



Via Hand Delivery

AOR 2004-30

July 8, 2004

Lawrence H. Norton, Esquire
General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
2004 JUL -8 1 P 4: 58

Re: Advisory Opinion Request

Dear Mr. Norton:

This advisory opinion request is being submitted on behalf of Citizens United pursuant to the Federal Election Campaign Act of 1971, as amended ("FECA"). In particular, Citizens United desires an advisory opinion on the following three issues: (1) whether paid broadcast advertisements for a book titled The Many Faces of John Kerry, which was authored by the organization's president, David N. Bossie, would qualify as "electioneering communications" if the ads are broadcast during either the 30 day period preceding the Democratic National Convention or the 60 day period preceding the presidential election on November 2, 2004; (2) whether the broadcast of a documentary film on John Kerry and John Edwards and/or broadcast advertisements for the film would qualify as "electioneering communications" if the film or ads are broadcast during the 60 day period preceding the presidential election on November 2, 2004; and (3) if the film or ads at issue in this advisory opinion request qualify as electioneering communications, whether the film or ads for the film or book fall within FECA's press exemption.¹

¹ Citizens United is aware that on June 25, 2004 the Commission issued Advisory Opinion 2004-15, which concluded that broadcast advertising of a documentary the included references to President George W. Bush would qualify as an electioneering communication if the ads are aired during the 60 days preceding the general election or 30 days preceding any primary or preference election for the office sought by the candidate. AO 2004-15. In that opinion, however, the Commission expressly declined to determine whether the press exemption applied because the requester did not assert entitlement to the exemption and the request did not provide any information that would allow the Commission to determine whether the exemption would apply. See *id.* In addition, Advisory Opinion 2004-15 does not address whether the paid broadcast of a documentary, as opposed to commercials advertising the documentary, would qualify as an electioneering communication, and if so, whether the documentary would qualify under the Act's press exemption.

Background Information

Citizens United is a Virginia non-stock corporation that is exempt from Federal taxes under section 501(c)(4) of the Internal Revenue Code. Citizens United was established as a membership organization in 1988, and throughout its existence, it has accepted contributions from a variety of sources, including individuals and corporations. Citizens United intends to continue accepting contributions from corporations and it has no immediate plans to establish a separate segregated fund for the purpose of making electioneering communications.² Citizens United is not owned or controlled by any political party, political committee or candidate.

Citizens United considers itself part of the news media. Throughout its existence, the organization has published and disseminated various types of informational and editorial materials. Examples include newsletters, position papers, video documentaries, paid broadcast infomercials and books, including biographies on presidential candidates Bill Clinton (1992) and Al Gore (2000). During the mid-1990s Citizens United hosted a daily radio program entitled "Floyd Brown Talks Back to America."

Citizens United was also one of the litigants in McConnell v. FEC, 124 S.Ct. 619 (2003). In that action, Citizens United argued unsuccessfully that FECA, as amended by the so-called Bipartisan Campaign Reform Act, was unconstitutional on its face because it violated the organization's Freedom of the Press rights under the First Amendment. With the exception of the book and documentary film at issue in this advisory opinion request, Citizens United's press activities, including the activities referenced above, were part of the court record in McConnell. One of Citizens United's main contentions in the case was that FECA's press exemption unconstitutionally discriminated against the press activities of ordinary citizens and advocacy organizations such as Citizens United. The Supreme Court's opinion, however, does not directly address whether activities of the nature described in this advisory opinion, if undertaken by Citizens United, fall within the scope of the press exemption.

Recently, David N. Bossie, president of Citizens United, authored a book titled The Many Faces of John Kerry, Why This Massachusetts Liberal Is Wrong for America.³ The book has been published by WMD Books and is about to be released for sale across the country. As it has in the past, Citizens United has entered into an agreement with an

² Citizens United has established a separate segregated fund named Citizens United Political Victory Fund (CU-PVF), which is qualified as a multi-candidate political action committee under FECA. The organization does not intend to use any CU-PVF funds to pay for any of the broadcast of advertisements or film at issue in this advisory opinion request.

³ Mr. Bossie recently filed a complaint with the Commission alleging that broadcast ads for Michael Moore's film "FAHRENHEIT 9/11" will qualify as electioneering communications if broadcast within the 30 days preceding the Republican National Convention and 60 days preceding the November 2, 2004 presidential election. See MUR 5467.

online bookstore whereby it (Citizens United) receives a commission on any copies of the book ordered via its web-page. In order to maximize its online sales, Citizens United is considering producing and airing advertisements for the book in various television, cable, satellite and radio markets throughout the United States.

While the ads are yet to be produced it is anticipated that television ads would include a visual image to the book cover (a copy of which is enclosed). The book cover includes the words "John Kerry" in the title and three photographic images of Mr. Kerry. Radio ads would likely include the title of the book and other references to Mr. Kerry by name. None of the ads would expressly advocate the election or defeat of Mr. Kerry or any other Federal candidate. The projected time frame for running the ads includes periods falling within the 30 days preceding the Democratic National Convention and 60 days preceding the presidential election on November 2, 2004. It is anticipated that the number of persons in the United States who could view or hear the ads would far exceed 50,000, and Citizens United's total expenditures on the ads would be well in excess of \$10,000 in the current year.

The planned documentary film would focus on the lives and careers of John Kerry and John Edwards, and would include numerous visual images of both men and would mention their names throughout. The film may also include visual images and the names of other federal candidates. Broadcast ads for the film would also include visual images of Kerry and Edwards, and make mention of their names. Neither the film, nor its advertising, would expressly advocate the election or defeat of the Kerry/Edwards ticket.

Besides making the documentary available to movie theaters and marketing it for DVD and VCR sales, Citizens United is considering purchasing broadcast time to air the film in certain markets. The broadcast of the documentary and/or its advertisements would likely occur during the 60 day period preceding the presidential election on November 2, 2004. It is further contemplated that any broadcast of the film or its commercials could be viewed by more than 50,000 persons in the United States. Citizens United's anticipated expenditures to air the film would far exceed \$10,000 in the current year, as would the organization's expenditures on the film's broadcast advertising.

Questions

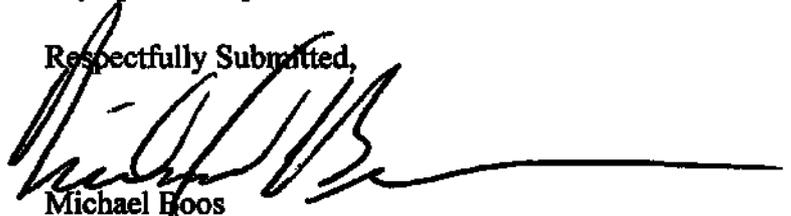
In light of the facts presented above, Citizens United requests an advisory opinion on the following questions:

1. Would the organization's broadcast ads for The Many Faces of John Kerry qualify as an "electioneering communication" under FECA?
2. Would the paid broadcast of either the documentary on the lives and careers of John Kerry and John Edwards or commercials advertising the documentary qualify as an "electioneering communication" under FECA?

3. If the film or ads referenced in this request qualify as electioneering communications would any of them fall within the press exemption under 2 U.S.C. § 434(f)(3)(B)(i)?

Citizens United acknowledges that existing law allows the Commission 60 days following receipt of this advisory opinion request to issue a written opinion. Nevertheless, in light of the significant First Amendment issues at stake and the proximity of the "electioneering communications" window, Citizens United respectfully requests expedited consideration of this advisory opinion request.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Michael Hoos", with a long horizontal line extending to the right.

Michael Hoos
Vice President &
General Counsel

Enclosure

THE MANY FACES OF JOHN KERRY



WHY THIS MASSACHUSETTS LIBERAL
IS WRONG FOR AMERICA

DAVID N. BOSSIE



FEDERAL ELECTION COMMISSION

Washington, DC 20463

July 19, 2004

**Michael Boos, Esq.
Vice President & General Counsel
Citizens United
1006 Pennsylvania Avenue, S.E.
Washington, D.C. 20003**

Dear Mr. Boos:

This refers to your letter dated July 8, 2004, concerning the application of the Federal Election Campaign Act of 1971, as amended (the "Act"), and Commission regulations to the purchase of television, cable, satellite and radio airtime for commercials promoting a book and a planned documentary film. Your letter also concerns the application of the Act and Commission regulations to the broadcasting of a planned documentary film that you intend to air in its entirety.

You state that Citizens United is a Virginia non-stock corporation exempt from Federal taxes under Section 501(c)(4) of the Internal Revenue Code. You state further that Citizens United was established in 1988 as a membership organization, that it accepts donations from corporations and individuals, and that it is not owned or controlled by any political party, political committee or candidate committee. You state that David N. Bossie, the president of Citizens United, has written a book about Presidential candidate John Kerry, entitled, *The Many Faces of John Kerry* (the "Bossie Book"), which has been published by WND Books and is about to be released for sale across the country.

You state that Citizens United has entered an agreement with an on-line bookstore whereby Citizens United receives a commission on certain sales of the Bossie Book. You state that Citizens United is considering producing and airing advertisements for the Bossie Book in various television, cable, satellite and radio markets throughout the United States to increase sales. You anticipate that the advertisements will be able to reach more than 50,000 persons in the United States, and that Citizens United's total expenditures for the advertisements will exceed \$10,000 in 2004.

You state that the planned documentary film (the "Film") will focus on the lives and careers of John Kerry and Vice Presidential candidate John Edwards, and that Citizens United is considering purchasing broadcast time to air the Film in its entirety in certain markets. You also indicate that Citizens United plans to expend funds on broadcast advertisements for the Film. As with the advertisements for the Bossie Book, you anticipate that any broadcast of the Film or advertisements for the Film will be able

to reach more than 50,000 persons in the United States, and that Citizens United anticipates spending more than \$10,000 in 2004 to air the Film and advertisements for the Film.

You state that Citizens United considers itself to be part of the news media and that Citizens United, throughout its existence, has published and disseminated various types of informational and editorial materials. You state that examples include newsletters, position papers, video documentaries, paid broadcast infomercials and books.

You ask whether broadcasts of the Film and commercials for the Film and the Bossie Book would constitute "electioneering communications" if they refer to a candidate for Federal office and air within 60 days before the upcoming general election or 30 days before the upcoming Democratic convention. Further, if such broadcasts would constitute "electioneering communications," you ask whether the broadcasts would fall under the "press exemption" of 2 U.S.C. 434(f)(3)(B)(i).

The Act authorizes the Commission to issue an advisory opinion in response to a "complete written request" from any person with respect to a specific transaction or activity by the requesting person. 2 U.S.C. §437f(a). Such a request "shall include a complete description of all facts relevant to the specific transaction or activity with respect to which the request is made." 11 CFR 112.1(c). The Office of General Counsel shall determine if a request is incomplete or otherwise not qualified as an advisory opinion request. See 11 CFR 112.1(d).

In view of the above requirements, this Office seeks the following additional information.

- (1) Please provide copies of Citizens United's Articles of Incorporation, By Laws, and any other documents that may establish Citizens United as "part of the news media."
- (2) Please provide a representative listing of the titles and subject matter of the "informational and editorial materials" "published and disseminated" by Citizens United that support your assertion that Citizens United is "part of the news media." Please describe how and to whom these materials, including, in particular, books and documentary films, were disseminated, and the role played by Citizens United in their production, publication, dissemination and marketing. For instance, has Citizens United advertised previous books and documentary films over television, radio, satellite, or cable and, if so, when did the advertisements air in relation to the publication or release dates of the books or films?
- (3) Please provide a copy of any agreement between Citizens United and Mr. David N. Bossie, and between Citizens United and WND Books, under which Citizens United plans to advertise the Bossie Book and under which it currently receives a percentage of on-line sales. If Citizens United has entered similar agreements in the past with Mr. Bossie, WND Books, or other authors or publishers, please

provide copies of those agreements, as well. In the absence of written agreements, please describe any oral agreements, including the names, rights, and responsibilities of the parties, and the titles, publication dates, and subject matter of the books.

- (4) Inquiries presenting only hypothetical situations or general questions of interpretation do not qualify as advisory opinion requests. See 11 C.F.R. 112.1(b). Accordingly, please describe the timetable for the marketing and production of the Film, the Film's current stage of development, and the role that Citizens United and other entities will play in the development, production, marketing, distribution and display of the Film.
- (5) Please provide the storyboards, scripts, outlines and treatments for the advertisements for the Bossie Book, the advertisements for the Film, and the Film in its entirety, and confirm that each airing of the advertisements and the Film will be "for a fee."
- (6) The term "electioneering communication" does not include any communication that appears in a news story, commentary or editorial. 11 C.F.R. 100.29(c)(2). Accordingly, please indicate whether Citizens United intends to place paid advertisements for the Bossie Book and the Film in news stories, commentaries or editorials.
- (7) Please state whether the advertisements for the Bossie Book, the advertisements for the Film, and the Film itself will be "coordinated" under 11 C.F.R. 109.20 or "coordinated communications" as described in 11 C.F.R. 109.21.

Upon receipt of your responses, this Office and the Commission will give further consideration to your inquiry. If you have any questions about the advisory opinion process or this letter, please contact Amy Rothstein, an attorney in this Office, or Brad Deutsch, Assistant General Counsel for Policy, at 202-694-1650.

Sincerely,


Rosemary C. Smith
Associate General Counsel



Via Hand Delivery

July 22, 2004

Rosemary C. Smith, Esquire
Associate General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: Your correspondence dated July 19, 2004

Dear Ms. Smith:

This letter and enclosures are submitted in reply to your letter of July 19, 2004, in which you request additional information in response to the July 8, 2004 advisory opinion request that was submitted by Citizens United under my signature.

As an initial matter, please note that Citizens United disputes your contention that the Office of General Counsel needs extensive additional information in order to prepare the requested advisory opinion. The information presented in our request is at least as detailed and extensive as the information generally submitted by advisory opinion requesters, and it is far more extensive and detailed than the information submitted in a similar request, which resulted in the issuance of Advisory Opinion 2004-15.

Despite our doubts as to the need for, or relevance of, much of the information you request, we are providing full and complete answers to each of your queries in order to facilitate a prompt and complete response to our request. We trust that the information set forth below (and in the accompanying exhibits) will allow the Commission to expeditiously consider and issue the requested advisory opinion.

Our responses to your questions are as follows:

1. Please provide copies of Citizens United's Articles of Incorporation, By Laws, and any other documents that may establish Citizens United as "part of the news media."

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OFFICE OF GENERAL
COUNSEL
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Letter to Rosemary C. Smith
Office of General Counsel
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Response:

Copies of Citizens United Articles of Incorporation and By Laws are attached hereto and marked as Exhibits A and B. With respect to any other documents that may establish Citizens United as "part of the news media," please see the responses to question no. 2.

2. Please provide a representative listing of the titles and subject matter of the "information and editorial materials" "published and disseminated" by Citizens United that support your assertion that Citizens United is "part of the news media." Please describe how and to whom these materials, including, in particular, books and documentary films, were disseminated, and the role played by Citizens United in their production, publication, dissemination and marketing. For instance, has Citizens United advertised previous books and documentary films over television, radio, satellite, or cable and, if so, when did the advertisements air in relation to the publication or release dates of the books or films?

Response:

Please see Citizens United web page, which is located at www.citizensunited.org for a detailed listing and description of "informational and editorial materials" recently "published and disseminated" by Citizens United. A brief, non-exhaustive, summary of the posted materials include: five paid television editorials entitled "My Fault," "Michael," "Man of the People," "Courage" and "Freedom's Source";¹ a webmercial entitled "Firefighter"; seven investigative reports/policy papers;² various court filings,³ and numerous op-eds that have been published by newspapers in Washington, DC, and throughout the United States, including the Washington Times.

I also draw your attention to the discovery material produced by Citizens United for use in the trial of Congressman Ron Paul, et al., v. Federal Election Commission, et al. (D.D.C. Civil Action No. 02-CV-781). A copy of those materials is attached hereto and marked as Exhibit C.

¹ The costs of production and broadcast airtime for "Courage" and "Freedom's Source" were shared by Citizens United and Citizens United Foundation. The costs of production and broadcast airtime for "My Fault," "Michael" and "Man of the People" were paid by Citizens United.

² Each of the reports/policy papers were published by Citizens United Foundation.

³ Many of the posted court briefs were paid for in whole or in part by Citizens United Foundation.

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In addition to the materials referenced above, Citizens United and its sister organization, Citizens United Foundation, recently paid for the production and posting of magazine and web-advertisements for the books Intelligence Failure: How Clinton's National Security Policy Set the Stage for 9/11 and Hand of Providence: The Strong and Quiet Faith of Ronald Reagan. Web ads were run on the web pages of Sean Hannity (www.hannity.com), Matt Drudge (www.drudgereort.com), Rush Limbaugh (rushlimbaugh.com) and NewsMax (www.newsmax.com). A full page ad was also run in NewsMax Magazine. (See Exhibit D, attached hereto). In addition, Citizens United Foundation paid for the production and airing of a radio ad for Hand of Providence on Michael Reagan's nationally syndicated radio talk show program. The web, radio and magazine advertisements for the two books were run in the spring of 2004, shortly after the books were released for sale. These ads directed the viewers/listeners to Citizens United web-page, where the books were offered for sale through a marketing agreement with an online bookstore.

During the late 1990s, Citizens United and Citizens United Foundation produced and sold two video documentaries, entitled Sinister Secrets of the U.N. and Confidential Report: Bill Clinton, Al Gore and the Communist Chinese Connection. These documentaries were disseminated primarily through direct mail and print advertising sales. Citizens United did not pay to broadcast either documentary, but it is our understanding that both documentaries were broadcast on certain local access cable programs.

Also, during 1994 and 1995, Citizens United sponsored (i.e. paid for) a nationally syndicated radio talk show program called "Floyd Brown Talks Back to America," which was broadcast Monday through Friday.

Finally, Citizens United is currently in negotiations with the owner of an internet broadcasting company to provide regular news/issue programs for broadcast over the world wide web.

3. Please provide a copy of any agreement between Citizens United and Mr. David N. Bossie, and between Citizens United and WND Book, under which Citizens United plans to advertise the Bossie Book and under which it currently receives a percentage of on-line sales. If Citizens United has entered similar agreements in the past with Mr. Bossie, WND Books, or other authors or publisher, please provide copies of those agreements, as well. In the absence of written agreements, please describe any oral agreements, including the names, rights, and

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responsibilities of the parties, and the titles, publication dates, and subject matter of the books.

Response:

Citizens United is not a party to the book publishing agreement between Mr. Bossie and WND Books; therefore, the organization is in no position to provide the Office of General Counsel with a copy of the agreement. Citizens United markets The Many Faces of John Kerry through amazon.com's associates program. A copy of the "Operating Agreement" setting forth the terms and conditions of the marketing program is attached hereto and marked as Exhibit E.

In addition to The Many Faces of John Kerry, Citizens United and/or Citizens United Foundation have marketed the sale of Hand of Providence and Intelligence Failure through amazon.com's associates program. The publication dates for each book are as follows: The Many Faces of John Kerry (July 24, 2004); Intelligence Failure (May 17, 2004); and Hand of Providence (March 25, 2004). A copy of each book is attached hereto and marked as Exhibits F, G & H. The title of each book is descriptive of the book's content.

4. Inquiries presenting only hypothetical situations or general questions of interpretation do not qualify as advisory opinion requests. See 11 C.R.R. 112.1(b). Accordingly, please describe the timetable for the marketing and production of the Film, the Film's current stage of development, and the role that Citizens United and other entities will play in the development, production, marketing, distribution and display of the Film.

Response:

The anticipated release date for the Film is August 25, 2004. At this time, the film is in the development stage. A tentative title has been chosen and a treatment has been prepared. It is anticipated that a contract will be signed with a major motion picture production company in the next few days. The time frame for and type of marketing to be conducted is contingent, at least in part, on the Commission's response to our advisory opinion request. Ideally, marketing for the Film will likely begin in early to mid-August and run through at least through the end of October of this year. Depending, at least in part, on the response to our advisory opinion request, marketing for the Film would include print advertising, direct mail, telemarketing, internet and broadcast advertising (i.e. television, radio, cable and satellite). Citizens United is funding the production of the Film,

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and it will be responsible for the Film's content. Citizens United will also pay marketing costs for the Film.

5. Please provide the storyboards, scripts, outlines and treatments of the advertisements for the Bossie Book, the advertisements for the Film, and the Film in its entirety, and confirm that each airing of the advertisements and the Film will be "for a fee."

Response:

As mentioned in response to question no. 4, the Film is currently in development. While a detailed treatment of the Film has been prepared, that document is confidential and is not for release to the general public. However, I have been authorized to allow counsel in the Office of General Counsel to review the treatment, provided no copies are made and the contents remain confidential, in order to facilitate the issuance of the requested advisory opinion. Please contact me to make appropriate arrangements if the Office of General Counsel desires to review the treatment.

With the exception of its web-page advertisement for the Bossie Book ([see, www.citizensunited.org](http://www.citizensunited.org)), Citizens United has not prepared any storyboards, scripts or outlines for any other advertisements for either the Film or Bossie Book. In light of FECA's funding restrictions and reporting requirements, we are awaiting the requested advisory opinion before spending any corporate funds on production or airtime for any broadcast ads for either endeavor. Nevertheless, if ads are produced, the airing of the ads for the book and/or film would be "for a fee."

6. The term "electioneering communication" does not include any communication that appears in a news story, commentary or editorial. 11 C.R.R. 100.29(c)(2). Accordingly, please indicate whether Citizens United intends to place paid advertisements for the Bossie Book and the Film in news stories, commentaries or editorials.

Response:

It is anticipated that advertisements, including paid broadcast advertisements, for the Bossie Book and Film will appear in media that contain news stories, commentaries and/or editorials. However, paid advertising for the book and Film will not be limited to such media.

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7. Please state whether the advertisements for the Bossie Book, the advertisements for the Film, and the Film itself will be "coordinated" under 11 C.F.R. 109.20 or "coordinated communications" as described in 11 C.F.R. 109.21.

Response:

I note that this particular question calls for a legal rather than the presentation of facts and information that would assist the Commission in issuing the requested advisory opinion. With that said, it is Citizens United's position that the Bossie Book, Film and advertisement for the book and Film will not be "coordinated" under 11 CFR § 109.20, nor will any of the aforementioned materials qualify as "coordinated communications" as described in 11 CFR § 109.21.

Having promptly answered each of your questions in detail, we at Citizens United look forward to a quick response to the advisory opinion request, which was originally submitted on July 8, 2004. If, in the meantime, you have any further questions please direct them to my attention. Thank you.

Very Truly Yours,



Michael Boos
Vice President &
General Counsel

Enclosures

**Articles of Amendment
Of
Citizens United**

CITIZENS UNITED, a corporation organized and existing under and by virtue of the provisions of Chapter 10 of Title 13.1 of the Code of Virginia, hereby acts to amend its Articles of Incorporation and to that end sets forth the following:

- A. The name of the Corporation is: CITIZENS UNITED**
- B. The amendment so adopted is as follows:**
- 1. Change the Corporation from a member organization where members had no voting rights to a membership organization where such rights exist to the extent set forth in the Bylaws, by deleting the text of existing Article III and substituting in its place new Article III, as follows:**
- The Corporation shall have Members, the qualifications and rights of each class of Members being set forth in the Bylaws of the Corporation.**
- C. At the time the Amendment was adopted, the Corporation had no voting members, and member action was thus not required.**
- D. The amendment was adopted at a meeting of the Board of Directors held on May 27, 1994, at which time said amendment received the vote of at least two-thirds of the Directors in Office.**
- E. The registered office of the Corporation is located in the County of Fairfax, Virginia.**

IN WITNESS WHEREOF, the Corporation has caused these Articles to be executed by
its President and by its Secretary this 27th day of May, 1994.

CITIZENS UNITED

By: *David J. Simon*
President

By: *Kenneth A. ...*
Secretary

ARTICLES OF INCORPORATION
OF
CITIZENS UNITED

We hereby adopt the following Articles of Incorporation to form a nonstock, nonprofit Corporation under the provisions of Chapter 10 of Title 13.1 of the Code of Virginia, and to that end set forth the following:

ARTICLE I

NAME

The name of the Corporation is: CITIZENS UNITED, hereinafter referred to as the "Corporation."

ARTICLE II

PURPOSES AND POWERS

(A) Purposes: The purposes for which the Corporation is organized are to promote social welfare through informing and educating the public on conservative ideas and positions on issues, including national defense, the free enterprise system, belief in God, and the family as the basic unit of society. These purposes of the Corporation are to be accomplished as follows:

(1) By engaging in analysis, study, and research and by preparing, assembling, and distributing the results to interested individuals and organizations and the public through various means of communications, including reports, studies, monographs, and other educational materials;

(2) By sponsoring and supporting public discussion groups, forums, panels, lectures, symposiums, seminars, debates, and other similar events to which interested individuals and organizations and members of the public will be invited; and

(3) By working with other educational organizations and individuals in order to achieve the above stated purposes.

(B) Powers: In addition to the foregoing objects and purposes, the Corporation shall have all of the specific, general, and incidental powers granted to it under Chapter 10 of Title 13.1 of the Code of Virginia and other laws of the Commonwealth of Virginia, and the Corporation is empowered to do all and everything necessary, suitable and proper for the accomplishment, attainment or furtherance of its purposes, subject to the limitation that:

(1) The Corporation is a nonprofit corporation organized without capital stock;

(2) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its Directors, Officers, members, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Section (A) of this Article; and

(3) Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation

exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code.

ARTICLE III

MEMBERS

The Corporation shall have such class or classes of members or membership as the Board may prescribe in its Bylaws, but members shall not have the right to vote.

ARTICLE IV

INITIAL BOARD OF DIRECTORS

The number of Directors constituting the initial Board of Directors shall be three (3) and the names and addresses of the persons who are to serve as the initial Directors are:

Floyd Brown
3901 Longstreet Court
Annandale, Virginia 22003

Brian Perry
3351 Hewitt Avenue, #2
Silver Spring, Maryland 20906

Ron Robinson
11207 Longwood Grove Drive
Reston, Virginia 22090

The Directors of the Corporation shall elect their successors in accordance with the Bylaws of the Corporation.

ARTICLE V

DURATION

The period of duration of the Corporation shall be perpetual.

ARTICLE VI
INDEMNIFICATION

The Corporation shall indemnify each of its Directors and Officers, whether or not then in office, and his executor, administrator, and heirs, against all reasonable expenses actually and necessarily incurred by him, including but not limited to, judgments, costs and counsel fees, in connection with the defense of any litigation, including any civil, criminal or administrative action, suit or proceeding, to which he may have been made a party because he is or was a Director or Officer of the Corporation. The right to indemnity shall also apply to claims or suits which are reasonably compromised or settled. The right to indemnity shall also apply to Directors for liability arising from the acts of any agent or employee selected by the Directors with reasonable care, or for liability arising from any act of omission of any other Director.

No person shall have a right to reimbursement, however, in relation to matters as to which he has been adjudged liable to the Corporation for misconduct in the performance of his duties.

The foregoing right of indemnification shall be in addition to, not exclusive of, all other rights to which such Director or Officer may now, or in the future, be lawfully entitled, including those under Chapter 10 of Title 13.1 of the Code of Virginia.

ARTICLE VII

LIABILITY OF DIRECTORS AND OFFICERS

In any proceeding brought in the right of the Corporation, the damages assessed against a Director or Officer of the Corporation arising out of a single transaction, occurrence, or course of conduct shall not exceed \$1,000.

Notwithstanding any other provisions of this Article, the liability of a Director or Officer shall not be limited if the Director or Officer engaged in willful misconduct or a knowing violation of the criminal law.

ARTICLE VIII

DISSOLUTION

In the event of the dissolution, liquidation or winding up of the business and affairs of the Corporation, whether voluntary or involuntary or by operation of law, the Board of Directors shall, after paying or making provision for the payment of all proper liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such corporation(s) or organization(s) then exempt under Sections 501(c)(4) or 501(c)(3) of the Internal Revenue Code, or corresponding sections of any future federal tax code, as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Circuit Court for Fairfax County, Virginia exclusively for such purposes or to such corporation(s) or organization(s).

as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE IX

INITIAL REGISTERED OFFICE AND AGENT

The address of the initial registered office of the Corporation is 10521 Judicial Drive, Suite 310, Fairfax, Virginia 22030 and the office is located within the City of Fairfax. The initial registered agent of the Corporation is William J. Olson, who is a member of the Virginia State Bar and a resident of the Commonwealth of Virginia, and whose business address is the same as the registered office.

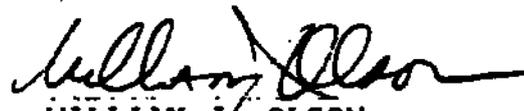
ARTICLE X

INCORPORATOR

The name and address of the incorporator is as follows:

William J. Olson
Suite 310
10521 Judicial Drive
Fairfax, Virginia 22030

IN WITNESS WHEREOF I have signed and acknowledged these Articles of Incorporation this 28th day of October, 1988.


WILLIAM J. OLSON

**BYLAWS
OF
CITIZENS UNITED**

ARTICLE I

OFFICES

Section 1. Registered Office. The Corporation shall at all times maintain in the Commonwealth of Virginia a registered agent, whose business office shall be the registered office of the Corporation.

Section 2. Other Offices. The Corporation may also have such other offices within or without the Commonwealth of Virginia as the Board of Directors may, from time to time, designate, and as the business and affairs of the Corporation may require.

ARTICLE II

PURPOSES

Section 1. Nature of Corporation. The Corporation is a nonprofit corporation formed under the Virginia Nonstock Corporation Act, which is organized and shall be operated in accordance with the meaning and provisions of Section 501(c)(4) of the Internal Revenue Code and the Regulations issued thereunder.

Section 2. Primary Purposes. The Corporation is organized for the purposes set forth in its Articles of incorporation which are filed with the Commonwealth of Virginia.

ARTICLE III

BOARD OF DIRECTORS

Section 1. General Powers. The Board of Directors shall have the general power to manage and control the affairs and property of the Corporation, and shall have full power, by majority vote, to adopt rules and regulations governing the action of the Board of Directors.

Section 2. Number, Election, and Term of Office. The Board of Directors shall consist of at least four (4) and no more than six (6) members. Directors need not be residents of the Commonwealth of Virginia, but each Director must be a Member of the Corporation in good standing at the time of his or her election to the Board. Election to the Board of Directors shall be by majority vote of the members of the Board of Directors, which shall occur, except in the case of filling vacancies, at each annual meeting thereof. Nominations to serve on the Board of Directors shall be made by the Board of Directors. Each Director shall hold office for a term of one (1) year and thereafter until his successor is elected and qualified.

Section 3. Officers. The Board of Directors may designate from among its members a Chairman, Vice Chairman, and such other officers as it may consider appropriate with such duties as it may prescribe.

Section 4. Vacancies. Any vacancy occurring on the Board of Directors prior to the expiration of a term shall be filled by such person as shall be elected by the remaining members of the Board of Directors. A Director so elected to fill a vacancy shall hold office for the unexpired term of his predecessor in office.

Section 5. Annual and Regular Meetings. The Board of Directors shall hold an annual meeting at such time and place as the Board of Directors shall by resolution prescribe. The Board of Directors may by resolution prescribe the time and place of such other regular meetings.

Section 6. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman, President, or any two Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any reasonable date, hour, and place, either within or without the Commonwealth of Virginia, as the date, hour, and place for holding any special meeting of the Board called by them.

Section 7. Notice. Notice of any special meeting of the Board of Directors shall be given at least ten (10) days previously thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown in the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attend a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at, and the purpose of, any meeting of the

Board of Directors need not be specified in the notice or waiver of notice of such meeting.

Section 8. Quorum and Proxies. A majority of the total number of Directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors; but, if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. Proxies shall not be permitted.

Section 9. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these Bylaws.

Section 10. Compensation. Directors as such shall not receive any stated salaries for their services but may be reimbursed for reasonable expenses. Nothing herein shall be construed to preclude any Director from serving the Corporation any other capacity and receiving compensation therefor.

Section 11. Informal Action. Any action may be taken without a meeting of the Directors if a consent in writing setting forth the action so taken shall be signed by all of the Directors.

Section 12. Resignation. A Director may resign from the Board of Directors at any time by giving notice of his resignation in writing addressed to the Chairman, President, or Secretary of the Corporation or by presenting his written resignation at an annual, regular, or special meeting of the Board of Directors.

ARTICLE IV

REGULAR COMMITTEES

Section 1. Purposes. The Board of Directors may establish such regular committees to assist it in the performance of its duties as it considers appropriate.

Section 2. Number, Election, and Term of Office. The number of members of each regular committee shall be determined by the Board of Directors. Members of each regular committee shall be elected by the affirmative vote of a majority of the Board of Directors and shall serve until resignation or removal by the affirmative vote of a majority of the Board of Directors.

Section 3. Officers. The Board of Directors may designate from among the members of each regular committee a Chairman and Vice Chairman of such committee, and such other officers as it may determine. The Chairman, Vice Chairman, and any other officers of each such committee shall have such duties as the Board of Directors prescribes.

Section 4. Vacancies. Vacancies in the membership of any committee shall be filled by the Board of Directors.

Section 5. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at the meeting at which a quorum is present shall be the act of the committee.

Section 6. Rules. Each committee may adopt rules for its own government not inconsistent with the Bylaws or with rules adopted by the Board of Directors.

Section 7. Powers. Each regular committee shall have such powers as the board of Directors may grant it consistent with law, the Articles of Incorporation, and the Bylaws.

ARTICLE V

ADVISORY COMMITTEES

Section 1. Purpose. The Board of Directors may establish such advisory committees as it considers appropriate. The purpose of all such committees shall be to advise the Board of Directors on such matters relating to the Corporation as the Board of Directors designates.

Section 2. Number, Election, and Term of Office. The number of members of each advisory committee shall be as determined by the Board of Directors. Members of each advisory committee shall be elected by the affirmative vote of a majority of the Board of Directors and shall serve until resignation or removal by the affirmative vote of a majority of the Board of Directors.

Section 3. Officers. The Board of Directors may designate from among the members of each advisory committee a Chairman and Vice Chairman of such committee, and such other officers as it may determine. The Chairman, Vice Chairman, and any other officers of each such committee shall have such duties as the Board of Directors prescribes.

Section 4. Powers. Each advisory committee shall have the power to advise the board of Directors and such other powers as the Board of Directors may grant it consistent with law, the Articles of Incorporation, and the Bylaws.

ARTICLE VI

OFFICERS

Section 1. Officers. The Officers of the Corporation shall be a President, Vice President, Secretary, Treasurer, and such other Officers as may be elected in accordance with the provisions of this Article. Any two or more offices may be held by the same person.

Section 2. Election and Term of Office. The Officers of the Corporation shall be elected by a majority vote of the members of the Board of Directors at the organizational meeting and at every annual meeting of the Board thereafter, except that new offices may be created and filled at any meeting of the Board of Directors. Each Office shall hold office for a term of one (1) year and thereafter until his successor shall have been duly elected and qualified.

Section 3. Removal. Any Officer may be removed upon an affirmative vote of a majority of the entire Board of Directors, whenever in its judgment the best interest of the Corporation would be served thereby.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be the chief executive officer of the Corporation and, in general, shall supervise and control all of the business and affairs of the Corporation. He may sign, with the Secretary or any other proper Officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds,

contracts, or other instruments or documents with the Board of Directors has authorized to be executed; and he shall perform all such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. In the event of the death, resignation or removal of the President, the person who serves as Vice President shall assume the office of President until the Board of Directors elects a successor to the President and shall perform all such other duties as may be prescribed by the Board of Directors from time to time.

Section 7. Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors; see that all notices are duly given in accordance with the provisions of the Bylaws or as required by law; be custodian of the corporate records and seal; and perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 8. Treasurer. The Treasurer shall be responsible for all funds and securities of the Corporation; receive and give receipts for monies due and payable to the Corporation and deposit all such monies in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of the Bylaws; and perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

ARTICLE VI

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. **Contracts.** The Board of Directors may authorize any Officer or Officers, agent or agents of the Corporation, in addition to or in place of the Officers so authorized by the Bylaws, to enter into a contract or execute and deliver any instrument or document in the name and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. **Checks, Drafts, and Similar Documents.** All checks, drafts or orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such Officer or Officers and/or agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 3. **Deposits.** All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. **Gifts and Contributions.** The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation. Such contributions, gifts, bequests, or devises shall be in conformity with the laws of the United States, the Commonwealth of Virginia, and any other relevant jurisdiction.

ARTICLE VIII

BOOKS AND RECORDS

The Corporation shall keep correct and complete books and records of account and also shall keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors.

ARTICLE IX

FISCAL YEAR

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE X

MEMBERS

Section 1. Membership. Members of the Corporation shall consist of those individuals who have responded to the Corporation's solicitation to become a member and have expressed a desire to become a member and paid such dues as prescribed by resolution of the Board of Directors, as well as such other persons as may from time to time be elected to membership, either at a regular or special meeting of the Board of Directors, in accordance with the criteria and procedures for the election of Members developed by the Board of Directors.

Section 2. Duties and Rights of Membership. Members shall pay annual dues in an amount to be established by resolution of the Board of Directors. Members may be consulted and/or surveyed periodically by the Corporation on issues of policy and other matters of interest to the Board of Directors, but members shall have no right to vote on any matter. The primary functions of the Members will be voluntary

participation in the affairs of the Corporation, and support of the Corporation. Members shall be entitled to review the Corporation's Articles of Incorporation and Bylaws, and the acceptance of membership shall be expressly acknowledged by the Corporation.

Section 3. Termination of Membership. A Member may be dropped or suspended from the membership by a two-thirds vote of those attending a regular meeting of the Board of Directors at which a quorum is present and voting, for any violation of the Bylaws or rules or regulations established by the Board of Directors, or for any conduct not in actual violation of the Bylaws or rule which, in the opinion of the Board, is nevertheless prejudicial to the best interest, reputation and proper function of the Corporation.

ARTICLE XI

WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Virginia Nonstock Corporation Act or under the provisions of the Articles of Incorporation or by the Bylaws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII

AMENDMENTS TO BYLAWS

The Bylaws may be altered, amended or repealed and new Bylaws may be adopted by majority vote of the Board of Directors present at annual, regular or special

Bylaws of Citizens United

February 17, 2001

Page 12 of 12

**meeting, if at least ten (10) days written notice is give of intention to alter, amend or
repeal the Bylaws or to adopt new Bylaws at such meeting.**

June 2004

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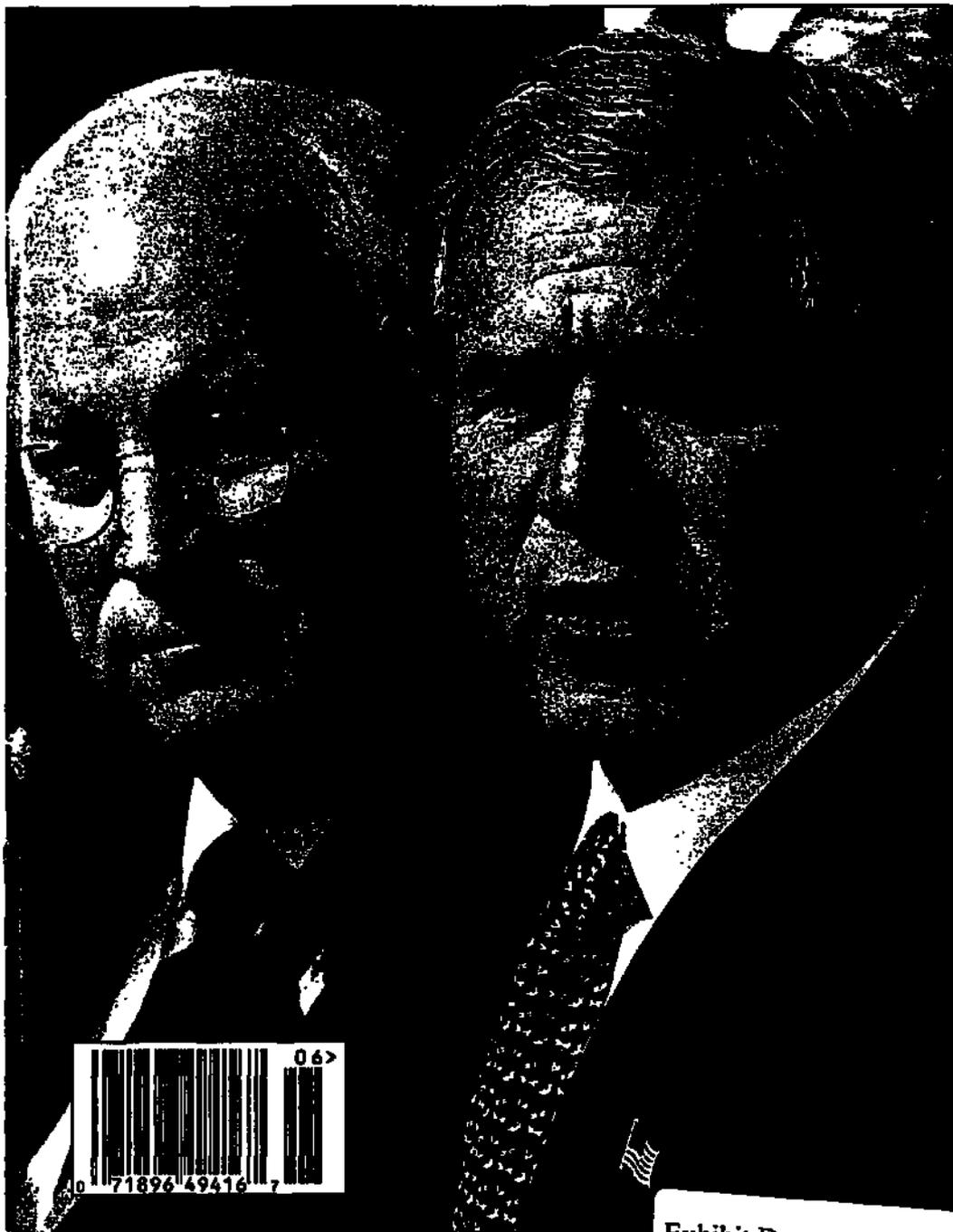
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NEWSMAX

KERRY AND VIETNAM • GREEN McCAIN • LOU DOBBS • LIMBAUGH

Media War on Bush



Remember me in November when you're in the voting booth," shock jock Howard Stern implores his 8.5 million weekly listeners. "I'm asking you to do me one favor. Vote against Bush. That's it."

Stern's request and daily anti-Bush rantings on his syndicated radio show could be laughed off — except that, like other media stars, he has power.

In 1993 he was credited with electing Republican Christie Todd Whitman as New Jersey's governor. She repaid him by naming a highway rest area after him.

In 1994, Stern's strong endorsement of Republican George Pataki might have been crucial to his electoral upset over Mario Cuomo in New York.

Stern, who has leaned Republican in past years because of its libertarian bent, is furious because the Federal Communications Commission under Bush has fined him for raunchy on-air comments, and because some stations, fearing hefty fines, have pulled the plug on his show.

If Stern has the influence he believes he has, he could move this election — especially if 2004 ends up as tight as 2000 did. Bush could be toast.

And John Kerry hasn't spent one dime of campaign money on "The Howard Stern Show."

A one-minute ad on Stern's show in the Infinity network's 35 markets costs \$40,000. If he spends just five minutes a day on politics this year until Election Day, Kerry will have gotten some

Special Issue:
**Summer
Reading**

Continued on
page 18



Exhibit D

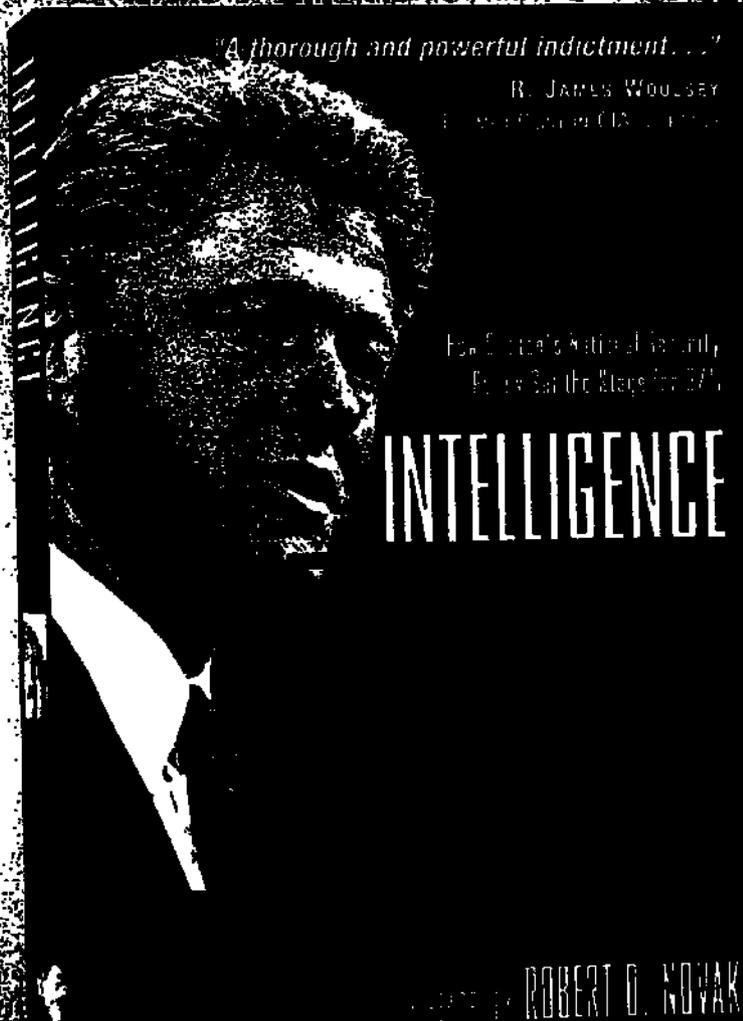
"Richard Clarke missed the boat when he blamed President Bush for 9/11. Bossie sets the record straight."

—BARBARA COMSTOCK, Former Public Affairs Director, U.S. Department of Justice

The American people deserve answers.

Eight years before 9/11, on February 26, 1993, Osama Bin Laden and his Al Qaeda terrorist network declared war against the United States with a deadly attack on the World Trade Center. Al Qaeda continued to wage war on the U.S. throughout the Clinton Administration, attacking the Khobar Towers in 1996, two U.S. embassies in East Africa in 1998, and the U.S.S. *Cole* in 2000. Yet the Clinton Administration did virtually nothing to stop them.

***Intelligence Failure* is the definitive account of Bill Clinton's greatest failure as president.**



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Operating Agreement

This Agreement contains the complete terms and conditions that apply to an individual's or entity's participation in the Amazon Services, Inc. Associates Program (the "**Program**"). As used in this Agreement, "**we**", "**us**", or "**our**" means Amazon Services, Inc. or any of our affiliate companies, as the case may be, and "**you**" means the applicant. "**Amazon.com Site**" means the site that has its primary home page identified by the URL www.amazon.com. and "**site**" means a World Wide Web site. "**Your site**" means any site that you will link to the Amazon.com Site (and which you will identify in your Program application).

1. Enrollment in the Program

To begin the enrollment process, you will submit a complete Program application via the Amazon.com Site. We will evaluate your application in good faith and will notify you of its acceptance or rejection. We may reject your application if we determine (in our sole discretion) that your site is unsuitable for the Program. Unsuitable sites include those that:

- o promote sexually explicit materials
- o promote violence
- o promote discrimination based on race, sex, religion, nationality, disability, sexual orientation, or age
- o promote illegal activities
- o include "amazon," any other trademark of Amazon Services or its affiliates, or variations or misspellings of any of them, in their URLs to the left of the top-level domain name (e.g., ".com", ".net", ".uk", etc.) -- for example, a URL such as "amazon.mydomain.com", "amaozn.com" or "amazonauctions.net" would be unsuitable
- o otherwise violate intellectual property rights.

By participating in the Program you agree that you will not engage in any such activities. If we reject your application, you are welcome to reapply to the Program at any time. You should also note that if we accept your application and your site is thereafter determined (in our sole discretion) to be unsuitable for the Program, we may terminate this Agreement.

2. Links on Your Site

Once you have been notified that your site has been accepted into the Program, you may provide on your site one or more of the following types of links to the Amazon.com Site:

Product Links: You may select one or more Products to list on your site. A "**Product**" is any product listed on the Amazon.com Site that is fulfilled by us or on our behalf, or any product sold by a third party seller on the Amazon.com Site other than: (a) products sold through our "Auctions" and "zShops" services (or any successors thereto); (b) products sold by Lands' End or Nordstrom ("**Excluded Merchants**"); (c) products sold by a third party through a site linked to from the Amazon.com Site (e.g. CarsDirect.com products); and (d) any wireless service plan offered through the Amazon.com Site and not sold and fulfilled by us. For each selected Product, you will display on your site a short description, review, or other reference. You will be responsible for the content, style, and placement of these references. You will provide a Special Link (as defined below) from each Product reference on your site to the corresponding Amazon.com Site online catalog entry. Each such link will connect directly to a single item in our online catalog. You may add or delete Products (and related links) from your site at any time without our approval. Special Links that individually link to specific Products as described above

are referred to as "**Product Links.**" You may not use Special Links to link to the Amazon.com Site from references to products on your site that are not "Products" as defined above.

Search Box Link: You may provide an Amazon.com Site search box on your site that will permit your site visitors to link directly to a page on the Amazon.com Site that contains the results of their search queries. We will provide you with technical specifications describing how to include an Amazon.com Site search box on your site.

General Link to Amazon.com Site Home Page: You may provide a general link on your site to the home page of the Amazon.com Site.

Amazon Recommends™ Link: If your site qualifies (as determined by us in our sole discretion), you may place an Amazon Recommends link on your site to enable Amazon Services to serve recommended content based on your site's specialty or sales history directly to visitors to your site.

Quick-Click™ Link: In conjunction with Product links on your site, you may provide a Quick-Click link that, when clicked, will open a new browser window through which recognized visitors of your site can add Products to their shopping cart and/or purchase Products directly via our 1-Click™ feature. We will provide you with technical specifications describing how to include a Quick-Click link on your site. If you choose to provide a graphical Quick-Click link, you agree that you will use the graphical artwork we serve or otherwise provide to you only to identify the Quick-Click link. If you choose to provide a text-only Quick-Click link, you agree that the text of the link will read "Buy from Amazon.com" and include no other or different text unless otherwise specified by us.

Easy Link: You may provide an "Easy Link" on your site, which is a Special Link through which we may serve content as we deem appropriate. If you choose to provide a graphical Easy Link, you agree you will use the graphical artwork we serve or otherwise provide to you only to identify the Easy Link. If you choose to provide a text-only Easy Link, you agree you will not alter the text we serve or otherwise provide to you to identify the Easy Link.

Search Results Link: You may provide a link on your site that will link to a particular search result on the Amazon.com Site, the parameters of which will be determined by you based on search generating alternatives we make available to you.

Any Page Link: You may provide a link on your site that will link to any particular page on the Amazon.com Site, provided that you properly use the special link formats provided on the Amazon.com Site as part of the Program to create such link.

We will provide you with guidelines and graphical artwork to use in linking to the Amazon.com Site home page. To permit accurate tracking, reporting, and referral fee accrual, we will provide you with special "tagged" link formats to be used in all links between your site and the Amazon.com Site (and for purposes of this Agreement, the browser window described above that opens upon a user's clicking on a Quick-Click link is deemed a part of the Amazon.com Site, and any Quick-Click link is deemed a link between your site and the Amazon.com Site). You must ensure that each of the links between your site and the Amazon.com Site properly utilizes such special link formats. Links to the Amazon.com Site placed on your site pursuant to this Agreement and which properly utilize such special link formats are referred to as "**Special Links.**" You will earn referral fees only with respect to activity on the Amazon.com Site

occurring directly through Special Links; we will not be liable to you with respect to any failure by you to use Special Links, including to the extent that such failure may result in any reduction of amounts that would otherwise be paid to you pursuant to this Agreement.

You acknowledge that, by participating in the Associates Program and placing any of the above links within your site, we may receive information from or about visitors to your site or communications between your site and those visitors. Your participation in the Program constitutes your specific and unconditional consent to and authorization for our access to, receipt, storage, use, and disclosure of any and all such information, consistent with the policies and procedures set forth in the Privacy Notice on the Amazon.com Site.

You also acknowledge that we (and our corporate affiliates, such as Alexa Internet, Inc.) may crawl or otherwise monitor your site for the purpose of ensuring the quality and reliability of Special Links on your site (for example, to detect links that are broken or non-functional, links to products that are out of stock or otherwise unavailable, etc.). Therefore, you agree that we and our corporate affiliates may take such actions and that you will not seek to block or otherwise interfere with such crawling or monitoring (and that we and our corporate affiliates may use technical means to overcome any methods used on your site to block or interfere with such crawling or monitoring).

You also acknowledge that as a participant in the Program, we may from time to time send you email updates about the Program. By participating in the Program, you consent to our sending you these email updates.

Further, you acknowledge and agree that you will: (a) not, in connection with this Agreement, display or reference on your site, any trademark or logo of any third party seller on the Amazon.com Site; (b) use any data, images, text, or other information obtained by you from us or the Amazon.com Site in connection with this Agreement ("Content") only in a lawful manner and only in accordance with the terms of this Agreement; (c) not use any Content relating to any Excluded Merchant or any product sold by any Excluded Merchant; (d) not modify or alter any Content that consists of a graphic image, other than to resize it; (e) not edit any Content that consists of text, other than to shorten its length; (f) not sell, redistribute, sublicense or transfer any Content; (g) not use any Content in a manner intended to send sales to any site other than the Amazon.com Site; and (h) promptly delete any Content that is no longer displayed on the Amazon.com Site or that we notify you is no longer available for your use.

3. Order Processing

We will process Product orders placed by customers who follow Special Links from your site to the Amazon.com Site. We reserve the right to reject orders that do not comply with any requirements that we may establish periodically. We will be responsible for all aspects of order processing and fulfillment. Among other things, we will prepare order forms, process payments, cancellations, and returns, and handle customer service. We will track sales made to customers who purchase Products by using Special Links from your site to the Amazon.com Site and will make available to you reports summarizing this sales activity. The form, content, and frequency of the reports may vary from time to time in our discretion.

4. Referral Fees

We will pay you (in accordance with Sections 5 and 6 below) referral fees on certain Product sales to third parties. For a Product sale to be eligible to earn a referral fee, the customer must click-through a Special Link from your site to the Amazon.com Site, and add the Product to his or her

shopping cart or purchase the Product via our 1-Click™ feature during a session. The session ends upon one of the following events: (a) 24 hours elapses from the customer's initial click-through, (b) the customer orders the Product, or (c) the customer follows a third party's Special Link. We will only pay referral fees on eligible Products after order, payment and shipping have occurred.

We will not, however, pay referral fees on any Products that are added to a customer's Shopping Cart or are purchased via our 1-Click™ feature after the customer has reentered the Amazon.com Site (other than through a Special Link from your site), as determined by us, even if the customer previously followed a link from your site to the Amazon.com Site. In addition, gift certificates are not eligible to earn referral fees.

You may not purchase products during sessions initiated through the links on your site for your own use, for resale or commercial use of any kind. This includes orders for customers or on behalf of customers or orders for products to be used by you or your friends, relatives, or associates in any manner. Such purchases may result (in our sole discretion) in the withholding of referral fees and/or the termination of this Agreement. Products that are eligible to earn referral fees under the rules set forth above are referred to as "Qualifying Products."

In addition, you may not: (a) directly or indirectly offer any person or entity any consideration or incentive (including, without limitation, payment of money (including any rebate), or granting of any discount or other benefit) for using Special Links on your site to access the Amazon.com Site (e.g., by implementing any "rewards" program for persons or entities who use Special Links on your site to access the Amazon.com Site); (b) read, intercept, record, redirect, interpret, or fill in the contents of any electronic form or other materials submitted to us by any person or entity; (c) in any way modify, redirect, suppress, or substitute the operation of any button, link, or other interactive feature of the Amazon.com Site; (d) make any orders or subscription requests, or engage in other transactions of any kind on the Amazon.com Site on behalf of any third party, or authorize, assist, or encourage any other person or entity to do so; (e) take any action that could reasonably cause any customer confusion as to our relationship with you, or as to the site on which any functions or transactions (e.g., search, order, browse, and so on) are occurring; (f) other than providing Special Links on your site in accordance with this Agreement, post or serve any advertisements or promotional content promoting the Amazon.com Site or otherwise around or in conjunction with the display of the Amazon.com Site (e.g., through any "framing" technique or technology or pop-up or pop-under windows), or assist, authorize, or encourage any third party to take any such action; (g) attempt to circumvent the referral fee schedule or artificially increase your referral fees (e.g. by intentionally featuring, purchasing or requesting or encouraging any third party to purchase low-price items offered on the Amazon.com Site (as determined by us) for the purpose of exceeding any referral fee threshold or by causing any page of the Amazon.com Site to open in a customer's browser other than as a result of the customer clicking on a Special Link on your site); (h) attempt to intercept or re-direct (including, without limitation, via user-installed software) traffic from or on, or divert referral fees from, any web site that participates in the Program; or (i) seek to purchase or register any keywords, search terms or other identifiers that include the word "amazon" or variations thereof (for example "ammazon", "amaozn", etc.) or any of the phrases "Toys 'R US", "Sports 'R Us", "Babies 'R Us" or "Imaginarium" or variations thereof (e.g., "ToysRUs", "SportsRUs", "Toys "R" Us", "toysrus.com", "imaginearium.com", "Babies Are Us", "Imaginearium", etc.) for use in any search engine, portal, sponsored advertising service or other search or referral service. If we determine, in our sole discretion, that you have engaged in any of the foregoing activities, we may (without limiting any other rights or remedies available to us) withhold any referral fees otherwise payable to you under this Agreement and/or terminate this Agreement.

5. Referral Fee Schedule

For Qualifying Products sold during sessions initiated through Special Links on your site, you will earn (subject to the other terms of this Agreement) referral fees in accordance with the "Classic Fee Structure" described under "Option 1" below unless you affirmatively elect to participate in the Tiered Fee Structure described under "Option 2" below by communicating your election to us via the signup page located at

<https://associates.amazon.com/exec/panama/associates/resources/payments/plan-select/104-2578166-7881549> during the period between the close of each calendar quarter and the 22nd day of the first month of the next calendar quarter (or the next business day after the 22nd if the 22nd does not fall on a business day). If you do not make an affirmative election to participate in the Tiered Fee Structure in the manner described above, you will earn (subject to the other terms of this Agreement) referral fees for the entire quarter in accordance with the Classic Fee Structure. If you elect to participate in the Tiered Fee Structure, you will earn referral fees as set forth under "Option 2" below beginning in the calendar quarter in which you make your election.

Option 1: Classic Fee Structure.

Subject to the other terms of this Agreement, you will earn 4% of "Qualifying Revenues" (revenues derived by us from sales of Qualifying Product units, excluding costs for shipping, handling, gift-wrapping, taxes, service charges, credit card processing fees, returns and bad debt from sales of all Qualifying Product units sold during sessions initiated through Special Links on your site).

In addition, subject to the other terms of the Agreement you will earn (as applicable):

(a) 1% of Qualifying Revenues from sales of all Qualifying Product units sold during sessions initiated through Easy Links on your site; and

(b) in the case of Qualifying Product unit being sold during a session initiated through a Product Link on your site, an additional 2.5% of Qualifying Revenues from the sale of the Qualifying Product that is featured in such Product Link and sold during such session

Notwithstanding the foregoing, referral fees for all Qualifying Product units that are personal computers (including without limitation desktops, laptops & notebooks) are limited to a maximum of \$25 per unit, regardless of the Qualifying Revenues derived from the sale of any such unit. The classification of any Qualifying Products unit as a personal computer will be determined by us in our sole discretion.

Option 2: Tiered Fee Structure.

Subject to the other terms of this Agreement, you will earn 5% of Qualifying Revenues from sales of all Qualifying Product units sold during sessions initiated through Special Links on your site (such fees, "Base Referral Fees").

In addition, subject to the other terms of the Agreement, you will earn (as applicable):

(a) 1% of Qualifying Revenues from sales of all Qualifying Product units sold during sessions initiated through Easy Links on your site;

(b) in the case of a Qualifying Product unit being sold during a session initiated through a Product

Link on your site, an additional 2.5% of Qualifying Revenues from the sale of the Qualifying Product that is featured in such Product Link and sold during such session; and

(c) referral fees based on Eligible Earnings (defined below) in accordance with the following table (such referral fees, "**Eligible Earnings Referral Fees**"):

Tier	Total Qualifying Product units sold in a calendar quarter	Eligible Earnings Referral Fees
1	1-20 units	0%
2	21-100 units	2.5% of Eligible Earnings
3	101-350 units	5% of Eligible Earnings
4	351-850 units	10% of Eligible Earnings
5	851-2200 units	15% of Eligible Earnings
6	2201-4600 units	20% of Eligible Earnings
7	4601-9000 units	25% of Eligible Earnings
8	9001+ units	30% of Eligible Earnings

"**Eligible Earnings**" are any Base Referral Fees you may earn in any calendar quarter based on Qualifying Revenues from the sale in that calendar quarter of Qualifying Products.

Once a higher tier is achieved within the calendar quarter, the higher Eligible Earnings Referral Fee rate will apply to all Eligible Earnings earned from Qualifying Product units sold by us during sessions initiated through Special Links on your site during that calendar quarter, including units sold before the new tier was reached.

Notwithstanding the foregoing, referral fees for all Qualifying Product units that are personal computers (including without limitation desktops, laptops & notebooks) are limited to a maximum of \$25 per unit, regardless of the Qualifying Revenues derived from the sale of any such unit. The classification of any Qualifying Products unit as a personal computer will be determined by us in our sole discretion.

Card Application Referral Fee

In addition to the referral fees described above, you may qualify for a one-time referral fee of \$20 (the "**Card Application Referral Fee**") for each application for a co-branded Amazon.com/BankOne Visa credit card (the "**Card**") that is: (a) submitted during a session generated through a Special Link; and (b) approved by First USA Bank, N.A. ("**Bank One**") in its sole discretion. Please note that we reserve the right to reject sites from participating in this offer in our sole discretion, even if those sites are eligible to participate in the Program generally. Sites that are unsuitable for participation in this offer include, without limitation: (a) web sites whose URLs include the words "firstusa", "bankone" or any variations thereof; (b) web sites through which casinos, betting or other gambling-related activities, services or products are offered or promoted; (c) web sites with controversial or discriminatory content (including, without limitation, lewd/adult content, sites that engage in or promote discrimination based upon gender, age, creed, race or political views, and sites that engage in or promote hate, crime, violence or illegal activities or conduct); and (d) web sites that contain gateways to "chat rooms" or other real-

time interactive discussion forums.

You may not send any e-mail or other communication to any person promoting or marketing the Card or applications in any way without the prior written consent of us and Bank One. You are not permitted to take an application for a Card unless such application is linked directly to a dedicated Bank One web site and with Bank One's approval. We reserve the right to terminate your participation in this offer at any time and for any reason. If we notify you at any time that your site is unsuitable for participation in the offer or otherwise terminate your participation in this offer, you must immediately remove from your site all materials relating to the Card or this offer.

6. Referral Fee Payment

We will pay you referral fees on a quarterly basis. In the case of any Card Application Referral Fees for which you are eligible, we will pay you those fees in the quarter in which we receive confirmation from Bank One that the applicable Card application has been approved. Approximately 30 days following the end of each calendar quarter, we will either (a) send you a check for the referral fees earned, (b) send you a gift certificate good for purchase of Products through the Amazon.com Site, subject to our standard terms or conditions, or (c) directly deposit the referral fees earned into your bank account (if you want us to use this method of payment, please note that you will have to provide us with the name of your bank, the bank account type, the 9-digit routing number/ABA number, the account number and the primary account holder name as it appears on the bank account). If you select payment via Amazon.com Site gift certificate or direct deposit, we will accrue and withhold referral fees until the total amount due is at least \$10.00. If you select payment via check, we will accrue and withhold referral fees until the total amount due is at least \$100.00. Please note that commencing January 1, 2003, if your billing address is a US address and you select payment via check, we will deduct a processing fee in the amount of \$8.00 from the referral fees payable to you for each check we send after April 1, 2003 (this charge does not apply to those with non-US billing addresses because Direct Deposit is not available to them). No processing fee will be deducted if you select payment via Amazon.com Site gift certificate or direct deposit. We are obligated by U.S. federal law to obtain tax information from Program participants who are U.S. citizens, U.S. residents or U.S. corporations and from Program participants who are not U.S. citizens or residents but whose businesses are taxable in the U.S. If we believe you are a Program participant from whom we are obligated to obtain tax information and you do not provide this information to us after we have requested it, we may withhold your referral fee payments until you provide this information or otherwise satisfy us that you are not a person from whom we are required to obtain tax information.

7. Policies and Pricing

Customers who buy products or submit Card applications through this Program will be deemed to be our customers. Accordingly, all of our rules, policies, and operating procedures concerning customer orders, customer service, and product sales will apply to those customers. We may change our policies and operating procedures at any time. For example, we will determine the prices to be charged for products sold under this Program in accordance with our own pricing policies. Product prices and availability may vary from time to time. Because price changes may affect Products that you have listed on your site, your site may only show prices when we serve those prices through our "Amazon Recommends" Service or our "Amazon Web Services". In addition, if you choose to display prices for any Product on your site in any "comparison" format (including through the use of any price-comparison tool or engine) together with prices for the same or similar products offered through any web site or other outlet other than the Amazon.com Site, you must display both the lowest "new" price and, if we provide it to you, the lowest "used" price at which the Product is available on the Amazon.com Site. You may not otherwise include

price information in your Product descriptions. We will use commercially reasonable efforts to present accurate information, but we cannot guarantee the availability or price of any particular product.

8. Identifying Yourself as an Associate

You may not issue any press release with respect to this Agreement or your participation in the Program; such action may result in your termination from the Program. We will make available to you a small graphic image that identifies your site as a Program participant. You must display this logo or the phrase "In association with Amazon" somewhere on your site. We may modify the text or graphic image of this notice from time to time. In addition, you may not in any manner misrepresent or embellish the relationship between us and you, or express or imply any relationship or affiliation between us and you or any other person or entity except as expressly permitted by this Agreement (including by expressing or implying that we support, sponsor, endorse, or contribute money to any charity or other cause). If we determine your site is eligible to receive Card Application Referral Fees, you may also place a Special Link on your site to enable us to serve certain graphics relating to the Card and Card applications directly to visitors on your site.

9. Limited License

We grant you a nonexclusive, revocable right to use the graphic image and text described in Section 8 and such other text or images for which we grant express permission, solely for the purpose of identifying your site as a Program participant and to assist in generating Product sales or Card sales (if applicable). You may not modify the graphic image or text, or any other of our images, in any way. We reserve all of our rights in the graphic image and text, any other images, our trade names and trademarks, and all other intellectual property rights. You agree to follow our Trademark Guidelines, as those guidelines may change from time to time. We may revoke your license at any time by giving you written notice.

10. Responsibility for Your Site

You will be solely responsible for the development, operation, and maintenance of your site and for all materials that appear on your site. For example, you will be solely responsible for:

- o the technical operation of your site and all related equipment
- o creating and posting Product descriptions on your site and linking those descriptions to the Amazon.com Site catalog
- o the accuracy and appropriateness of materials posted on your site (including, among other things, all Product-related materials)
- o ensuring that materials posted on your site do not violate or infringe upon the rights of any third party (including, for example, copyrights, trademarks, privacy, or other personal or proprietary rights)
- o ensuring that materials posted on your site are not libelous or otherwise illegal
- o ensuring that your site accurately and adequately discloses, either through a privacy policy or otherwise, how you collect, use, store, and disclose data collected from visitors, including, where applicable, that third parties (including advertisers) may serve content and/or advertisements and collect information directly from visitors and may place or recognize cookies on visitors' browsers.

We disclaim all liability for these matters. Further, you will indemnify and hold us harmless from all claims, damages, and expenses (including, without limitation, attorneys' fees) relating to the development, operation, maintenance, and contents of your site.

11. Compliance with Laws

As a condition to your participation in the Program, you agree that while you are a Program participant you will comply with all laws, ordinances, rules, regulations, orders, licenses, permits, judgments, decisions or other requirements of any governmental authority that has jurisdiction over you, whether those laws, etc. are now in effect or later come into effect during the time you are a Program participant. Without limiting the foregoing obligation, you agree that as a condition of your participation in the Program you will comply with all applicable laws (federal, state or otherwise) that govern marketing email, including without limitation, the CAN-SPAM Act of 2003 and all other anti-spam laws.

12. Term of the Agreement

The term of this Agreement will begin upon our acceptance of your Program application and will end when terminated by either party. Either you or we may terminate this Agreement at any time, with or without cause, by giving the other party written notice of termination. Upon the termination of this Agreement for any reason, you will immediately cease use of, and remove from your site, all links to the Amazon.com Site, and all of our trademarks, trade dress, and logos, and all other materials provided by or on behalf of us to you pursuant hereto or in connection with the Program. You are eligible to earn referral fees only on sales of Qualifying Products that occur during the term, and referral fees earned through the date of termination will remain payable only if the related orders are not canceled or returned. We may withhold your final payment for a reasonable time to ensure that the correct amount is paid.

13. Modification

We may modify any of the terms and conditions contained in this Agreement, at any time and in our sole discretion, by posting a change notice or a new agreement on the Amazon.com Site. Modifications may include, for example, changes in the scope of available referral fees, referral fee schedules, payment procedures, and Program rules. IF ANY MODIFICATION IS UNACCEPTABLE TO YOU, YOUR ONLY RECOURSE IS TO TERMINATE THIS AGREEMENT. YOUR CONTINUED PARTICIPATION IN THE PROGRAM FOLLOWING OUR POSTING OF A CHANGE NOTICE OR NEW AGREEMENT ON THE AMAZON.COM SITE WILL CONSTITUTE BINDING ACCEPTANCE OF THE CHANGE.

14. Relationship of Parties

You and we are independent contractors, and nothing in this Agreement will create any partnership, joint venture, agency, franchise, sales representative, or employment relationship between the parties. You will have no authority to make or accept any offers or representations on our behalf. You will not make any statement, whether on your site or otherwise, that reasonably would contradict anything in this Section.

15. Limitation of Liability

We will not be liable for indirect, special, or consequential damages (or any loss of revenue, profits, or data) arising in connection with this Agreement or the Program, even if we have been advised of the possibility of such damages. Further, our aggregate liability arising with respect to this Agreement and the Program will not exceed the total referral fees paid or payable to you under this Agreement.

16. Disclaimers

We make no express or implied warranties or representations with respect to the Program or any products sold through the Program (including, without limitation, warranties of fitness, merchantability, noninfringement, or any implied warranties arising out of a course of

performance, dealing, or trade usage). In addition, we make no representation that the operation of the Amazon.com Site will be uninterrupted or error-free, and we will not be liable for the consequences of any interruptions or errors.

17. Independent Investigation

YOU ACKNOWLEDGE THAT YOU HAVE READ THIS AGREEMENT AND AGREE TO ALL ITS TERMS AND CONDITIONS. YOU UNDERSTAND THAT WE MAY AT ANY TIME (DIRECTLY OR INDIRECTLY) SOLICIT CUSTOMER REFERRALS ON TERMS THAT MAY DIFFER FROM THOSE CONTAINED IN THIS AGREEMENT OR OPERATE WEB SITES THAT ARE SIMILAR TO OR COMPETE WITH YOUR WEB SITE. YOU HAVE INDEPENDENTLY EVALUATED THE DESIRABILITY OF PARTICIPATING IN THE PROGRAM AND ARE NOT RELYING ON ANY REPRESENTATION, GUARANTEE, OR STATEMENT OTHER THAN AS SET FORTH IN THIS AGREEMENT.

18. Arbitration

Any dispute relating in any way to this Agreement (including any actual or alleged breach hereof), any transactions or activities under this Agreement or your relationship with us or any of our affiliates shall be submitted to confidential arbitration in Seattle, Washington, except that, to the extent you have in any manner violated or threatened to violate our intellectual property rights, we may seek injunctive or other appropriate relief in any state or federal court in the state of Washington (and you consent to non-exclusive jurisdiction and venue in such courts) or any other court of competent jurisdiction. Arbitration under this agreement shall be conducted under the rules then prevailing of the American Arbitration Association. The arbitrator's award shall be binding and may be entered as a judgment in any court of competent jurisdiction. To the fullest extent permitted by applicable law, no arbitration under this Agreement shall be joined to an arbitration involving any other party subject to this Agreement, whether through class arbitration proceedings or otherwise.

19. Miscellaneous

This Agreement will be governed by the laws of the United States and the state of Washington, without reference to rules governing choice of laws. You may not assign this Agreement, by operation of law or otherwise, without our prior written consent. Subject to that restriction, this Agreement will be binding on, inure to the benefit of, and be enforceable against the parties and their respective successors and assigns. Our failure to enforce your strict performance of any provision of this Agreement will not constitute a waiver of our right to subsequently enforce such provision or any other provision of this Agreement.

EXHIBIT C

**DISCOVERY MATERIALS
IN
CONGRESSMAN RON PAUL, ET AL. V. FEDERAL
ELECTION COMMISSION, ET AL.**

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

CONGRESSMAN RON PAUL, <i>et al.</i>,	)	CIVIL ACTION NO. 02-CV-781
Plaintiffs,	)	(CKK, KLH, RJI)
)	
v.	)	Consolidated with
	)	CIVIL ACTION NOS.
FEDERAL ELECTION COMMISSION, <i>et al.</i>,	)	02-CV-582 (CKK, KLH, RJI) (Lead)
Defendants.	)	02-CV-581 (CKK, KLH, RJI)
	)	02-CV-633 (CKK, KLH, RJI)
	)	02-CV-751 (CKK, KLH, RJI)
	)	02-CV-753 (CKK, KLH, RJI)
	)	02-CV-754 (CKK, KLH, RJI)
	)	02-CV-874 (CKK, KLH, RJI)
	)	02-CV-875 (CKK, KLH, RJI)
	)	02-CV-877 (CKK, KLH, RJI)
	)	02-CV-881 (CKK, KLH, RJI)

**DECLARATION OF DAVID N. BOSSIE
ON BEHALF OF PLAINTIFFS CITIZENS UNITED
AND CITIZENS UNITED POLITICAL VICTORY FUND**

David N. Bossie, President of Citizens United, a plaintiff in the above-captioned matter, declares pursuant to 28 U.S.C. Section 1746 as follows:

1. I am President of Citizens United and, as such, am the chief executive officer of Citizens United, with responsibility, *inter alia*, for the day-to-day operations of the organization. I have served Citizens United in such capacity since October, 2001. Prior thereto, during the years 1992-1995, I was employed by Citizens United as its Political and Communications Director. During the years 1995-1996, I served on the staff of U.S. Senator Lauch Faircloth, and during the period 1997-1998, I was employed as Chief Investigator of the Government Reform and Oversight Committee of the U.S. House of Representatives.

2. Citizens United is a not-for-profit, non-stock corporation organized under the laws of the Commonwealth of Virginia, with its principal place of business in Sterling, Virginia.

The Internal Revenue Service ("IRS") has determined Citizens United to be exempt from federal income taxes under 26 U.S.C. Section 501(c)(4). True copies of Citizen United's Articles of Incorporation, Certificate of Incorporation, Certificate of Good Standing, IRS determination letter, and IRS Form 990s (1994, 1996, and 2000) (which, *inter alia*, report, list, and categorize Citizens United's receipts and expenditures for those calendar years) are attached to this Declaration as Bossie CU-CUPVF Declaration Exhibit A.

3. Citizens United is a nonpartisan organization, dedicated primarily to principles of limited government and national sovereignty and to the defense of rights secured under the United States Constitution. One of its principal functions is the dissemination of information concerning such rights and other important policy issues. Citizens United accepts contributions from individuals and business entities, including corporations, and represents its views, and the views of its members and contributors, on legislative and public policy issues before federal, state and local officials and the general public, and it engages in, including spending significant funds for, communications on such issues during campaigns for election to federal office, utilizing broadcast, cable and satellite facilities. True copies of documents representing a sampling of Citizens United's communications to the general public during the period 1991 through the present are attached to this Declaration as Bossie CU-CUPVF Declaration Exhibit B.

4. This Declaration is being submitted, together with the Declaration of Michael Boos, Vice President of Citizens United, in support of the causes of action alleged against the defendants in the above-captioned action by plaintiffs Citizens United and Citizens United Political Victory Fund ("CUPVF"). CUPVF is the separate segregated fund of Citizens United, which was created because of the discriminatory licensing scheme and prohibitions in

the Federal Election Campaign Act ("FECA"), 2 U.S.C. §§ 431, *et seq.*, against contributions and expenditures in federal elections by certain corporations such as Citizens United.

Although I have final authority with respect to contributions and expenditures by CUPVF, I have read the above-referenced Declaration of Michael Boos on Behalf of Citizens United and Citizens United Political Victory Fund in this action, and I concur with respect to the statements therein contained with respect to the past, present and future intended activities of CUPVF.

5. In the past, Citizens United has propounded and/or promoted ideas relevant to numerous public policy issues, including, but not limited to, the nomination of Clarence Thomas as Supreme Court Associate Justice in 1991, administration tax proposals, the conduct of, and impeachment proceedings related to, then-President William J. Clinton, American sovereignty, legislative proposals such as the proposed Fairness in Broadcasting Act, and D.C. statehood, and has made known its views on such issues in various forums and by various modes of communications, including, but not limited to, letters mailed, and telefaxed to the members and supporters of Citizens United and the general public, and messages and articles on its website, www.citizensunited.org, as well as audio tapes, videotapes, and radio and television broadcasts to the public, throughout the United States.

- For example, from its inception through the present time, Citizens United has disseminated writings to the general public, in its newsletter ("Citizens Agenda") and other publications, by mail, including direct mail, which writings have addressed various public policy issues of importance, such as legislation to terminate the inheritance tax, attacks on American sovereignty, impeachment of

then-President Bill Clinton, Whitewater, proposals for statehood for the District of Columbia, and international treaties. These non-electoral issues, and numerous other matters of importance, have been addressed in Citizens United's publications and advertisements distributed to the public from 1988 to the present, including advertisements broadcast by radio and television, and Citizens United intends to continue to distribute such messages to the American public.

- As mentioned above, a sampling of Citizens United's written publications is attached to this Declaration as Bossie Declaration Exhibit B. These writings, many of which contain the names of federal legislators and/or candidates for federal legislative office, are disseminated to the public on a regular basis, throughout the year, even if any such date is within 60 days of a general election or 30 days of a primary election involving such candidates for federal legislative office, and Citizens United historically has also communicated its view on such important issues by radio and television broadcast. Indeed, it is common for a Citizens United publication or broadcast to refer to such public policy issues, even when they involve such candidates for office, during such a period near to an election, because the legislative candidates are often prime actors in the policy debate and during such periods the public's interest in such issues is heightened. Many of Citizens United's statements in these publications, if broadcast by radio or television within 60 days of a general election or 30 days of a primary election, would be illegal under the BCRA/FECA if they refer to a clearly-defined candidate for the federal office sought by that election. Since

Citizens United's public communications and advertisements, particularly around election time, often refer to such candidates — not to advocate their election or defeat, but rather to speak about them in connection with an issue — the BCRA/FECA provision prohibiting such electioneering communications will severely limit the First Amendment activities of Citizens United, which receives some contributions from corporations and which could not, without serious administrative changes and expense, adopt a system of bookkeeping, caging, banking, and operations which would segregate contributions according to donor to isolate and separately manage corporate donations. Furthermore, the disclosure requirements imposed by the BCRA/FECA with respect to such electioneering communications will severely burden Citizens United in the conduct of its activities. The BCRA/FEC will require Citizens United to maintain records and to prepare and file reports that resemble reports filed by political committees with the FEC. Although such reporting is required only upon reaching aggregate yearly expenditures of \$10,000 for electioneering communications, such a threshold is easily met by virtually any Citizens United communication to the general public, and certainly by any Citizens United radio or television broadcast.

- In addition, during the period 1994-1995, Citizens United aired an hourly radio show on a daily/weekday basis, entitled "Floyd Brown's Talk Back to Washington," in which Citizens United not only presented argument and debate about public policy issues, but also broadcast its views on issues of public

policy, some of which mentioned individuals who were candidates for federal elective office. No tapes of such radio shows, and no scripts regarding such messages, have been located, but statements during such broadcasts on behalf of Citizens United were similar in scope and effect to the articles and advertisements published by Citizens United over the years, as discussed above. Approximately two years ago, Citizens United acquired equipment to outfit a full radio broadcast studio, and the number of its radio broadcasts should increase if it achieves sufficient funding for that activity.

- Citizens United has located a number of videotapes of advertisements that it broadcast, by radio and/or television, during the period 1991 through 1999, which were provided to defendants during discovery in this action, and which represent a sampling of Citizens United's communications to the general public on public policy issues. Scripts of those advertisements were prepared, and they are attached hereto as Bossie CU/CUPVF Declaration Exhibit C. As discussed below, advertisements of this nature in the future — if the individuals they referred to were clearly-defined candidates and if broadcast within 60 days of a general election, or 30 days of a primary election, for the office sought by such candidates — would be prohibited under section 203 of the BCRA.

Clearly, that law restricts Citizens United's First Amendment activities, for it prevents Citizens United from communicating lawfully with the public on certain policy issues of importance as it has done in the past and wants to continue to do in the future.

6. Citizens United does not engage in "express advocacy," as that term has been defined by the federal courts, with respect to federal and/or state elections. To the best of my knowledge, Citizens United has always refrained from engaging in "express advocacy" under the BCRA/FECA because, and only because, of the prohibition against such communications by corporations under the BCRA/FECA and the FEC regulations defining contributions and expenditures (*see* 2 U.S.C. § 441b. and 11 CFR § 114.2(b)), although other corporations are permitted to engage in such communications — for example, if they are considered news organizations and their publications, broadcasts, and other media disseminations fall within the media exemption to the prohibition against express advocacy by corporations. Citizens United would like to be free to engage in such communications, but does not engage in such communications (except through its separate segregated fund) because of the discriminatory prohibition against such communications by Citizens United (no such prohibition existing with respect to the news media) as contained in the Federal Election Campaign Act, 2 U.S.C. section 431, et seq., and regulations adopted by the Federal Election Commission (11 CFR).

7. Citizens United engages in issue advocacy, and has engaged in issue advocacy in the past by communicating its messages to the public as set forth above, and it intends to continue doing so. Some of those messages will constitute "electioneering communications," as that term is defined in the BCRA. The provisions in the BCRA/FECA restricting such communications, by labeling them "electioneering communications" and prohibiting them prior to certain federal elections, is an unconstitutional infringement on Citizen United's right to freedom of the press. As already mentioned above, certain of Citizens United's past

communications are of the type that, if published within a prohibited time frame, also would constitute "electioneering communications" under the BCRA/FECA.

- For example, in 1991, Citizens United broadcasted a television message supporting the nomination of Clarence Thomas as Associate Justice of the United States Supreme Court. See Exhibit C to this Declaration. That communication to the general public, which contained explicit references to several United States senators and was broadcast nationally during September-October 1991, would have been a prohibited electioneering communication under sections 201- 204 of the BCRA if any of those senators had been candidates for election during that time frame. Thus, if Justice Thomas' nomination (and the Senate hearings) had occurred one year later, clearly Citizens United's television broadcast would have been prohibited under the BCRA's electioneering communications provisions.
- Similarly, Citizens United broadcast other radio and television messages during the period 1988 to the present are of a type which could have run afoul of the prohibition against electioneering communications contained in the BCRA. For example, Citizens United's television "infomercial" with respect to its publication, "Clinton Watch," its 1993-1994 television message regarding the Clinton tax bill, and its 1999 "Chinese Connection" video documentary all are the type of communication to the public that would be prohibited under the BCRA/FECA if communicated by Citizens United during the BCRA-prohibited timeframe. These particular Citizens United messages simply illustrate the type

of communications between Citizens United and the public. To restrict and halt the activities of Citizens United by prohibiting its communications to the public, so that certain legislators are immune from mention simply because they are standing for election/re-election and it is too close to the election for mention, is to unreasonably restrict Citizens United's protected activities under the First Amendment.

- Citizens United and its members plan in the future to continue to be engaged in the marketplace of ideas related to federal election campaigns, and to continue to engage in "electioneering communications," as defined by the BCRA/FECA, and thereby will be subject to the reporting and disclosure requirements of the FEC which, by design and effect, transfer to the FEC significant licensing power, editorial control, and economic limitations upon Citizens United's continued participation in that marketplace of ideas. Such electioneering communications will be made through various modes, as Citizens United's past communications have been made, including, but not limited to, so-called electioneering communications distributed by a radio and television broadcast station. And such electioneering communications will include certain "targeted communications" as that term is defined in BCRA Sections 201 and 204.

8. As indicated in paragraph 42 of its Amended Complaint in this action, Citizens United will be injured by the system of prior restraints and discriminatory regulations imposed by and under the BCRA/FECA. Such prior restraints and regulations will impose discriminatory economic burdens and penalties upon the communicative activity of Citizens

United, by threat of injunctive, and other restraining, action, and by threat of civil and criminal penalties, as enhanced by BCRA. They will prevent Citizens United from engaging in the quality and quantity of political communications that Citizens United would choose in its editorial discretion, but for the licensing power, editorial control and discriminatory economic burdens and penalties placed upon it by the BCRA/FECA. Specifically, as to "electioneering communications," Citizens United will be discriminated against by licensing requirements, editorial controls, and economic burdens not imposed upon broadcasting facilities, newspapers, magazines and other periodical publications not owned or controlled by any political party, political committee or candidate, and which are not subject to the power of the FEC to threaten injunctive, or other restraining, action and civil and criminal penalties.

9. Furthermore, section 323 of BCRA would appear to prohibit federal office holders from signing solicitation letters on behalf of Citizens United. This would severely impinge upon Citizens United's right to communicate to its members and to the general public, including its ability to raise funds to support its programs. Congressional representatives in the past have signed written solicitation letters on behalf of Citizens United (see Exhibit B to this Declaration), and Citizens United intends to request federal office holders to sign this type of communication to the public on behalf of Citizens United in the future. Currently, for example, U.S. Representative Bob Barr (R-GA) is the Honorary Chairman of Citizens United, and Citizens United intends that Congressman Barr sign written letters, including direct mail fundraising appeals on behalf of Citizens United in the future. Citizens United could not economically or reasonably change its administrative, accounting, and communications systems to isolate and separately manage contributions from corporations, and it could not represent

that proceeds from any fundraising appeal made by a federal office holder would not be used for expenditures or disbursements "in connection with a federal election" because of the breadth of the definition of the term in the BCRA. Although Citizens United does not itself expressly advocate the election or defeat of candidates for federal office, BCRA Section 323's broad definition of "expenditures or disbursements in connection with a federal election" also could encompass a large segment of Citizens United's routine expenditures for such things as publications, communications and the administrative costs of its separate segregated fund, Citizens United Political Victory Fund. These provisions in the BCRA/FECA prohibiting federal office holders from signing Citizens United's fundraising solicitations is an unjustifiable infringement on Citizen United's protected First Amendment activities, communications, and rights.

I declare, under penalty of perjury, that the foregoing is true and correct.


DAVID N. BOSSIE

Executed on: 3 October 2002

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

CONGRESSMAN RON PAUL, *et al.*,
Plaintiffs,

v.

FEDERAL ELECTION COMMISSION, *et al.*,
Defendants.

) CIVIL ACTION NO. 02-CV-781
) (CKK, KLH, RJI)
)
) Consolidated with
) CIVIL ACTION NOS.
) 02-CV-582 (CKK, KLH, RJI) (Lead)
) 02-CV-581 (CKK, KLH, RJI)
) 02-CV-633 (CKK, KLH, RJI)
) 02-CV-751 (CKK, KLH, RJI)
) 02-CV-753 (CKK, KLH, RJI)
) 02-CV-754 (CKK, KLH, RJI)
) 02-CV-874 (CKK, KLH, RJI)
) 02-CV-875 (CKK, KLH, RJI)
) 02-CV-877 (CKK, KLH, RJI)
) 02-CV-881 (CKK, KLH, RJI)

BOSSIE CU-CUPVF DECLARATION EXHIBIT A

ARTICLES OF INCORPORATION

OF

CITIZENS UNITED

We hereby adopt the following Articles of Incorporation to form a nonstock, nonprofit Corporation under the provisions of Chapter 10 of Title 13.1 of the Code of Virginia, and to that end set forth the following:

ARTICLE I

NAME

The name of the Corporation is: CITIZENS UNITED, hereinafter referred to as the "Corporation."

ARTICLE II

PURPOSES AND POWERS

(A) Purposes: The purposes for which the Corporation is organized are to promote social welfare through informing and educating the public on conservative ideas and positions on issues, including national defense, the free enterprise system, belief in God, and the family as the basic unit of society. These purposes of the Corporation are to be accomplished as follows:

(1) By engaging in analysis, study, and research and by preparing, assembling, and distributing the results to interested individuals and organizations and the public through various means of communications, including reports, studies, monographs, and other educational materials:

(2) By sponsoring and supporting public discussion groups, forums, panels, lectures, symposiums, seminars, debates, and other similar events to which interested individuals and organizations and members of the public will be invited; and

(3) By working with other educational organizations and individuals in order to achieve the above stated purposes.

(B) Powers: In addition to the foregoing objects and purposes, the Corporation shall have all of the specific, general, and incidental powers granted to it under Chapter 10 of Title 13.1 of the Code of Virginia and other laws of the Commonwealth of Virginia, and the Corporation is empowered to do all and everything necessary, suitable and proper for the accomplishment, attainment or furtherance of its purposes, subject to the limitation that:

(1) The Corporation is a nonprofit corporation organized without capital stock;

(2) No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its Directors, Officers, members, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Section (A) of this Article; and

(3) Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on by a corporation

exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code of 1986, or corresponding section of any future federal tax code.

ARTICLE III

MEMBERS

The Corporation shall have such class or classes of members or membership as the Board may prescribe in its Bylaws, but members shall not have the right to vote.

ARTICLE IV

INITIAL BOARD OF DIRECTORS

The number of Directors constituting the initial Board of Directors shall be three (3) and the names and addresses of the persons who are to serve as the initial Directors are:

Floyd Brown
3901 Longstreet Court
Annandale, Virginia 22003

Brian Berry
3351 Hewitt Avenue, #2
Silver Spring, Maryland 20906

Ron Robinson
11207 Longwood Grove Drive
Reston, Virginia 22090

The Directors of the Corporation shall elect their successors in accordance with the Bylaws of the Corporation.

ARTICLE V

DURATION

The period of duration of the Corporation shall be perpetual.

ARTICLE VI

INDEMNIFICATION

The Corporation shall indemnify each of its Directors and Officers, whether or not then in office, and his executor, administrator, and heirs, against all reasonable expenses actually and necessarily incurred by him, including but not limited to, judgments, costs and counsel fees, in connection with the defense of any litigation, including any civil, criminal or administrative action, suit or proceeding, to which he may have been made a party because he is or was a Director or Officer of the Corporation. The right to indemnity shall also apply to claims or suits which are reasonably compromised or settled. The right to indemnity shall also apply to Directors for liability arising from the acts of any agent or employee selected by the Directors with reasonable care, or for liability arising from any act of omission of any other Director.

No person shall have a right to reimbursement, however, in relation to matters as to which he has been adjudged liable to the Corporation for misconduct in the performance of his duties.

The foregoing right of indemnification shall be in addition to, not exclusive of, all other rights to which such Director or Officer may now, or in the future, be lawfully entitled, including those under Chapter 10 of Title 13.1 of the Code of Virginia.

ARTICLE VII

LIABILITY OF DIRECTORS AND OFFICERS

In any proceeding brought in the right of the Corporation, the damages assessed against a Director or Officer of the Corporation arising out of a single transaction, occurrence, or course of conduct shall not exceed \$1,000.

Notwithstanding any other provisions of this Article, the liability of a Director or Officer shall not be limited if the Director or Officer engaged in willful misconduct or a knowing violation of the criminal law.

ARTICLE VIII

DISSOLUTION

In the event of the dissolution, liquidation or winding up of the business and affairs of the Corporation, whether voluntary or involuntary or by operation of law, the Board of Directors shall, after paying or making provision for the payment of all proper liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such corporation(s) or organization(s) then exempt under Sections 501(c)(4) or 501(c)(3) of the Internal Revenue Code, or corresponding sections of any future federal tax code, as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Circuit Court for Fairfax County, Virginia exclusively for such purposes or to such corporation(s) or organization(s),

as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE IX

INITIAL REGISTERED OFFICE AND AGENT

The address of the initial registered office of the Corporation is 10521 Judicial Drive, Suite 310, Fairfax, Virginia 22030 and the office is located within the City of Fairfax. The initial registered agent of the Corporation is William J. Olson, who is a member of the Virginia State Bar and a resident of the Commonwealth of Virginia, and whose business address is the same as the registered office.

ARTICLE X

INCORPORATOR

The name and address of the incorporator is as follows:

William J. Olson
Suite 310
10521 Judicial Drive
Fairfax, Virginia 22030

IN WITNESS WHEREOF I have signed and acknowledged these Articles of Incorporation this 28th day of October 1988.


WILLIAM J. OLSON, Incorporator

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
November 1, 1988

CERTIFICATE OF INCORPORATION

The State Corporation Commission has found the accompanying articles submitted on behalf of

CITIZENS UNITED

to comply with the requirements of law, and confirms payment of all related fees.

Therefore, it is ordered that this

CERTIFICATE OF INCORPORATION

be issued, and admitted to record with the articles in this office of the Commission, effective November 1, 1988.

This order and its accompanying articles will be forwarded for filing in the office of the Clerk of the Circuit Court of (Filed in Fairfax Co.) following admission to the records of the Commission.

STATE CORPORATION COMMISSION

By *[Handwritten Signature]*
Commissioner

Court Number: 303

01424NEW

Commonwealth of Virginia



State Corporation Commission

I Certify the Following from the Records of the Commission:

The foregoing is a true copy of all documents constituting the charter of CITIZENS UNITED on file in the Clerk's Office of the Commission.

Nothing more is hereby certified.



*Signed and Sealed at Richmond on this Date:
September 16, 2002*

Joel H. Peck
Joel H. Peck, Clerk of the Commission

COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION

November 14, 1994

The State Corporation Commission has found the accompanying
articles submitted on behalf of

CITIZENS UNITED

to comply with the requirements of law, and confirms payment of
all related fees.

Therefore, it is ORDERED that this

CERTIFICATE OF AMENDMENT

be issued and admitted to record with the articles of amendment in
the Office of the Clerk of the Commission, effective November 14,
1994 at 11:51 AM.

The corporation is granted the authority conferred on it by law in
accordance with the articles, subject to the conditions and
restrictions imposed by law.

STATE CORPORATION COMMISSION

By *T. V. Morrison*

Commissioner

AMENACPT
CIS20436
94-11-09-0090

**Articles of Amendment
Of
Citizens United**

CITIZENS UNITED, a corporation organized and existing under and by virtue of the provisions of Chapter 10 of Title 13.1 of the Code of Virginia, hereby acts to amend its Articles of Incorporation and to that end sets forth the following:

A. The name of the Corporation is: **CITIZENS UNITED**

B. The amendment so adopted is as follows:

1. Change the Corporation from a member organization where members had no voting rights to a membership organization where such rights exist to the extent set forth in the Bylaws, by deleting the text of existing Article III and substituting in its place new Article III, as follows:

The Corporation shall have Members, the qualifications and rights of each class of Members being set forth in the Bylaws of the Corporation.

- C. At the time the Amendment was adopted, the Corporation had no voting members, and member action was thus not required.
- D. The amendment was adopted at a meeting of the Board of Directors held on May 27, 1994, at which time said amendment received the vote of at least two-thirds of the Directors in Office.
- E. The registered office of the Corporation is located in the County of Fairfax, Virginia.

IN WITNESS WHEREOF, the Corporation has caused these Articles to be executed by its President and by its Secretary this 27th day of May, 1994.

CITIZENS UNITED

By: Raymond M. Brown
President

By: Kenneth A. Wells
Secretary

Commonwealth of Virginia



State Corporation Commission

I Certify the Following from the Records of the Commission:

CITIZENS UNITED is a corporation existing under and by virtue of the laws of Virginia, and is in good standing.

The date of incorporation is November 01, 1988.

Nothing more is hereby certified.

*Signed and Sealed at Richmond on this Date:
September 16, 2002*

Joel H. Peck

Joel H. Peck, Clerk of the Commission



**Internal Revenue Service
District Director**

Department of the Treasury

P O BOX 36001 STOP SF-4-4-46
SAN FRANCISCO, CA 94102

Date: NOV. 13, 1989

CITIZENS UNITED
C/O WILLIAM J OLSON
GILMAN OLSON & PANGIA
1815 GH ST N W SUITE 600
WASHINGTON, DC 20006

Employer Identification Number:
91-1433368

Case Number:
959017058

Contact Person:
JOHN PAPKA

Contact Telephone Number:
(415) 556-0251

Internal Revenue Code
Section 501(c)(4)
Accounting Period Ending:
December 31
Form 990 Required:
Yes
Caveat Applies:
Yes

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under the provisions of the Internal Revenue Code section indicated above.

Unless specifically excepted, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee to whom you pay \$100 or more during a calendar year. And, unless excepted, you are also liable for tax under the Federal Unemployment Tax Act for each employee to whom you pay \$50 or more during a calendar quarter if, during the current or preceding calendar year, you had one or more employees at any time in each of 20 calendar weeks or you paid wages of \$1,500 or more in any calendar quarter. If you have any questions about excise, employment or other Federal taxes, please address them to this office.

If your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status. Also, you should inform us of all changes in your name and address.

The heading of this letter indicates whether you must file Form 990, Return of Organization Exempt from Income Tax. If Yes is indicated, you are only required to file Form 990 if your gross receipts each year are normally more than \$25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law provides for a penalty of \$10 a day, up to a maximum of \$5,000, when a return is filed late, unless there is reasonable cause for the delay. This penalty may also be charged if a return is not complete. So please make sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 514 of the

CITIZENS UNITED

Internal Revenue Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in Code section 513.

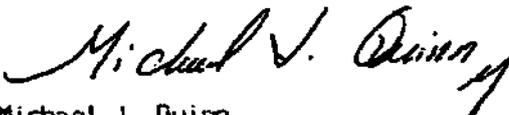
You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Because this letter could help resolve any questions about your exempt status, you should keep it in your permanent records.

If the heading of this letter indicates that a caveat applies, the caveat below or on the enclosure is an integral part of this letter.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,



Michael J. Quinn
District Director

CITIZENS UNITED

Because you are not an organization described in section 170(c) of the Code, donors may not deduct contributions to you. You should advise your contributors to that effect.



Citizens United Mission Statement

Citizens United is an organization dedicated to restoring our government to citizen control. Through a combination of education, advocacy, and grass roots organization, Citizens United seeks to reassert the traditional American values of limited government, freedom of enterprise, strong families, and national sovereignty and security.

Citizens United's goal is to restore the founding fathers' vision of a free nation, guided by the honesty, common sense, and goodwill of its citizens.

Department of the Treasury
Internal Revenue Service

Under section 501(c) of the Internal Revenue Code (except black lung benefit trust or private foundation) or section 4947(a)(1) nonexempt charitable trust

Note: The organization may have to use a copy of this return to satisfy same reporting requirements.

This Form is Open to Public Inspection

A For the 1994 calendar year, OR tax year period beginning 1994, and ending 19

B Check If:
 Change of address
 Initial return
 Final return
 Amended return

C Name of organization
CITIZENS UNITED
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
11094-D LEE HIGHWAY 200
 City, town, or post office, state, and ZIP code
FAIRFAX, VA 22030

D Employer identification number
91-1433368

E State registration number

F Check if exemption application is pending

G Type of organization - Exempt under 501(c) (04) (insert number) OR section 4947(a)(1) nonexempt charitable trust
 Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H Is this a group return filed for affiliates? Yes No
 (b) If "Yes," enter the number of affiliates for which this return is filed: _____
 (c) Is this a separate return filed by an organization covered by a group ruling? Yes No

I If either box in H is checked "Yes," enter four-digit group exemption number (GEN) _____
J Accounting method: Cash Accrual
 Other (specify) _____

K Check here If the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.
 Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

Part III Statement of Revenue, Expenses, and Changes in Net Assets or Fund Balances

1 Contributions, gifts, grants, and similar amounts received:				
a Direct public support		1a	2,785,045.	
b Indirect public support		1b		
c Government contributions (grants)		1c		
d Total (add lines 1a through 1c) (attach schedule)		1d	2,785,045.	
(cash \$ <u>2,784,051.</u> noncash \$ <u>994.</u>)				
2 Program service revenue including government fees and contracts (from Part VII, line 93)		2	550.	
3 Membership dues and assessments		3		
4 Interest on savings and temporary cash investments		4		
5 Dividends and interest from securities		5		
6 a Gross rents	SEE STATEMENT 1	6a	2,692.	
b Less: rental expenses	SEE STATEMENT 2	6b	4,091.	
c Net rental income or (loss) (subtract line 6b from line 6a)		6c	-1,399.	
7 Other investment income (describe)		7		
8 a Gross amount from sale of assets other than inventory	(A) Securities	8a	1,867.	
	(B) Other	8b	1,712.	
b Less: cost or other basis and sales expenses		8c	155.	
c Gain or (loss) (attach schedule)				
d Net gain or (loss) (combine line 8c, columns (A) and (B))	STMT 3	8d	155.	
9 Special events and activities (attach schedule):				
a Gross revenue (net including \$ _____ of contributions reported on line 1a)		9a		
b Less: direct expenses other than fundraising expenses		9b		
c Net income or (loss) from special events (subtract line 9b from line 9a)		9c		
10 a Gross sales of inventory, less returns and allowances		10a		
b Less: cost of goods sold		10b		
c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)		10c		
11 Other revenue (from Part VII, line 103)		11	23.	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)		12	2,784,352.	
13 Program services (from line 44, column (B))		13	24,352.	
14 Management and general (from line 44, column (C))		14	1,793.	
15 Fundraising (from line 44, column (D))		15	293,005.	
16 Payments to affiliates (attach schedule)				
17 Total expenses (add lines 13 and 14, column (A))		17	3,159,150.	
18 Excess or (deficit) for the year (subtract line 17 from line 12)		18	-308,876.	
19 Net assets or fund balances at beginning of year (from line 74, column (A))		19	10,509.	
20 Other changes in net assets or fund balances (attach explanation)		20	0.	
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)		21	-298,367.	

Form **2758**
(Rev. July 1993)

Application for Extension of Time To File Certain Excise, Income, Information, and Other Returns

CMB No. 1545-0148

Expires 5-31-95

Department of the Treasury
Internal Revenue Service

► File a separate application for each return.

Please type or print. File the original and one copy by the due date for filing your return. See instructions on back.

Name CITIZENS UNITED	Employer identification number 91 1433368
Number and street (or P.O. box no. if mail is not delivered to street address) 11094-D LEE HIGHWAY	Apt. or suite no. 200
City, town or post office, state, and ZIP code. For a foreign address, see instructions. FAIRFAX, VA 22030	

Note: Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICs, and trusts (except those filing Form 990-T) must use Form 8736 to request an extension of time to file.

1. An extension of time until 8/15, 19 95, is requested to file (check only one):
- | | | | | |
|--|--|--|------------------------------------|------------------------------------|
| <input type="checkbox"/> Form 706GS(D) | <input type="checkbox"/> Form 990-T (401(a) or 408(a) trust) | <input type="checkbox"/> Form 1042-S | <input type="checkbox"/> Form 6069 | <input type="checkbox"/> Form 8831 |
| <input type="checkbox"/> Form 706GS(T) | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 1120-ND (4951 taxes) | <input type="checkbox"/> Form 8812 | |
| <input checked="" type="checkbox"/> Form 990 or 990-EZ | <input type="checkbox"/> Form 1041 (estate) (see instructions) | <input type="checkbox"/> Form 3520-A | <input type="checkbox"/> Form 8813 | |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 4720 | <input type="checkbox"/> Form 8725 | |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1042 | <input type="checkbox"/> Form 5227 | <input type="checkbox"/> Form 8804 | |

If the organization does not have an office or place of business in the United States, check this box.

- 2a For calendar year 19 94, or other tax year beginning _____ and ending _____
- b If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- 3 Has an extension of time to file been previously granted for this tax year? Yes No
- 4 State in detail why you need the extension. **TAXPAYER NEEDS ADDITIONAL TIME TO ASSEMBLE INFORMATION**

- 5a If this form is for Form 706GS(D), 706GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8812, 8813, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____
- b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ _____
- c Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions. \$ _____

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature: *Mani Nishi* Title: _____ Date: **MAY 15 1995**

FILE ORIGINAL AND ONE COPY. The IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant—To Be Completed by the IRS

- We HAVE approved your application. Please attach this form to your return.
- We HAVE NOT approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to your return.
- We HAVE NOT approved your application. After considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- We cannot consider your application because it was filed after the due date of the return for which an extension was requested.
- Other: _____

Director

By: _____

Date

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Please Type or Print	Name NISHI, PAPAGJIKA & ASSOCIATES, P. C.	
	Number and street (or P.O. box no. if mail is not delivered to street address) 51 MONORE STREET	Apt. or suite no. 1920
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. ROCKVILLE, MD 20850	

Date:

7-28-95

JUL 28 1995

Social Security or Employer

Identification Number: 91-14333

Tax Period: 9412

Form: 2758

Extension Granted To: 8-15-95

Your Correspondence Date:

We have considered your request for an extension of time to file the form shown above.

We have extended to the above date the time you have in which to file.

We have further extended to the above date the time you have in which to file.

This does not extend the due date for payment of tax. For any tax not paid on time, interest must be charged on the unpaid tax from the original due date of the form to the date of payment. In addition, the unpaid tax is subject to a late payment penalty of $\frac{1}{2}$ of 1 percent for each month or part of a month payment is late, unless the late payment is due to reasonable cause. The penalty cannot be more than 25 percent of the tax paid late.

Please attach this letter to the form when you file it; it is your evidence that an extension of time was granted.

Thank you for your cooperation.

Sincerely yours,

Joseph H. Quinn
Director, Service Center

Form **2758**
(Rev. July 1993)

Application for Extension of Time To File Certain Excise, Income, Information, and Other Returns

CMB No. 1545-0148
Expires 5/31/95

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return.

Please type or print. File the original and one copy by the due date for filing your return. See instructions on back.	Name CITIZENS UNITED	Employer identification number 91 1433368
	Number and street (or P.O. box no. if mail is not delivered to street address) 11094-D LEE HIGHWAY	Apt. or suite no. 200
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. FAIRFAX, VA 22030	

Note: Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICs, and trusts (except those filing Form 990-T) must use Form 8736 to request an extension of time to file.

- 1 An extension of time until 11/15, 19 95, is requested to file (check only one):
- | | | | | |
|--|--|--|------------------------------------|------------------------------------|
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| <input type="checkbox"/> Form 706GS(T) | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 1120-ND (4951 taxes) | <input type="checkbox"/> Form 8612 | |
| <input checked="" type="checkbox"/> Form 990 or 990-EZ | <input type="checkbox"/> Form 1041 (estate) (see instructions) | <input type="checkbox"/> Form 3520-A | <input type="checkbox"/> Form 8613 | |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 4720 | <input type="checkbox"/> Form 8725 | |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1042 | <input type="checkbox"/> Form 5227 | <input type="checkbox"/> Form 8804 | |

If the organization does not have an office or place of business in the United States, check this box.

- 2a For calendar year 19 94, or other tax year beginning _____ and ending _____
- b If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- 3 Has an extension of time to file been previously granted for this tax year? Yes No
- 4 State in detail why you need the extension. TAXPAYER NEEDS ADDITIONAL TIME TO ASSEMBLE INFORMATION

- 5a If this form is for Form 706GS(D), 706GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____
- b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ _____
- c Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions. \$ _____

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature ▶ Alan C. Nishi Title ▶ _____ Date ▶ AUG 4 1995

FILE ORIGINAL AND ONE COPY. The IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant—To Be Completed by the IRS

- We HAVE approved your application. Please attach this form to your return.
- We HAVE NOT approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to your return.
- We HAVE NOT approved your application. After considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- We cannot consider your application because it was filed after the due date of the return for which an extension was requested.
- Other: _____

Director _____ By: _____ Date _____

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Please Type or Print	Name NISHI, PAPAGJIKA & ASSOCIATES, P. C.	Apt. or suite no. 1920
	Number and street (or P.O. box no. if mail is not delivered to street address) 51 MONORE STREET	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. ROCKVILLE, MD 20850	

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 5b, 5c, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule)				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	106,875.	101,041.	5,344.	490.
26	Other salaries and wages	479,285.	221,844.	256,366.	1,075.
27	Pension plan contributions				
28	Other employee benefits	42,943.	25,310.	16,621.	1,012.
29	Payroll taxes	42,421.	23,341.	18,967.	113.
30	Professional fundraising fees				
31	Accounting fees	14,670.		14,670.	
32	Legal fees	22,306.	7,973.	14,333.	
33	Supplies	14,006.	13,508.	460.	38.
34	Telephone	37,773.	22,485.	14,614.	674.
35	Postage and shipping	763,872.	653,821.	2,119.	107,932.
36	Occupancy				
37	Equipment rental and maintenance	12,406.	10,586.	1,707.	113.
38	Printing and publications	551,515.	472,637.	525.	78,353.
39	Travel	64,906.	29,681.	34,743.	482.
40	Conferences, conventions, and meetings				
41	Interest	32,976.	21,890.	10,027.	1,059.
42	Depreciation, depletion, etc. (att. sch.)	51,186.	31,970.	17,669.	1,547.
43	Other expenses (itemize):				
a					
b					
c					
d					
e	SEE STATEMENT 4	922,010.	788,265.	33,628.	100,117.
44	Total functional expenses (add lines 22 through 43) (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	3,159,150.	2,424,352.	441,793.	293,005.

Reporting of Joint Costs. - Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? Yes No

If "Yes," enter (i) the aggregate amount of these joint costs \$ 1,465,024.; (ii) the amount allocated to Program services \$ 1,172,019.; (iii) the amount allocated to Management and general \$ 0.; and (iv) the amount allocated to Fundraising \$ 293,005.

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? SEE STATEMENT 5	Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts; but optional for others.)
a MEMBERSHIP & COMMUNICATIONS-HANDLES ALL DONOR REQUESTS FOR EDUCATIONAL AND INFORMATIONAL MATERIALS. MAINTAINS CONTINUOUS COMMUNICATIONS WITH EXISTING MEMBERS AND ATTEMPS TO LOCATE AND RECRUIT NEW MEMEBERS. (Grants and allocations \$)	1,471,648.
b PUBLICATIONS-ORGANIZATION SENDS OUT MASS MAILINGS TO CURRENT DONORS AND PROSPECTIVE DONORS TO HELP EDUCATE THE PUBLIC ON THE CURRENT POLITICAL ISSUES AT HAND IN WASHINGTON, D.C. (Grants and allocations \$)	654,458.
c BROADCASTING-PRODUCES A RADIO SHOW CALLED "TALK BACK TO WASHINGTON". INFORMS AND DISCUSSES WITH THE PUBLIC CURRENT POLITICAL ISSUES. THE PROGRAM IS EDUCATIONAL AND INFORMATIVE IN NATURE. (Grants and allocations \$)	298,246.
d	
e Other program services (attach schedule) (Grants and allocations \$)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	2,424,352.

Part IV Balance Sheets

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.		(A) Beginning of year	(B) End of year
Assets			
45	Cash - non-interest-bearing	27,422.	8,283.
46	Savings and temporary cash investments		
47 a	Accounts receivable	19,208.	
b	Less: allowance for doubtful accounts		
		20,294.	19,208.
48 a	Notes receivable		
b	Less: allowance for doubtful accounts		
49	Grants receivable		
50	Receivables due from officers, directors, trustees, and key employees (attach schedule)		
51 a	Other notes and loans receivable	289.	
b	Less: allowance for doubtful accounts		
52	Inventories for sale or use		
53	Prepaid expenses and deferred charges	89,436.	13,352.
54	Investments - securities (attach schedule) STMT 6	1,004.	1,998.
55 a	Investments - land, buildings, and equipment: basis		
b	Less: accumulated depreciation (attach schedule)		
56	Investments - other (attach schedule)		
57 a	Land, buildings, and equipment: basis	550,622.	
b	Less: accumulated depreciation	88,808.	
		442,296.	461,814.
58	Other assets (describe ▶ SEE STATEMENT 7)	4,211.	5,920.
59	Total assets (add lines 45 through 58) (must equal line 75)	584,663.	510,864.
Liabilities			
60	Accounts payable and accrued expenses	215,529.	426,034.
61	Grants payable		
62	Support and revenues designated for future periods		
63	Loans from officers, directors, trustees, and key employees		
64 a	Tax-exempt bond liabilities		
b	Mortgages and other notes payable (attach schedule) STMT 8 STMT 9	312,699.	283,442.
65	Other liabilities (describe ▶ SEE STATEMENT 10)	45,926.	99,755.
66	Total liabilities (add lines 60 through 65)	574,154.	809,231.
Fund Balances or Net Assets			
Organizations that use fund accounting, check here <input checked="" type="checkbox"/> and complete lines 67 through 70 and lines 74 and 75.			
67 a	Current unrestricted fund	-119,088.	-453,142.
b	Current restricted fund	0.	0.
68	Land, buildings, and equipment fund	129,597.	154,775.
69	Endowment fund	0.	0.
70	Other funds (describe ▶)	0.	0.
Organizations that do not use fund accounting, check here <input type="checkbox"/> and complete lines 71 through 75.			
71	Capital stock or trust principal		
72	Paid-in or capital surplus		
73	Retained earnings or accumulated income		
74	Total fund balances or net assets (add lines 67a through 70 OR lines 71 through 73; column (A) must equal line 19 and column (B) must equal line 21)	10,509.	-298,367.
75	Total liabilities and fund balances/net assets (add lines 66 and 74)	584,663.	510,864.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes the organization's programs and accomplishments.

Part V List of Officers, Directors, Trustees, and Key Employees List each one even if not compensated.

Table with 5 columns: (A) Name and address, (B) Title and average hours per week devoted to position, (C) Compensation (if not paid, enter -), (D) Contributions or expenses based on salary or honoraria, (E) Expense account and other allowances.

Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule (see instructions).

Part VI Other Information

Form with multiple sections (76-92) containing questions about organizational activities, tax returns, lobbying, and other information. Includes checkboxes for 'Yes' and 'No' and various input fields.

Part VII Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
(a) RADIO PROGRAM INCOME					550.
(b)					
(c)					
(d)					
(e)					
(f)					
(g) Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
(a) debt-financed property	6512	-1,303.			
(b) not debt-financed property			01	-96.	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	155.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
(a) LIST RENTAL INCOME	9200	63,189.			
(b) OTHER					2,734.
(c)					
(d)					
(e)					
104 Subtotal (add columns (B), (D), and (E))		61,886.		59.	3,284.
105 TOTAL (add line 104, column (B), (D), and (E))					65,229.

Note: (Line 105 plus line 14, Part I, should equal the amount on line 12, Part I.)

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93A	RADIO INCOME - INCOME RECEIVED FROM PRODUCING A RADIO SHOW CALLED "TALK BACK TO WASHINGTON", WHICH PROMOTES EDUCATING THE AMERICAN PUBLIC ON VARIOUS POLITICAL IDEAS.
103B	OTHER INCOME - MISCELLANEOUS INCOME.

Part IX Information Regarding Taxable Subsidiaries (Complete this Part if the "Yes" box on 88 is checked.)

Name, address, and employer identification number of corporation or partnership	Percentage of ownership interest	Nature of business activities	Total income	End-of-year assets
N/A	%			
	%			
	%			
	%			

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here: Signature of officer _____ Date _____ Title _____

Paid Preparer's signature: *Michael Nishi* Date: 12-1-94 Check if self-employed Preparer's social security no. _____

Preparer's Use Only: Firm's name for your use: **NISHT, PAPAGJIK & ASSOCIATES, P.C.** E.I. No. _____
 if self-employed and address: **51 MONROE STREET, SUITE 1920 ROCKVILLE, MD** ZIP code: **20850**

FORM 990

RENTAL INCOME

STATEMENT 1

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
OFFICE TOWNHOUSE, FAIRFAX, VA	1	2,507.
OFFICE TOWNHOUSE, FAIRFAX, VA	2	185.
TOTAL TO FORM 990, PART I, LINE 6A		2,692.

FORM 990

RENTAL EXPENSES

STATEMENT 2

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
MORTGAGE INTEREST		2,330.	
REAL ESTATE TAXES		256.	
SALARY EXPENSE		659.	
ALLOCATED FRINGE BENEFITS		96.	
ALLOCATED G & A EXPENSE		371.	
DEPRECIATION		379.	
- SUBTOTAL -	1		4,091.
TOTAL TO FORM 990, PART I, LINE 6B			4,091.

BAD DEBTS	7,180.	5,743.		1,437.
TOTAL TO FM 990, LN 43	922,010.	788,265.	33,628.	100,117.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 5
PART III

EXPLANATION

TO PROMOTE SOCIAL WELFARE THROUGH INFORMING AND EDUCATING THE PUBLIC ON CONSERVATIVE IDEAS AND POSITIONS ON ISSUES INCLUDING NATIONAL DEFENSE, FREE ENTERPRISE SYSTEM, BELIEF IN GOD, AND THE FAMILY AS THE BASIC UNIT OF SOCIETY.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 6

DESCRIPTION	VALUE METHOD	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	OTHER SECURITIES	TOTAL NON-GOV'T SECURITIES
TNT BROADCASTING COST		1,998.				1,998.
TO FORM 990, LN 54, COL B		1,998.				1,998.

FORM 990 OTHER ASSETS STATEMENT

DESCRIPTION	AMOUNT
DEPOSIT	3,059
INTANGIBLES, NET OF AMORTIZATION	2,861
TOTAL TO FORM 990, LINE 58, COLUMN B	5,920

FORM 990 GAIN (LOSS) FROM SALE OF OTHER ASSETS STATEMENT 3

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED		
RADIO EQUIPMENT	10/19/93	03/22/94	PURCHASED		
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
RETURNED TO SELLER FOR FULL CREDIT	1,867.	1,867.	0.	155.	155.
TO FM 990, PART I, LN 8	1,867.	1,867.	0.	155.	155.

FORM 990 OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
ADVERTISING	7,643.	7,643.		
DIRECT MAIL PROCESSING	173,099.	143,176.		29,923.
CAGING AND ESCROW FEES	16,134.	12,907.		3,227.
BANK AND MANAGEMENT FEES	9,518.	7,399.	1,070.	1,049.
DUES, SUBSCRIPTIONS AND LICENSES	6,597.	1,768.	4,803.	26
T.V. PRODUCTION COSTS	20,206.	20,206.		
CONDOMINIUM FEES	7,009.	4,346.	2,453.	210
REAL ESTATE TAXES	2,664.	1,810.	766.	88
OFFICE OPERATIONS	34,749.	23,886.	8,516.	2,347
DATA PROCESSING	42,563.	38,129.	938.	3,496
LIST MAINTENANCE	198,086.	176,184.		21,902
INSURANCE	6,960.	4,316.	2,436.	208
PUBLIC RELATIONS	35,185.	32,772.	2,224.	189
GRAPHICS & ARTWORK	2,768.	2,768.		
INSERTS	36,114.	29,501.		6,613
TELEMARKETING FEE	35,632.	28,506.		7,126
MISCELLANEOUS	31,059.	23,337.	7,409.	313
CONSULTING FEES	160,884.	138,274.	668.	21,942
RADIO DISTRIBUTION COSTS	66,000.	66,000.		
RESEARCH	9,003.	6,637.	2,345.	21
BROADCASTING SERVICE BUREAU	12,957.	12,957.		

FORM 990

MORTGAGES PAYABLE

STATEMENT

DESCRIPTION

BALANCE DUE

PATRIOT NATIONAL BANK

248,804.

TOTAL INCLUDED ON FORM 990, PART IV, LINE 64B, COLUMN B

248,804.

FORM 990

OTHER NOTES AND LOANS PAYABLE

STATEMENT

LENDER'S NAME

TERMS OF REPAYMENT

NORTHERN TELECOM

MONTHLY

<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>INTEREST RATE</u>
04/23/93	04/23/98	27,125.	12.25%

SECURITY PROVIDED BY BORROWER

PURPOSE OF LOAN

TELEPHONE EQUIPMENT

TELEPHONE EQUIPMENT

RELATIONSHIP OF LENDER

NONE

<u>DESCRIPTION OF CONSIDERATION</u>	<u>FMV OF CONSIDERATION</u>	<u>BALANCE DUE</u>
	0.	15,359.

LENDER'S NAME

TERMS OF REPAYMENT

FRIDEN NEOPOST

QUARTERLY

<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>INTEREST RATE</u>
09/28/93	08/28/98	21,206.	13.80%

SECURITY PROVIDED BY BORROWER

PURPOSE OF LOAN

MAILING EQUIPMENT

MAILING EQUIPMENT

RELATIONSHIP OF LENDER

NONE

<u>DESCRIPTION OF CONSIDERATION</u>	<u>FMV OF CONSIDERATION</u>	<u>BALANCE DUE</u>
	0.	13,128

LENDER'S NAME

TERMS OF REPAYMENT

COPLECO LEASING CO.

MONTHLY

<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>INTEREST RATE</u>
05/01/94	05/01/98	9,600.	7.90%

SECURITY PROVIDED BY BORROWER PURPOSE OF LOAN

COPIER COPIER MACHINE

RELATIONSHIP OF LENDER

NONE

<u>DESCRIPTION OF CONSIDERATION</u>	<u>FMV OF CONSIDERATION</u>	<u>BALANCE DUE</u>
	0.	6,151.
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64, COLUMN B		34,638.

<u>FORM 990</u>	<u>OTHER LIABILITIES</u>	<u>STATEMENT 10</u>
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<u>DESCRIPTION</u>	<u>AMOUNT</u>
PATRIOT BANK LINE OF CREDIT	74,980
CURRENT PORTION OF NOTE PAYABLE	8,824
CURRENT PORTION OF CAPITAL LEASE PAYABLE	14,773
OTHER MISCELLANEOUS PAYABLES	1,178
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B:	99,755

FORM 990 PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES

STATEMENT 11

<u>NAME AND ADDRESS</u>	<u>TITLE</u>	<u>AVERAGE HOURS PER WEEK</u>	<u>COMPEN-SATION</u>	<u>EMPLOYEE BEN CONTRIB</u>	<u>EXPENSE ACCOUNT</u>
FLOYD BROWN - 11094-D LEE HIGHWAY, FAIRFAX, VA	CHAIRMAN	40 HRS/WEEK	106,875.	7,800.	0.
RON ROBINSON - 11094-D LEE HIGHWAY, FAIRFAX, VA	DIRECTOR	.5 HRS/WEEK	0.	0.	0.
KIRBY WILBUR - 11094-D LEE HIGHWAY, FAIRFAX, VA	DIRECTOR	.5 HRS/WEEK	0.	0.	0.
BRIAN F. BERRY - AUSTIN, TX	DIRECTOR	.5 HRS/WEEK	0.	0.	0.
DOUG RAMSEY - KENT, WA	DIRECTOR	.5 HRS/WEEK	0.	0.	0.

FORM 990 IDENTIFICATION OF RELATED ORGANIZATIONS PART VI, LINE 80B

STATEMENT 12

<u>NAME OF ORGANIZATION</u>	<u>EXEMPT</u>	<u>NONEXEMPT</u>
CONSERVATIVE STUDENT SUPPORT FOUNDATION	X	
CITIZENS UNITED FOUNDATION	X	

FORM 990 LIST OF STATES RECEIVING COPY OF RETURN PART VI, LINE 90

STATEMENT 1:

STATES

- VIRGINIA
- MARYLAND
- NEW YORK
- SOUTH CAROLINA
- PENNSYLVANIA
- OTHER STATES TO BE DETERMINED

Under section 501(c) of the Internal Revenue Code (except black lung benefit trust or private foundation) or section 4947(a)(1) nonexempt charitable trust

Note: The organization may have to use a copy of this return to satisfy state reporting requirements.

This Form is Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 1996 calendar year, OR tax year period beginning 1996, and ending 19

B Check if:

- Change of address
- Initial return
- Final return
- Amended return (attach Form 990)

C Name of organization: **CITIZENS UNITED**

D Employer identification number: **91-1433368**

Number and street (or P.O. box if mail is not delivered to street address): **11094-D LEE HIGHWAY** Room/suite: **200**

City, town, or post office, state, and ZIP code: **FAIRFAX, VA 22030**

E State registration number

F Check if exemption application is pending

G Type of organization: Exempt under 501(c) (**04**) (insert number) OR section 4947(a)(1) nonexempt charitable trust

Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H(a) Is this a group return filed for affiliates? Yes No

(b) If "Yes," enter the number of affiliates for which this return is filed: _____

(c) Is this a separate return filed by an organization covered by a group ruling? Yes No

I. If either box in H is checked "Yes," enter four-digit group exemption number (GEN): _____

J Accounting method: Cash Accrual Other (specify): _____

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1	Contributions, gifts, grants, and similar amounts received:				
	a	Direct public support	1a	1906589.		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (attach schedule of contributors) (cash \$ 1906589. noncash \$)	1d	1906589.		
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2			
	3	Membership dues and assessments	3			
	4	Interest on savings and temporary cash investments	4	538.		
	5	Dividends and interest from securities	5			
	6a	Gross rents	6a			
	6b	Less: rental expenses	6b			
	6c	Net rental income or (loss) (subtract line 6b from line 6a)	6c			
7	Other investment income (describe)	7				
Revenue	8a	Gross amount from sale of assets other than inventory	(A) Securities	(B) Other		
	b	Less: cost or other basis and sales expenses	8a	90565.		
	c	Gain or (loss) (attach schedule)	8b	58408.		
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c	32157.		
Revenue	9	Special events and activities (attach schedule):				
	a	Gross revenue (not including \$ of contributions reported on line 1a)	9a			
	b	Less: direct expenses other than fundraising expenses	9b			
Revenue	10a	Gross sales of inventory, less returns and allowances	10a			
	b	Less: cost of goods sold	10b			
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			
Expenses	11	Other revenue (from Part VII, line 103)	11	41772.		
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	1981056.		
	13	Program services (from line 44, column (B))	13	1091741.		
	14	Management and general (from line 44, column (C))	14	390306.		
	15	Fundraising (from line 44, column (D))	15	294593.		
	16	Payments to affiliates (attach schedule)	16			
	17	Total expenses (add lines 16 and 44, column (A))	17	1776640.		
	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	204416.		
	Net Assets	19	Net assets at beginning of year (from line 73, column (A))	19	90873.	
		20	Other changes in net assets (attach explanation)	20	0.	
		21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	295289.	

Department of the Treasury
Internal Revenue Service

File a separate application for each return.

Please type or print. File the original and one copy by the due date for filing your return. See instructions on back.

Name
CITIZENS UNITED

Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address)
5009 PACIFIC HIGHWAY, E, SUITE 9-0

City, town or post office, state, and ZIP code. For a foreign address, see instructions.
FIFE, WA 98424

Employer identification number
91-1433368

Note: Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICs, and trusts must use Form 8738 to request an extension of time to file Form 1065, 1066, or 1041.

- 1 I request an extension of time until 8/15, 1997 to file (check only one):
- | | | | |
|--|--|--|------------------------------------|
| <input type="checkbox"/> Form 706-GS(D) | <input type="checkbox"/> Form 990-T (401(a) or 408(a) trust) | <input type="checkbox"/> Form 1120-ND (4951 taxes) | <input type="checkbox"/> Form 8612 |
| <input type="checkbox"/> Form 706-GS(T) | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 3520-A | <input type="checkbox"/> Form 8613 |
| <input checked="" type="checkbox"/> Form 990 or 990-EZ | <input type="checkbox"/> Form 1041 (estate) (see instructions) | <input type="checkbox"/> Form 4720 | <input type="checkbox"/> Form 8725 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 5227 | <input type="checkbox"/> Form 8804 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1042 | <input type="checkbox"/> Form 6069 | <input type="checkbox"/> Form 8831 |

If the organization does not have an office or place of business in the United States, check this box.

2a For calendar year 1996 or other tax year beginning _____ and ending _____

b If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

3 Has an extension of time to file been previously granted for this tax year? Yes No

4 State in detail why you need the extension **TAXPAYER IS WAITING FOR COMPLETION OF FINANCIAL STATEMENT AUDIT.**

- 5a If this form is for Form 706-GS(D), 706-GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. See instructions \$ _____
- b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ _____
- c Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions \$ _____

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature: [Signature] Title: [Title] Date: 05/15/97

FILE ORIGINAL AND ONE COPY. The IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant—To Be Completed by the IRS

- We HAVE approved your application. Please attach this form to your return.
- We HAVE NOT approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to your return.
- We HAVE NOT approved your application. After considering the reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- We cannot consider your application because it was filed after the due date of the return for which an extension was requested.
- Other: _____

EXTENSION APPROVED

AUG 15 1997

Director

By: _____

Date

DEBORAH S. DECKER, Director

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Name
NISEI, PAPAGJIKA & ASSOCIATES, P.C.

Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address)
51 MONROE STREET, SUITE 1920

City, town or post office, state, and ZIP code. For a foreign address, see instructions.
ROCKVILLE MD 20850

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 18 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule)				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	135873.	44838.	91035.	0.
26	Other salaries and wages	107848.	15393.	92455.	
27	Pension plan contributions				
28	Other employee benefits	18382.	4570.	13812.	
29	Payroll taxes	15355.	4608.	10747.	
30	Professional fundraising fees				
31	Accounting fees				
32	Legal fees				
33	Supplies	3399.	1437.	1962.	
34	Telephone	14990.	3372.	11618.	
35	Postage and shipping	464752.	344387.	9345.	111020.
36	Occupancy				
37	Equipment rental and maintenance	2165.	874.	1291.	
38	Printing and publications	445441.	335007.	2298.	108136.
39	Travel	39815.	12634.	27181.	
40	Conferences, conventions, and meetings				
41	Interest	28430.	8529.	19901.	
42	Depreciation, depletion, etc. (attach schedule)	42291.	12687.	29604.	
43	Other expenses (Itemize):				
a					
b					
c					
d					
e	SEE STATEMENT 2.	457899.	303405.	79057.	75437.
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15.	1776640.	1091741.	390306.	294593.

Reporting of Joint Costs. - Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? Yes No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____ and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? **SEE STATEMENT 3**

All organizations must describe their exempt purpose achievements. State the number of clinics served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

Program Service Expenses
(Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts but optional for others.)

a	MEMBERSHIP & COMMUNICATIONS--HANDLES ALL DONOR REQUESTS FOR EDUCATIONAL AND INFORMATIONAL MATERIALS. MAINTAINS CONTINUOUS COMMUNICATIONS WITH EXISTING MEMBERS AND ATTEMPS TO LOCATE AND RECRUIT NEW MEMEBERS. (Grants and allocations \$ _____)	931517.
b	PUBLICATIONS--ORGANIZATION SENDS OUT MASS MAILINGS TO CURRENT DONORS AND PROSPECTIVE DONORS TO HELP EDUCATE THE PUBLIC ON THE CURRENT POLITICAL ISSUES AT HAND IN WASHINGTON, D.C. (Grants and allocations \$ _____)	160224.
c	 (Grants and allocations \$ _____)	
d	 (Grants and allocations \$ _____)	
e	Other program services (attach schedule) (Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)	1091741.

Part V Balance Sheets

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year	(B) End of year
Assets	45 Cash - non-interest-bearing	3669.	72646.
	46 Savings and temporary cash investments	112176.	
	47 a Accounts receivable	6367.	
	b Less: allowance for doubtful accounts		
		32246.	6367.
	48 a Pledges receivable		
	b Less: allowance for doubtful accounts		
	49 Grants receivable		
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		
	51 a Other notes and loans receivable	186581.	
	b Less: allowance for doubtful accounts		
		138246.	186581.
	52 Inventories for sale or use		
	53 Prepaid expenses and deferred charges	10976.	
	54 Investments - securities (attach schedule) STMT 4	3055.	3055.
55 a Investments - land, buildings, and equipment: basis			
b Less: accumulated depreciation (attach schedule)			
56 Investments - other			
57 a Land, buildings, and equipment: basis	430030.		
b Less: accumulated depreciation	123103.		
	390381.	306927.	
58 Other assets (describe ► SEE STATEMENT 5)	3808.	16908.	
59 Total assets (add lines 45 through 58) (must equal line 74)	694557.	592484.	
Liabilities	60 Accounts payable and accrued expenses	291059.	95308.
	61 Grants payable		
	62 Deferred revenue		
	63 Loans from officers, directors, trustees, and key employees		
	64 a Tax-exempt bond liabilities		
	b Mortgages and other notes payable STMT 6 STMT 7	260822.	162898.
	65 Other liabilities (describe ► SEE STATEMENT 8)	51803.	38989.
66 Total liabilities (add lines 60 through 65)	603684.	297195.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74		
	67 Unrestricted	90873.	295289.
	68 Temporarily restricted	0.	0.
	69 Permanently restricted	0.	0.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74		
	70 Capital stock, trust principal, or current funds		
	71 Paid-in or capital surplus, or land, building, and equipment fund		
	72 Retained earnings, endowment, accumulated income, or other funds		
73 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)	90873.	295289.	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)	694557.	592484.	

Part VIII Other Information

76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76		X
77	Were any changes made in the organizing or governing documents but not reported to IRS? If "Yes," attach a conformed copy of the changes.	77		X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement.	79		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	X	
b	If "Yes," enter the name of the organization SEE STATEMENT 9 and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.			
81 a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81	81a		0.
b	Did the organization file Form 1122-POL for this year?	81b		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions for reporting in Part III)	82b		N/A
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	X	
85	501(c)(4), (5), or (6) organizations. - a Were substantially all dues nondeductible by members?	85a	X	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	X	
c	Dues, assessments, and similar amounts from members	85c		N/A
d	Section 162(e) lobbying and political expenditures	85d		N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e		N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f		N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	85g		N/A
h	If section 6033(e)(1)(A) dues notice were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		N/A
86	501(c)(7) organizations. - Enter:			
a	Initiation fees and capital contributions included on line 12	86a		N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b		N/A
87	501(c)(12) organizations. - Enter: a Gross income from members or shareholders	87a		N/A
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b		N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership? If "Yes," complete Part IX	88		X
89 a	501(c)(3) organizations. - Enter: Amount of tax paid during the year under: section 4911 N/A ; section 4912 N/A ; section 4958 N/A			
b	501(c)(3) and 501(c)(4) organizations. - Did the organization engage in any section 4958 excess benefit transaction during the year? If "Yes," attach a statement explaining each transaction	89b		X
c	Enter: Amount of tax paid by the organization managers or disqualified persons during the year under section 4958			0.
d	Enter: Amount of tax in 89c, above, reimbursed by the organization			0.
90	List the states with which a copy of this return is filed SEE STATEMENT 10			
91	The books are in care of FLOYD BROWN Telephone no. 253-926-6355 Located at 5009 PACIFIC HIGHWAY, E, SUITE 9-0, FIFE, WA ZIP +4 98424			
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041. - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year	92		N/A

Part VII Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
(a) _____					
(b) _____					
(c) _____					
(d) _____					
(e) _____					
(f) _____					
(g) Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	538.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
(a) debt-financed property					
(b) not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory	6599	28298.			3859.
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a ROYALTIES			15	41772.	
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		28298.		42310.	3859.
105 TOTAL (add line 104, columns (B), (D), and (E))					74467.

Note: (Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.)

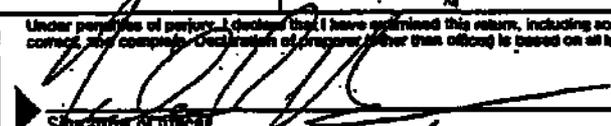
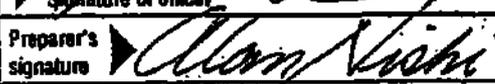
Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
106	SALE OF NON-UTILIZED OFFICE SPACE. ORGANIZATION SOLD OFFICE SPACE AND PUT 100% OF SALE PROCEEDS TOWARDS PAYING DOWN RELATED MORTGAGE. REDUCED MONTHLY MORTGAGE ALLOWS ADDITIONAL CONTRIBUTIONS TO BE APPLIED TO EXEMPT PURPOSE FUNCTION.

Part IX Information Regarding Taxable Subsidiaries (Complete this Part if the "Yes" box on 88 is checked.)

Name, address, and employer identification number of corporation or partnership	Percentage of ownership interest	Nature of business activities	Total income	End-of-year assets
N/A	%			
	%			
	%			
	%			

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here:  Date: 8/15/97 Michael Boos, V.P.
 Preparer's signature:  Date: AUG 13 1997 Check if self-employed: Preparer's SSN: _____
 Preparer's Use Only: Firm's name (or yours if self-employed) and address: NISHI, PAPAGJIKA & ASSOCIATES, P.C., 51 MONROE STREET, SUITE 1920, ROCKVILLE, MD. EIN: _____ ZIP 44: 20850

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED
OFFICE CONDO--DEBT FINANCED PORTION	12/31/92	04/09/96	PURCHASED

NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	79697.	54005.	0.	2606.	28298.

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED
OFFICE CONDO	12/31/92	04/09/96	PURCHASED

NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	10868.	7364.	0.	355.	3859.
TO FM 990, PART I, LN 8	90565.	61369.	0.	2961.	32157.

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
CONSULTING	203921.	148728.	12803.	42390.
CAGING AND ESCROW FEES	75149.	56362.		18787.
BANK FEES	9673.	6212.	1511.	1950.
DUES, SUBSCRIPTIONS AND LICENSES	5019.	152.	4867.	
CONDOMINIUM FEES	7027.	2108.	4919.	
REAL ESTATE TAXES	2374.	712.	1662.	
OFFICE OPERATIONS	17416.	8707.	6715.	1994.
DATA PROCESSING	9629.	7242.	2387.	
LIST MAINTENANCE	1377.		1377.	
INSURANCE	5138.	1542.	3596.	
PUBLIC RELATIONS	13759.	12789.	970.	
GRAPHICS AND ARTWORK	4687.	3363.	275.	1049.
INSERTS	36636.	27721.		8915.
MISCELLANEOUS CONTRIBUTIONS	3879.	3326.	205.	348.
	27680.	1000.	26680.	

RESEARCH	24781.	23441.	1336.	4.
STATE REGISTRATIONS				
AND FEES	6863.		6863.	
ENTERTAINMENT	2792.		2792.	
TRAINING	99.		99.	
TOTAL TO FM 990, LN 43	457899.	303405.	79057.	75437.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 3
PART III

EXPLANATION

TO PROMOTE SOCIAL WELFARE THROUGH INFORMING AND EDUCATING THE PUBLIC ON CONSERVATIVE IDEAS AND POSITIONS ON ISSUES INCLUDING NATIONAL DEFENSE, FREE ENTERPRISE SYSTEM, BELIEF IN GOD, AND THE FAMILY AS THE BASIC UNIT OF SOCIETY.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 4

DESCRIPTION	VALUE METHOD	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	OTHER SECURITIES	TOTAL NON-GOV'T SECURITIES
TNT BROADCASTING	COST	3055.				3055.
TO FM 990, LN 54 COL B		3055.				3055.

FORM 990 OTHER ASSETS STATEMENT 5

DESCRIPTION	AMOUNT
DEPOSITS	3585.
PREPAID EXPENSES	12632.
INTANGIBLES, NET OF AMORTIZATION	691.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	16908.

DESCRIPTION

BALANCE DUE

PATRIOT NATIONAL BANK,

140987.

TOTAL INCLUDED ON FORM 990, PART IV, LINE 64B, COLUMN B

140987.

LENDER'S NAME TERMS OF REPAYMENT

NORTHERN TELECOM, MONTHLY

<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>INTEREST RATE</u>
04/23/93	04/23/98	27125.	12.25%

SECURITY PROVIDED BY BORROWER PURPOSE OF LOAN

TELEPHONE EQUIPMENT TELEPHONE EQUIPMENT

RELATIONSHIP OF LENDER

NONE

<u>DESCRIPTION OF CONSIDERATION</u>	<u>FMV OF CONSIDERATION</u>	<u>BALANCE DUE</u>
	0.	9351.

LENDER'S NAME TERMS OF REPAYMENT

FRIDEN NEOPOST, QUARTERLY

<u>DATE OF NOTE</u>	<u>MATURITY DATE</u>	<u>ORIGINAL LOAN AMOUNT</u>	<u>INTEREST RATE</u>
09/28/93	08/28/98	21206.	13.80%

SECURITY PROVIDED BY BORROWER PURPOSE OF LOAN

MAILING EQUIPMENT MAILING EQUIPMENT

RELATIONSHIP OF LENDER

NONE

<u>DESCRIPTION OF CONSIDERATION</u>	<u>FMV OF CONSIDERATION</u>	<u>BALANCE DUE</u>
	0.	8821.

STATES

VIRGINIA
MARYLAND
NEW YORK
SOUTH CAROLINA
PENNSYLVANIA
OTHER STATES TO BE DETERMINED

1. Book Depreciation Report

Depreciation Calculated from: 1/01/96 to: 12/31/96

Time: 09:59:58AM

Date: 04/03/1997

Asset Class	Asset Number	Asset Description	Date Acquired	Salvage Value	Book Cost	Depreciation Method	Used Yr Mo	Month	Book Depreciation YTD	LTD	Net Book Value	Date Disposed
1500	35	BUILDING	12/31/92	0	131,070	1	40 0	373	3,277	13,108	117,962	
1500	198	BUILDING	12/31/92	0	15,157	1	40 0	0	220	2,857	12,306	04/09/96
				0	146,227			373	3,497	15,965	130,262	
1520	36	LAND	12/31/92	0	91,125	13	NA NA	0	0	0	91,125	
1520	199	LAND	12/31/92	0	24,484	13	NA NA	0	0	0	24,484	04/09/96
				0	115,609			0	0	0	115,609	
1525	91	INSULATED WINDOW	10/14/93	0	485	1	40 0	1	12	39	446	
1525	64	CABLE	10/24/93	0	2,700	1	40 0	6	68	221	2,479	
1525	67	SECURITY SYSTEM	10/22/93	0	456	1	40 0	1	11	36	420	
1525	118	CONSTR. OFFICES	11/01/93	0	1,728	1	40 0	4	43	136	1,592	
1525	122	SIGN ON BUILDING	05/10/94	0	824	1	40 0	2	21	56	768	
1525	123	KITCHEN CABINETS	07/05/94	0	1,495	1	40 0	3	37	93	1,402	
1525	200	CONSTR. OFFICES	11/01/93	0	1,728	1	40 0	0	11	104	1,624	04/09/96
				0	9,416			17	203	685	8,731	
1600	37	FRAMING	01/30/93	0	588	1	7 0	7	84	336	252	
1600	38	BLINDS	04/30/93	0	2,300	1	15 0	13	153	574	1,726	
1600	39	SOFA	09/23/93	0	2,199	1	7 0	26	314	1,047	1,152	
1600	40	CHAIR	09/23/93	0	1,522	1	7 0	18	217	721	799	
1600	41	OTTOMAN	09/23/93	0	449	1	7 0	5	64	213	236	
1600	42	EXECUTIVE CHAIR	09/23/93	0	749	1	7 0	9	107	387	392	
1600	43	CONFERENCE CHAIR	09/23/93	0	1,616	1	7 0	19	231	770	846	
1600	44	TABLES	09/26/93	0	901	1	7 0	6	72	240	261	
1600	45	LAMPS	09/26/93	0	88	1	7 0	1	13	43	45	
1600	46	EXECUTIVE DESK	09/26/93	0	619	1	7 0	7	88	293	326	
1600	47	CREDENZA	09/26/93	0	569	1	7 0	7	81	370	299	
1600	48	CONFERENCE TABLE	09/26/93	0	527	1	7 0	6	75	250	277	
1600	49	CARPET	10/06/93	0	1,000	1	15 0	6	67	218	782	
1600	50	OFFICE SIGNS	10/28/93	0	232	1	15 0	1	15	49	183	
1600	52	CARPET	10/18/93	0	625	1	15 0	4	42	137	488	
1600	53	WALL PAPER	10/18/93	0	1,766	1	15 0	10	138	384	1,382	
1600	54	FILTERS	10/28/93	0	242	1	7 0	3	35	114	128	
1600	55	CARPET	11/01/93	0	363	1	15 0	2	24	76	287	
1600	56	BLINDS	11/18/93	0	1,035	1	15 0	6	69	218	817	
1600	57	VALANCES	11/24/93	0	945	1	15 0	5	63	199	746	
1600	58	LOCKS	11/12/93	0	474	1	15 0	3	32	101	373	

1. Book Depreciation Report

Depreciation Calculated from: 1/01/96 to: 12/31/96

Time: 10:00:00AM

Date: 04/03/1997

Asset Class	Asset Number	Asset Description	Date Acquired	Salvage Value	Book Cost	BK LF			Book Depreciation			Book Value	Date Disposed
						Depr Mech	Used Yr	Mo	Month	YTD	LTD		
1600	59	BLINDE	11/18/93	0	1,035	1	15	0	6	69	218	817	
1600	60	DOOR	12/30/93	0	390	1	15	0	2	26	80	310	
1600	124	7 DRAWER DESK	01/14/94	0	814	1	7	0	10	116	348	466	
1600	125	SWIVEL CHAIR	01/14/94	0	600	1	7	0	7	86	258	342	
1600	126	WING CHAIR	01/14/94	0	391	1	7	0	5	56	168	223	
1600	127	BOOKCASE	01/14/94	0	394	1	7	0	5	56	168	226	
1600	128	BOOKCASE	01/14/94	0	394	1	7	0	5	56	168	226	
1600	129	EXEC. LEATHER CHAIR	01/14/94	0	791	1	7	0	9	113	339	452	
1600	130	STAND CHAIR	01/14/94	0	492	1	7	0	6	70	210	282	
1600	131	7 DRAWER DESK	01/14/94	0	783	1	7	0	9	112	336	447	
1600	132	7 DRAWER DESK	01/14/94	0	782	1	7	0	9	112	336	446	
1600	133	EXECUTIVE CHAIR	02/27/94	0	823	1	7	0	10	139	344	479	
1600	134	SWIVEL CHAIR	06/15/94	0	300	1	7	0	4	43	111	159	
1600	135	SWIVEL CHAIR	06/15/94	0	300	1	7	0	4	42	111	159	
1600	136	CONFERENCE TABLE	06/15/94	0	582	1	7	0	7	83	214	368	
1600	137	EXECUTIVE DESK	06/15/94	0	647	1	7	0	8	92	238	409	
1600	138	EXECUTIVE DESK	06/15/94	0	646	1	7	0	8	92	238	408	
1600	139	LATERAL FILE CABIN.	06/15/94	0	363	1	7	0	4	52	134	229	
1600	140	LATERAL FILE CABIN.	06/15/94	0	363	1	7	0	4	52	134	229	
1600	141	DISHWASHER	07/01/94	0	418	1	7	0	5	60	150	268	
1600	142	REFRIGERATOR	07/01/94	0	809	1	7	0	10	116	290	515	
1600	143	CARTRIDGE RACK	11/30/94	0	418	1	7	0	5	60	130	288	
1600	203	OAK EXEC. DESK - WA	12/12/96	0	410	1	7	0	5	5	5	405	
				0	11,355				311	3,652	11,340	20,315	
1700	8	FILE CABINET	01/30/90	0	170	1	7	0	4	26	168	2	
1700	10	CHAIRS, DIVIDERS	04/07/90	0	510	1	7	0	6	73	503	7	
1700	61	TELEPHONE SYSTEM	05/14/93	0	28,197	1	5	0	470	5,639	20,676	7,521	
1700	62	COPIER	01/30/93	0	986	1	5	0	10	117	468	218	
1700	63	MAILSHOP MACHINE	09/28/93	0	21,206	1	5	0	153	4,241	14,137	7,269	
1700	65	MAIL OPENER	11/04/93	0	979	1	5	0	16	196	621	358	
1700	66	MAILSHOP TABLES	11/22/93	0	426	1	7	0	5	61	193	233	
1700	68	INSTALL EQUIPMENT	12/03/93	0	901	1	5	0	15	180	555	346	
1700	144	SECURITY SYSTEM	02/15/94	0	2,335	1	15	0	13	156	455	2,880	
1700	145	CABLING FOR TELEPHO	04/25/94	0	313	1	5	0	5	63	173	240	
1700	146	COPIER-LEASE	05/31/94	0	9,600	1	5	0	160	1,920	5,120	4,480	
1700	147	CAMERA	08/26/94	0	518	1	5	0	9	104	251	267	
1700	202	CANON COPIER - WA	12/12/96	0	825	1	5	0	14	14	14	811	
1700	204	HANDBF. CARPH. ADAP.	03/14/96	0	1,092	1	5	0	15	182	182	910	
1700	205	CAR PHONE - WA	01/08/96	0	495	1	5	0	8	99	99	396	

1. Book Depreciation Report
 Depreciation Calculated from: 1/01/96 to: 12/31/96

Time: 10:00:02AM

Date: 04/03/1997

Asset	Asset Class	Description	Acquired	Salvage Value	Book Cost	Dept	Used	Mo	Month	Book Depreciation YTD	Book Depreciation LTD	Book Value	Disposed
1800	149	IBM LASER PR. 4039	01/12/94	0	4,372	1	5	0	72	874	2,622	1,750	
1800	150	486/33 COMPUTER	01/14/94	0	1,672	1	5	0	62	734	2,202	1,470	
1800	151	486/33 COMPUTER	01/14/94	0	2,150	1	5	0	26	430	1,290	860	
1800	152	COMPUTER & MONITOR	01/14/94	0	1,681	1	5	0	26	336	1,008	673	
1800	153	COMPUTER & MONITOR	01/14/94	0	1,680	1	5	0	28	336	1,008	672	
1800	154	COMPUTER & MONITOR	01/14/94	0	1,680	1	5	0	28	336	1,008	672	
1800	155	COMPUTER & MONITOR	01/14/94	0	1,680	1	5	0	28	336	1,008	672	
1800	156	SCSI LINK	02/19/94	0	300	1	5	0	5	60	180	120	
1800	157	NOVELL NETWORK DRUM	01/30/94	0	2,085	1	5	0	26	427	1,251	934	
1800	158	ETHERNET CABLE	01/30/94	0	379	1	5	0	10	116	348	231	
1800	159	VIDEO FOR PC SYSTEM	01/30/94	0	985	1	5	0	20	117	351	234	
1800	160	DTK COMPUTER FOR HIS	01/25/94	0	850	1	5	0	24	170	510	340	
1800	161	SEAGATE SCSI DISK	01/26/94	0	2,010	1	5	0	24	402	1,206	804	
1800	162	SEAGATE SCSI DISK	01/26/94	0	2,010	1	5	0	24	402	1,206	804	
1800	163	16 MEG RAM	02/02/94	0	704	1	5	0	12	141	411	293	
1800	164	16 MEG RAM	02/02/94	0	704	1	5	0	12	141	411	293	
1800	165	VIDEO CARD	02/02/94	0	452	1	5	0	8	90	262	190	
1800	166	SEAGATE DISK	02/02/94	0	551	1	5	0	9	110	321	230	
1800	167	SEAGATE DISK	02/02/94	0	210	1	5	0	4	42	122	88	
1800	168	ARCHIVE SOFTWARE	02/15/94	0	225	1	5	0	5	65	190	135	
1800	169	CD-ROM DRIVE	02/15/94	0	365	1	5	0	6	73	213	152	
1800	170	MONITOR	02/04/94	0	921	1	5	0	15	184	537	384	
1800	171	EVOLUTION DESKTOP	02/04/94	0	2,649	1	5	0	44	530	1,548	1,103	
1800	172	CART DRAW SOFTWARE	02/17/94	0	398	1	5	0	7	78	227	163	
1800	173	COMAIL SOFTWARE	02/17/94	0	229	1	5	0	4	46	134	95	
1800	174	OS/2 SMARTWRITE SOFT	02/17/94	0	481	1	5	0	8	96	280	201	
1800	175	INTEL MODEM	03/31/94	0	302	1	5	0	5	60	170	132	
1800	176	INTEL MODEM	03/31/94	0	302	1	5	0	5	60	170	132	
1800	177	INTEL MODEM	03/31/94	0	302	1	5	0	5	60	170	132	
1800	178	INTEL MODEM	03/31/94	0	302	1	5	0	5	60	170	132	
1800	179	FAX SERVER	04/01/94	0	1,672	1	5	0	28	334	919	753	
1800	180	METSUITS 30 USER SOF	04/12/94	0	610	1	5	0	10	122	336	274	
1800	181	COMPUTER CABLES	05/04/94	0	391	1	5	0	7	78	208	183	
1800	182	ADDER ACHO DISTILLER	05/10/94	0	460	1	5	0	8	92	245	215	
1800	183	FORNIO SOFTWARE	07/15/94	0	344	1	5	0	6	69	173	171	
1800	184	WIKKID ORDER TRACKER	09/14/94	0	685	1	5	0	11	137	320	365	
1800	185	PAST SOF SOFTWARE	07/14/94	0	775	1	5	0	13	155	388	387	
				0	69,236				1,124	12,288	43,832	25,404	

04/03/97

1. Book Depreciation Report

Depreciation Calculated from: 1/01/96 to: 12/31/96

Time: 10:00:04AM

Date: 04/03/1997

Asset Class	Asset Number	Asset Description	Date Acquired	Salvage Value	Book Cost	Depr Mech	Used Yr Mo	Book Depreciation			Net Book Value	Date Disposed
								Month	YTD	LTD		
1800	186	1.05 GIG HARD DRIVE	11/22/94	0	592	1	5 0	10	118	254	336	
1800	188	ADAPTEC CONF. KIT	11/22/94	0	248	1	5 0	4	50	108	140	
1800	191	COMPUTER EQUIPMENT	02/28/95	0	575	1	3 0	16	192	368	207	
1800	192	COMPUTER EQUIPMENT	02/28/95	0	983	1	3 0	27	328	629	354	
1800	193	COMPUTER EQUIPMENT	03/15/95	0	447	1	3 0	12	149	273	174	
1800	194	COMPUTER	07/22/95	0	2,060	1	3 0	57	687	1,031	1,029	
1800	195	COMPUTER EQUIPMENT	09/28/95	0	538	1	1 0	15	179	239	299	
1800	196	LAPTOP COMPUTER	10/12/95	0	4,495	1	3 0	125	1,498	1,871	2,822	
1800	197	MODEM	10/12/95	0	500	1	1 0	14	167	269	291	
1800	201	2.4 GB EXT. DAT DRIV	12/12/96	0	957	1	3 0	27	27	27	930	
1800	207	COMPUTER	05/15/96	0	4,154	1	3 0	115	923	923	3,231	
1800	208	HARD DRIVE	06/14/96	0	280	1	3 0	7	54	54	226	
1800	209	HARD DRIVE	06/14/96	0	280	1	3 0	7	54	54	226	
1800	210	HARD HELD ORGANIZER	06/04/96	0	747	1	3 0	20	145	145	602	
1800	211	ACCOUNTING SOFTWARE	07/01/96	0	249	1	3 0	7	42	42	207	
1800	212	COMPUTER GENERATOR	08/15/96	0	414	1	3 0	11	57	57	357	
1800	213	CON. SUP. DIREC SUPP	01/01/96	0	5,000	1	1 0	139	1,667	1,667	3,333	
1800	214	HARD DRIVE	11/14/96	0	543	1	1 0	15	30	30	513	
1800	215	BATTERY PACK COMPUT.	07/01/96	0	235	1	1 0	7	39	39	196	
1800	216	COMPUTER SOFTWARE	11/08/96	0	422	1	3 0	11	23	23	399	
				0	53,179			1,307	14,338	21,168	32,011	
1825	98	RADIO EQUIPMENT	09/29/93	0	11,822	1	5 0	194	2,324	7,747	1,875	
1825	99	USED EQUIPMENT	09/29/93	0	1,800	1	5 0	30	360	1,200	600	
1825	100	SHOCK MOUNT	10/15/93	0	242	1	5 0	4	48	156	86	
1825	102	RADIO EQUIPMENT	10/20/93	0	329	1	5 0	6	66	215	114	
1825	103	RADIO EQUIPMENT	10/21/93	0	5,700	1	5 0	95	1,140	3,705	1,995	
1825	104	RADIO EQUIPMENT	10/25/93	0	1,211	1	5 0	20	243	790	423	
1825	105	TIMER SLAVE	10/26/93	0	717	1	5 0	12	143	465	252	
1825	106	RADIO EQUIPMENT	10/14/93	0	1,825	1	5 0	30	365	1,186	639	
1825	107	RADIO EQUIPMENT	10/29/93	0	880	1	5 0	15	176	572	308	
1825	108	RADIO EQUIPMENT	10/15/93	0	1,518	1	5 0	25	304	988	530	
1825	109	421 MCC LEVEL	10/19/93	0	383	1	5 0	8	77	250	131	
1825	110	RADIO EQUIPMENT	10/27/93	0	434	1	5 0	7	87	283	151	
1825	111	PHONE LINES	10/31/93	0	817	1	5 0	14	163	520	287	
1825	112	RADIO EQUIPMENT	11/09/93	0	708	1	5 0	12	142	450	258	
1825	113	TA 220K DESKTOP	11/10/93	0	1,745	1	5 0	29	349	1,105	640	
1825	114	RADIO EQUIPMENT	11/12/93	0	403	1	5 0	7	81	256	147	
1825	115	XIRCOON POCKET	11/12/93	0	320	1	5 0	5	64	203	117	
1825	116	RADIO EQUIPMENT	12/21/93	0	230	1	5 0	4	48	142	88	

1. Book Depreciation Report

Depreciation Calculated from: 1/01/96 to: 12/31/96

Time: 10:00:05AM

Date: 04/03/1997

Assec Class	Assec Number	Assec Description	Date Acquired	Salvage Value	Book Cost	Mk Lf		Book Depreciation			Book Value	Date Disposed
						Depr Meth	Used Yr No	Month	YTD	LTD		
1825	117	RADIO EQUIPMENT	12/13/93	0	262	1	5	0	4	52	160	102
1825	187	STEREO AUDIO TRANS.	07/12/94	0	4,152	1	5	0	73	870	2,175	2,177
1825	189	HIFI STEREO EQUIP.	03/30/94	0	397	1	5	0	7	79	224	173
1825	190	RADIO EQUIPMENT	03/22/94	0	480	1	5	0	8	95	172	208
				0	36,377				607	7,275	23,074	13,303
GRAND TOTALS:				0	491,199				3,639	42,233	126,064	165,315
LESS: DISPOSITIONS				0	61,369				0	231	1,961	58,400
NET TOTALS:				0	430,030				3,639	42,002	124,103	106,927

Note: Company limitations ARE enforced.

Return of Organization Exempt from Income Tax

2000

Open to Public Inspection

Under section 501(c) of the Internal Revenue Code (except black lung benefit trust or private foundation), section 527, or section 4947(a)(1) nonexempt charitable trust

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2000 calendar year, or tax year period beginning 2000, and ending 20

<p>B Check if applicable:</p> <p><input checked="" type="checkbox"/> Change of address</p> <p><input type="checkbox"/> Change of name</p> <p><input type="checkbox"/> Initial return</p> <p><input type="checkbox"/> Final return</p> <p><input type="checkbox"/> Amended return</p>	<p>C Name of organization CITIZENS UNITED</p> <p>Number & street (or P.O. box if mail is not delivered to street address) Room/suite 407 7th AVE. NE</p> <p>City, Town or Country State ZIP code PUYALLUP WA 98372</p>	<p>D Employer Identification Number 91-1433368</p> <p>E Telephone number (253) 864-9617</p> <p>F Check <input type="checkbox"/> if application pending</p>
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G Organization type (check only one) 501(c) 4 (insert no.) 527 or 4947(a)(1)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

J Accounting method: Cash Accrual Other (specify) _____

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Check this box if the organization is not required to attach Schedule B (Form 990 or 990-EZ)

H (a) Is this a group return for affiliates? Yes No
 H (b) If "yes," enter number of affiliates _____
 H (c) Are all affiliates included? Yes No
 (If "no," attach a list. See instructions)
 H (d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Enter 4-digit group exemption no. (GEN) _____

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see instructions)

1 Contributions, gifts, grants, and similar amounts received:			
a	Direct public support	1a	3,742,384.
b	Indirect public support	1b	
c	Government contributions (grants)	1c	
d	Total (add lines 1a through 1c) (cash \$ <u>3,742,384.</u> , noncash \$ <u>0.</u>)	1d	3,742,384.
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	
3	Membership dues and assessments	3	
4	Interest on savings and temporary cash investments	4	
5	Dividends and interest from securities	5	14,770.
6a	Gross rents	6a	
b	Less: rental expenses	6b	
c	Net rental income or (loss) (subtract line 6b from line 6a)	6c	
7	Other investment income (describe _____ See Other Investment Income Statement)	7	-18,443.
8a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other
b		8a	10,597.
c		8b	
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c	10,597.
9	Special events and activities (attach schedule)		
a	Gross revenue (not including _____ \$ _____ of contributions reported on line 1a)	9a	
b	Less: direct expenses other than fundraising expenses	9b	
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c	
10a	Gross sales of inventory, less returns and allowances	10a	
b	Less: cost of goods sold	10b	
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c	
11	Other revenue (from Part VII, line 103)	11	
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	3,749,308.
13	Program services (from line 44, column (B))	13	2,959,314.
14	Management and general (from line 44, column (C))	14	187,529.
15	Fundraising (from line 44, column (D))	15	1,208,306.
16	Payments to affiliates (attach schedule)	16	
17	Total expenses (add lines 15 and 44, column (A))	17	4,355,149.
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	-605,841.
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	413,737.
20	Other changes in net assets or fund balances (attach explanation)	20	
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	-192,104.

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ 0. non-cash \$ 0.)	0.	0.		
23	Specific assistance to individuals (attach sch)				
24	Benefits paid to or for members (attach sch)				
25	Compensation of officers, directors, etc	159,588.	53,891.	88,677.	17,020.
26	Other salaries and wages	14,465.	4,886.	8,027.	1,552.
27	Pension plan contributions				
28	Other employee benefits	11,283.	1,083.	6,341.	3,859.
29	Payroll taxes	9,790.	1,164.	5,378.	3,248.
30	Professional fundraising fees				
31	Accounting fees	8,654.	0.	8,654.	0.
32	Legal fees	14,871.	14,871.	0.	0.
33	Supplies	40,051.	0.	40,051.	0.
34	Telephone				
35	Postage and shipping	1,240,845.	864,789.	0.	376,056.
36	Occupancy	13,500.	9,450.	2,700.	1,350.
37	Equipment rental and maintenance	5,166.	0.	5,166.	0.
38	Printing and publications	953,656.	705,929.	0.	247,727.
39	Travel				
40	Conferences, conventions, and meetings				
41	Interest	2,197.	0.	2,197.	0.
42	Depreciation, depletion, etc (attach schedule)	9,487.	0.	9,487.	0.
43	Other expenses (itemize):				
a	BUSINESS TAXES	294.	0.	294.	0.
b	DATA PROCESSING	257,538.	180,275.	0.	77,263.
c	LIST MAINTENANCE	318,216.	222,752.	0.	95,464.
d	TELEPHONE	9,687.	0.	9,687.	0.
e	See Other Expenses Stmt	1,285,861.	900,224.	870.	384,767.
44	Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	4,355,149.	2,959,314.	187,529.	1,208,306.

Reporting of Joint Costs - Did you report in column (B) (program services) any joint costs from a combined educational campaign and fundraising solicitation? Yes No

If 'Yes,' enter (i) the aggregate amount of these joint costs \$ 4,167,620.; (ii) the amount allocated to program services \$ 2,959,314.; (iii) the amount allocated to management and general \$ 0.; and (iv) the amount allocated to fundraising \$ 1,208,306.

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? SEE STATEMENT ONE	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)
a <u>MEMBERSHIP & COMMUNICATIONS. FULFILLMENT OF REQUESTS FOR EDUCATIONAL AND INFORMATIONAL MATERIALS FROM MEMBERS, DONORS, AND THE GENERAL PUBLIC. MAINTENANCE OF REGULAR COMMUNICATIONS WITH MEMBERS, DONORS AND THE GENERAL PUBLIC.</u> (Grants and allocations \$ 0.)	2,515,417.
b <u>PUBLICATIONS ORGANIZATION SENDS OUT MASS MAILINGS TO CURRENT DONORS AND PROSPECTIVE DONORS TO HELP EDUCATE THE PUBLIC ON THE CURRENT RESEARCH AND STUDIES. PREPARATION AND DISSEMINATION OF EDUCATIONAL MATERIALS ON PUBLIC ISSUES TO MEMBERS, DONORS AND THE GENERAL PUBLIC.</u> (Grants and allocations \$ 0.)	443,897.
c _____ (Grants and allocations \$ _____)	
d _____ (Grants and allocations \$ _____)	
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), program services)	2,959,314.

Part IV Balance Sheets (See instructions)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year	
ASSETS	45 Cash - non-interest-bearing	120,467.	45	432,047.	
	46 Savings and temporary cash investments		46		
	47a Accounts receivable	47a			
	b Less: allowance for doubtful accounts	47b		47c	
	48a Pledges receivable	48a			
	b Less: allowance for doubtful accounts	48b		48c	
	49 Grants receivable		49		
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50		
	51a Other notes & loans receivable (attach schedule) ..	51a	70,018.		
	b Less: allowance for doubtful accounts	51b		51c	
	52 Inventories for sale or use		52		
	53 Prepaid expenses and deferred charges		53		
	54 Investments - securities (attach schedule) L-54 Stmt <input type="checkbox"/> Cost <input type="checkbox"/> FMV		317,788.	54	325,042.
	55a Investments - land, buildings, & equipment: basis ..	55a			
	b Less: accumulated depreciation (attach schedule)	55b		55c	
56 Investments - other (attach schedule)		56			
57a Land, buildings, and equipment: basis	57a	129,081.			
b Less: accumulated depreciation (attach schedule) L-57 Stmt	57b	114,017.	57c	15,064.	
58 Other assets (describe <input type="checkbox"/> See Line 58 Stmt ..)		2,777.	58	3,005.	
59 Total assets (add lines 45 through 58) (must equal line 74)		515,260.	59	845,176.	
LIABILITIES	60 Accounts payable and accrued expenses	15,719.	60	1,014,452.	
	61 Grants payable		61		
	62 Deferred revenue		62		
	63 Loans from officers, directors, trustees, and key employees (attach schedule) ..		63		
	64a Tax-exempt bond liabilities (attach schedule)		64a		
	b Mortgages and other notes payable (attach schedule)		64b		
	65 Other liabilities (describe <input type="checkbox"/> See Line 65 Stmt ..)		85,804.	65	22,828.
66 Total liabilities (add lines 60 through 65)		101,523.	66	1,037,280.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	67 Unrestricted	413,737.	67	-192,104.	
	68 Temporarily restricted		68		
	69 Permanently restricted		69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.				
	70 Capital stock, trust principal, or current funds		70		
	71 Paid-in or capital surplus, or land, building, and equipment fund		71		
	72 Retained earnings, endowment, accumulated income, or other funds		72		
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)	413,737.	73	-192,104.	
	74 Total liabilities and net assets/fund balances (add lines 66 and 73)	515,260.	74	845,176.	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

BAA

Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions.)

Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a Total revenue, gains, and other support per audited financial statements **a** 3,749,308.

b Amounts included on line a but not on line 12, Form 990:

(1) Net unrealized gains on investments \$ _____

(2) Donated services and use of facilities \$ _____

(3) Recoveries of prior year grants \$ _____

(4) Other (specify): _____

----- \$ _____

Add amounts on lines (1) through (4) **b**

c Line a minus line b **c** 3,749,308.

d Amounts included on line 12, Form 990 but not on line a:

(1) Investment expenses not included on line 6b, Form 990 \$ _____

(2) Other (specify): _____

----- \$ _____

Add amounts on lines (1) and (2) **d**

e Total revenue per line 12, Form 990 (line c plus line d) **e** 3,749,308.

a Total expenses and losses per audited financial statements **a** 4,355,149.

b Amounts included on line a but not on line 17, Form 990:

(1) Donated services and use of facilities \$ _____

(2) Prior year adjustments reported on line 20, Form 990 \$ _____

(3) Losses reported on line 20, Form 990 \$ _____

(4) Other (specify): _____

----- \$ _____

Add amounts on lines (1) through (4) **b**

c Line a minus line b **c** 4,355,149.

d Amounts included on line 17, Form 990 but not on line a:

(1) Investment expenses not included on line 6b, Form 990 \$ _____

(2) Other (specify): _____

----- \$ _____

Add amounts on lines (1) and (2) **d**

e Total expenses per line 17, Form 990 (line c plus line d) **e** 4,355,149.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
FLOYD BROWN PUYALLUP, WA	CHAIRMAN 30	113,040.	7,320.	0.
RON ROBINSON FAIRAX, VIRGINIA	DIRECTOR .5	0.	0.	0.
KIRBY WILBUR KIRKLAND, WA	SEC/DIR. .5	0.	0.	0.
BRIAN F. BERRY AUSTIN, TEXAS	DIRECTOR .5	0.	0.	0.
DOUG RAMSEY KENT, WA	DIRECTOR .5	0.	0.	0.
MIKE BOOS FAIRFAX, VIRGINIA	VICE PRES. 8	18,000.	1,165.	0.
DAVID BOSSIE AL. VIRGINIA	PRES. 8	28,548.	3,242.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No

If 'Yes,' attach schedule - see instructions.

Part VII Other Information (See specific instructions.)

N/A Yes No

76 Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity. 77 Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes. 78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? b If 'Yes,' has it filed a tax return on Form 990-T for this year? 79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement. 80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? b If 'Yes,' enter the name of the organization - CITIZENS UNITED FOUNDATION and check whether it is [X] exempt or [] nonexempt. 81a Enter the amount of political expenditures, direct or indirect, as described in the instructions 81a 0. b Did the organization file Form 1120-POL for this year? 82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? b If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions for reporting in Part III.) 82b 83a Did the organization comply with the public inspection requirements for returns and exemption applications? 83a X b Did the organization comply with the disclosure requirements relating to quid pro quo contributions? 83b X 84a Did the organization solicit any contributions or gifts that were not tax deductible? 84a X b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 84b X 85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? 85a X b Did the organization make only in-house lobbying expenditures of \$2,000 or less? 85b X If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year. c Dues, assessments, and similar amounts from members 85c d Section 162(e) lobbying and political expenditures 85d e Aggregate nondeductible amount of Section 6033(e)(1)(A) dues notices 85e f Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f g Does the organization elect to pay the Section 6033(e) tax on the amount in 85f? 85g h If Section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? 85h 86 501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 86a b Gross receipts, included on line 12, for public use of club facilities 86b 87 501(c)(12) organizations. Enter: a Gross income from members or shareholders 87a b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b 88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations Sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX 88 X 89a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: Section 4911 - ; Section 4912 - ; Section 4955 - b 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any Section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction 89b X c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under Sections 4912, 4955, and 4958 0. d Enter: Amount of tax on line 89c, above, reimbursed by the organization 0. 90a List the states with which a copy of this return is filed - VIRGINIA, MARYLAND, NY, SC, PA AND OTHERS AS DETERMINED. b Number of employees employed in the pay period that includes March 12, 2000 (see instructions) 90b 9 91 The books are in care of - DONNA WATSON Telephone number - (253) 864-9617 Located at - 407 7TH AVE. NE PUYALLUP WA ZIP code - 98372 92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year 92

Analysis of Income-Producing Activities (See instructions.)

Enter gross amounts unless otherwise indicated.

93 Program service revenue:

- a _____
- b _____
- c _____
- d _____
- e _____

- f Medicare/Medicaid payments
- g Fees & contracts from government agencies

94 Membership dues and assessments

95 Interest on savings & temporary cash investments

96 Dividends & interest from securities

97 Net rental income or (loss) from real estate:

- a debt-financed property
- b not debt-financed property

98 Net rental income or (loss) from pers prop

99 Other investment income

100 Gain or (loss) from sales of assets other than inventory

101 Net income or (loss) from special events

102 Gross profit or (loss) from sales of inventory

103 Other revenue: a _____

- b _____
- c _____
- d _____
- e _____

104 Subtotal (add columns (B), (D), and (E))

105 Total (add line 104, columns (B), (D), and (E))

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash investments					
96 Dividends & interest from securities			14	14,770.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income			14	-18,443.	
100 Gain or (loss) from sales of assets other than inventory			1	10,597.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b			15		
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				6,924.	
105 Total (add line 104, columns (B), (D), and (E))					6,924.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Relationship of Activities to the Accomplishment of Exempt Purposes (See instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions.)

N/A

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Information Regarding Transfers Associated with Personal Benefit Contracts (See instructions.)

- a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If 'Yes' to b, file Form 8870 and Form 4720 (see instructions).

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge. (See instructions.)

Signature of Officer: Kurtis A. Kessler Date: 7-26-01 Type of Print-Name and Title: Kirby A. Wilber - Chairman

Paid Preparer's Use Only

Preparer's Signature: [Signature] Date: 06/22/01 Check if self-employed: Preparer's SSN or PTIN: 034-36-6845

Firm's name (or yours if self-employed) and address, and ZIP code: MORROW KESSLER & DOWSING PLLC
1809 7th Ave.
Seattle WA 98101 EIN: 91-1653905 Phone no: (206) 240-7797

Miscellaneous Statement

STATEMENT ONE FORM 990 1997

**TO PROMOTE SOCIAL WELFARE THROUGH INFORMING AND
EDUCATING THE PUBLIC ON CONSERVATIVE IDEAS AND
POSITIONS ON ISSUES INCLUDING NATIONAL DEFENSE
FREE ENTERPRISE SYSTEM, BELIEF IN GOD, AND FAMILY AS THE
BASIC UNIT OF SOCIETY.**

Total

Form 990, Page 1, Line 7
Other Investment Income Statement

Other investment income (describe)

UNREALIZED LOSS ON SECURITIES -18,443.

Total -18,443.

Form 990, Page 2, Part II, Line 43
Other Expenses Stmt

Other expenses (itemize)	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
LICENSES	<u>2,420.</u>	<u>2,420.</u>	<u>0.</u>	<u>0.</u>
BANK FEES	<u>15,300.</u>	<u>10,102.</u>	<u>870.</u>	<u>4,328.</u>
DIRECT MAIL PROCESSING	<u>687,497.</u>	<u>481,250.</u>	<u>0.</u>	<u>206,247.</u>
CAGING FEES	<u>181,534.</u>	<u>127,075.</u>	<u>0.</u>	<u>54,459.</u>
CREATIVE CONSULTING FEES	<u>396,630.</u>	<u>277,641.</u>	<u>0.</u>	<u>118,989.</u>
ADVERTISING	<u>2,480.</u>	<u>1,736.</u>	<u>0.</u>	<u>744.</u>
Total	<u>1,285,861.</u>	<u>900,224.</u>	<u>870.</u>	<u>384,767.</u>

Form 990, Page 3, Part IV, Line 54
Investments - Securities Statement

Line 54 - Investments - Securities:	Beginning of Year	End of Year
VARIOUS PUBLICALLY TRADED SECURITIES	<u>317,788.</u>	<u>325,042.</u>
Total	<u>317,788.</u>	<u>325,042.</u>

Form 990, Page 3, Part IV, Lines 57a & 57b
Land, Buildings and Equipment Statement

	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
FURNITURE AND FIXTURES	<u>8,635.</u>	<u>7,358.</u>	<u>1,277.</u>
OFFICE EQUIPMENT	<u>27,668.</u>	<u>19,366.</u>	<u>8,302.</u>
COMPUTER EQUIPMENT	<u>56,401.</u>	<u>50,916.</u>	<u>5,485.</u>
RADIO EQUIPMENT	<u>36,377.</u>	<u>36,377.</u>	<u>0.</u>
Total	<u>129,081.</u>	<u>114,017.</u>	<u>15,064.</u>

Form 990, Page 3, Part IV, Line 58
Other Assets Statement

Line 58 - Other Assets:	Beginning of Year	End of Year
DEPOSITS	2,396.	2,798.
INTANGIBLES, NET	381.	207.
Total	<u>2,777.</u>	<u>3,005.</u>

Form 990, Page 3, Part IV, Line 65
Other Liabilities Statement

Line 65 - Other Liabilities:	Beginning of Year	End of Year
LOAN ON INVESTMENTS	85,804.	22,828.
Total	<u>85,804.</u>	<u>22,828.</u>

Supporting Statement of:

Form 990 p 3/Line 60, column (A)

Description	Amount
ACCOUNTS PAYABLE	11,542.
ACCRUED TAXES	4,177.
Total	<u>15,719.</u>

Supporting Statement of:

Form 990 p 3/Line 51a,

Description	Amount
DUE FROM CITIZENS UNITED FOUNDATION	70,018.
Total	<u>70,018.</u>

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

CONGRESSMAN RON PAUL, *et al.*,
Plaintiffs,

v.

FEDERAL ELECTION COMMISSION, *et al.*,
Defendants.

) CIVIL ACTION NO. 02-CV-781
) (CKK, KLH, RJL)
)
) Consolidated with
) CIVIL ACTION NOS.
) 02-CV-582 (CKK, KLH, RJL) (Lead)
) 02-CV-581 (CKK, KLH, RJL)
) 02-CV-633 (CKK, KLH, RJL)
) 02-CV-751 (CKK, KLH, RJL)
) 02-CV-753 (CKK, KLH, RJL)
) 02-CV-754 (CKK, KLH, RJL)
) 02-CV-874 (CKK, KLH, RJL)
) 02-CV-875 (CKK, KLH, RJL)
) 02-CV-877 (CKK, KLH, RJL)
) 02-CV-881 (CKK, KLH, RJL)

BOSSIE CU-CUPVF DECLARATION EXHIBIT B

CUT IT!

Citizens United to Terminate the Inheritance Tax

Dear Friend,

We have our best chance ever to terminate the un-American inheritance tax.

But Citizens United to Terminate the Inheritance Tax (or **CUT IT!** as we're known) must have your signed "Stick To Your Guns" Petitions to House Ways and Means Committee Chairman Bill Archer and Senate Finance Committee Chairman William Roth back in the next few days to win our battle to terminate the inheritance tax.

REPEAT: We are close to winning our battle to terminate the inheritance tax. But all will be lost unless citizens like you help **CUT IT!** flood Capitol Hill with "Stick To Your Guns" Petitions at this critical hour.

Here's the situation:

Finally, after continuous prodding by **CUT IT!**, Congress passed a repeal of the inheritance tax in their tax relief bill last year.

But Bill Clinton has vetoed the tax relief bill -- and the repeal of the inheritance tax with it.

My friend, Chairman Archer and Chairman Roth may abandon their plan to terminate the inheritance tax this year, if they cannot demonstrate strong public support for overturning Clinton's veto of their tax relief bill.

And the liberal media and even some Republicans are already clamoring that the American people don't even want tax relief or a termination of the inheritance tax!

That's where you come in.

I need you to immediately sign the enclosed "Stick To Your Guns" Petitions to Chairman Archer and Chairman Roth.

Your "Stick To Your Guns" Petitions let Chairman Archer and Chairman Roth know that you want them to fight to the end for their plan to terminate the inheritance tax.

They should pass yet another bill to terminate the inheritance tax.

If Bill Clinton vetoes that bill, they should vote to override it.

And they should keep on fighting until this outrageous socialist tax on American families is abolished forever!

My friend, the inheritance tax is Washington's despicable way of confiscating an individual's assets at death -- and preventing an individual from passing along his or her lifelong savings and treasures to their loved ones.

And the liberals in Washington have all lined up in support of this Marxist relic in the American tax code.

Bill Clinton vetoed the tax relief bill that would terminate the inheritance tax.

Bill Clinton's Treasury Secretary, Lawrence Summers, even attacked those of us who want to terminate the inheritance tax as "selfish".

And leading Democrats in Congress Tom Daschle and Dick Gephardt are both dead set opposed to terminating the inheritance tax.

Can you believe it?

These liberals think the government should get your inheritance rather than you or your children. And if you disagree with them, they call you selfish!

Now I hope you can see why Chairman Archer and Chairman Roth really need the backing of citizens like you in this battle.

- ◆ You have already paid income taxes on the money once;
- ◆ You have already paid property taxes on your house for many years;
- ◆ You have already paid capital gains taxes on dividend income;
- ◆ You have already paid taxes on your interest income.

But then, Bill Clinton and his greedy IRS bureaucrats come along and tax your estate AGAIN. Just because you want to pass along your lifelong savings to your children!

Many older people mistakenly believe that inheritance tax rates are the same as regular tax rates. But inheritance tax rates are worse -- much worse.

Federal inheritance tax rates go as high as 60%. That's right, these government liberals make no bones about it -- they think they should get more of your lifelong savings than your children get.

It is arrogance, beyond belief. But it gets even more infuriating.

We could eliminate the inheritance tax by ending foreign aid giveaways! The amount of money taken in by the inheritance tax is roughly the same as the "foreign aid" budget.

But Bill Clinton is apparently more interested in helping families in Bangladesh, Mozambique and Zimbabwe with

foreign aid giveaways than it is in helping American families with inheritance tax relief.

That's right. You work all your life to build a business or a family nest egg so you can leave it to your loved ones here in America.

But upon death, the U.S. government taxes the living heck out of your money and property, and then sends those tax dollars overseas to help families in Bangladesh, Mozambique and Zimbabwe, instead of letting families in America keep their own money.

It's not right ... and it ought to be stopped.

But, my friend, the desire for more tax dollars isn't the only reason Washington liberals like Bill Clinton insist on this unfair inheritance tax.

The inheritance tax allows Washington liberals to pursue two socialist goals that are very near and dear to their hearts:

- (1) **THE ELIMINATION OF PRIVATE PROPERTY.** The inheritance tax is a very sneaky and despicable way for the federal government to take the private property of families and convert it into government property -- just as Marx had envisioned. Slowly but surely -- through several generations -- the government eats away at private holdings of families through the inheritance tax. It allows the government to prevent families from passing on the family business and the family farm - because the heirs of the deceased cannot afford to pay the suffocating inheritance tax.
- (2) With the inheritance tax, the liberals can also pursue their socialist goal of **"REDISTRIBUTING THE WEALTH"** from those who work hard and accumulate property to those who sit on their rear end and accumulate nothing.

Yes, the inheritance tax is perhaps the most outrageous tax in Washington's vast taxation machine.

And this cruel inheritance tax will continue unless you and I and citizens throughout this country rise up right now and tell Washington "we're not going to take it anymore."

The time for action is now!

Please rush your signed "Stick To Your Guns" Petitions to me in today's mail.

CUT IT! also needs your financial support to be successful in this urgent drive to make sure Congress terminates the inheritance tax.

CUT IT! is the nationwide grassroots organization that is pushing for the elimination of the inheritance tax.

We're mobilizing citizens from across the country who want to end this unfair and disgraceful tax.

In the last Congress, we spent tens of thousands of dollars on our successful effort to force Congress to pass a small cut in the inheritance tax.

Now, we're on the verge of finally winning this war, because in this session Congress passed a repeal of inheritance taxes in their tax relief bill. Now all they need to do is override Bill Clinton's veto.

But **CUT IT!** does not have the money for this lobbying effort. That's why we need your immediate financial support.

Your check for \$20, \$50, \$100, \$250, \$500 or even \$1,000 to **CUT IT!** will help us pay for this critical push to make sure the inheritance tax repeal becomes law.

Can we count on you for \$20, \$50, \$100 or more?

Please don't delay. Chairman Archer and Chairman Roth need to know the American people demand that they don't give in on this critical issue.

My friend, too many times the Republican leadership has caved in to pressure from Bill Clinton.

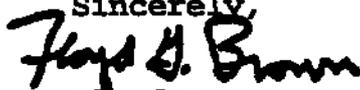
It must not happen this time -- with the repeal of inheritance taxes on the line!

But it's going to take your immediate support to make sure Congress fights Bill Clinton all the way and repeals the inheritance tax.

So please sign and return your "Stick To Your Guns" Petitions today. And please enclose a desperately needed contribution of \$20, \$50, \$100 or more today to put real "punching power" behind your Petitions.

Thank you very much for your help.

Sincerely,



Floyd Brown
Chairman, **CUT IT!**

P.S. Congress tried to terminate the inheritance tax, but Bill Clinton vetoed the bill. Will Congress stick to their guns and vote to override Bill Clinton's veto? That may depend on whether you decide to act. Please step forward. Thanks again.

Stick To Your Guns Petition

To Senator William Roth, Chairman
Senate Finance Committee

Whereas, the inheritance tax is the most unfair tax ever imposed on American families;

Whereas, the House and Senate have agreed to terminate the inheritance tax in the tax relief bill;

Whereas, the House and Senate could pass a veto-proof tax relief bill if you could demonstrate an overwhelming support for repeal of inheritance taxes;

Therefore, I the undersigned citizen do hereby fully support the elimination of the inheritance tax in the Congressional tax relief bill. I call on you to pass a veto-proof version of this bill and, if necessary, send Bill Clinton bill after bill repealing inheritance taxes until he signs it into law. Please use this Petition to gather support for this endeavor with your fellow Senators. Thank you.

Signature: _____

Date: _____

Stick To Your Guns Petition

To Rep. Bill Archer, Chairman
House Ways and Means Committee

Whereas, the inheritance tax is the most unfair tax ever imposed on American families;

Whereas, the House and Senate have agreed to terminate the inheritance tax in the tax relief bill;

Whereas, the House and Senate could pass a veto-proof tax relief bill if you could demonstrate an overwhelming support for repeal of inheritance taxes;

Therefore, I the undersigned citizen do hereby fully support the elimination of the inheritance tax in the Congressional tax relief bill. I call on you to pass a veto-proof version of this bill and, if necessary, send Bill Clinton bill after bill repealing inheritance taxes until he signs it into law. Please use this Petition to gather support for this endeavor with your fellow Representatives. Thank you.

Signature: _____

Date: _____

Urgent Reply to Chairman Floyd Brown, CUT IT!

P.O. Box 1910, Merrifield, VA 22116

Dear Floyd,

_____ **YES!** I fully support CUT IT!'s campaign to terminate the inheritance tax. I have signed my Petition.
Please deliver it right away.

_____ **YES,** I realize my financial support is critical to CUT IT!'s final campaign to terminate the inheritance tax.
So, I'm making my check made out to CUT IT! for:

\$20 \$50 \$100 \$250
 \$500 \$1000 Other \$_____

INFORMATION CONCERNING CITIZENS UNITED'S REGISTRATION AND FINANCIAL INFORMATION MAY BE OBTAINED FROM THE FOLLOWING: FLORIDA DIVISION OF CONSUMER SERVICES BY CALLING, WITHIN THE STATE 1-800-HILLY-FLA; MARYLAND SECRETARY OF STATE'S OFFICE; ATTORNEY GENERAL OF THE STATE OF NEW JERSEY BY CALLING 201-504-6370; NEW YORK ATTORNEY GENERAL, DEPARTMENT OF LAW, CHARITIES BUREAU, 120 BROADWAY, NEW YORK, NY 10271; NORTH CAROLINA DEPARTMENT OF HUMAN RESOURCES, SUCCESSION LICENSING BRANCH, OR BY CALLING 919-733-4510; PENNSYLVANIA DEPARTMENT OF STATE, OR BY CALLING, FROM WITHIN PENNSYLVANIA, 800-732-0999; VIRGINIA DIVISION OF CONSUMER AFFAIRS IN THE DEPARTMENT OF AGRICULTURE AND CONSUMER AFFAIRS; SECRETARY OF STATE (STATE OF WASHINGTON) BY CALLING 1-800-332-4483; WEST VIRGINIA SECRETARY OF STATE, STATE CAPITOL, CHARLESTON, WV 25305; OR BY CONTACTING CITIZENS UNITED). REGISTRATION WITH A GOVERNMENT AGENCY DOES NOT IMPLY ENDORSEMENT BY THAT AGENCY.

CITIZENS AGENDA

Vol. 7, Issue 1

The Official Members Newsletter of Citizens United

Impeachment, Sovereignty Top '98 Agenda

This year, Citizens United will celebrate its tenth anniversary with aggressive projects

— by Robert Paterno —

On the Agenda

— January 1998 —

Accused of lying to the FBI over payments to his mistress, former HUD Secretary Henry Cisneros becomes the second member of the Clinton cabinet to be indicted by a federal grand jury.
page 2



The "global warming" conference held in Kyoto, Japan, was supposed to be about the environment. What it really signals is another attack on American sovereignty. Plus: how does Communist China stand to gain from the Kyoto treaty?
page 3



Questions persist about the death of Ron Brown, Marion Barry loses his sense of humor, and — stop the presses! — the Clintons name their dog!
page 4

In 1998, Citizens United will celebrate its ten-year anniversary. Since its founding in November 1988 by chairman Floyd G. Brown, Citizens United has been leading the battle for traditional American values, smaller government, a strong national defense, American sovereignty, and ethics in government. And over those 10 years, Citizens United has become one of the most influential and effective conservative grassroots organizations in the nation.

As we celebrate our tenth anniversary, Citizens United will be pursuing a number of important projects. None is more important or historic than the project at the top of our agenda for 1998: the impeachment of President Bill Clinton. In addition, we will be stepping up our efforts at protecting American sovereignty, with special attention focused on the proposed United Nations international criminal court. Plus, we will be continuing our campaign to win the complete repeal of the oppressive federal inheritance tax.

Impeachment

Throughout 1998, one of Citizens United's top priorities will be rallying grassroots support for a presidential impeachment inquiry. To be sure, calling for the impeachment of the President of the United States is not something that should be done on a lark. Citizens United has spent the



Could Bill Clinton be impeached in 1998?

better part of the past six years investigating Bill Clinton and working to reveal the truth about his wrongdoing and his left-wing agenda to the American people. And when all is said and done, when the evidence is considered, Bill Clinton has committed acts which deserve scrutiny in the forum of a congressional impeachment inquiry.

Citizens United was the first national organization to call for Bill Clinton's impeachment and removal from office, and now other conservative organizations have begun to join the call. However, speaking out is not enough. According to the Constitution,

See **IMPEACHMENT**, page 6

Publisher
Floyd G. Brown

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Robert Paterno

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Citizens United

Cisneros Indicted for Lying to FBI About Mistress

On December 11, a federal grand jury indicted former Housing and Urban Development Secretary Henry Cisneros on 18 felony counts of conspiracy, obstruction of justice, and making false statements to the FBI. If convicted, Cisneros faces 90 years in prison.

Cisneros' indictment was sought by independent counsel David M. Barrett, appointed in 1995 to investigate charges that Cisneros lied to the FBI about payments he made to a former mistress, Linda Medlar. Cisneros is accused of lying to the FBI during his background check after Bill Clinton nominated him as HUD secretary. Cisneros joins Mike Espy as former members of the Clinton cabinet who have been indicted.

The indictment states that Cisneros and Medlar conspired to hide the payments in question, which totaled \$264,500 from 1990 to 1993. Cisneros had admitted making \$60,000 in payments to Medlar, and told the FBI at the time of his nomination that the payments had stopped. However, the indictment states that Cisneros paid Medlar \$75,500 after his appointment.

The Cisneros-Medlar affair occurred while Cisneros was serving as mayor of San Antonio, Texas. When the affair became public knowledge it threatened to destroy his promising political career and his marriage. It did cost him his job as mayor, but he threw himself upon the mercy of the public and his wife and was able to rebound, being appointed to the Clinton cabinet and reconciling with his wife.



Former HUD chief Henry Cisneros could be sentenced to 90 years in prison.

Then Medlar came forward and claimed that Cisneros had broken a financial agreement in which he was supposed to deliver regular multi-thousand dollar payments. Cisneros denied that any such agreement ever existed, that he simply paid her smaller sums of cash to make up for the fact that she had trouble holding down a job after the affair was revealed.

Bill Clinton's reaction to the indictment was typical: "As Mayor of San Antonio, as Secretary of Housing and Urban Development, and as a wise counselor to me, he always has the interest of ordinary people at heart. I have greatly valued his service."

Now Henry Cisneros may be performing another type of service in a prison uniform.



Kyoto Global Warming Treaty a Threat to American Economy, Sovereignty

Following the conclusion of the 160-nation conference in Kyoto, Japan on global warming, Vice President Al Gore, who led the U.S. delegation, stated that the Clinton administration would not be submitting the agreed upon pact to Congress until certain changes are made that would facilitate its passage. However, the changes sought by the Clinton administration should not give Congress any incentive to approve the deal. With or without the proposed changes, the Kyoto pact is a bad deal for the American people.

According to the agreement reached on December 10, the United States would be forced to cut its use of fossil fuels such as coal and oil by one-

third by the year 2012, with the aim of cutting down on "greenhouse gases" which some scientists have speculated serve to trap the sun's heat and contribute to global warming.

Such a dramatic cut in the use of fossil fuels would take a great toll on the United States. Industries would be hit especially hard, as businesses would be forced to shut down factories and move them to developing nations not subject to the emissions cuts. Luckily, some Members of Congress are aware of this fact. Sen. Chuck Hagel (R-Neb.) stated, "We will kill this treaty if the president signs it." Sen. Frank Murkowski (R-Alaska), chairman of the Senate Energy and

Natural Resources Committee, proclaimed the pact "fundamentally flawed and dead on arrival."

Unfortunately, the changes proposed by the Clinton administration do nothing to protect American interests. The Clinton administration says it wants to include developing nations in the restrictions, a provision not mandated in the current deal, which applies only to 34 industrial nations. And while developing nations should be held to a similar standard as the United States and other industrial nations, it is highly unlikely that some of these nations, notably China, will agree to any restrictions.

Republicans in Congress want Clinton to submit the treaty soon, feeling that they have a better chance of defeating the pact the sooner it is considered. By delaying in sending the treaty to Congress, the administration gains time to sway public opinion and congressional votes in favor of the Kyoto agreement.

Following the announcement of the Kyoto deal, Bill Clinton made a preemptive strike on those critics who would surely attack the treaty as dangerous to the American economy. "I see already the papers are full of people saying, 'The sky is falling; the sky is falling. It's a terrible thing.' Every time we try to improve the American environment... somebody has predicted that it would wreck the American economy."

Critics of the Kyoto deal have, for the most part, focused on the economic affects of the treaty. However, few have questioned the central premise behind the Kyoto conference, namely the theory of "global warming."

Among the national news media

Kyoto Treaty: A Payoff to Red China?

— by Cliff Kincaid —

The dirty little secret of the forthcoming United Nations treaty on "global climate change" is that it is not designed to "save the planet" from global warming. Rather, it is another payoff to Communist China, enabling this emerging Communist superpower to escape the limits on economic and industrial activity that will be imposed on the U.S. by a new U.N. bureaucracy.

Is the Senate foolish enough to ratify this treaty? On July 25 of last year, 95 members of the Senate voted for a resolution warning the administration not to approve a treaty that would let China and other nations escape the terms of the agreement.

But as congressional committees continue their investigations into Communist Chinese influence buying in the Clinton administration, the negotiations which are producing this forthcoming treaty on "global

warming" have to be examined as well.

The administration will sell the treaty as an attempt to control "greenhouse gas emissions" which are blamed for heating up the planet, allegedly causing sea-level rise, diseases, floods and other disasters. Industries which are fighting the treaty will be compared to the tobacco companies. But this time, the administration's allies are balking: Labor unions are saying that a one-sided treaty costing jobs and economic progress cannot be tolerated.

Thus, the battle provides the opportunity to educate millions of Americans about the dangers in granting the U.N. a role in regulating our economy in the name of environmental protection. This is the long-term objective — educating our fellow Americans about the "treaty

See CHINA, page 5

See KYOTO, page 5

Playground on the Potomac

Ron Brown Revisited

Christopher Ruddy is at it again. Ruddy, a reporter for the *Pittsburgh Tribune-Review* and author of the book *The Strange Death of Vincent Foster*, is now looking into the death of Commerce Secretary Ron Brown, whose plane crashed in Croatia in 1996. Ruddy recently wrote articles stating that Brown's body was discovered with what appeared to be a gunshot wound to the head. According to Ruddy, Army Lt. Col. David Hause, a pathologist, told Air Force Lt. Col. Steven Cogswell that Brown's head appeared to have a bullet hole in it. Cogswell determined that an autopsy should be done, but he was rebuffed by the military medical examiner in charge of the case. Ruddy's stories, first published in December, were addressed on various talk radio programs and are now starting to make waves here in Washington. Rep. Maxine Waters (D-Ca.), chairman of the Congressional Black Caucus, is seeking further investigation of Ruddy's claims.



*What killed Ron Brown:
a plane crash, or a bullet?*

that they will do their best to reserve some funds for the golf courses, just in case Clinton decides to retire to Little Rock.

Trouble at Home

Residents of Little Rock are raising their voices over various plans to honor President Bill Clinton, even if he is a home town boy. First, the city had planned to raise the "hamburger tax" — a tax on restaurants and hotels — to buy land for Clinton's presidential library. Enraged residents called radio talk shows and City Hall in protest, and persuaded officials to scrap this plan. Then the city announced its plans to rename a portion of Little Rock's longest street as "Clinton Drive." Residents complained again. Finally, the city announced plans to buy the land by using bond revenue intended for Little Rock's golf courses. City officials say

Barry vs. Giuliani

Many late-night television viewers were quite amused with New York Mayor Rudolph Giuliani's recent appearance as guest host of "Saturday Night Live." Washington, D.C. Mayor Marion Barry was obviously not one of them. Barry objected to a skit in which he was depicted as a "hustler" who tried to sell District property to make money. Barry was offended by the caricature and wrote to Giuliani, who played himself in the skit, to express his outrage. While the "Saturday Night Live" skit may not have been Mayor Barry's proudest moment on screen, we can think of one videotaped appearance that tops this one in terms of embarrassment for the mayor and

the city of Washington. Here's a hint: the mayor's co-stars in this appearance included a prostitute and a crack pipe.

Leftist Extremism

The media are quick to jump on conservatives for what they perceive as "extremist" or "insensitive" statements. So where were they when Rep. Tom Lantos (D-Calif.) compared Independent Counsel Donald Smaltz to Nazi war criminal Kurt Waldheim? At a hearing of the House Government Reform and Oversight Committee studying Janet Reno's refusal to appoint an independent counsel to probe the White House's campaign finance scandal, Lantos accused Smaltz of ignoring his Republican past, comparing him to Waldheim, who denied his Nazi past. Now, was Lantos comparing Smaltz to Waldheim, or was he comparing Republicans to Nazis? Either way, this outrageous statement would have been the lead story on the evening news had it been uttered by a Republican.

Clinton's Best Buddy

Well, as many of you know by now, the really big news coming out of Washington in December was the Clintons' acquisition of a new pet — a dog. The media waited with baited breath to find out what Bill and Hillary would name the black Labrador puppy, and finally on December 16 the White House announced that the president's pooch would be named "Buddy," after one of Clinton's great uncles. Couldn't he have done better than that? The obvious choice would have been "Reno," since with her attempts to thwart investigations of Clinton administration scandals, the attorney general is the president's best friend these days.



KYOTO

from page 3

and most of our elected officials, the global warming theory is accepted as fact. There is never allowed to be any doubt that fossil fuel emissions are causing an increase in the earth's temperature by trapping the sun's heat — the so-called "greenhouse affect."

However, as a handful of observers have pointed out, there are many scientists who do not agree with the global warming theory. And of those who do accept it as gospel, many of them are not qualified to make such a determination. As columnist Cal Thomas wrote in a recent piece: "many of those who believe the world is heating up to dangerous levels have little or no expertise in climatology or environmental science. It is comparable to receiving an opinion on your heart from an orthopedic surgeon instead of a cardiologist. Both are

doctors, but only one is an authority on the heart."

For those pushing the radical environmental agenda, the truth is never allowed to get in the way. Thus, while we really do not know for sure what effect, if any, "global warming" will have on our environment, we are being forced to sacrifice in order to "save the planet."

The Real Threat

Despite the significant economic costs that will be paid should the United States sign on to an agreement such as that reached at Kyoto, there is a far greater threat. The Kyoto treaty is just the latest in a series of attempts to weaken the sovereignty of the United States.

The Kyoto pact signals the latest

attempt on the part of the United Nations and the globalist movement to control the United States. The U.N. already has considerable control over our troops, and the proposed international criminal court would give the world body the power to strip American citizens of their constitutional rights and put them on trial in foreign court-rooms.

The global warming pact is nothing less than an attempt to control the economy of the United States. Citizens United will be working to rally opposition to this treaty which would be a great blow to American sovereignty if passed. We encourage all of our members to contact their Senators at (202) 224-3121 and demand that they vote against the Kyoto global warming treaty if and when the Clinton administration presents it to Congress.

CHINA

from page 3

trap" that we are already in, courtesy of the U.N. and its U.S. allies.

For the time being, however, the China connection has to be hammered home. Forget about the issue of whether the treaty has any science behind it. Forget about whether the U.S. contributes to global warming because we use fossil fuels. The crucial issue is that the treaty is inherently flawed because it will not cover the industrial activities of China and other so-called "developing" countries.

Why? Because China refuses to be covered by the treaty and the administration agreed to this demand. The Clinton administration now says it hopes that at some point in the future it will be able to

persuade China to comply with some restrictions on its industrial development and use of fossil fuels.

This means that the treaty constitutes another massive subsidy for this emerging Communist industrial superpower. This subsidy could be worth billions of dollars and millions of jobs because the treaty will have to be enforced on the U.S. through draconian limits on the use of fossil fuels, especially oil and gas, leading to higher and higher taxes on the energy which drives our economy.

Among other things, we are looking at a possible 50 cent a gallon rise in the price of gas to discourage gas consumption.

The obvious result of this treaty is to make it even easier to ship U.S. jobs and industrial production to countries like China and Mexico, which will

have none of these new curbs on carbon emissions imposed on them.

Mexico, with its corrupt authoritarian regime and drug smuggling and emigration problems, is a threat. But China is even more of a problem because of its massive size and strategic reach. It is seeking a presence on the U.S. mainland in California and at the choke points of the Panama Canal, once a piece of U.S. property.

And the U.S. has already been subsidizing China through our own massive trade deficit, amounting to about \$40 billion last year — money used by the Red Chinese regime to underwrite its Communist Army and buy our Treasury bonds.

So the proposed climate change treaty promises to make this grave situation even worse.

IMPEACHMENT

from page 1

impeachment must begin in the U.S. House of Representatives, and until recently no Member of Congress was willing to stand up and demand an impeachment inquiry.

This all changed on November 5, when Rep. Bob Barr (R-Ga.) and 17 cosponsors introduced H.Res. 304, which if passed would direct the House Judiciary Committee to open a presidential impeachment inquiry.

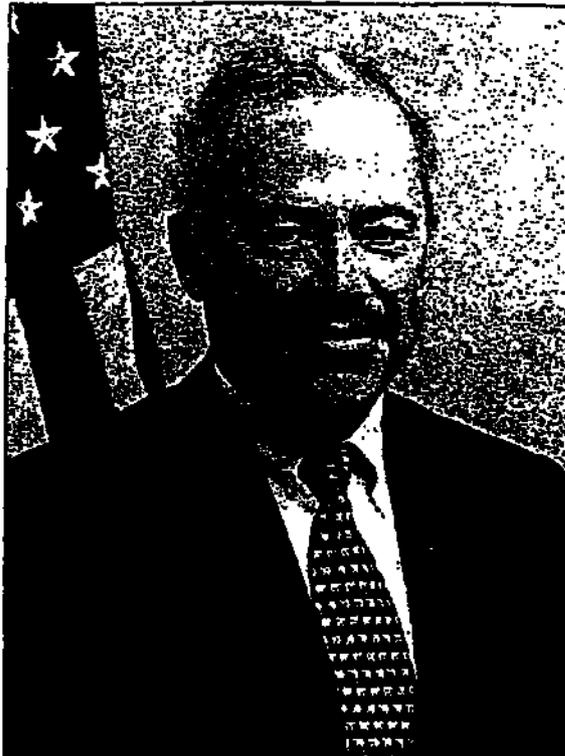
Last month we presented the details of the Barr resolution and outlined our plans to rally citizen support behind this effort. The early months of 1998 will be crucial in the battle to win passage of this resolution, and when Congress comes back into session in late January we will be working overtime, delivering petitions, generating phone calls and letters, and encouraging Congressman Barr and his colleagues as they attempt to bring the resolution to the floor of the House for a vote.

If you have not done so already, we encourage you to contact your Representative and express your support for H.Res. 304. Call the Capitol switchboard at (202) 225-3121, ask for the office of your Representative, and demand that he or she vote for the Barr resolution. Only a massive citizen display of support will give Members of Congress the message and convince them to pass the resolution and commence a presidential impeachment inquiry.

American Sovereignty Threatened

In this tenth anniversary year, Citizens United will be keeping a close

eye on the United Nations and working to prevent any further surrender of our nation's hard-won sovereignty. We won a significant victory in 1997 when



Citizens United is supporting Congressman Bob Barr's efforts to begin a presidential impeachment inquiry.

Congress stripped payment of the so-called U.S. "debt" to the U.N. from an appropriations bill. Citizens United has been at the forefront of the movement to prove that there is no debt to the U.N., that the world body in fact owes us money for peacekeeping operations we have funded. Although Congress made the right move in denying payment of this phony debt, pro-U.N. forces in Congress will undoubtedly bring the issue up again next year. Citizens United will stay vigilant and continue to reveal the truth about this issue to the American people, the media, and Members of

Congress.

However, an even more frightening threat to American sovereignty is quickly developing. In 1998, Citizens United will be concentrating on the U.N.'s plans for an international criminal court that could eventually be empowered to place Americans on trial, denying them their constitutional rights in the process.

The international criminal court, if it becomes a reality, could prove to be one of the largest threats to American liberty that we have ever encountered. Under such a court, American citizens could face criminal prosecution in foreign or international courtrooms, denied the due process of law that is guaranteed in our Bill of Rights. Right now the United Nations, with the cooperation of the Clinton administration, is moving forward with its plans for such a court. Next summer, delegates will meet in Rome for five weeks to put together a treaty establishing the court.

Proponents of the court state that it is necessary to try cases of war crimes, genocide, and crimes against humanity. They often point to the atrocities in Rwanda and Bosnia as evidence that such a court is needed. Some also want the court's jurisdiction widened to include crimes such as drug trafficking.

This international criminal court is not only unnecessary, it is an attack on the sovereignty of the United States. And as if the international court itself were not bad enough, many nations of

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COURT

from previous page

the world, including some of our so-called allies, are lining up against the United States to oppose even the meek restrictions on the court's power favored by the Clinton administration.

The U.S. wants cases to be referred to the court by the U.N. Security Council, which would allow us to block any prosecution by using our veto. However, an alternate plan has been suggested that would allow any nation to refer cases to the court and avoid a security council veto.

The proposed international criminal court is nothing less than a direct threat to the sovereignty of the United States, and to the rights enjoyed by every American under the Constitution. Citizens United will continue to research this issue and will be working to rally the American people against such a treaty should it come before the Senate.

Fighting the Inheritance Tax

One of Citizens United's top projects in 1997 — the elimination of the federal inheritance tax — will remain near the top of the agenda for

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1998. While we did enjoy a measure of success in reforming the tax last year, we must continue our efforts until we have won full repeal of this unfair, un-American tax.

The federal inheritance tax is one of the most egregious examples of unfair taxation on the books today. In essence, the tax punishes those who work to create a better life for their children and their grandchildren. Upon that person's death, the government takes a portion of the estate, sometimes more than half of it. The tax has been especially hard on small businesses and family farmers, who often are forced to sell off assets in order to pay the tax.

Last summer, Congress voted to reform the inheritance tax, raising the amount of inheritance exempted from taxation. This was a step in the right direction, albeit a small one. But there is still much work yet to be done.

Citizens United spent much of 1997 distributing petitions calling for the elimination of the inheritance tax. We then collected the signed petitions and delivered them to Senate Majority Leader Trent Lott. These petitions are still coming in, and to date we have delivered over 50,000 to Capitol Hill. Republicans want to revisit tax reform during the next session of Congress leading up to the 1998 elections, and we must make sure that the inheritance tax is at the top of their agenda.

Senator Lott and some of his colleagues have in the past expressed



Senate Majority Leader Trent Lott has gone on record as being in favor of eliminating the federal inheritance tax.

their support for the elimination of the inheritance tax. Lott recently wrote Citizens United regarding this issue:

"In March of this year, I joined with Senators Breaux, Nickles, Baucus, and Grassley to introduce legislation to reform the estate tax. This bipartisan legislation was designed to lower the overall death tax burden and provide relief to family-owned businesses that families want to pass on to succeeding generations.

"As you may know, the government can currently take up to 55 percent of an estate when a person dies. This tax is confiscatory, un-American, and must be reduced.

"The Taxpayer Relief Act...

See TAX, page 8

TAX

from page 7

incorporates many of the changes to the death tax that I proposed in my bill. While the death tax is still too high, there will now be a smaller burden on families and individuals."

While Congress did in fact pass legislation raising the amount of inheritance exempt from the tax, the very fact that this tax exists at all is an abomination, and it must be totally repealed. Lowering the death tax burden is a good start, but Congress must finish the job by eliminating the inheritance tax completely.

Unfortunately, liberals in Congress and the Clinton administration have gone on record opposing this reform. Deputy Treasury Secretary Lawrence Summers even went so far as to say that those seeking the repeal of the inheritance tax were motivated solely by "selfishness."

Some Members of Congress, such as Rep. Chris Cox (R-Calif.) and Sen. Richard Lugar (R-Ind.), are actively pursuing the elimination of the

inheritance tax and introduced bills in 1997 doing just that. However, it is unlikely that we will see any real tax reform any time soon unless the American people demand it. Therefore, Citizens United will be continu-

The projects at the top of Citizens United's agenda for 1998 are sure to have wide-ranging effects on our government and our nation as a whole.

ing and expanding this effort to rally Americans to convince Congress to pass this monumental tax reform. We will continue to update you on the status of this effort.

We Need Your Input

With these major projects on our table, Citizens United's tenth anniversary year of 1998 is shaping up to be our most important year yet. The three projects at the top of our agenda — the impeachment of Bill Clinton,

opposition to the United Nations and a proposed international criminal court, and the elimination of the federal inheritance tax — are sure to have wide-ranging effects on our government and our nation as a whole.

However, all of Citizens United's projects rely on two things: your input and your support. We have chosen these projects because we feel they are important. Do you agree? Please take a moment to answer this

month's Member's Poll and tell us if our priorities are in the right place. The results of this poll will determine the direction Citizens United takes in the future.

It is our intention to make Citizens United's tenth anniversary year our most productive and successful year ever. With your continued input and support, we will have an excellent chance to reach this goal. As always, we will keep you updated on our projects in these pages, and we value your suggestions and comments.

Citizens United Membership Poll

What issue should be at the top of Citizens United's agenda for 1998?

- Impeachment of President Bill Clinton
- Protecting American sovereignty
- Elimination of the federal inheritance tax
- Other

Please cast your vote on the enclosed form. Replies must be postmarked no later than January 21 to be reported in the February issue. Poll results will be released to the major news media. Send your answer today!

For you,
Mr. [REDACTED]



Bend letter back.
Stamp will peel off.

September 12, 1996

[REDACTED]

Dear [REDACTED]

I've sent you this first-class stamp because I need your immediate help.

The U.S. Court of Appeals has refused to order the release of President Clinton's videotaped Whitewater testimony. And now, I must decide, within days, whether to file an immediate appeal with the United States Supreme Court.

Quite frankly, I'm strongly inclined to file this appeal.

I find it offensive that the U.S. Department of Justice, acting on Bill Clinton's behalf, would argue that the videotape should remain under seal, because releasing it to the public would undermine Clinton's re-election efforts.

But before making a final decision on whether to file an appeal with the Supreme Court, I must know if I can count on you for the financial support needed to win this crucial battle.

Let me explain.

This past spring, Citizens United filed suit, in federal court, demanding that Bill Clinton's videotaped testimony in the Whitewater trial of then-Arkansas Governor Jim Guy Tucker and the Clintons' Whitewater business partners, James and Susan McDougal, be released to the public.

I did this despite our having just overcome one of the most difficult financial crises faced in our history. I did it not because it was easy, but because it was the right thing to do.

I believe that the American people have the right to see their president testify under oath and decide for themselves whether or not he is telling the truth.

But Bill Clinton, backed by the U.S. Department of Justice and a team of high-priced private lawyers, has fought us tooth and nail.

over, please..

He doesn't want you, me and the American people to see and hear his testimony. Both he and the government argue that releasing the testimony would undercut his re-election effort.

Incredibly, they claim that Bill Clinton's desire to win re-election somehow justifies denying the American people access to his videotaped testimony.

Frankly, I find this line of reasoning offensive.

It's an insult to our Constitution and Bill of Rights.

The United States is supposed to be a constitutional republic, not a monarchy.

Bill and Hillary Clinton are not king and queen.

And the Justice Department has no business acting as an arm of the Clinton re-election campaign in working to keep the Clinton testimony sealed from public purview.

In the United States, unlike a monarchy, we have a First Amendment that guarantees us a right of access to courtroom proceedings and records. And that same First Amendment guarantees us the right to criticize government officials, including the President.

So even if it is in Bill Clinton's political interest to keep his sworn testimony from the American people, the government has no business working to secure Mr. Clinton's re-election by opposing release of the testimony.

But after reviewing the Citizens United finances, I have come to one inescapable conclusion: the cost of our efforts has been high.

We are already facing a pile of bills from this important endeavor, and without your immediate help, I may be forced to drop our lawsuit altogether.

That would be especially tragic now that we're poised to take our case to the United States Supreme Court.

Whitewater is a national scandal only because of Citizens United's vigilance in researching and exposing the facts. Our campaign for the truth led to the appointment of a special prosecutor and the creation of the Senate Whitewater Committee.

You and I have never let cost stand in our way before.

You and I didn't let cost stop us from fighting Jesse Jackson and the D.C. Statehood campaign.

And we didn't let cost stop us in our battle against Hillary's scheme to socialize our nation's health care system.

We cannot allow cost to derail this vital undertaking either. That is just what the White House wants.

We must take our case for the Clinton videotaped testimony all the way to the Supreme Court so that the American people can see their president testify under oath.

I don't need to tell you that appealing a legal decision all the way to the Supreme Court is both expensive and time consuming. We already have our legal team on the case, studying the lower court rulings and deciding how to proceed.

But Bill Clinton has both his personal legal team and the unlimited resources of the United States Government on this case. We're in a real David vs. Goliath situation.

This has never stopped us before.

But because of our current financial emergency I face a dilemma. I have no hope but to count on you.

You and I must continue this campaign to reveal the truth to the American people.

Bill Clinton is not above the law. He has no right to keep his testimony hidden from the American people, or to use the Justice Department to help in his own re-election campaign.

You and I must commit to continuing this battle despite the high financial costs.

My staff and I are working overtime here at Citizens United, consulting with our attorneys and planning our appeal to the United States Supreme Court.

But I can't do this alone. I need your help if this massive, historic effort is to be successful.

My friend, I took the time to write you today because I'm depending on your immediate action. Today I need to know if you will help me bear the costs of this vital campaign.

Bill Clinton has the unlimited resources of the United States Government behind him, and he has in effect made the U.S. Justice Department an arm of his re-election campaign.

Our resources, in comparison, are meager. Citizens United receives no federal funding, no huge grants from the leftist Hollywood types that support the Clintons. We rely on you and other patriotic citizens for every penny.

[REDACTED], I need your urgent and most generous contribution of \$30 in this emergency.

If I must face this crisis, I pray that you, [REDACTED], will be able to stand with me by donating a contribution of at least \$15. Only with your help will Citizens United prevail against Bill Clinton and his vast legal resources fighting us every step of the way.

In addition to our legal efforts, [REDACTED], I need your financial help to continue our other important projects . . . our ongoing investigations of Whitewater and related Clinton scandals . . . our Citizens Agenda newsletter . . . and our vital grassroots programs.

Your generous contribution of \$15, \$30 or more is also vital in order for us to generate sufficient public outrage to ensure we win this struggle for our beloved America.

God bless you for your help and support. You mean more to me than I can express in these simple words.

Sincerely,

Floyd G. Brown

Floyd G. Brown
Chairman

P.S. I have enclosed this stamp to pay for your first class return postage. Please use the stamp to rush your urgent \$15 or \$30 contribution to Citizens United today.

-----PLEASE RETURN ENTIRE PAGE WITH YOUR CONTRIBUTION-----

Dear Floyd: You're right! The Justice Department has no business acting as an arm of the Clinton re-election campaign. The public has a right to see and hear Bill Clinton's Whitewater testimony. To help you generate public outrage and support your lawsuit all the way to the U. S. Supreme Court, I am enclosing my special emergency contribution of:

\$15 \$30 Other \$ _____

[REDACTED]

86NJ

Please make checks payable to Citizens United.
Contributions and gifts to Citizens United are not tax-deductible.
Citizens United * 11094-D Lee Highway Suite 200 * Fairfax Virginia 22030

CITIZENS AGENDA

Vol. 5, Issue 10

The Official Members Newsletter of Citizens United

Latest Whitewater News on the Internet

Visit Citizens United's web page at <http://www.citizensunited.org/cu>

— by Robert Paterno —

Since our founding in 1988, Citizens United has attempted to keep our members informed about the latest news from Washington. In keeping with this goal, Citizens United has opened up a page on the World Wide Web, and has made a wealth of information available to those with access to the Internet. Citizens United's home page is located at <http://www.citizensunited.org/cu>.

Materials relating to all of Citizens United's projects are currently being made available. This includes the various projects of Citizens United Foundation, such as the American Sovereignty Action Project (ASAP)

and the National Citizens Legal Network (NCLN). Visit the CU web page to obtain the latest information on Whitewater, copies of Whitewater documents, the results of congressional investigations, and on-line editions of CU publications.

The Citizens United web page is a convenient source for the latest details about Whitewater. As we continue our research, we will make our findings available on the web page. This includes documents collected by Citizens United as well as releases and reports issued by the various congressional committees investigating

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On the Agenda

November 1996

✓
The House Committee on Government Reform and Oversight forwards reports on the White House Travel Office and FBI files scandals to Independent Counsel Kenneth Starr

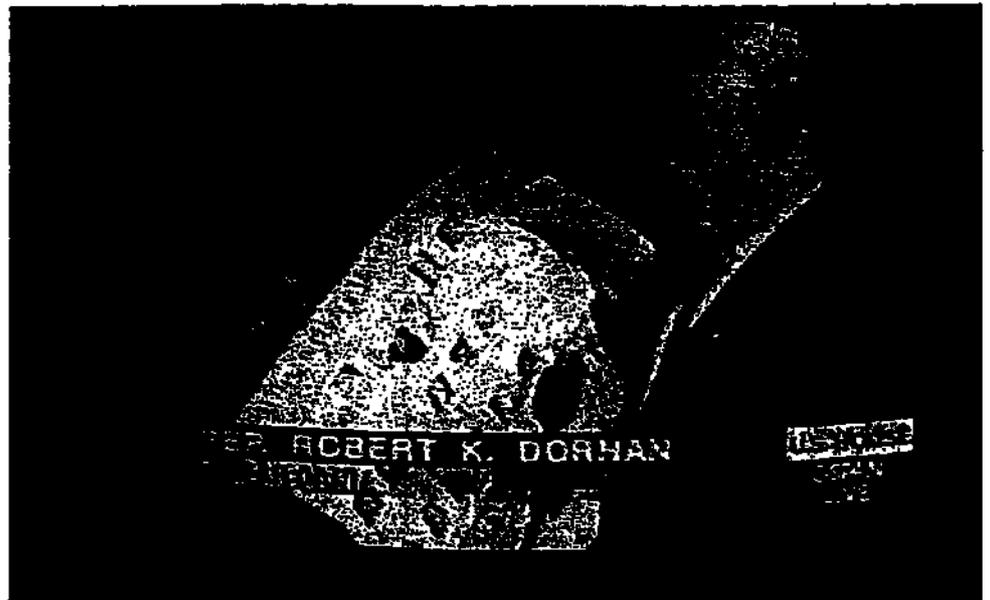
page 2

✓
A report on congressional efforts to protect American lands from U.N. control and Citizens United Foundation's American Sovereignty Action Project holds another successful conference

pages 3, 6

✓
Bill Clinton's connection to murderous gangs, another victim of White House dirty tricks, and one Whitewater figure predicts a sure indictment of Hillary Clinton

page 4



Rep. Robert K. Dornan (R-CA) reads from Citizens United's newest "Whitewater's Most Wanted" poster on the floor of the House of Representatives. To order a copy of the poster, see page 5.

CITIZENS AGENDA

The Official Journal of the Citizens United

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Reports on Travelgate, FBI Files Sent to Kenneth Starr

Leave it to White House spokesman Mark Fabiani to accuse Republicans of playing politics at every turn. On October 15, Rep. William F. Clinger, Jr. (R-PA), Chairman of the House Committee on Government Reform and Oversight, sent his Committee's reports on the White House Travel Office scandal and the FBI files affair to Independent Counsel Kenneth Starr. Fabiani, the White House's designated scandal spinner, immediately accused Clinger of deliberately intending to influence the presidential election by forwarding the reports to Starr so soon before election day.

What Fabiani neglected to mention was that the White House itself was to blame for the timing of the reports. After all, the Committee would have concluded its investigation much sooner had the White House not stonewalled every attempt to obtain relevant documents, hiding under dubious claims of "executive privilege" until Clinger was forced to threaten pursuing contempt charges.

As Rep. Clinger stated, "During the course of my investigation into the White House Travel Office and FBI files matters, we have encountered a systematic and sustained resistance to our oversight efforts, as well as an incredible display of faulty memories and missing documents."

Democrats in the House should

share some of the blame as well; when the Travelgate scandal first broke in 1993 and they controlled Congress, they refused to investigate, and it was left to the Republican-controlled 104th Congress to seek the truth.

Chairman Clinger took this task very seriously, despite being stonewalled by the White House at every turn. The results of the Travel Office and FBI files probes justify these

The Committee would have concluded its investigation much sooner had the White House not stonewalled every attempt to obtain relevant documents.

efforts, while casting further doubt on the White House assertions that neither the Clintons nor their associates have acted improperly or illegally. Clinger even suggests criminal statutes which may have been broken. Clinger refers to "many documented actions of particular witnesses who appear to have

intentionally endeavored to influence, obstruct or impede pending proceedings." Regarding the White House's consistent refusals to produce relevant documents, Clinger states, "The Committee takes particular note that the act of concealing documents falls within the definition of the specific intent required for obstruction of justice."

In a letter accompanying the reports to Kenneth Starr, Rep. Clinger states that Clinton administration officials provided "vague and often contradictory testimony" when called

See CLINGER, page 8

The Yellowstone Controversy: Sovereignty Bill Loses in Congress

— by Cliff Kincaid —

Just prior to the adjournment of Congress, an important sovereignty bill quickly hit the floor of Congress, received about 60 percent of the vote but still failed to be approved by the House of Representatives because a procedure called suspension of the rules required a two-thirds vote for passage.

The legislation, the American Land Sovereignty Protection Act, would merely have reasserted congressional control over U.S. public lands, saving them from being given away by federal bureaucrats to the oversight or jurisdiction of the U.N.

The final vote was 246 in favor and 178 against, with liberal Congressmen such as Bill Richardson (New Mexico), Edward Markey (Massachusetts) and Bruce Vento

(Minnesota) leading the opposition. They mocked critics of the U.N. as believers in non-existent "black helicopters." Richardson piped in, "Smokey the Bear is not fitted for a U.N. uniform and a blue helmet."

Despite this defeat, the fact that 60 percent of Congress voted for a bill restoring American sovereignty over U.S. public lands shows the growing power of the anti-U.N. movement in America today. The vote came in the wake of almost 300 members of the House voting for a bill to limit U.N. control of U.S. troops, and the U.S. Senate's passage of a bill by a margin of 70-28 to cut off money to the U.N. if the world body proceeded with a global tax scheme. The effort to defund and dismantle the U.N. is clearly gaining momentum in the United States.

Taken together, these actions conclusively demonstrate that the United Nations and its allies are on the defensive.

Yellowstone Issue

This bill, the American Land Sovereignty Protection Act, was introduced by Rep. Don Young (R-AK), chairman of the House Resources Committee, in response to increasing citizen complaints over U.N. interference in how the U.S. manages its public lands. The most blatant example of such interference was the visit by a foreign U.N. delegation to Yellowstone National Park last year, to lobby against a gold mine a few miles outside the park. President Clinton subsequently agreed to U.N. demands to cancel the mine and he announced a deal to give the mining company some federal land somewhere else. The company felt it was up against the wall, facing not only the Clinton administration but the U.N.

The Young bill would not have eliminated U.N. designations of U.S. lands. It would only have required Congressional approval when federal officials ask the U.N. to designate U.S. public lands as World Heritage Sites or Biosphere Reserves. As such, the Young bill was a modest effort.

In other words, Young was merely trying to reassert congressional powers already in the U.S. Constitution in Article 4, Section 3, authorizing Congress to make all rules and regulations governing lands belonging to the U.S. It is a sad commentary on the state of our Constitution that the

ASAP Examines U.N. Assault on U.S. Soldiers, Parks

On October 22, the American Sovereignty Action Project (ASAP) of Citizens United Foundation held its third national conference aimed at examining the United Nations and related issues. The recent conference, "U.N. Assault on U.S. Lands and U.S. Soldiers," dealt with two timely issues, namely the U.N.'s attempts to gain control over national and state parks in the United States, and the growing discontent with U.N. military operations involving American troops. The conference was especially timely, coming just two days before "United Nations Day."

ASAP Director Cliff Kincaid

opened the conference with an update on attempts to pressure the U.N. to revoke the over \$100,000 annual pension still paid to former Secretary-General Kurt Waldheim, despite revelations of his past as a Nazi and his subsequent banning from U.S. soil. Kincaid explained that the powers that be at the U.N. have done nothing to right this injustice, and have even lied to the American people about it. Specifically, Kincaid cited a recent radio interview of Madeleine Albright, the U.S. Ambassador to the United Nations. In the interview, simulcast

See CONFERENCE, page 6

See SOVEREIGNTY, page 6

Playground on the Potomac

Bill and the Gangs

Republicans have attempted to reveal the details of Bill Clinton's connections to organized crime by highlighting Arthur Coia, a friend of Bill and Hillary who is head of the Laborers' International Union of North America (LIUNA), which the Justice Department has determined has ties to the mob. While the Coia connection is important, perhaps we should also examine Bill Clinton's relationship with other gangsters, namely those in gangs such as the infamous "Crips" and "Bloods" who terrorize our nation's inner cities. In 1992 at a campaign rally in Los Angeles, Clinton invited members of the two gangs to join him onstage in recognition of their roles in arranging a so-called "truce" between the rival criminal organizations. How does Bill Clinton feel about appearing in public with these hardened criminals? The "truce" between the Bloods and the Crips turned out to be nothing but a pipe dream, and the murders and drug dealing continue in America's cities thanks to scum like those with whom Bill Clinton chose to be associated.

Hale's Prediction

One Arkansas insider well familiar with the Whitewater scandal isn't afraid to go on the record and predict an indictment of Hillary Clinton. David Hale, Kenneth Starr's key witness in the successful prosecution of Jim Guy Tucker and James and Susan McDougal, recently told the *Wall Street Journal* that Mrs. Clinton will surely be indicted. If anyone is familiar with Mr. Starr's probe, it's David Hale, who has been cooperating with the independent counsel from the beginning. And as



Clinton accuser David Hale predicts that Hillary Clinton will be indicted.

the *Journal* points out, while Susan McDougal has become a media darling with her jail house interviews for refusing to testify against the Clintons, nobody seems interested in what David Hale has to say, despite the fact that a jury of Arkansans believed his testimony enough to convict Tucker and the McDougals. When will the media get a clue? Probably not until after November 5.

More Dirty Tricks

If Bill and Hillary Clinton have been guilty of one thing during their tenure in the White House, it has been abuse of power. We saw it first with Travelgate, when the FBI and IRS were called in to investigate the former White House Travel Office employees in an attempt to justify their firing. Then we saw it with the FBI files scandal, when hundreds of confidential files on Republicans were gathered by Tony Marceca under the supervision of Craig Livingstone, who may have been

hired at Hillary's behest. Now add to this list the ordeal faced by Kent Masterson Brown, an opponent of Mrs. Clinton's health care scheme who has paid the price for his efforts. In an interview with the *Washington Times*, Mr. Brown says that he was personally targeted by the White House, and after the administration could come up with nothing personal to use against him, the IRS was sent out to audit him. In addition, Brown, a Civil War buff, was kicked off the Gettysburg National Military Park Advisory Commission; Brown was told the White House was responsible for this action as well. This is a pattern that we are well used to by now: when the Clintons are faced with opposition they do everything in their power to discredit their opponents. It's about time that they are called to answer for this flagrant abuse of power.

Character Counts?

As the election season winds down, many Republicans have urged Bob Dole to make character more of an issue in the campaign, and to challenge Bill Clinton on what is clearly a weakness for the president. Many were surprised when Bill Clinton himself made character an issue, by declaring the third week in October "Character Counts Week." This is the same Bill Clinton who, in 1992, said that character did not matter in a president, the same Bill Clinton who has shown on countless occasions to be seriously lacking in character. Nevertheless, just weeks before the election, Bill Clinton singled out a week to highlight the issue of character. Apparently character does count — just not if you want to be president.

INTERNET

from page 1

Whitewater, Travelgate, the FBI files scandal, and related matters.

The web page contains an extensive document archive containing much of the material collected by Citizens United over the course of our investigation. Over the past four years, Citizens United's investigative team has collected thousands of pages of documents relating to Whitewater, from copies of the original land deeds to copies of checks of illegal loans to letters and memoranda to and from Clinton associates. After collecting these documents, Citizens United made them available to representatives of the national news media, Members of Congress, and FBI agents working for the independent counsel. Now these same documents are available on the Internet. For example, Susan

McDougal, currently in prison for refusing to testify before a federal grand jury, was convicted for obtaining an illegal federally-backed loan. This \$300,000 is at the heart of the Whitewater scandal, as David Hale has testified that then-Governor Bill Clinton pressured him to make the loan to Susan McDougal. The \$300,000 check and related documents may be viewed at the CU web page.

All Citizens United publications will be available in on-line format at the CU web page. This includes *Citizens Agenda*, *The ASAP Report*, the monthly newsletter of the American Sovereignty Action Project, and *Citizens Legal Advocate*, the report of the National Citizens Legal Network.

Copies of CU special reports are

currently being added to the web page. These include the detailed monographs "Whitewater: The Conspiracy of Silence" and "Understanding Bill Clinton," and the National Citizens Legal Network's report on "The Unconstitutionality of the Federal Assault Weapons Ban."

Citizens United members may also view an on-line copy of CU's latest poster, "Whitewater's Most Wanted: Continued," send electronic mail to Citizens United, and order copies of CU publications.

In the coming months, we will be working overtime to add the most up-to-date, complete information to the web page. While the page is under construction we would appreciate any comments or suggestions that our members may have.



WHO ARE WHITEWATER'S MOST WANTED?

Find out with this new poster from Citizens United

The Clinton Whitewater scandal has been investigated by a special gallery of Whitewater figures to help you understand the people, places, and events that have shaped the true story behind Whitewater, from the original Citizens United land deal in Arkansas in the 1970s to the present American people's struggle to hold the Clinton administration and the Washington cover-up scandal.

Now Citizens United has put together a complete poster gallery of Whitewater figures to help you understand the people, places, and events that have shaped the true story behind Whitewater, from the original Citizens United land deal in Arkansas in the 1970s to the present American people's struggle to hold the Clinton administration and the Washington cover-up scandal.

Most Wanted poster published in 1994. "Whitewater's Most Wanted: Continued" gives you the names, pictures, and descriptions of the most important characters in the Whitewater affair.

For only \$5, you can have this poster that tells you who is involved and how they are mixed up in the scandal that is rocking the Clinton administration. Citizens United's investigators have put together this

Use the coupon provided, or call our toll-free number to order. Posters are only \$5 each. Please include \$3 with each order to cover shipping and handling. The posters are going fast, so order today!

Please send me the new poster "Whitewater's Most Wanted: Continued"

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WWP3

SOVEREIGNTY

from page 3

Congress feels it has to pass another law to give itself the powers it should have in the first place but which have been taken away by the president and the executive branch.

The issue in Yellowstone wasn't the gold mine. Congress had already passed a law saying that projects such as the proposed gold mine near Yellowstone would have to be evaluated under the National Environmental Policy Act (NEPA), which requires

that an Environmental Impact Statement (EIS) be issued to determine what threat, if any, a proposed action would pose to the environment. This law was being followed in the Yellowstone case.

The issue in this case was the U.N. The Yellowstone visit by the U.N., whose bureaucrats labeled the park "in danger" from the mining project, subverted U.S. law and amounted to gross foreign interference

in America's domestic affairs. The U.N. bureaucrats also called for a "buffer zone" around the park, a concept not authorized under U.S. law but articulated in the World Heritage Treaty passed by the U.S. Senate more than 20 years ago.

Clinton's Yellowstone deal was followed by an equally astounding action — his unilateral designation of

See U.N., next page

CONFERENCE

from page 3

live on C-SPAN, a caller asked Albright about the Waldheim pension issue. Albright claimed ignorance, stating that she would look into the matter. However, her explanation is unsatisfactory, as Kincaid has contacted the U.N. on several occasions requesting comment on the Waldheim situation. Moreover, ASAP's efforts on the issue have led to press accounts of which Albright's office are certainly aware.

Among the guest speakers at the ASAP conference was Michael Farris, hot schooling defender and 1993 candidate for lieutenant governor of Virginia, now serving as lead attorney for former Army Specialist Michael New. Spc New was court-martialed and given a bad-conduct discharge for refusing to wear the uniform of the United Nations and serve under a foreign commander. Farris outlined the legal argument that he will be



Michael Farris, attorney for former Army Spc Michael New, addresses the ASAP conference.

making in an attempt to reverse New's conviction.

Sergeant First Class Ed Rasor, stationed at Fort Bragg, North Carolina, provided an update on his own personal situation. Sgt. Rasor came forward a year ago to proclaim his opposition to U.N. control over

American troops and appeared at a Capitol Hill press conference last fall to receive the support and encouragement of several Members of Congress. Rasor is involved in a precedent-setting situation. He has requested an honorable discharge from the Army on grounds that he is opposed to United Nations command of our troops. It appears that his request has been approved, which could have a great affect on a military in which anti-U.N. sentiments are, in Rasor's estimation, running high.

Conference participants also heard from Kathleen Jachowski, a private property-rights activist who discussed the U.N.'s successful attempt to shut down a gold mine project near Yellowstone National Park in Wyoming, and John Rishel, a staff member for Rep. Don Young (R-AK) on the House Resources Committee, who discussed the American Land Sovereignty Protection Act.

U.N.

from previous page

1.7 million acres in Utah as a national park. State and congressional officials were not even consulted in this case, in which Clinton signed an executive order based on an obscure law designed to safeguard Indian remains.

There is no evidence of a U.N. role in the Utah land grab, but it also has far-reaching foreign ramifications. It came after Clinton had authorized U.S. military strikes on Iraq, a country ruled by a mad dictator who is once again threatening U.S. oil supplies in the Middle East. The Utah land contains an estimated trillion tons of coal which could greatly reduce our reliance on imported oil but are now off-limits because of Clinton.

Unless Congress reverses it, Clinton's land grab makes it more likely that U.S. servicemembers will have to fight and die in the future to maintain our foreign sources of energy.

'Confusion' Over U.N. Role

The popularity of the Young sovereignty bill shows that we are making progress. However, the eventual U.N. goal seems to be shaping up as an effort to rearrange American society into bioregions —

areas where the interests of plants, animals and things are put above the needs of human beings.

This strategy fits into the U.N. ideology of "sustainable development," in which human consumption of energy, food and water is drastically cut and our standard of living is dramatically lowered.

Before this bill came up for a vote, Rep. Young held a dramatic congressional hearing, in which representatives of grassroots citizens organizations and local governments complained that the U.N. had designated public lands in their areas as World Heritage Sites and Biosphere Reserves without their input or even knowledge.

In the U.S. there are 18 World Heritage Sites, designated under the terms of a 1972 treaty, and 47 Biosphere Reserves, designated under a U.N.-sponsored "Man and the Biosphere" program that has been implemented by the State Department without the benefit of any treaty whatsoever. Both U.N. programs are administered by the U.N. Educational, Cultural and Scientific Organization (UNESCO), a corrupt agency of the U.N.

Supporters of the U.N. programs also showed up at the Young hearing.

For example, Dean Bibles, chairman of the U.S. National Committee for the Man and the Biosphere Program, testified that there was "confusion" over the U.N. role in U.S. public lands.

"Recently," he said, "we became aware that some state park officials had a sign constructed at their gate which said 'A U.N. Biosphere Reserve.' At some other biosphere reserve sites there are signs at the gates which claim the site in an 'International Biosphere Reserve.' Both these claims are wrong."

Bibles went on to say that the areas should be designated as "U.S. Biosphere Reserves" or as "A Member of the World Network of Biosphere Reserves."

He added that his office is "providing guidance for correct future signs on U.S. Biosphere Reserves."

The site Bibles was referring to was North Carolina's Mount Mitchell State Park, identified by park authorities as a U.N. Biosphere Reserve until citizens started asking questions about what all of this meant. Then the sign was quickly changed to say "International Biosphere Reserve."

It appears that Bibles' "guidance" is designed to cover-up the U.N. role in designating these areas.

Membership Poll - If Bill Clinton pardons Whitewater defendants, should Congress initiate impeachment hearings?

A vast majority of respondents to last month's poll question agreed that it would be unconscionable for Bill Clinton to issue pardons to his friends and political associates who have been convicted or who may face future indictment on Whitewater-related charges.

Yes.....95%
No.....2%
Undecided.....3%

Among CU members, many feared that the president would not hesitate to pardon Hillary Clinton if she were to be indicted. Those who were not in favor of impeachment or were undecided cited their opposition to Vice President Al Gore taking over.

CLINGER

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before the Committee. As a result, Clinger suggests that Starr consider criminal charges of perjury and obstruction of justice: "The Committee believes that given the internal discrepancies in testimony, the witnesses' lack of recall of material events as well as the conflicts between the White House's documentary evidence and the witnesses' respective sworn accounts, the enclosed materials are relevant and applicable for consideration in the context of your ongoing criminal investigation." Specifically, Clinger asks Starr to examine testimony provided by Jane Sherburne, Harry Thomason, Craig Livingstone, Anthony Marceca, William Kennedy, Bernard Nussbaum, and Thomas F. "Mack" McLarty. Starr has been provided with summaries of these witnesses' testimony.

What About Hillary?

One aspect that Rep. Clinger fails to mention is the involvement of Hillary Rodham Clinton. The first lady has been implicated in the Travel Office and FBI files scandals by some of the very documents to which Clinger refers, those that the White House refused to release at first. An internal White House memorandum from David Watkins states that Mrs. Clinton desired the firing of the travel office staff, while another internal

memo ties Hillary to the hiring of Craig Livingstone.

The Senate Whitewater Committee, in its final report, also questioned the veracity of testimony by senior White House officials. The Committee determined that "[A]t the direction of Mrs. Clinton, senior White House officials prevented law enforcement officials from examining [Vincent] Foster's records," in the critical hours immediately following his death. In addition, top aides to Mrs. Clinton "provided inaccurate and incomplete testimony to the Committee in order to conceal Mrs. Clinton's pivotal role in the decision surrounding the handling of Vince Foster's documents following his death." In this case, Citizens United's legal team examined the report and concluded that if Mrs. Clinton procured this false testimony from her aides, she would be guilty of "subornation of perjury."

Could this same standard be applied to the testimony given before Rep. Clinger's committee regarding the Travel Office and the FBI files? It would appear so. While documents — specifically, those the White House attempted to conceal from the Committee — appear to implicate Mrs. Clinton in these activities, the witnesses testified otherwise. Thus, should Mr. Starr consider perjury charges against some or all of these witnesses, it would make sense for him to also consider seeking charges

of subornation of perjury against Hillary Rodham Clinton.

In discussing charges of obstruction of justice, Rep. Clinger considers actions taken by senior White House officials. While these actions entail hiding documents relating to the Travel Office scandal, a similar argument could be made regarding Whitewater, and the Rose Law Firm billing records which turned up mysteriously in the White House residence two years after being subpoenaed. The Senate Whitewater Committee concluded that Hillary Clinton was the most likely suspect in stashing these documents, having the motive and opportunity. At the very least, it is reasonable to assume that if Mr. Starr comes to the same conclusion as these congressional committees, Mrs. Clinton could be facing an indictment in the very near future.

Kenneth Starr, as always, has kept silent about his intentions. However, it is almost universally accepted in Washington, D.C. that high-ranking White House officials will be indicted as a result of Starr's investigation and the various congressional probes. It remains to be seen how high up the indictments will reach, and whether Bill and Hillary Clinton will come away clean. This much is certain: should Bill Clinton win the November election, these uncertainties will haunt him during his second term.

Citizens United Membership Poll

Regardless of the results of the November election, should CU continue pressing for the truth about Whitewater and related matters?

Please cast your vote on the enclosed form. Replies must be postmarked no later than November 21 to be reported in the December issue. Poll results will be released to the major news media. Send your answer today!

CITIZENS AGENDA

Vol. 5, Issue 6

The Official Members Newsletter of Citizens United

CU Seeks Clinton Taped Testimony

Legal action taken to secure release of testimony which the White House tries to keep hidden.

— by Robert Paterno —

On Monday, May 13, Citizens United held a press conference to announce legal action to force the release of President Bill Clinton's videotaped Whitewater testimony. At the National Press Club in Washington, D.C., CU Chairman Floyd Brown announced that a legal brief was being filed with the U.S. District Court in Little Rock, Arkansas, calling for the release of the videotape following the conclusion of the trial of James and Susan McDougal, the Clintons' partners in Whitewater, and Arkansas Governor Jim Guy Tucker.

U.S. District Court Judge George

Howard set May 24 as the last day for parties to file legal briefs for and against release of the tape. As this issue goes to press, CU's brief has been filed, and we are awaiting a decision from Judge Howard.

"If Bill Clinton wants full disclosure," Brown stated, "if he wants the American people to have a full and complete understanding of Whitewater, then he should have no hesitation in releasing this videotaped testimony that he himself says vindicates him."

The White House was quick to respond to Citizens United's legal

See TESTIMONY, page 5

On the Agenda

June/July 1996

Following Bill Clinton's veto of the ban on partial birth abortions, Bob Dole was handed a golden opportunity. Why has he failed to take advantage of it?

page 2



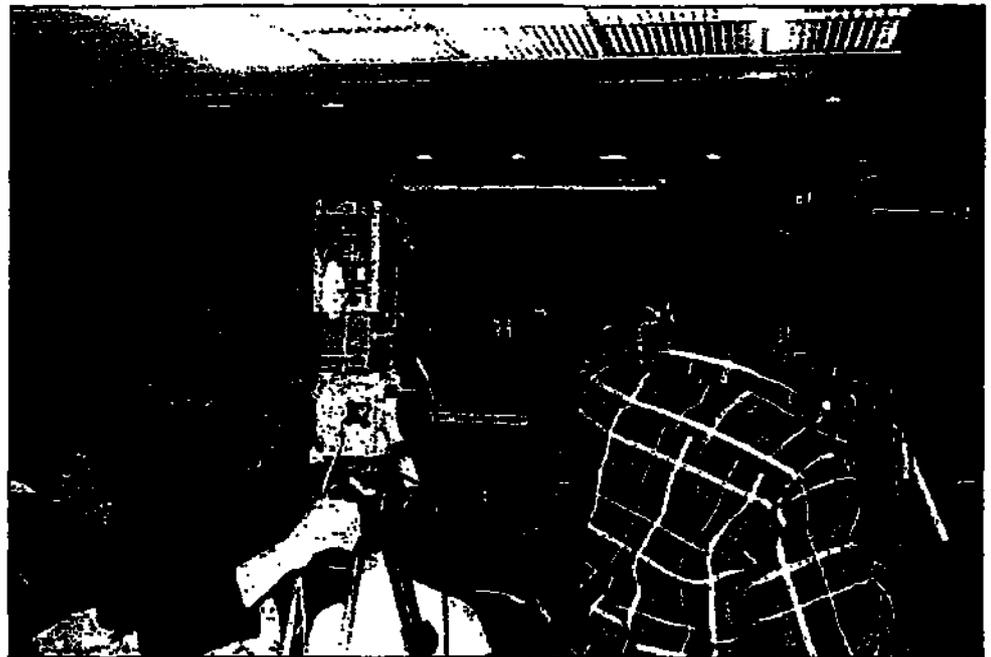
Citizens United Foundation's American Sovereignty Action Project holds a conference in Washington, D.C., bringing together some of the most influential names in the ongoing United Nations debate.

page 3



Hillary's fingerprints turn up on Whitewater documents, a key F.O.B. leaves the Senate, and the White House continues to defy Congress.

page 4



Citizens United Chairman Floyd Brown briefs reporters at the National Press Club in Washington, D.C.

CITIZENS AGENDA

The Official Magazine of Citizens United

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Bill Clinton, Bob Dole, and Partial Birth Abortion

— by Floyd G. Brown —

If the American people have any doubt that Bill Clinton is the most pro-abortion president in the history of our nation, they need only look at his veto of the ban on the grotesque partial birth abortion. Bill Clinton the candidate promised to make abortion "safe, legal, and rare." Unfortunately he seems to have forgotten about the "rare" part.

The president had a real opportunity to stand up against a barbaric procedure (along with 72 Democrats in the House of Representatives who voted in favor of the ban) but chose to stand with the pro-choice extremists — those who cannot conceive of a single instance in which abortion should be stopped.

The partial birth abortion procedure has been discussed in detail in both chambers of Congress, yet many people, perhaps Mr. Clinton included, remain ignorant about the gory details. The child is pulled by its feet out of the mother's body, leaving only the head inside. The doctor then stabs the child in the skull with scissors, inserts a catheter, and sucks the child's brains out. Even liberals such as Richard Gephardt, David Bonior, and Patrick Kennedy were so appalled that they voted to ban the procedure.

But not Mr. Clinton. The president, for some reason, sees nothing wrong with this "choice" that sounds like something out of a horror movie.

Condemnation followed quickly from the Catholic Church. For his veto, the president earned the dubious distinction of being denounced by the Vatican, joining some pretty impressive company: Fidel Castro, Daniel Ortega, Saddam Hussein, and the Ayatollah Khomeini.

Of course, Bill Clinton didn't always feel this way, at least not until he decided to run for president. In a 1986 letter to Arkansas Right to Life, then-Governor Clinton wrote: "I am opposed to abortion and to government funding of abortions. We should not spend state funds on abortions because so many people believe abortion is wrong." By 1992 he had changed his tune. In a July 1992 letter

Bill Clinton chose to stand with the pro-choice extremists — those who cannot conceive of a single instance in which abortion should be stopped.

Clinton wrote: "I have never wavered in my support of Roe v. Wade... I have repeatedly called for national health insurance which would cover the cost of pregnancy-related medical procedures including abortions."

All this being said, we should not be a bit surprised that Mr. Clinton vetoed the bill. We have known for some time that he is radically pro-abortion and that he never misses an opportunity to pander to one of his left-wing constituencies, in this case the National Organization for Women and its ilk. Remember Joycelyn Elders?

See ABORTION, page 7

American Sovereignty Action Project Conference a Success

— by Cliff Kincaid —

Active resistance to the United Nations came to Washington, D.C. on April 18 when the Citizens United Foundation's American Sovereignty Action Project (ASAP) held a dramatic one-day national conference on "The United Nations At War."

The keynote speaker, Rep. Roscoe Bartlett (R-Md.), a member of the House National Security Committee, put the issue in terms of a constitutional confrontation, saying that the Administration's pro-U.N. policy violates the law and the U.S. Constitution.

Holding up a copy of the Constitution, Bartlett said it set forth a "very narrow" role for the president as Commander-in-Chief when the Armed Forces are "called into the actual service of the United States" by the Congress. He urged Congress to scrutinize the Administration's pro-U.N. policy, based on the secret Presidential Decision Directive (PDD) 25.

The conference led to a very favorable article in *The Washington Times*, the conservative daily newspaper in the nation's capital, by national security correspondent Rowan Scarborough.

A number of key individuals involved in the anti-U.N. movement attended the conference.

Active duty Sergeant First Class Edward Rasor, who has already been punished by the Army for opposing the U.N., declared categorically, "I will not wear the uniform of the United Nations."

Rasor, who is stationed at Ft. Bragg, said he originally got concerned when he read an April 1995 article entitled "Ambushing the Future" which appeared in the *Special Warfare* publication of the U.S. Army

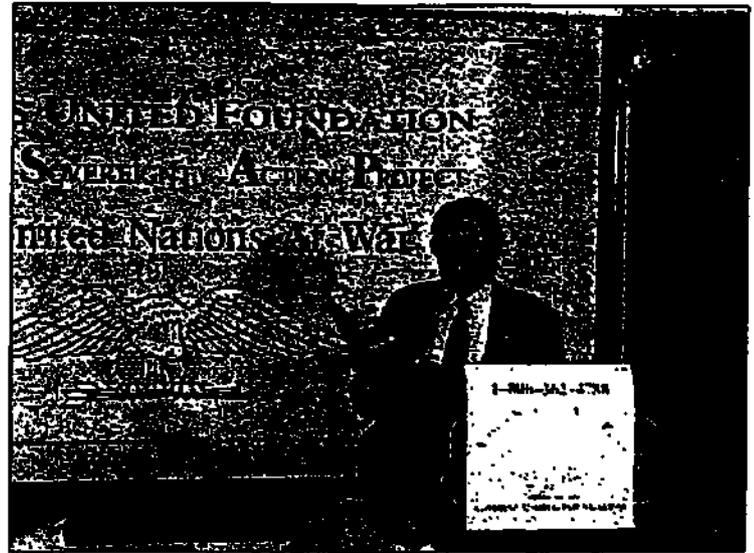
JFK Special Warfare Center. Rasor described the article as advocating that Special forces be the "reconstruction tool for the New World Order."

After reading about the Michael New case, Rasor said he and other soldiers wrote a letter to Congress on New's behalf. He also began thinking about whether he himself could order soldiers to serve the U.N. and decided he could not. Yet his superiors were telling him that the U.S. military would be completely under U.N. control within the next 10 or 15 years.

After he spoke at a November 9, 1995 Washington news conference on behalf of Michael New, he found himself on a "hit list" and was called into a meeting where he was told that the White House and Army headquarters were troubled by the exercise of his free speech rights against the U.N.

At Ft. Bragg, Rasor said, there are many more soldiers "hungry for the truth" but consider the U.S. Constitution to be a controversial document that they would prefer to deal with as "underground literature." This reflects the pressure that is being brought to bear on soldiers to toe the pro-U.N. line.

Currently, Rasor says the Army is contemplating the manner in which he will be booted out of the service, to join



Rep. Roscoe Bartlett (R-Md.), the keynote speaker at the ASAP conference, quotes from the U.S. Constitution.

the ranks of those ex-soldiers — such as Michael New — who put allegiance to the U.S. ahead of the U.N.

Daniel New, father of court-martialed U.S. Army Specialist Michael New, urged parents to teach their children love of country.

As New took the podium to speak, members of the audience listened carefully. Would this father be bitter over the treatment of his son by the Army? Would he lash out at the Administration?

"Don't feel sorry for Michael New," he said. "He gets to stand up with the likes of Patrick Henry, the likes of Nathan Hale, the likes of George Washington and say, 'I love my country.'"

The outcome in some ways has been a positive experience. It proved, he said, that Michael, who was taught love for country and love for God, had become "a bright light in a dark place."

The soft-spoken father of the Army

See ASAP, page 6

Playground on the Potomac

Fingerprint Mystery

If the White House is to be believed, it is no big deal that the FBI found Hillary Rodham Clinton's fingerprints on Rose Law Firm billing records that mysteriously turned up in January, two years after being subpoenaed. Mrs. Clinton says that she could have handled them — she just doesn't remember. A more interesting question could be, who else's fingerprints are on the papers? This could solve the dispute in testimony between Maggie Williams, Mrs. Clinton's chief of staff, and Secret Service officer Henry O'Neill, who claims that he saw Williams remove documents from Vince Foster's office the night Foster died. Speculation has arisen that the documents mentioned by O'Neill are the same ones that later turned up in the White House book room, the ones bearing Mrs. Clinton's fingerprints. Williams denies having removed any documents. But as we already know, either Officer O'Neill is lying, or Ms. Williams is. Perhaps some more fingerprint research could solve this mystery. Senator Alfonse D'Amato (R-N.Y.), Chairman of the Whitewater Committee, is apparently thinking the same thing: he has asked Independent Counsel Kenneth Starr to share the FBI report with the Committee.

In Contempt

Rep. William F. Clinger, Jr. (R-Penn.), Chairman of the House Committee on Government Reform and Oversight, finally had enough of the White House's failure to turn over subpoenaed documents. Clinger recently sent a letter to White House Counsel Jack Quinn demanding that all documents be turned over by May 8, or



Are Maggie Williams' fingerprints on some Whitewater documents?

the White House would face charges of contempt of Congress. Not surprisingly, the White House failed to comply. Clinger wrote that he was "frankly amazed that we are still seeking full production more than three months after the stated due date... The White House's continued foot dragging and obfuscation as the Committee attempts to bring closure to this investigation must come to an end." Since June 1993, Clinger has written 43 letters to various White House officials requesting document production. Don't think that this will be the last time that the Clinton administration will fail to provide documentation or assist in investigations of misconduct. It has been going on non-stop for three years, and will continue until the day Mr. Clinton leaves office — and probably beyond that.

Goodbye to a Friend

President Clinton must be extremely disappointed that his friend David Pryor will be leaving the Senate. After all, few individuals on

Capitol Hill have supported the president in times of need as has Senator Pryor. The Arkansas Senator has been especially helpful in combating allegations of wrongdoing against the White House. When the Whitewater story first began to pick up steam in the national press, Pryor took to the floor of the Senate to attack those allegedly spreading "lies" and "poison." Most recently, Pryor led the efforts to stop legislation that would pay the legal bills for Billy Dale, former head of the White House Travel Office who was fired amid accusations of embezzlement but was later acquitted of any wrongdoing. The House voted overwhelmingly to pay Mr. Dale's \$500,000 legal costs, and the Senate was expected to vote on the measure quickly. Bill Clinton had indicated that he would sign the legislation, but Democrats apparently wanted to save Mr. Clinton from this uncomfortable situation. After all, it was Mr. Clinton's own staff (and very possibly his wife) who forced Mr. Dale out to begin with.

Dornan vs. Gunderson

We told you last month about the recent outrageous events at the federally-owned Mellon Auditorium, which served as host to illicit sex, drug use, and rampant nudity during the gay-rights "Cherry Jubilee." Now Rep. Steve Gunderson (R-Wis.), the only openly gay Republican in Congress, has stepped forward to defend the activities of that weekend. Gunderson took to the floor of the House of Representatives to speak out against Rep. Bob Dornan (R-Calif.), who had condemned the Jubilee weekend. In his statement, Gunderson called the Jubilee "a gift of love, not a weekend of illegal activity."

TESTIMONY

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action. In a briefing with reporters, White House Press Secretary Mike McCurry resorted to personal attacks on Brown rather than a legitimate discussion of the issue, asking reporters to "Tell [Brown] to crawl back under the rock he came from."

Brown quickly responded to McCurry, saying, "When legitimate questions are raised, they attack people personally. They try to engage in political attacks, and really, I think, personal attacks. That has always been their response, rather than to answer legitimate questions."

Attacks like McCurry's are nothing new from the Clinton administration, whose normal response to criticism is to attack its accusers rather than respond to the allegations. This began back in 1992, when the Clinton team first had to stave off allegations of wrongdoing.

Citizens United has asked Judge Howard to rule that the Clinton videotaped testimony be released upon the conclusion of the trial. This differs from a motion filed by the major television networks, who filed a motion asking that the tape be released immediately. Judge Howard refused this request.

In preparing the brief, Citizens United's legal team presented an argument based upon previous examples of videotaped testimony involving government officials, among

them the ABSCAM case, in which a number of high government officials were convicted of accepting bribes.

White House Paranoia

When subpoenaed to testify for the defense in the McDougal/Tucker trial, Clinton asked that he be allowed



"If Bill Clinton wants full disclosure," Brown tells reporters, "if he wants the American people to have a full and complete understanding of Whitewater, then he should have no hesitation in releasing this videotaped testimony that he himself says vindicates him."

to testify via videotape to accommodate his duties as president. On March 20, Judge Howard agreed and ordered that the testimony be given on April 28. When the Court ordered Mr. Clinton to testify via videotape, the White House initially gave assurances that it would cooperate in making copies of the President's testimony available to the public. Soon thereafter, however, the White House announced that Mr. Clinton had changed his mind and that he would oppose the release of the videotape.

As a justification for this request,

the White House repeatedly stated that it wanted to keep the videotape sealed to prevent Clinton critics, specifically CU Chairman Floyd Brown, from obtaining a copy and broadcasting it in political advertisements.

"The president's attempt to keep his testimony in the Whitewater trial from being publicly aired shows that

he is absolutely paranoid about his testimony," Brown stated. "If, as Bill Clinton has said from the beginning, he and Mrs. Clinton did absolutely nothing wrong in regards to Whitewater, why can't the American people watch him say so under oath?"

Citizens United maintained in its brief that the White House's concern about possible political damage that broadcasting the testimony could cause is not a legitimate reason to

prevent the release of the tape. Quite to the contrary, CU argued, there is a legitimate and important interest in affording the public an opportunity to see and hear the president's testimony, in order to evaluate it and learn the truth about what has transpired in the Whitewater case.

Legal Precedent

There is legal precedent negating the White House claim that the tape

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ASAP

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soldier who has sparked a constitutional confrontation between the executive and legislative branches of government was content with Michael New's position. In fact, he was downright proud, saying, "I have never been more inspired by any person in American history than my own son."

But the entire ordeal, which has resulted in a "bad-conduct discharge" for Michael, has left its scars. Daniel New said he couldn't recommend military service for any of his sons now.

He explained, "We had to recommend that they refuse or postpone or not enlist in the Armed Services until such time as we can find out what you are going to be serving. The oath doesn't mean anything if it can be taken and put on a shelf and then you can be forced to do something else."

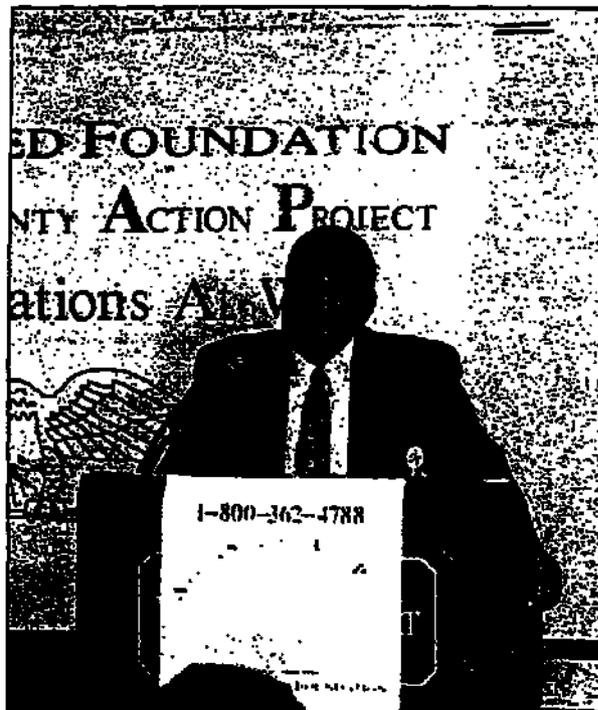
Colonel Ron Ray (USMC-Ret.), attorney for Michael New, described in detail how his legal team "broke the code" and definitively determined that the order to Michael New to wear a U.N. uniform and report to a U.N. commander was unlawful and unconstitutional. He urged pressure on Congress to reverse the current policy.

More importantly, however, from a human standpoint, he talked about how Michael New, a young brave soldier, consistently failed to get a satisfactory answer to a basic question: by what authority do I wear a United Nations uniform?

New, Ray explained, was not necessarily against the U.N. In fact, he had served in a U.N. operation called Southern Watch in Kuwait. The difference was that New participated in a U.S. uniform and reported to an American commander. This is why, when he was told that he was

being assigned to Macedonia and would wear a U.N. uniform and report to a U.N. commander, that he asked his blockbuster question: by what authority?

Michael "had a duty" to ask the question, Ray said. Yet, to this day, it has never been "substantively answered."



Daniel New, father of Army Spc. Michael New, discusses his son's ordeal.

The reason for this, he explained, is that the policy has not been implemented in accordance with the Constitution and Defense Department and Army regulations. "The reason they didn't answer it is that there is no authority," he said.

Nevertheless, because he merely asked the question, Michael New "was threatened with jail, a court-martial and a less than honorable discharge." The Army tried "to coerce, intimidate, threaten and try to move Michael into compliance," he said.

Explaining the significance of the case, Ray said, "No soldier in American history has ever been charged with

a crime for questioning the wearing of a foreign badge, a foreign insignia, a foreign uniform — much less convicted and court-martialed and given a bad conduct discharge. This is a historic case."

Although New was given a bad conduct discharge, Ron Ray and his legal team are still fighting the case in the courts.

Other highlights included:

- Constitutional scholar and attorney Lee A. Casey confirmed Ron Ray's view, declaring, "The order to Michael New to deploy to Macedonia under foreign command was unlawful."

- Former Ambassador Frank Ruddy described how U.N. Secretary General Boutros Boutros-Ghali personally suppresses information embarrassing to the U.N.

- Former Vietnam POW Captain Eugene "Red" McDaniel (USAF-Ret.) stated his strong opposition to U.S. troops serving under U.N. command and added that, under current circumstances, he would have to think long and hard before signing up for the military again.

- Former CIA analyst and senior Congressional staffer David Sullivan described how U.S. troops serving the U.N. in Macedonia are required to carry U.N. identity cards and lose their status as American soldiers.

- Colonel Jim Ammerman (USA-Ret.), head of a military chaplains group, said that chaplains have an obligation to tell American soldiers about the moral, legal and constitutional problems inherent in serving the U.N.

Videotapes of this dynamic conference are available. To order, call our office at (703) 352-4788.

ABORTION

from page 2

More disturbing has been the Republican response. Considering the impressive majority (286-129) that passed the partial birth abortion ban in the House, one would think that more of our elected officials would speak out against the president. Some have, mainly folks like Reps. Bob Dornan and Chris Smith who routinely take the lead on pro-life issues. But for the most part the silence has been overwhelming.

Especially from one man, one man who claims that he is pro-life and proud of it, one man who could use this issue to an incredible advantage: Bob Dole.

We already are well aware that Senator Dole is not comfortable talking about abortion.

Early in the Republican primaries, the strong showing of Pat Buchanan and favorable reception to the message of Alan Keyes demonstrated the fact that many Republicans are hungry for a leader who can articulate a strong pro-life position, and this just isn't Bob Dole.

But Senator Dole's reaction to the Clinton veto has been disappointing. The strongest statement of condemnation that the presumptive GOP presidential nominee could initially muster

was that Mr. Clinton had angered Catholics and this would hurt him at the polls in November. While he is correct on this point, Senator Dole has



According to the Vatican, Bill Clinton belongs right up there with Fidel Castro.

seemed unable to grasp the larger picture and articulate a credible statement of opposition.

In vetoing the partial birth abortion ban, Bill Clinton handed Bob Dole a golden opportunity. The veto offered Dole the perfect chance to draw a distinction between himself and the president, one the voters

would appreciate come November. Senator Dole can now stand up before the American people and ask them if they really want a president who favors vacuuming the brains out of innocent, unborn children, causing them incredible pain and leaving their mothers mentally scarred for life. We're not talking here about an in-depth discussion on the ethical implications of abortion. We're talking about a very specific procedure, one that has no place in a civilized society. But don't look for Dole to bring it up during the presidential debates.

Of course, Bob Dole isn't the only Republican missing this prime opportunity. When the House Judiciary Subcommittee on the Constitution recently heard touching testimony from a teen-aged survivor of a failed abortion, crippled for life as a result of the procedure, only two Republicans bothered to show up.

Many Republicans share Bob Dole's discomfort on the abortion issue. But not one has been handed as much ammunition by his opponent, and not one has as much to lose this November.

Membership Poll - Is the United States Senate acting correctly in continuing its hearings into the Whitewater scandal?

Respondents to last month's poll were nearly unanimous in saying that the Senate should be continuing its Whitewater hearings. Many CU members indicated that the hearings should be continued due to the fact that the White House has been uncooperative,

Yes.....97%
No.....1%
Undecided.....2%

while others pointed to the fact that witnesses called before the committee have given conflicting testimony. In addition, a number of members wished the hearings to continue until such time as First Lady Hillary Rodham Clinton is called to testify regarding her role in Whitewater.

TESTIMONY

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should be sealed to prevent political damage. Following the ABSCAM trial and conviction of former Congressman John W. Jenrette, the D.C. Circuit Court considered and rejected Mr. Jenrette's argument that he had been "targeted by political enemies" and that FBI surveillance tapes should not be released. The Court ruled that potential political damage to Mr. Jenrette's reputation was not a legitimate concern in refusing to release the tapes to the media, despite the fact that Jenrette was a high government official.

Citizens United argued that this precedent makes clear that any political motivations behind those who seek to broadcast Mr. Clinton's videotaped testimony should be of little or no concern to the Court. A distinction must be drawn between legitimate governmental interests — in which the tape could be kept sealed — and Mr. Clinton's personal political interests. Possible damage to Mr. Clinton's political career is not a reason to prevent access to the tape.

The Court's sole concern should be weighing the public's right of access against the constitutional rights of the defendants in the case. Since

Bill Clinton is not a defendant, there is no danger that his rights will be violated by the release of his videotaped testimony. Moreover, the rights of the defendants, Jim and Susan McDougal and Jim Guy Tucker, will be fully preserved if the videotape is released after the conclusion of the trial, as Citizens United has requested.

A distinction must be drawn between legitimate governmental interests — in which the tape could be kept sealed — and Mr. Clinton's personal political interests.

Citizens United also maintains that there is a strong public interest in making Mr. Clinton's videotaped testimony available to the public, due to the fact that both Clinton and Tucker are high government officials.

Moreover, there are constitutional issues at work here, in that the public has a First Amendment right to see the testimony. In Richmond Newspapers, Inc. v. Virginia, the U.S. Supreme Court ruled that "[a]bsent an

overriding interest articulated in findings, the trial of a criminal case must be open to the public." The Court reaffirmed this view in its decision in Globe Newspaper Co. v. Superior Court, stating that the Richmond Newspapers case "firmly established for the first time that the press and general public have a constitutional right of access to criminal trials." Since the public was obviously not permitted to watch as Mr. Clinton taped his testimony in the White House, the best way to vindicate the public's First Amendment right of access is to release the videotape.

In seeking a copy of Mr. Clinton's videotaped testimony, Citizens United

is simply continuing an effort begun almost four years ago: to work, on behalf of the American people, to reveal the truth about Bill Clinton and his administration and ensure that the voters have the facts necessary to make an informed choice on election day. As this issue goes to press, Judge Howard has yet to rule on Citizens United's legal brief. We will provide you with an update on our progress in our next issue.

Citizens United Membership Poll

Should Bill Clinton's videotaped Whitewater testimony be released to the public?

Please cast your vote on the enclosed form. Replies must be postmarked no later than June 21 to be reported in the August issue. Poll results will be released to the major news media. Send your answer today!

CITIZENS AGENDA

Vol. 3, Issue 1

The Official Members Newsletter of Citizens United

Un-Fairness Doctrine Sneaking Through

Congress plans to sneak so called Fairness Doctrine through like a midnight pay raise

— by Lea Bladon —

A new development has emerged in the fight against the Fairness in Broadcasting Act, making it one of the toughest battles Citizens United will face this year. Citizens United has learned that Congress may try to sneak the Act through without the American people knowing about it.

Originally created in 1949, the Fairness Doctrine was intended to balance political views by giving equal time to spokesmen from both sides of an issue. When a program gave time to express one political opinion, it was mandatory that the station give equal time to the opposing opinion or lose its broadcasting license.

But the restrictions were too costly, and broadcasters were unable

to comply with the strict regulations. What resulted was simply an industry of watered down news with broadcasters having to be careful of anything and everything they said. In other words - dull broadcasting. In 1987, the Federal Communications Commission suspended the rule, admitting that it infringed on the right to free speech.

But since the restriction was lifted, talk radio has boomed for conservatives. With the major news media being dominated by liberals, conservatives had to look further for an outlet for their political views. They found their niche in talk radio.

People like Rush Limbaugh, G. Gordon Liddy, and Floyd Brown have become icons of the Right, bringing

See FAIRNESS, page 3

On the Agenda

Statehood for Alaska
Still fighting against
Congressional Budget
Work on the
become the 50th state
Statehood for Alaska

Congressional Budget
number of states calls
General Election
1994 Statehood
for the Commonwealth of
Puerto Rico

Statehood for Alaska
does it make any sense
students in our schools
Students are not allowed
to wear hats

Study: FCC

Question of the Month
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CU's Dave Bossie with Rep. Dana Rohrabacher at anti-statehood press conference. (See page 2)

CITIZENS AGENDA

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Justice Anthony Kennedy
Justice Stephen Breyer
Justice David Souter

Statehood Supporters Keep Fighting

After their loss in the House, advocates vow to fight even harder for statehood.

— by Trisha Roys —

After canceling the public hearings on D.C. Statehood, Congress tried to sneak a vote on the subject in through the back door. Canceling the hearings was clearly an attempt to prevent Citizens United and other opponents from testifying on behalf of the majority of Americans who do not want to see Washington, D.C. become the 51st state. On Friday, November 19 Congress announced that a vote would be taken that Sunday, just before the Thanksgiving recess.

Without giving the public time to raise questions and objections, it was clear that they were trying to log-roll unconstitutional legislation through Congress while attention was shifted away from the D.C. Statehood debate.

But Citizens United was poised and ready. To combat this last-ditch effort to sneak D.C. Statehood legislation through Congress, Citizens United launched a successful, emergency counter-attack.

On the morning of November 19, CU staff members walked through the corridors of the House buildings, hand-delivering letters, copies of CU's monograph against D.C. Statehood, and the D.C. Statehood poll results to each member of Congress. Later that morning CU held a press conference on the lawn of the Capitol. David Bossie, CU Political Director, and Dana Rohrabacher, Republican Congressman from Southern California and ardent foe of D.C. Statehood, spoke to a group of reporters and concerned citizens at the press conference.

On behalf of Congress, Congress-



Statehood protestors at CU press conference.

man Rohrabacher accepted the 150,000 petitions CU presented that morning. CU had already delivered an additional 300,000 to the Capitol. Mr. Bossie also announced the results of the CU poll of House members' positions on D.C. Statehood.

Even after a summer of intense lobbying, DC Statehood proponents had to acknowledge that the American people do not support their initiative.

But they won't stop now, even though a vote was taken and the House came out against the measure. They have been loudly assuring the media that this marks only the beginning and that they will be back at it early next session with even greater intensity.

Thanks to the dedication of our members and staff, Citizens United was able to win the Statehood battle this legislative session. We're warming up to take on the pro-statehood lobby as soon as the new session begins.



Playground on the Potomac

Telling Them What You Think

The American people made a record display of involvement in government affairs in 1993 by making their voices heard on Capitol Hill. The House and Senate post offices reported that over 80 million pieces of mail were sent in to lawmakers in 1993. This number is twice the amount of mail sent in 1992. This dramatic increase in citizen concern is due largely to the heated debates over such issues as the budget, gays in the military, and NAFTA. Perhaps members of Congress will finally start realizing that Americans are watching their every move and will hold them accountable.

Temporary Taxes?

Lawmakers in Annapolis, MD are finding themselves in quite a pickle this month as they face a vote on renewing a "temporary surtax." The tax was created in 1992 and was to automatically expire in 1994. But the legislation had a special provision that allowed an extension of the tax if the legislators voted to do so. But it just so happens that 1994 happens to be an election year for all 188 of them. But the state treasury has found itself addicted to the "temporary" tax and doesn't know how it will get by without it. So, in the way only a politician can, Annapolis legislators are now trying to backpedal. They are trying to find a way to continue stealing taxpayers' money and still get re-elected.

Still Messin' with Texas

Sore losers in Texas just won't quit in their efforts to see Senator Kay Bailey Hutchison brought down.



Senator Hutchison (R-TX)

Almost immediately after her landslide victory in Texas' special election last November, local officials brought charges against Senator Hutchison saying she engaged in official misconduct and violated ethics while state treasurer from 1990 to 1993. The case was dismissed by a state judge in late October of 1993, but now the Senator is facing the same charges all over again. But don't think the timing on this issue is merely a coincidence. Senator Hutchison is up for re-election this November and must file to run by the third of this month, but it seems unlikely that her trial will start before February. The Senator was glad, however, to have the case finally go to court, confident that the truth will reveal her innocence. "A fair and nonpartisan jury will agree, and the political motivation of this prosecution will be exposed."

Big Brother is Watching Virginians

An initiative that has been voted down in states all across the country

has found a home in Virginia. Highway Patrol cameras mounted along Virginia's freeways will photograph speeding cars and send tickets to their owners through the mail. "You just can't imagine the eery feeling you get while driving along the freeway - even if you're not doing anything wrong," said one concerned Virginia resident. "It's eery to think you're constantly being watched by the government." While state police may think they will catch more speeders this way, critics still question the validity such a system will have in court since it will be difficult to prove that the registered owner, to whom the ticket will be sent, was actually the one driving the car.

Voters Reject Halperin

According to Senator Strom Thurmond (R-SC), thousands of telephone calls from citizens to the Senate Armed Services Committee illustrated America's overwhelming opposition to the nomination of Morton Halperin to a key position in the Defense Department. Besides Halperin's blatant disregard for U.S. military forces, he also maintained relations with former CIA agent Philip Agee who released the names of several CIA agents, which many believe led to the assassination of a top CIA official in Greece. The Senate threw the nomination back to the White House before it adjourned for its winter break. The President still has the opportunity to renominate Halperin when Congress reconvenes later this month, but Senator Thurmond said that he wouldn't do so if he "cares about the opinion of an overwhelming majority of Americans."



The Activist Page

Writing Opinions/Editorials for Your Newspaper

- by Amy Moritz

Writing an editorial and having it published in the Opinion or Commentary section of local and national newspapers can [help you] reach thousands (sometimes even millions) of people with your position on an important public policy issue.

The topic you select should be one in which you and/or your organization have an interest and one that you feel comfortable writing about. The key to writing editorials with impact is to choose the topics that are most important to you.

Deciding on the *angle* for your editorial is critical. The angle is an interesting and/or innovative manner of presenting an opinion — an opinion that is not necessarily itself original. In a nutshell,

the angle is what will make your editorial stand above the others. An effective angle will include one or more of the following:

1) *Previously undisclosed or unpublished information.* [This] can significantly improve its marketability, particularly if the information can dispel a common perception, bring into question the validity of a study or report already accepted as valid, or clarify someone's otherwise murky position.

2) *Unusual comparisons.* Drawing comparisons between two or more individuals, objects, or circumstances that are not normally considered to be related can also help your editorial sell.

3) *Original research.* Original research includes first-hand interviews, studies or polls that you conducted yourself, first-hand experience, etc.

Amy Moritz is president of the National Center for Public Policy Research. This article is an abridgement of a larger article on political correctness. For a copy of the entire article, call (202) 543-1286.

4) *Human interest or local approach.* These often focus on human tragedy or human triumph. Sometimes they center on a highly charged or divisive local issue, such as a hike in local property taxes.

5) *Solutions.* Suggest at least one solution (preferably more) to the problem addressed in your essay, particularly if it is (they are) unconventional and innovative.

You should keep the following in mind when you write your editorial.

1) *Avoid using "big" and foreign words.* An editorial that no one understands is worthless and is unlikely to get published.

2) *Do not assume that the reader knows as much as you do.* Make sure to identify key figures or organizations mentioned in your article . . . take the time to fully describe events included in your essay rather than just making passing references to them. Readers should need no supplemental materials to fully understand your opinion.

3) *Avoid making your article so narrow or technical that the average reader will not be interested.* Editorials are written for the masses.

Typically, opinion pieces should be between 600 and 800 words for newspapers and can be up to 3,000 words for magazines. They should be typed (preferably double spaced) on letter-size white paper, free of grammatical errors and typographical errors. If your article looks professional, don't expect it to be used. Make sure to include your by-line at the bottom of the last page of text and provide brief biographical information on yourself.

One of the keys to successful editorial writing is perseverance. Don't be discouraged by rejections — undoubtedly you will receive many of them. You can improve your odds of being published, however, by submitting your essays to many newspapers.



God Gets Kicked Out of School

Mississippi principal fired for allowing student-initiated prayer in school.

— by Shane Patton —

"Almighty God, we ask that You bless our parents, teachers and our country throughout the day. In Your name, we pray. Amen."

This is the prayer that caused a high school principal to lose his job after it was read over the loudspeaker at Wingfield High in Jackson, Mississippi. The prayer was initiated by a group of Wingfield students who wanted simply to bring a positive message to their campus. But their principal, Dr. Bishop Knox, took the fall when the Jackson School Board decided that the prayer violated the "separation of church and state."

Student Body President Kim Fails, along with a group of other students at Wingfield, initiated the effort to read a daily prayer over the school loudspeaker along with the morning announcements. The students brought the initiative before the student body, where it was overwhelmingly approved by a vote of 490-96.

But after only three days, the prayer was canceled and Dr. Knox was suspended. He was later fired for "insubordination." School board officials say that rather than simply trying to keep prayer out of the school, they were reprimanding Knox for not following orders to overrule the students' vote. Apparently other local officials had warned Knox to not allow the prayer, but not having received direct orders from a superior, Knox allowed the students' will to prevail.

Like many schools today, Wingfield High has had its share of problems. Just weeks before the daily



Dr. Bishop Knox descending his convictions to the media.

prayer was brought to a vote, one Wingfield student brought a gun to school, pulled it out and fired it near other students. Fails and her fellow students felt that they needed to be more aggressive in taking their school back from thugs.

"A lot of students can't get morals at home." Ben Jones, a senior at Wingfield told the *Clarion Ledger*. Jones was not alone in his sentiment, as was shown by the tremendous support Knox received at the school board meeting prior to his dismissal. Parents and students stood in line to testify on Dr. Knox's behalf.

Dr. Knox's only comment was: "I felt that what was done was the right thing to do."

Mississippi residents seemed to agree, because following the permanent dismissal of the principal, at least 4,000 parents, students, teachers,

government officials, and concerned citizens gathered in front of the State Capitol to show their support for Dr. Knox.

Among them was Mississippi Governor Kirk Fordice. Governor Fordice told Floyd Brown in a recent interview on "Talk Back to Washington" that he believed the irony of the situation made it an issue that was "very prominent in the minds of many Americans." The Governor said that, after seeing "all the misbehavior going on" in their schools, it was difficult for students and parents to understand the logic and wisdom in dismissing a valued principal for allowing a student initiated prayer.

A number of Wingfield students even risked suspension and/or expulsion by walking out on their classes to show their support for Dr. Knox.

Wingfield parent Gloria Griffin

suggested an alternative form of protest, however, and encouraged students to wear a yellow ribbon to show their support.

As of press time, it is still uncertain whether Dr. Knox will sue the school district for his job. But the American people will not let the controversy rest without a fight, for what the Jackson School Board seems to be forgetting is that the United States Constitution clearly and unconditionally states that Congress shall make no law infringing on the right to freedom of religious expression. Nowhere does it mention "a wall of separation between church and state" as many educators, as well as many United States Supreme Court Justices, have claimed. In fact, the phrase itself was a quote by Thomas Jefferson that was used by the Supreme Court to justify a 1947 ruling. Placed in the proper context, however, it is clear that Mr. Jefferson was warning the framers that the wording of the amendment might improperly lead people to this conclusion.

As Dr. Knox's critics correctly point out, the Constitution also protects those who chose not to practice a religion by stating that the government shall neither mandate religious practices nor create a national church.

Talk Back to Washington Update

Floyd Brown's Talk Back to Washington is rocking the nation's airwaves with news like no other source in Washington or the country. The program is experiencing enormous success. After a few short weeks, the program has been expanded from two hours of live conservative talk radio to three riveting hours of inside the Beltway information that you just can't find anywhere else. Sweeping the airwaves with the kind of energy, news, and political furry that only Floyd Brown can create, new stations are coming on board with *Talk Back to Washington* every day.

But the prayer at Wingfield High did not violate either of these stipulations. It was neither a state implemented nor state endorsed expression of religion. It was a student initiated, student implemented, voluntary prayer. It was read over the loudspeaker for anyone who *wanted* to pray. There was no order to participate or even to listen. It was even read by a student, which dismantles any claims by critics that the prayer was pushed on the students by an authority figure within the school. The Jackson story illustrates a clear violation of Wingfield students' right to freedom of religious expression.

We are told daily by liberals in Congress and the Clinton administration

that too many of our nation's children are not receiving social lessons at home - lessons about sex education, homosexuality, and AIDS. Therefore, the government must step in and teach these "values" to America's children.

But when students decide on their own to try to expose their fellow students to the values *they* believe in - not the values the government tells them they should believe in - an honest, hard working educator loses his job and the students are stopped dead in their tracks, told that there is no room for *their* values in school.



Listener's Guide to Talk Back to Washington

Here are just some of Floyd's past guests.

Senator Trent Lott (R-MI)
 Lt. Col. Oliver North
 Congressman Dana Rohrabacher (R-CA)
 Boy Buchanan, Anti-feminist activist
 Admiral "Mark" Hill
 Senator Hank Brown (R-CO)
 Richard Walker, Boy Scouts Nat'l
 Spokesman
 Armstrong Williams, Talk show host
 Ambassador Gean Casimir, Ambassador
 to Haiti

Ron Robinson, Young America's
 Foundation
 Governor Kirk Fordice (R-MI)
 Tom Los, Disney Corporation
 Spokesman
 David Brock, Author *The Real Anita Hill*
 Congressman Bill Paxton (R-NY)
 Judge David Hale, Arkansas Municipal
 Judge
 David Keene, American Conservative Union
 Cliff Kincaid, Freedom Alliance

Senator Don Nickles (R-OK)
 Larry Pratt, Second Amendment
 Foundation
 Sheffield Nelson, former Arkansas
 gubernatorial candidate
 Jerry Seper, *The Washington Times*
 David Horowitz, *Heterodoxy* magazine
 Ambassador Curtin Winsor, former
 Ambassador to Costa Rica
 Phylis Schlafly, Eagle Forum

Report to the Members from the Chairman

Dear Citizens United Patriot,

As I celebrate the new year with friends and family, I can't help thinking about the truly phenomenal year Citizens United has had.

First of all, I am pleased to tell you that my daily talk radio program, *Talk Back to Washington*, has now gone from two hours to three hours. We are all excited and grateful that our conservative message is spreading throughout the country so rapidly.



Another remarkable victory we have enjoyed this year was the postponement of statehood for Washington, D.C.

By sending petitions, writing letters, and bringing the truth to America's citizens, we were able to defeat the 1993 statehood vote.

Although statehood advocates have vowed to continue their fight, so has Citizens United. We will make sure that Jesse Jackson and Marion Barry don't get any further in 1994 than they did in 1993.

Also in 1993, Citizens United led the fight against President Clinton's economic proposal. Americans had taken all they could take of taxing and spending by Washington politicians, and Citizens United members made that clear. By writing and calling your Senators and Congress-

men, you helped us send the message to Congress and the White House that we had had enough.

With such a successful year behind us, we are more excited than ever to roll up our sleeves and get right to work on even more projects this year. Besides continuing our efforts to permanently stop the pro-statehood lobby, Citizens United is also gearing up for the ensuing battle against the Fairness in Broadcasting Act. We will not stand quietly by while government bureaucrats take away our First Amendment rights.

But what makes me the happiest is that I can look back on 1993 with pride and contentment, knowing that I had the kind and generous support of every Citizens United member. We gave you our word that we would fight for your rights and your values. We kept our promise in 1993, and we will not let you down in 1994.

But without the help and support of our members, Citizens United would not have been blessed with the many successes we had last year. We have exciting plans for the upcoming year, and I am honored that you will be sharing them with us.

I hope God will bless you in this new year.

Sincerely,

Floyd G. Brown

Citizens United Membership Poll

Do you think Congress is justified in sneaking the Fairness Doctrine through by attaching it to another bill?

Please note your reply on the enclosed form. Replies must be postmarked no later than Feb. 7th to be reported in the February issue. Poll results will be released to the major news media. Send your answer today!

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

CONGRESSMAN RON PAUL, <i>et al.</i>,	)	CIVIL ACTION NO. 02-CV-781
Plaintiffs,	)	(CKK, KLH, RJL)
)	
v.	)	Consolidated with
	)	CIVIL ACTION NOS.
FEDERAL ELECTION COMMISSION, <i>et al.</i>,	)	02-CV-582 (CKK, KLH, RJL) (Lead)
Defendants.	)	02-CV-581 (CKK, KLH, RJL)
	)	02-CV-633 (CKK, KLH, RJL)
	)	02-CV-751 (CKK, KLH, RJL)
	)	02-CV-753 (CKK, KLH, RJL)
	)	02-CV-754 (CKK, KLH, RJL)
	)	02-CV-874 (CKK, KLH, RJL)
	)	02-CV-875 (CKK, KLH, RJL)
	)	02-CV-877 (CKK, KLH, RJL)
	)	02-CV-881 (CKK, KLH, RJL)

BOSSIE CU-CUPVF DECLARATION EXHIBIT C

Citizens United
"Thomas" Television Ad (September/October 1991)

When President Bush nominated Clarence Thomas, he chose a man who grew up poor. in a one room, dirt floor shack. But with strong grandparents, a good education, and his own hard work, Clarence Thomas made it; and his conservative values show it. But Thomas faces bitter opposition from liberal Senate democrats. Who will judge the judge? How many of these liberal democrats could themselves pass ethical scrutiny. Ted Kennedy, expelled from Harvard for cheating. Left the scene of the accident at Chappaquiddick where Mary Jo Kepekne died. And this year, Palm Beach. Joseph Biden, found guilty of plagiarism during his presidential campaign. Alan Cranston, implicated in the Keating 5 S&L scandal. Whose values should be on the Supreme Court? Clarence Thomas' or Ted Kennedy's? You can show your support for President Bush and Clarence Thomas by calling this toll-free number now for Citizens United for Clarence Thomas. President Bush and Clarence Thomas need your help. Call now.

**Citizens United
Clinton Watch
Television Ad (partial script) (1993-1994)**

Announcer: VPN Reports showcases the latest products and services of the 90's. The Video Program Network seeks new and innovative products which deserve to be brought to a nationwide audience. Join us as we discover exciting information from the worlds of fashion, business, education, home improvement, recreation and more. And now, VPN Reports.....

Announcer 1: Ladies and Gentlemen, Floyd Brown.

Announcer 2: The man working hardest to feed information and documents to reporters and Republicans is Floyd Brown. A Conservative who earned his stripes creating the Willie Horton ad.

[Applause]

Margaret Claire: Is government out of control? Can Americans trust Bill Clinton? Are free enterprise, family values and national security threatened under the current administration? Hello, I'm Margaret Claire, and welcome to VPN Reports. Stay right here, because Floyd Brown has plenty to say about the current state of affairs in America. If you haven't already heard Floyd Brown through his nationally syndicated talk show *Talk Back to Washington*, or through his work as the President of Citizens United and the Clintonwatch newsletter, or as a popular lecturer and commentator, then now is your chance. because Floyd is right here to talk straight to you and to our studio audience.

[Applause]

MC: Hi Floyd, welcome, and thanks for being here.

FB: Margaret, it's good to be with you.

MC: Floyd, you are the President of Citizens United. Tell me how it started. and what your primary mission is.

FB: Well it was founded in 1988, Margaret, because a group of us, a group of citizens, felt that government had just grown so large, and that citizens couldn't have impact anymore, and that they felt that there needed to be citizen legislators like the Founding Fathers had wanted when they formed the country. So we decided to change that by getting involved in....being involved in the political process.

MC: And how are you involved in that process?

FB: Well we do a lot of things. We do everything from organizing at the grassroots level, to

lobby schoolboards, all the way up to the United States Congress, and even the President of the United States. What we try to do is help people let America know what they think.

MC: And how do you help people do that?

FB: Well, we do it through a whole series of different programs. We do training seminars, we train people how to run for office; how to get involved in their local government; how to write letters to the editor and call up radio talkshows. We do a lot of things to help people feel comfortable talking about policy.

MC: Floyd, what are some of the publications that come out of Citizens United?

FB: Well we have two major publications. One is *Citizens Agenda*, our membership newsletter; and then *Clintonwatch*. *Clintonwatch* is a publication dedicated to getting to Americans information that they won't get in their local newspapers about this administration.

MC: And where do you find your sources – you say this is information not in the newspapers?

FB: Well back in 1992, I was frustrated that the national news media wasn't covering the campaign the way they should've. They weren't looking into Bill Clinton's past the way they have with many, many other candidates. So as a result of that frustration, I wrote a book called *Slick Willy: Why America Cannot Trust Bill Clinton*; and what we did is we went to Arkansas, and we poured through court records, and we did firsthand interviews, and we did thousands of hours of research. We wrote the book, and then we found out after the campaign that they still weren't doing the job. So we started *Clintonwatch*, as a publication, to make sure Americans can get the real story about Bill Clinton – the story they will never get out of their local newspaper.

MC: Floyd, we're going to talk more and we're also going to talk with our studio audience, but let's give our viewing audience a chance to find out how to subscribe to *Clintonwatch*.

Announcer 2: It is precisely through the provision of leads and tips to mainstream news organizations, that Mr. Brown has influenced the course and coverage of Whitewater.

Announcer 1: For information about Bill and Hillary Clinton not available anywhere else, subscribe to *Clintonwatch*, the newsletter dedicated to bringing you the inside information with hard-hitting investigative reports. Floyd Brown, conservative author and activist, is the editor of *Clintonwatch*, and in the book *Slick Willy: Why America Cannot Trust Bill Clinton*, he was the first to reveal the unvarnished truth about Bill Clinton. Now he wants to keep you informed with inside news you will never get from the liberal media. Because Floyd Brown wants you to have the whole story, he's authorized this special offer.....

**Citizens United
Clinton Tax bill
Television Ad (1993/1994)**

President Bill Clinton....Remember when he told us he smoked marijuana, but didn't inhale? Remember how he promised us a middle-class tax cut, but broke his word as soon as he was elected? Now Clinton wants \$360 billion in new taxes, and says it will only cost us about \$17 a month. The truth is, it will cost the average family about \$500 or more a year. But why should we pay another penny in new taxes, when the government's own reports shows there's \$180 billion in waste, that can be cut right now? If you're fed up with higher taxes, call 1-800-452-4642, and demand real cuts in waste. Operators are standing by to send Western Union Priority Letters to the President and your senators for just \$9.95 (charged to your phone bill). So before you send Bill Clinton more of your money, send him a piece of your mind. Stop the Clinton tax. Call 1-800-452-4642. Call right now.

**Citizens United's Confidential Report:
Chinese Connection Video/Ad (1999)**

Bill Clinton, Al Gore, and the Democratic Party have a new patron. A sponsor that lavishly spends money on its charges. A sponsor that has opened its wallet without hesitation, and a sponsor that provides money when other resources are exhausted. I'm Floyd Brown, and welcome to Confidential Report.

[Music]

As a long time broadcaster, journalist, and writer, I have spent years researching Bill Clinton Al Gore, and the corruption-riddled Democratic Party. In 1992, I offered the book *Slick Willy: Why America Cannot Trust Bill Clinton*, and today I run the research and government watchdog organization Citizens United. And in the next few minutes, I'm going to share with you about a conspiracy that is so nefarious and so large and so broad-reaching, that it astounded, and shocked, even me. I know, after the next few minutes, you will be angry, like I am angry. Stick with me as we give you each and every detail.

[Music]

To help bring cohesion to this story, I've asked David Bossie, the Chairman of Center for Government Integrity, and the former Chief Investigator of the Government Reform and Oversight Committee, to join us.

FB: Dave, this whole story all starts right here at the White House, doesn't it. with the coffees.

DB: Well, it seems, that this President sold access to the White House in an unprecedented manner, whether it was selling access to the Lincoln Bedroom for overnight visits, to holding coffees in the White House itself, this President brought in illegal, foreign money through those means.

FB: So are you saying anyone with a big checkbook could come in these doors?

DB: Absolutely. Johnny Chung said it best: 'You had to have a subway token to open the gates.'

FB: The most critical days of the 1992 campaign for Bill Clinton were over. After securing the Democratic nomination, using the money provided by the Worthing Bank loan, and Riadi, Clinton was able to power his way, using tax money and public financing in the general election. He defeated George Bush, and took up residency here, in Washington, D.C. It is here in this city that the next leg of the scandal unfolds. Behind the walls of this house, together with strategist Dick Morris, Bill Clinton plotted to save his administration.

To help us understand the value of this Chinese money, we turn to the most knowledgeable Washington source available, Congressman Dan Burton, chairman of the Government Reform and Oversight Committee of the US Congress. He has investigated the corrupt practices of the Clinton administration, and has been absolutely fearless in his pursuit of the truth.

DBur: Uh, we know millions of dollars came in. We know that \$1.8 million is still outstanding, that should be returned by the Democratic National Committee. And, we also know that Communist Chinese Party leaders were involved in the giving of money to the President's re-election effort.

chapter two the main players

DB: John Wong is somebody who came to Washington with Bill and Hillary Clinton from Little Rock. He is someone who was a Presidential appointee at the Department of Commerce, had a top-secret security clearance, and was receiving high-level classified briefings about China and Taiwan. While he was holding coffees here at the White House, and helping organize coffees and other Democratic National Committee fundraising events, here in the White House, or right across the Lafayette Park here at the Hay Adams Hotel. The coffees showed the President in a room, with a small coffee clutch, politician, having coffee, getting to know some big donors. In fact, most of those people, if not all, didn't speak any English. So, we had, a President, in a room, with ten, or twelve, or fifteen people, at the White House, or at Hay Adams Hotel, where he was the only one who spoke English in the room other than the translator.

FB: So after 20 years in politics, do you believe the President knew these contributions from foreigners were illegal?

DB: Oh, absolutely. You know, Bill Clinton was elected in 1992, re-elected in 1996, went through two of the biggest campaigns in American history, and yes, absolutely. He knows the laws and he has lawyers that know the laws.

Bill Clinton (at White House coffee): So I cannot overstate the impact, to you, that these paid ads have had in the areas where they've run. Now, we're doin' better than the whole country.

chapter three the cover-up

Floyd Brown: After John Wong was subpoenaed, didn't he disappear?

Dave Bossie: Yes, he did.

Floyd Brown: Do we know where he went?

Dave Bossie: Well, we believe that John Wong went here to the Chinese embassy, and hid for at least one day, maybe two. He was unable to be located for a deposition that he was supposed to give as well as the justice department . . .

Floyd Brown: Isn't it ironic that a government employee — former government employee — with a top secret security clearance would come here?

Dave Bossie: That is one of the reasons that we as a Congressional oversight committee began to get very nervous about those top secret security briefings that John Wong received while at the Department of Commerce. He then left there and was a fundraiser for DNC. It's then he fled to the Chinese embassy that made us very nervous.

Dan Burton: John Wong did have a top secret security clearance and he did not have to go — or undergo the scrutiny that the other people would have to undergo to get that top secret security clearance. I think there was perfunctory things done so that he could get that. He went to the Commerce Department, and during his stay there, it's our understanding through our investigations that he was going outside the department and making calls through a private intermediary to the communist Chinese government in Beijing.

Floyd Brown: Dave, here we are at the Department of Commerce, and it was behind these limestone walls that Ron Brown moved from chairman of the Democratic Party to Secretary of Commerce and chief fundraiser for the Clinton administration.

Dave Bossie: Well, it seems that he would have transitioned from the chairman of the democratic national committee in raising money to Secretary of Commerce and doing the business of government, but in essence, he gave access by selling seats on the international trade missions which gave big businessmen, in return for campaign contributions, access to foreign leaders to get contracts.

Floyd Brown: Before John Wong went to work here, where did he work?

Dave Bossie: John Wong worked at the Lippo Group. John Wong was a top executive of the Indonesian based Lippo Group headed by James and Mochtar Riady, who at one time owned half of the Worthing Bank in Little Rock, and that's where they got to know then-Governor Clinton and had a lifelong relationship with him.

Bill Clinton: And, I'd like to thank my long-time friend for being so effective . . .

Dan Burton: John Wong, is an extremely important witness. Johnny chung was: we finally got him to testify and what he said was very revealing.

Floyd Brown: Tell us about Johnny Chung, who is he?

Dave Bossie: Johnny Chung is a Chinese-American businessman; he's somebody who seems to have become an agent of the Chinese government. He took \$300,000 from the Chinese head of their military intelligence, basically the equivalent of our CIA director.

Floyd Brown: He took this money?

Dave Bossie: He took \$300,000 in China, brought it to the United States and tried unsuccessfully to give all of it into the democrat national committee or the Clinton campaign.

Floyd Brown: But he actually did give most of it, didn't he?

Dave Bossie: He did give some, and that is what we uncovered in our investigation. The investigation I led for Chairman Burton is Johnny Chung's true access to the White House, to the president, to the first lady, and . . .

Floyd Brown: How many times did he come to the White House?

Dave Bossie: Oh, he was in the White House over 40 times.

Floyd Brown: Is that unusual for a businessman to come to the White House over 40 times?

Dave Bossie: Well, I think anybody watching this video can only imagine themselves, maybe in their lifetime, going once, and this man was in there over 40 times in a very short period of time. He had very open access to the President and to the First Lady.

Dan Burton: Charlie Trie is extremely important. I think Charlie Trie and John Maher are the two most important people that we need to talk to.

Dave Bossie: Well, Charlie Trie is another interesting character, a friend of Bill Clinton's from Little Rock. A restaurateur, if you will, from Little Rock. He owned the Foo Lin Restaurant, which was a small Chinese restaurant, right next to the governor's mansion in Little Rock. He also came to Washington where I think they thought the streets were paved with gold. They tried to gain access . . .

Floyd Brown: Did they open a restaurant here in Washington?

Dave Bossie: No, he opened, it seems like, a printing press. because he was able to deliver millions of dollars both to the Democrat National Committee as well as the Clinton defense fund, the legal defense fund that President Clinton set up. He walked in with a paper bag full of cash and handed it to the lawyers who headed up the legal defense fund. And that is when the balls went off at the legal defense fund.

Floyd Brown: Do we know how many times he visited the White House?

Dave Bossie: Oh, he visited dozens of times himself, including other times with Asian-American businessmen who turned out to be high-level government officials.

chapter four the giveaway

[Off camera]: Do you believe that significant technology has left American hands and gone to the Chinese?

Dan Burton: Yes, and this answer may take a little bit of time. But the Loral company is chaired by a man named Bernard Schwartz. He is the largest contributor to the President's reelection committee and to the Democrat National Committee. And Bernard Schwartz was the one who got waivers from the President to give the Chinese technology that not only allowed them to more accurately put satellites into orbit, but to also let ICBMs be targeted more accurately on the United States of America. They had a lot of those rockets blowing up on the launch pad and Loral gave them very sensitive information and secrets that allowed them to make those rockets work properly. In addition to that, to Loral getting all these breaks and waivers so that they could give these secrets to the Chinese communist aerospace industry, we had espionage taking place at Los Alamos and possibly other nuclear laboratories. The man who was under suspicion at Los Alamos was a man named Wen Ho Lee. The president and his national security advisor, Sandy Berger, said that they did not know that there was suspected espionage at Los Alamos three years, two and a half years ago. We found out after the fact, that Sandy Berger lied to Congress, that the President lied to the American people and Congress because they did know about this espionage, this suspected espionage taking place two and a half years ago. Even though they suspected this, Wen Ho Lee was left in his position there, even though they suspected he had downloaded top secret information into his personal computer, whereby using just a single code word, anybody could get access to nuclear secrets.

Bob Barr: I've never seen that happen, particularly in this type of investigation which was an investigation under the Foreign Intelligence Surveillance Act. This is a law that provides for the government to acquire information from somebody suspected of being an agent of a foreign power, for example. And you don't have to prove to the attorney general or to the court, beyond a reasonable doubt that a crime has occurred. You simply have to show sufficient evidence so that provision of a warrant to proceed further is likely to uncover intelligence information . . . foreign intelligence information. Frankly, I have never seen one of these applications to the attorney general turned down and nobody that I've talked to has ever seen one turned down.

[Off camera]: So, this is the first one in history as far as we know?

Bob Barr: As far as we know, it is.

chapter five obstruction of justice

Floyd Brown: It was here at the Justice Department that most of the cover-up actually took place. Janet Reno and the prosecutors under her consistently frustrated justice.

Bob Barr: The law, whether we liked the independent counsel law as it existed in 1998, or not, if the criteria were met, in other words there were evidence that a covered person, that is, the President or the Vice President, may have violated a criminal law, that the statute required the Attorney General to seek the appointment of an independent counsel. So, they both concluded that the law required this step to be taken, and I think were very disturbed, as we were, by the failure of the Attorney General to carry the requirements of that law

Dan Burton: Janet Reno said that she didn't believe that they were correct and that there was not enough evidence that would indicate that an independent counsel should have been appointed. Everybody that has looked into this, including Senator Orrin Hatch, myself, Senator Thompson and others who were involved here on the Hill, agreed with Louis Freeh and Chuck Labella that an independent counsel should have been appointed, and Janet Reno, once again, in my opinion, was blocking for the President, trying to protect the President from the fallout from the campaign finance scandal, and for that reason she did not appoint an independent counsel and I believe that she was in clear violation, clear violation of the independent counsel statute. I believe that she violated the law when she didn't appoint one.

Floyd Brown: Dave, tell me, what is this document in your hand?

Dave Bossie: This document is a Department of Justice campaign finance task force document

Floyd Brown: And it tells us specifically what, what cases were opened and closed?

Dave Bossie: Absolutely, this document clearly shows how political this Justice Department is.

Bob Barr: It confirms in black and white, what we see in practice, and that this Department of Justice has politicized every aspect of handling criminal investigation and criminal prosecutions.

Floyd Brown: Of the three central fundraisers in this scheme to raise illegal money, Johnny Chung, Charlie Trie, John Wong, you've been able to get testimony only from one, Johnny Chung.

Dave Bossie: That's right.

Floyd Brown: The Justice Department has effectively blocked your access to the two other key witnesses?

Dave Bossie: As well as Johnny Chung, but we overcame those hurdles that they, the Justice Department, placed on Chairman Burton's getting to the truth, getting to the bottom of it.

Floyd Brown: How do they specifically stop you from interviewing a witness such as John Wong?

Dave Bossie: They are totally in control of the individuals. John Wong has entered a plea agreement with the Justice Department, in order for cooperation to get a lesser sentence, that is a plea agreement. John Wong is supposed to cooperate with all federal government agencies including the Congress of the United States, which you would imagine would be first and foremost, but the Justice Department has absolutely impeded John Wong from testifying in public and testifying before Dan Burton's committee.

[Off camera]: Justice Department prosecutors have included provisions in those plea agreements which call for cooperation with any government testimony, but you still get no cooperation?

Dan Burton: John Wong and Charlie Trie both have been given what I consider to be sweet-heart deals by the Justice Department; a mere slap on the wrist for their involvement in the huge illegal campaign contributions scandal, most of which I believe came from communist China through them, and they have not yet appeared before our committee.

Barbara Olson: Subpoenas finally went out after the White House didn't meet that deadline they promised Chairman Thompson they would meet, and indeed the subpoena deadlines were not met, so the Congress once again was forced to go into hearings with incomplete information, that then the White House would use and spin as "nothing there." Well, it takes months and sometimes years to find out, and indeed there was something there, and Congress is mislead every step of the way.

[Off camera]: How many witnesses have fled the country or pled the Fifth Amendment, so far during their investigation?

Dan Burton: We now have 122 people who have taken the Fifth Amendment or fled the country. And a little anecdote for you: when we had 70 people, only 70 people who had taken the Fifth or fled the country, I asked the FBI director Louis Freeh if he had ever seen anything of that magnitude before, and he said, "As a matter of fact, Congressman, I Have," and I was taken back a little bit, and I said, "Really Mr. Director? When?," and he said, "When I was investigating organized crime in New York." So, there has never been a case in the history of the United States Republic where we have had this many people take the Fifth Amendment or flee the country where an administration was involved.

[Off camera]: Do you know of any case, or any case that you've ever faced, that were like this?

Dan Burton: No, because when I served in the Department of Justice, very proudly under President's Reagan and Bush, we would not have allowed this thing to happen. We would not have allowed people to just make bogus claims and avoid testifying. We would have taken step: to force them to testify. we would have gone into court to seek contempt citations for continued failure to answer questions. We would have enlisted the help from state department, for example, to try and bring people back who had left our shores and gone overseas. We would have talked with the administration to try and bring diplomatic pressure to bear on those governments harboring such individuals, so it never would have reached this point in the first place. We would have, under the Reagan and Bush administrations, acted as a Department of Justice, and sought to force these people to testify, in the absence of legitimate claims.

epilogue the cavalry's comin'

[Off camera]: I've spoken to many Americans that believe that they can no longer trust law enforcement because the corruption connected with this whole fundraising scandal. What would you say to honest, law-abiding citizens who have lost faith in the American ideal of equality before the law?

Dan Burton: Well, I think those people who are concerned about this Justice Department are justified in their concerns. I believe that real justice is not being realized through Janet Reno and this Justice Department. I think there is a corruption at the top level of this Justice Department; I believe Janet Reno is blocking for the President, and for that reason I am very disappointed, and I think people, as I said, are justified in their concerns

Barbara Olson: I hope they haven't lost faith in law enforcement 'cause there's a lot of good people who put their life on the line every day. What they should do is be outraged when someone tries to politicize law enforcement 'cause that's a fear we all have. We don't want people with guns, and the authority to walk into our homes, to have a political agenda. We want people who go by the law; and so I think we shouldn't lose faith in law enforcement. What we should do is demand that politics be taken out of our law enforcement.

Dan Burton: Let me just say to those people who think that justice will not ultimately win out, we're going to continue our investigation. I believe we have good people at the FBI, contrary to what President Clinton's saying and what Janet Reno's saying because they're trying to protect their derrieres. The fact of the matter is, I believe that the FBI is trying to do it's job and if left alone, they will do their job, and they'll do it the right way. So, I'd like to just end it by saying to the American people, to whoever is watching this, that hang in there, the cavalry's coming, we're going to make sure that justice is not denied and that it's applied equally to everybody. And those who are stopping the wheels of justice right now, they won't be able to do it forever, and we'll get them eventually.

Floyd Brown: I hope you've enjoyed Confidential Report. We worked hard at Citizen's United to make sure that all the important information that you need as a citizen has been enclosed. Now, I need to get this video tape out to millions of Americans, but to do that I have to duplicate it and I have to distribute it and I need your help.

Please take a moment right now. Think about how much you can help. Take the address on your screen, write it on an envelope and please send me your maximum contribution. Without you, this project will not stop the censorship of the mainstream media.

Thank you and God bless you.