ENDORSEMENTS

EVENTS

ISSUES

NEWS

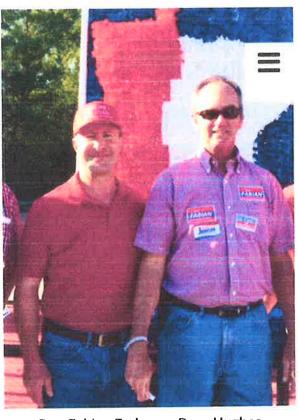
CONTACT

DONATE prowing his team, fundraising, ections, and just got back from Washington, DC, last week making national connections for a 2018 victory.

Dave Hughes for Congress Campaign can be followed on Facebook at "Dave Hughes for Congress", on Twitter and Instagram @DHughesCongress. More info on his campaign at

www.HughesForCongress.US. Contact the Dave Hughes for Congress campaign at info@HughesForCongress.US or 218-436-3309.

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Dan Fabian Endorses Dave Hughes

Lindarae & Eric Marquardt Managing Hughes for Congress

Eric Marquardt (Campaign Manager) and Lindarae Marquardt (Senior Campaign Consultant) are excited to come along side of Dave Hughes for Congress. Eric Marquardt has lived in the 7th Congressional District for 20 years and is familiar with the demographics. The Marquardt's have been involved in several notable races in Minnesota including removal of Senator Dean Johnson and Senator Dallas Sams. We believe when you meet Dave you will agree with us that Washington needs Dave's experience in modern technology and his openness to others. Dave Hughes is supportive of the Trump agenda and wants your voice to be heard in Washington.

Dave Hughes to travel to Stevens County

September 23, 2018 -- I am really excited for Monday to come! I have a full day planned in Stevens County, and it was all planned by a farmer. See, my support is with the people of western Minnesota; the small business owners, the farmers, the hardworking families trying to make ends meet. These are the people that brought me within 5 points of beating Collin Peterson in 2016, these are the people that are working for my 2018 victory, and these are the people I will serve in Washington, DC. I am working with my western Minnesota neighbors to make a change in the 7th District.

Home > Campaign finance data > Advanced data > House And Senate Committee Reports

House and Senate committee reports

Viewing about 13 filtered results for: Clear all filters

Data type: processed

HUGHES FOR CONGRESS (C00610071)

2017-2018

		Commence of the contract of th		
Committee	Report type		Receipt date	Coverage end date
HUGHES FOR CONGRESS	APRIL QUARTERLY 2018 Amendment 2		05/11/2018	03/31/2018
HUGHES FOR CONGRESS	YEAR-END 2017 Amendment 2		05/11/2018	12/31/2017
HUGHES FOR CONGRESS	OCTOBER QUARTERLY 2017 Amendment 2		05/11/2018	09/30/2017
HUGHES FOR CONGRESS	APRIL QUARTERLY 2018 Amendment 1		05/04/2018	03/31/2018
HUGHES FOR CONGRESS	APRIL QUARTERLY 2018 Original		04/15/2018	03/31/2018
HUGHES FOR CONGRESS	YEAR-END 2017 Amendment 1		02/06/2018	12/31/2017
HUGHES FOR CONGRESS	YEAR-END 2017 Original		01/31/2018	12/31/2017
HUGHES FOR CONGRESS	OCTOBER QUARTERLY 2017 Amendment 1		01/16/2018	09/30/2017



Certified Public Accountant

P O Box 71 - 21000 Rogers Drive- Ste 103 Mall Box 12 Rogers · Minnesota 55374 Phone 763-428-4447 · Fax 866-425-4086 www.michael@marquerdtassociates.com

April 30, 2018

Office of General Counsel Federal Election Commission 999 E. St. NW Washington, DC 20463

Complaint
Hughes for Congress
David Hughes
P.O. 248
Karlstad, MN 56732

Federal Committee ID C00610071

Sir:

I am hereby writing a complaint against the Hughes for Congress Campaign in regarding the following issues:

1. Falsifying the FEC Form 3 for the quarter ended March 31, 2018 by David Hughes. The operating expenses line 7a is understated. Cash on Hand at closing (line 27) is overstated. The operating expenses did not include operating expenses from February and March 2018 are not shown on FEC Form 3. The cash on hand at closing is overstated by approximately \$20,000. The United Valley Bank shows disbursements of \$27,965.52 from January 2 through March 20, 2018. The FEC Form 3 shows \$9,562.89 for the quarter from January 1 through March 31, 2018. I have a copy of the bank statement through March 20th, 2018.

Dave Hughes has been completing FEC Form 3 since 2016. This gives me reason to believe he deliberately did not include the disbursements for February and March 2018 to increase his Cash on Hand for the campaign. It appears deceitful.

2. I started working with Dave Hughes for Congress in October 1, 2017 as a volunteer. I was asked to do a detailed analysis of 2016 - 2017 contributions. I used the Hughes for Congress bank account and FEC Form 3 in order to reconcile the bank statement. I put financial procedures in place for the 4th quarter. A spreadsheet that had information to apply a fundraising protocol. Procedures only work if you follow them. David Hughes was working with a fundraiser and needed an accounting.

The end of 4th quarter, I put the information from the bank statement into the FEC Form 3. There were no receipts, mileage logs and David had to complete it. David asked me to sign the 4th quarter report. I told him I would not sign it.

I called the FEC because there was approximately \$20,000 missing from the 1st quarter report that David had filed. In the pages that the FEC had questions about, they had included letters with my name as Treasurer on it. The FEC told me to file a complaint. And to send a copy of my resignation.

I have never seen a check book, did not make deposits, had no authority to authorize payments or contracts with vendors. David Hughes sent the FEC Form designating me as Treasurer on December 27, 2017. I was informed of this on January 27, 2018. I have never signed my name to a form to be Treasurer, nor have I electronically filed FEC Form 3. I have never signed anything as Treasurer of the Hughes for Congress Campaign. David needed to work the protocol and be able to move it to an independent Treasurer for his campaign.

On April 21, 2018, I printed a request to amend a report and was upset to see my name as Treasurer for Hughes for Congress on a letter dated, April 10, 2018. The letter requesting me to amend a 4th quarter report regarding contributor information, excess contributions that I talked to Dave about before he submitted it. The request to amend this report was due by April 15, 2018

3. David Hughes took out a loan for \$40,000 on June 22, 2017 in order to "jump start the campaign." David Hughes has never provided me a copy of the loan starting in August 2017. David Hughes has written himself checks for various amounts. The amounts he paid to himself continually increased overtime. According to David Hughes, the note is payable in monthly payments of \$851.70 per month, payable to the Service Credit Union. A list of payments is attached.

The campaign had difficulty purchasing stamps, was unable to fund a small phone bank and was not able to pay its vendors in a timely manner. The funds were paid to David Hughes personally. Lack of funds was a critical problem for the campaign.

4. David Hughes did not keep a mileage log that I have seen. I have asked him several times to provide a log of where he traveled, and meetings he had with contributors. It appears that David fills up his car with gas and charged it to the campaign. David works in North Dakota and drives many miles to work from Karlstad, MN. It is not clear what is lodging, food and gas for the family and what is for the campaign.

David Hughes thinks and has stated that "Point of Sale" are a substitute for an actual receipt. He has told this to his fundraiser and many people. He needs to understand and accept the protocol of a receipt for the people that are working for him. David Hughes wrote a check to Dahlstrom Motors on February 13, 2018 for \$668.42 and charged it to the campaign. This is not mileage.

Dave Hughes and I have met face to face once on February 11, 2018. I drove three hours and stayed in a motel for two days before he came. He had 2 ½ hours to talk about the procedures. I believe Dave understands what he is doing. David has had several opportunities to meet but has not made it a priority. The ability to be trusted with money, and accurate with your reporting is essential for public officials.

Mul Monto Michael S. Marquardt

Certified Public Accountant

SANDRA L HANSEM Notary Public Minnesota pires January 31, 2022

State of Minnesota, County of Signed, Swom to and Acknowledged before day of Man

My commission expires County registered in _