

November 18, 2011

Via E-Mail and U.S. Mail

David V. Harbach
U.S. Department of Justice
Public Integrity Section
1400 New York Avenue, NW
Suite 1800
Washington, DC 20005

Robert J. Higdon
U.S. Attorney's Office - EDNC
Terry Sanford Federal Building
310 New Bern Avenue
Suite 800
Raleigh, NC 27601-1461

Re: *USA v. Edwards*

Dear Counsel:

Pursuant to Fed.R.Crim. P. Rule 16(b)(1)(C), the agreement of the Parties and the Court's Scheduling Order, on behalf of John Edwards we are providing a summary of the opinions, bases and reasons for those opinions, and qualifications, of the following retained expert witnesses who he may call at trial pursuant for the purpose of offering testimony under Fed.R.Evid. Rules 702, 703 and 705:

1. **Scott E. Thomas, Washington, D.C.**

(a) **Qualifications.** Mr. Thomas is an attorney licensed to practice under the laws of the District of Columbia and is presently engaged in the private practice of law with the law firm of Dickstein Shapiro LLP where he is the head of the Political Law Practice group. Mr. Thomas is a graduate of Stanford University and the Georgetown University Law Center, where he received a J.D. in 1977. Mr. Thomas worked at the Federal Election Commission ("FEC") for nearly 30 years, from 1977 through 2006, as a staff attorney, Assistant General Counsel for Enforcement, an Executive Assistant to then-FEC Commissioner Tom Harris and then as a Commissioner. Mr. Thomas was a Commissioner of the FEC for nearly 20 years and served as the Chairman of the Commission on four separate occasions, 1987, 1993, 1999, and 2005. Mr. Thomas

was appointed to the FEC by President Ronald Reagan and reappointed by President George H.W. Bush, and President William J. Clinton. Mr. Thomas has also written, taught and lectured in the field of campaign finance law. A copy of Mr. Thomas' *curriculum vitae* is attached to this summary as **Exhibit 1**. Mr. Thomas is an expert in federal election law and federal campaign finance law.

(b) **Summary of Opinions, Reasons and Bases:** Mr. Thomas will rely on his knowledge, training and experience, including his 20 years of service as a Commissioner of the FEC to offer the following opinions:

- Mr. Thomas will testify concerning the legal structure of presidential campaigns under the federal election laws, as well as the existence and purposes of various other entities including Political Action Committees, 501(c)(3) organizations, 501(c)(4) organizations, and 527 organizations. He will further testify concerning the legal distinction between the candidate and the campaign established under the federal election laws, describe the separate existence of the campaign, including its obligations after the candidate has withdrawn, and the audit process for a campaign.
- Mr. Thomas will testify as to the type of expenditures that a campaign may permissibly make and describe the general understanding and the custom and practice of what such expenditures are considered to be (i.e. expenses are those expenses that involve a candidate's communication with his or her supporters, including the purchase of media and advertising, get-out-the-vote, coordinated campaigns, fundraising, campaign staff and other infrastructure). These expenditures are campaign-related expenditures that are subject to regulation as contributions when paid for by third parties at the request of a candidate or campaign. He will testify that, in his opinion, the payment of the living, medical and other expenses of a candidate's mistress is not a campaign-related expense and could not be lawfully paid by the campaign or reimbursed by the campaign.
- Mr. Thomas will testify that the federal election laws do not regulate all expenditures by third parties that are intended, at least in part, to support a particular candidate. He will provide examples of a number of third party expenditures that can be made at the request of or in coordination with a candidate that are not prohibited or regulated by the federal election laws. He will further testify that the decisions of the FEC provide some guidance as to when third-party payments on behalf of a candidate will be considered a contribution. Mr. Thomas will further testify that, in his opinion, it was reasonable in 2007 and 2008 for a federal candidate to believe that the payments described in the Indictment (and more fully by

Andrew Young in his various public statements) would not be considered a contribution that would be subject to limits or reporting.

- Mr. Thomas will further testify about 11 CFR 113.1(g), concerning certain expenses paid by a third party. He will explain the history of that regulation and the policy behind it. He is qualified to do so by virtue of the fact that he was on the Commission when that regulation was proposed and when it was adopted. He will testify that an expense that comes within the regulatory definition of “personal use” is different from an expense that falls under the third-party payment rule of §113.1(g) and that the latter is designed to prevent funds from otherwise being freed up for spending in the campaign by the candidate. He will testify that the decisions of the FEC provide some guidance as to whether a particular expense falls under the third-party payment rule of §113.1(g). Mr. Thomas will explain how a third-party payment covered under §113.1(g) differs from a campaign-related expenditure that is made by a third-party. Mr. Thomas will state that, as of 2007 and 2008, and today, the Moran MUR offers the most comprehensive statement by the Commission on the factors to be considered in making these determinations. He will explain the Moran MUR factors and apply them to various hypothetical questions. Mr. Thomas will further testify that, in his opinion, it was reasonable in 2007 and 2008 for a federal candidate to believe that the payments described in the Indictment (and more fully by Andrew Young in his various public statements) would not be third-party payments restricted under §113.1(g) nor be considered a contribution that would be subject to limits or reporting.
- Mr. Thomas will also testify that, if he had been asked by a federal candidate in 2007 or 2008 whether the payments described in the Indictment would fall within the limits for contributions imposed by the federal election laws, that he would have given the opinion that they did not fall within the scope of those laws.
- Mr. Thomas will also testify that in 2007 and 2008, and today, the federal election laws are complex and not easily understood in their application. He will testify that there is a great deal that is simply not clear as to what those laws may and may not permissibly regulate and there are a variety of unique or novel situations that have not been addressed by the Commission in which the law is not certain. Foremost among these areas are the question of third party expenditures, particularly in the area of communications. He will testify that as a result it was not clear, and there was no precedent to conclude with certainty in 2007 and 2008, that the payments described in the Indictment were contributions subject to the limits and reporting requirements of the federal election laws nor could

anyone have stated with certainty what the law required with regard to this type of third-party expenditure.

2. Robert Lenhard, Maryland.

(a) **Qualifications.** Mr. Lenhard is an attorney licensed to practice under the laws of the District of Columbia where he specializes in the area of Election and Political Law with the firm of Covington & Burling, LLP. Mr. Lenhard is a graduate of Johns Hopkins University and received his J.D. from the University of California at Los Angeles School of Law. For over twenty years, Mr. Lenhard has provided legal advice to organizations that are active in the political process at the federal state and local levels of government and represented clients before state regulatory bodies and the FEC in enforcement matters, rulemakings and in seeking advisory opinions. Mr. Lenhard was appointed a Commissioner of the FEC and served as Vice-Chair in 2006. Mr. Lenhard was the Chair of the FEC in 2007, the year in which many of the occurrences set forth in the Indictment occurred. In 2008-09, Mr. Lenhard led the Presidential Transition Team that reviewed the FEC for the incoming Obama Administration. Mr. Lenhard has testified before Congress and given a number of invited lectures on the topic of campaign finance law. A copy of Mr. Lenhard's *curriculum vitae* is attached to this summary as **Exhibit 2**. Mr. Lenhard is an expert in federal election law and federal campaign finance law.

(b) **Summary of Opinions, Reasons and Bases:** Mr. Lenhard will rely on his knowledge, training and experience, including his service as the Vice-Chair of the FEC in 2006 and his service as Chair of the FEC in 2007 to offer the following opinions:

- Mr. Lenhard will testify concerning the legal structure of presidential campaigns under the federal election laws, as well as the existence and purposes of various other entities including Political Action Committees, 501(c)(3) organizations, 501(c)(4) organizations, and 527 organizations. He will further testify concerning the legal distinction between the candidate and the campaign established under the federal election laws, describe the separate existence of the campaign, including its obligations after the candidate has withdrawn, and the audit process for a campaign.
- Mr. Lenhard will testify as to the type of expenditures that a campaign may permissibly make and describe the general understanding and the custom and practice of what such expenditures are considered to be (i.e. expenses are those expenses that involve a candidate's communication with his or her supporters, including the purchase of media and advertising, get-out-the-vote, coordinated campaigns, fundraising, campaign staff and other infrastructure). These expenditures are campaign-related expenditures that are subject to regulation as contributions when paid for by third parties at the request of a candidate or campaign. He will testify that, in his opinion, the payment of the living,

medical and other expenses of a candidate's mistress is not a campaign-related expense and could not be lawfully paid by the campaign or reimbursed by the campaign.

- Mr. Lenhard will testify that the federal election laws do not regulate all expenditures by third parties that are intended, at least in part, to support a particular candidate. He will provide examples of a number of third party expenditures that can be made at the request of or in coordination with a candidate that are not prohibited or regulated by the federal election laws. He will further testify that the decisions of the FEC provide some guidance as to when third-party payments on behalf of a candidate will be considered a contribution. Mr. Lenhard will further testify that, in his opinion, it was reasonable in 2007 and 2008 for a federal candidate to believe that the payments described in the Indictment (and more fully by Andrew Young in his various public statements) would not be considered a contribution that would be subject to limits or reporting.
- Mr. Lenhard will further testify about 11 CFR 113.1(g), concerning certain expenses paid by a third party. He will explain the history of that regulation and the policy behind it. He is qualified to do so by virtue of the fact that he was on the Chairman of the Commission in 2007 during the time of events encompassed by the Indictment. He will testify that an expense that comes within the regulatory definition of "personal use" is different from an expense that falls under the third-party payment rule of §113.1(g) and that the latter is designed to prevent funds from otherwise being freed up for spending in the campaign by the candidate. He will testify that the decisions of the FEC provide some guidance as to whether a particular expense falls under the third-party payment rule of §113.1(g). Mr. Lenhard will explain how a third-party payment covered under §113.1(g) differs from a campaign-related expenditure that is made by a third-party. Mr. Lenhard will state that, as of 2007 and 2008, and today, the Moran MUR offers the most comprehensive statement by the Commission on the factors to be considered in making these determinations. He will explain the Moran MUR factors and apply them to various hypothetical questions. Mr. Lenhard will further testify that, in his opinion, it was reasonable in 2007 and 2008 for a federal candidate to believe that the payments described in the Indictment (and more fully by Andrew Young in his various public statements) would not be third-party payments restricted under §113.1(g) nor be considered a contribution that would be subject to limits or reporting.
- Mr. Lenhard will also testify that, if he had been asked by a federal candidate in 2007 or 2008 whether the payments described in the Indictment would fall within the limits for contributions imposed by the

federal election laws, that he would have given the opinion that they did not fall within the scope of those laws.

- Mr. Lenhard will also testify that in 2007 and 2008, and today, the federal election laws are complex and not easily understood in their application. He will testify that there is a great deal that is simply not clear as to what those laws may and may not permissibly regulate and there are a variety of unique or novel situations that have not been addressed by the Commission in which the law is not certain. Foremost among these areas are the question of third party expenditures, particularly in the area of communications. He will testify that as a result it was not clear, and there was no precedent to conclude with certainty in 2007 and 2008, that the payments described in the Indictment were contributions subject to the limits and reporting requirements of the federal election laws nor could anyone have stated with certainty what the law required with regard to this type of third-party expenditure.

3. **James T. Walsh. North Carolina.**

(a) **Qualifications.** Mr. Walsh is a private investigator with Walsh & Associates, Private Investigations in Charlotte, North Carolina. Prior to opening his own private investigations firm, Mr. Walsh was a Special Agent with the Federal Bureau of Investigation ("FBI") for 25 years, specializing in "white collar" crime. From 1979 to 2004, Mr. Walsh was the FBI case agent for hundreds of white collar investigations and was the White Collar Crime Supervisor for the Charlotte Office of the FBI as well as the statewide White Collar Crime Coordinator for the FBI's North Carolina offices. Mr. Walsh conducted or supervised investigations into financial institution fraud, securities fraud, insurance fraud, public corruption, health care fraud and mortgage fraud. Mr. Walsh obtained a BS in Accounting in 1977 and received specialized FBI training in various forms of fraud investigation. He has lectured accounting, finance and other professional organizations on a regular basis and taught Continuing Education for Accountants on Fraud Detection and Prevention at the University of North Carolina at Charlotte from 1994 to 2004. After leaving the FBI, Mr. Walsh served as a Senior Audit Consultant for Bank of America's Corporate Audit Investigations team from 2004 through 2009. Mr. Walsh has testified in court on numerous occasions. A copy of Mr. Walsh's *curriculum vitae* is attached to this summary as **Exhibit 3**.

(b) **Summary of Opinions, Reasons and Bases.** Mr. Walsh has reviewed the financial records supplied by the Government in discovery in this matter for Andrew Young and Cheri Young (nee Pfister). However, because there were omissions in the financial records gathered by the Government, the Defendant was forced to issue subpoenas to various financial and other institutions. Many of these subpoenas have not yet been returned. Consequently, this summary is a preliminary summary of the

anticipated areas of Mr. Walsh's testimony. The Defendant will supplement this summary as Mr. Walsh gathers additional information.

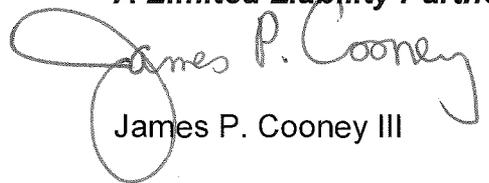
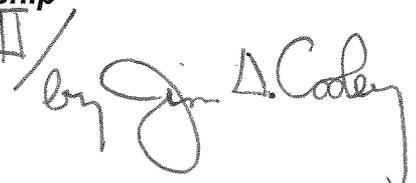
- Mr. Walsh will testify as to the Young's financial history from 2006 through 2008, their spending habits, their income, and their assets.
- Mr. Walsh will testify as to the use of the funds that are the subject of the Indictment received by the Youngs from Rachel Mellon and Fred Baron. He will compare and contrast his findings with the accounting made by Andrew Young and Cheri Young to the Government concerning the funds received from Rachel Mellon and Fred Baron, and discuss the spending patterns of this money, the commingling of this money with other funds, and will discuss various expenditures.

In addition, Mr. Walsh will testify as a summary witness to present summaries of the voluminous financial records in this matter, pursuant to Fed.R.Evid. Rule 1006.

If you have any further questions about this matter, please do not hesitate to contact me.

Sincerely,

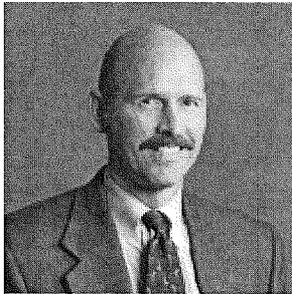
WOMBLE CARLYLE SANDRIDGE & RICE
A Limited Liability Partnership

 
James P. Cooney III

JPCIII/mee
Enclosures

cc: Abbe David Lowell (via E-Mail and U.S. Mail)

Scott E. Thomas



Of Counsel
1825 Eye Street NW
Washington, District of Columbia
20006-5403
Phone: (202) 420-2601
thomasscott@dicksteinshapiro.com

Scott Thomas joined Dickstein Shapiro LLP in 2006 and is the head of the Political Law Practice. A former Federal Election Commission (FEC) Chairman, Mr. Thomas focuses on campaign finance, ethics, and lobbying law. His extensive background in the area of political law is a valuable resource in providing guidance and assurance to clients who need to interact with government officials and deal with interpretive and enforcement matters in the political law area. With more than 30 years of experience in this field, he assesses current compliance issues and suggests best practices to ensure adherence to the rules. Given the ever-changing law and its interpretations by regulatory bodies, he and his team provide up-to-date advice that enables businesses, associations, PACs, nonprofits, and others to work successfully with government representatives at the federal, state, or local level.

PROFESSIONAL BACKGROUND

Prior to joining Dickstein Shapiro, Mr. Thomas served as an FEC Commissioner from 1986 to 2006. He was appointed to the FEC for three consecutive terms, first by President Reagan in 1986, then by President Bush in 1991,

RELATED PRACTICES

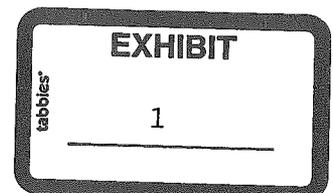
- Government Law & Strategy
- Political Law
- Public Policy & Law

EDUCATION

Stanford University, B.A., 1974
Georgetown University Law Center, J.D., 1977

BAR ADMISSIONS

District of Columbia
U.S. District Court for the District of Columbia
U.S. Court of Appeals for the Ninth Circuit
U.S. Supreme Court



and again by President Clinton in 1997. He served as Chairman in 1987, 1993, 1999, and 2005. While a commissioner, he served at various times on the Litigation, Regulations, and Finance Committees. He testified before Congress about FEC operations on several occasions.

From 1983 to 1986, Mr. Thomas served as Executive Assistant to former FEC Commissioner Tom Harris and, from 1980 to 1983, as an FEC Assistant General Counsel for Enforcement. He began his legal career as a staff attorney with the FEC in 1977.

Mr. Thomas also has general experience in areas of election law outside campaign finance, stemming from his role with the FEC's Office of Election Administration and his work with election officials here and abroad. Additionally, his involvement with the Council on Governmental Ethics Laws and various government bodies over the years has provided him with a breadth of knowledge on ethics and lobbying rules.

PROFESSIONAL ACTIVITIES

Mr. Thomas is a member of the District of Columbia bar. He is admitted to practice before the U.S. Supreme Court, the United States District Court for the District of Columbia, and the U.S. Court of Appeals for the Ninth Circuit. He was selected in 2007 to serve as a Co-Vice-Chair of the Elections Committee of the American Bar Association Section on Administrative Law and Regulatory Practice and has continued to the present time in that position. He also serves on the American Bar Association Standing Committee on Election Law.

HONORS AND RECOGNITIONS

Mr. Thomas is recognized in the 2011 and 2010 *Chambers USA: America's Leading Lawyers for Business*. He was also included in the 2009 and 2007 editions of *Washingtonian's* Top Lawyers.

PUBLICATIONS AND WRITINGS

- "Influencing Government: The Rules of the Game (Campaign Finance, Lobbying, and Ethics Laws)" (author of first 50 of 131 pages), prepared for CLE presentation in Bentonville, Arkansas, May 2010;

DICKSTEINSHAPIRO_{LLP}

- “ACC InfoPak: Influencing Government, Rules of the Game,” published by Association of Corporate Counsel on website, October 2009;
- Prepared Statement, before U.S. Senate Committee on Rules and Administration *re* Fair Elections Now Act, June 2007;
- “Changes in the Gift and Travel Rules: Be Careful Out There,” published in Dickstein Shapiro newsletter and on website, Spring 2007;
- “Playing Politics from the Office,” *Legal Times*, September 2006;
- “Congress as a Court of Appeals” (co-author), *Univ. of Miami Law Review*, January 2006;
- Statement as FEC Chairman *re* Regulation of Internet Political Activity, before Committee on House Administration, September 2005;
- Statement as FEC Commissioner *re* Regulation of 527 Groups, before Committee on House Administration, May 2004;
- “The Presidential Election Public Funding Program—A Commissioner’s Perspective,” presentation for Campaign Finance Institute Task Force, January 2003;
- “The ‘Soft Money’ and ‘Issue Ad’ Mess: How We Got Here, How Congress Responded, and What the FEC Is Doing,” presentation for *Campaigns & Elections* Election Law Compliance Seminar, 2003;
- “Beyond Silly—What the Courts and the FEC Have Done to Congressional Reform Attempts, presentation for Practising Law Institute Conference, September 2002;
- “Obstacles to Effective Enforcement of the Federal Election Campaign Act” (co-author), *Washington College of Law Administrative Law Review*, Spring 2000;
- “Coordinated Expenditure Limits: Can They Be Saved?” (co-author), *Catholic University Law Review*, Fall 1999; and
- “Is Soft Money Here to Stay Under the ‘Magic Words’ Doctrine?” (co-authored), *Stanford Law & Policy Review*, Fall 1998.

SPEAKING ENGAGEMENTS

- Panelist, “Citizens United: A Unique Journey Through Campaign Finance— Separating the Law from the Rhetoric,” ABA Annual Meeting, August 2010;
- Panelist, “Influencing Government: The Rules of the Game (Campaign Finance, Lobbying, and Ethics Laws),” CLE event in Bentonville, AR, May 2010;
- Panelist, ACI Corporate Lobbying & Political Activities Conference, April 2010;
- Speaker, “The Rules of the Game (Campaign Finance, Lobbying, and Ethics Laws),” Association of Corporate Counsel webinar, October 2009;
- Panelist, “Election Finance and 527s—A Moderate’s Perspective,” Federalist Society event, October 2008;
- Panelist, “Campaign Finance, Ethics, and Lobbying Laws You Need to Know,” Corporate Counsel Institute CLE Conference at Georgetown University Law Center, March 2008;
- Speaker, University of Virginia School of Law, “The Way We Choose: A Symposium on the Future of American Election Law,” February 2008;
- Speaker, BNA Conference, “The New Lobbying Law: A Sea Change for Lobbyists, Clients, and Regulators, November 2007;
- Speaker, Executive Briefing Luncheon at Dickstein Shapiro, “New Ethics, Lobbying, and Campaign Finance Rules,” September 2007;
- Testimony before U.S. Senate Committee on Rules and Administration, Hearing on S. 1285: The Fair Elections Now Act, June 2007;
- Speaker, National Association of Real Estate Investment Managers Conference, “Working with Government Officials: Are You Following the Rules?,” June 2006;
- Speaker, Executive Briefing Breakfast at Dickstein Shapiro, “New Developments in Lobbying Law: Are You in Compliance?,” May 2006;
- Panelist, Republican Attorneys General Association Conference, “How Will Wisconsin Right-to-Life Case and Sorrell Case Affect State Election Laws?,” March 2006;

- Testimony as FEC Chairman re Regulation of Internet Political Activity, before Committee on House Administration, September 2005;
- Testimony as FEC Commissioner re Regulation of 527 Groups, before Committee on House Administration, May 2004;
- Speaker, presentation for Campaign Finance Institute Task Force, “The Presidential Election Public Funding Program—A Commissioner’s Perspective,” , January 2003;
- Panelist, Campaigns & Elections Election Law Compliance Seminar, “The ‘Soft Money’ and ‘Issue Ad’ Mess: How We Got Here, How Congress Responded, and What the FEC Is Doing,” 2003; and
- Speaker, Practising Law Institute Conference, “Beyond Silly—What the Courts and the FEC Have Done to Congressional Reform Attempts,” September 2002.

Mr. Thomas has also appeared as a guest on CNN, CBS, MSNBC, and C-SPAN and has provided numerous interviews to the media in the area of campaign finance law.

EDUCATION

Mr. Thomas received his J.D. from Georgetown University Law Center (1977) and is a graduate of Stanford University, where he majored in political science (1974).

Robert D. Lenhard
5230 Duvall Drive
Bethesda, MD 20816
(202) 236 – 1010

**Covington & Burling
Of Counsel, April 2008 - Present**

Provide counsel on political law questions, including issues arising under federal and state campaign finance laws, lobbying disclosure rules and federal and state government ethics laws.

**Federal Election Commission
Commissioner, January 2006 – December 2007
Chairman – 2007
Vice Chairman - 2006**

Appointed by President George W. Bush to serve on six-member Commission responsible for administering the federal campaign finance laws.

**American Federation of State, County and Municipal Employees
Associate General Counsel, July 1991 – December 2005**

Advised union on range of issues, including campaign finance law and the tax implications of political spending. Other significant work included privatization of public services, municipal bankruptcy, overtime pay violations and constitutional challenges to agency fees system.

**Kirschner, Weinberg & Dempsey
Associate, August 1989 – July 1991**

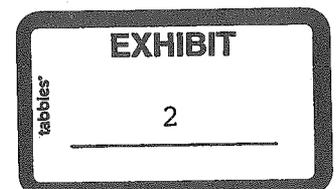
Served as outside counsel to AFSCME prior to firm becoming in-house counsel to the union. Substantive work detailed above.

**Guerrieri, Edmond & James
Associate, January – August 1989**

Served as counsel to the United Mine Workers union during proxy contest against the Pittston Coal Company.

**The Amalgamated Clothing and Textile Workers Union
Field Staff, July 1986 – December 1988**

Assisted in research and regulatory compliance issues, including securities and banking, OSHA, shareholder rights and racial and gender based discrimination.



Grace, Neumeyer & Otto

Associate, December 1984 – February 1986

Litigated insurance coverage questions and products liability cases at the trial and appellate level with a twenty-five attorney Los Angeles firm.

Education

U.C.L.A. School of Law, J.D. 1984

The Johns Hopkins University, B.A. with Honors, 1981

Bar Affiliations

Member of the District of Columbia and California (inactive) Bars.

Robert D. Lenhard
Selected Publications, Testimony and Speeches

Publications & Articles

Author, Introduction, "America Votes: A Guide to Modern Election Law and Voting Rights," *American Bar Association, Section of State and Local Government Law*, Benjamin E. Griffith, Editor (2008).

Campaign Cash: Q & A With the Chairman. New York Times political Blog with Kate Phillips. April 27, 2007.

"No Bucking Buckley: Courts Strike Down State Campaign Finance Reforms, Again and Again and Again." By Robert Lenhard. *Legal Times*, Year End Review: Commentary and Analysis. December 21 and 28, 1998.

Testimony

House of Representatives, Committee on House Administration. Hearing on "Defining the Future of Campaign Finance in an Age of Supreme Court Activism." February 3, 2010.

Senate Indian Affairs Committee. Hearing on the legal status of political contributions by Indian tribes. February 8, 2006.

Rulemakings & Policy Statements

Chaired issuance of Notice of Proposed Rulemaking on the Disclosure of Bundled Contributions by Lobbyists, 72 Federal Register 62606 (November 6, 2007).

Chaired issuance of Notice of Proposed Rulemaking and Draft Final Rules on Use of Campaign Funds For Non-Commercial Travel, 72 Federal Register 59953 (October 23, 2007) and FEC Agenda Document 07-94 (December 14, 2007).

Chaired issuance of Supplemental Explanation and Justification for the Regulations on Political Committee Status, 72 Federal Register 5595, Effective Date: February 7, 2007.

Chaired issuance of Policy Statement Establishing a Pilot Program for Probable Cause Hearings, 72 Federal Register 7551, Effective Date: February 16, 2007.

Chaired issuance of Statement of Policy Regarding Commission Action in Matters at the Initial Stage in the Enforcement Process, 72 Federal Register 12545, Effective Date: March 16, 2007.

Chaired rulemaking on the Regulations on Best Efforts in Administrative Fines Challenges, 72 Federal Register 14662, Effective Date: April 30, 2007.

Chaired issuance of Statement of Policy Regarding Self-Reporting of Campaign Finance Violations (Sua Sponte Submissions), 72 Federal Register 16695, Effective Date: April 5, 2007.

Chaired issuance of Statement of Policy Establishing a Safe Harbor for Misreporting Due to Embezzlement, 72 Federal Register 16695, Effective Date: April 5, 2007.

Chaired issuance of Statement of Policy Regarding Treasurers' Best Efforts to Obtain, Maintain, and Submit Information as Required by the Federal Election Campaign Act, 72 Federal Register 31438, Effective Date: June 7, 2007.

Chaired rulemaking on Regulations on the Use of Campaign Funds for Donations to Non-Federal Candidates and Any Other Lawful Purpose Other Than Personal Use, 72 Federal Register 56245, Effective Date: November 2, 2007.

Chaired issuance of Rules of Agency Organization, Procedure, or Practice: Procedural Rules for Probable Cause Hearings, 72 Federal Register 64919, Effective Date: November 19, 2007.

Chaired rulemaking on Regulations on Electioneering Communications, 72 Federal Register 72899, Effective Date: December 26, 2007.

Vice Chair for rulemaking on the Definitions of "Agent" for BCRA Regulations on Non-Federal Funds or Soft Money and Coordinated and Independent Expenditures, 71 Federal Register 4975, Effective Date: January 31, 2006.

Vice Chair for rulemaking on the Definition of Federal Election Activity, 71 Federal Register 8926, Effective Date: March 24, 2006.

Vice Chair for rulemaking on the Definitions of "Solicit" and "Direct", 71 Federal Register 13926, Effective Date: April 19, 2006.

Vice Chair for rulemaking on the Definition of Federal Election Activity; Interim Final Rules, 71 Federal Register 14357, Effective Date: March 24, 2006.

Vice Chair for rulemaking on the Regulations on Internet Communications, 71 Federal Register 18589, Effective Date: May 12, 2006.

Vice Chair for rulemaking on the Regulations on Coordinated Communications, 71 Federal Register 33190, Effective Date: July 10, 2006.

Vice Chair for rulemaking on the Regulations on Increase in Limitation on Authorized Committees Supporting Other Authorized Committees, 71 Federal Register 54899, Effective Date: September 20, 2006.

Prepared comments of the American Federation of State, County and Municipal Employees, AFL-CIO to the Federal Election Commission on its Notice of Proposed Rulemaking on Prohibited and Excessive Contributions: Non-Federal Funds or Soft Money. Notice 2002-07.

Prepared comments of the American Federation of State, County and Municipal Employees, AFL-CIO to the Federal Election Commission on implementation of portions of the Bipartisan Campaign Reform Act of 2002.

Prepared comments and testified before the Federal Election Commission for the American Federation of State, County and Municipal Employees, AFL-CIO during the agency's consideration of amending its rules regarding membership in a membership organization. 1998-9.

Speeches & Presentations (Partial List)

American League of Lobbyists: Lobbying Certificate Program
Executive Branch Lobbying, October 3, 2011
Executive Branch Lobbying, September 20, 2010
Executive Branch Lobbying, October 5, 2009

Communications and Media, October 24, 2011
Communications and Media, October 18, 2010
Communications and Media, October 26, 2009

West Legal Center Webcast, Campaign Finance After Citizens United, July 22, 2010.

American Conference Institute, Corporate Lobbying & Political Activities, "Enforcement Priorities and Developments Now and Going Forward" April 30, 2010. Panel moderator. Panelists included Thomasenia Duncan, General Counsel, FEC; Craig Donsanto, Director, Election Crimes Branch, U.S. Department of Justice; and Brian Fitzpatrick, SSA-Campaign Finance Fraud Coordinator, Public Corruption Unit, FBI.

George Mason Law School, Civil Right Law Journal panel discussion on the implications of the Citizens United decision. March 24, 2010. Professor Allison Hayward, moderator. Panelists included William McGinley (Patton Boggs), and Brian Svoboda (Perkins Coie).

Lobbyist.info Webcast, Making and Reporting Contributions in a Post-HLOGA World, April 21, 2008.

Public Affairs Council, National PAC Conference, February 27, 2008.

New York City Campaign Finance Board & Center for Electoral Politics and Democracy at Fordham University, Citizen Owned Elections: Public Financing Past, Present & Future. Panel discussion "Promise or Peril? Public Financing in Federal Elections" with panel members former Senator Bob Kerrey, Congressman Christopher Shays, and Cato Institute's John Samples. February 21, 2008.

"Money in Federal Elections in the United States." Panel discussion at the Global Election Organization's 2007 conference in Washington, D.C.

PLI Conference on Corporate Political Activities. September 2006 and 2007.

American Constitution Society, 2006 National Convention, August 2006. Plenary Panel, "Revitalizing Democracy."

University of Michigan Law School, Presentation sponsored by the American Constitution Society Chapter and U. of M. Law School Election Law Society. March 2006.

California Treasurer's Association meeting on June 15, 2006 in Washington, D.C.

Federalist Society, Georgetown University. October 25, 2006. Panel discussion on current trends in campaign finance law.

Perkins Coie/*Roll Call* panel at Georgetown University Law School, July 29, 2002: "Reacting to Reform: Law and Politics After McCain-Feingold-Shays-Meehan."

"McCain-Feingold's Effect on State and Local Elections" Panel discussion at National Association of State Legislators Spring Meeting, May 10, 2001.

James T. Walsh
Walsh & Associates, Private Investigations

5005 Virginian Lane
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Private investigator with over 31 years of investigation experience. Specific emphasis on financial crimes and analysis of extensive business and financial records.

QUALIFICATIONS

- 25 years of investigative experience as a Special Agent with the Federal Bureau of Investigation (FBI), specializing in white collar crime. This includes five years as the White Collar Crime Supervisor for the Charlotte office and statewide White Collar Crime Coordinator for the FBI's North Carolina offices.
- Four years experience as a senior investigator for Bank of America Corporate Audit Investigations, addressing Code of Ethics violations Sarbanes-Oxley "whistleblower" complaints, complex investigations, senior officer misconduct, and "retaliatory termination" matters.
- Over two years experience as a private investigator assisting attorneys in complex civil litigation and federal criminal defense, with testimony regarding complex analysis of financial records.
- Extensive use of spreadsheet and database software (MS Access) in conducting investigations and analyzing data. Proficiency in Structured Query Language (SQL).
- Extensive interview and report-writing experience. Proficient in MS Word, WordPerfect and PowerPoint.
- Extensive court experience, including grand jury presentation and trial preparation and testimony.
- Years of liaison with state and federal law enforcement and regulatory agencies as well as law firms and financial institutions.

EMPLOYMENT HISTORY

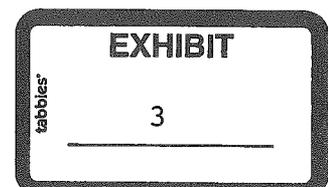
Walsh & Associates, Private Investigations..... Mar 2009 to Present
Bank of America, Corporate Audit Investigations – Senior Audit Consultant..... Nov 2004 to Feb 2009
FBI – Special Agent..... Sept 1979 to Oct 2004

- FBI – New York Division..... Dec 1979 to July 1992
- FBI – Charlotte Division..... July 1992 to October 2004
- Relief Supervisor or Principal Relief Supervisor..... 1985 to 1995; 2002 to 2004
- White Collar Crime Supervisor and Program Coordinator (Charlotte Division)..... 1995 to 2000
- Union Carbide Corporation Oct 1977 to Sept 1979
 - Corporate Accounting and Consolidations, New York, NY..... Oct 1978 to Sept 1979
 - Research and Development Cost Accounting, Tarrytown, NY..... Oct 1997 – Oct 1978
- Norton, Lilly & Co., New York, NY – Accounting..... June 1977 - Oct 1977

EXPERIENCE

As the FBI Case Agent for hundreds of white collar crime investigations, I conducted criminal investigations using a variety of investigative techniques and prepared detailed investigative reports and summary reports to communicate results of investigation. I also prepared affidavits in support of arrest warrants, search warrants and seizure warrants, executed arrests and other warrants, helped draft indictments and presented cases to grand juries in support of formal charges. The investigations I conducted or supervised include financial institution fraud, securities fraud, insurance frauds, advance fee schemes, offshore bank/insurance company schemes, bankruptcy fraud, public corruption, intellectual property rights, health care fraud and mortgage fraud. Below are just some examples:

- FBI Case Agent for a Charlotte-based "Ponzi" investment scheme (Banyan International), which involved \$57 million solicited from approximately 600 investors, coupled with the sale of bogus tax shelters. The case resulted in the seizure of \$4 million and the conviction of six defendants (including one arrested in a foreign country) and a sentence of 175 for one defendant.
- FBI Case Agent for the Andrew Reyes fraud/embezzlement/money laundering investigation, which received extensive media attention in Charlotte and resulted in the conviction of the Controller, CFO and President of a Charlotte-based construction company. Full analysis of over 40 bank accounts substantiated the fraud and money laundering and led to the arrest of Reyes at the Mexican border.



- Following extensive investigation over a short period of time, prepared detailed affidavit supporting a warrant for the seizure of over \$17 million from Charlotte bank accounts of purported foreign bank operated by a known international con artist. Testified in two foreign criminal trials that followed.
- While assigned to the FBI's New York Division, initiated and conducted numerous securities fraud investigations involving the IPO and aftermarket trading of NASDAQ and OTC-traded stocks. One case (U.S. v. Pericles Constantinou; et al) resulted in the conviction of nine defendants, including two traders, three brokers and two promoters, plus Title 18 injunctions and SEC civil sanctions, in a scheme which caused millions of dollars of losses to brokerage and clearing firms and the investing public.

As the FBI's White Collar Crime Supervisor in Charlotte, I directly supervised up to 14 Special Agents and three Financial Analysts with several hundred pending investigations at any given time. I made 40 presentations to accounting, finance and other professional organizations since 1994 and taught a two-hour block for UNCC Continuing Education for Accountants on Fraud Detection and Prevention every year from 1994 to 2004. I designed a database system used by FBI field offices to download Suspicious Activity Report (SAR) data from mainframe systems that enhanced case tracking and analysis of fraud activity reported by financial institutions and I taught the use of this database to over 130 FBI financial analysts at the FBI Academy.

As a Senior Audit Consultant for Bank of America's Corporate Audit Investigations team, I conducted full investigations on matters relating to all lines of business Bank-wide, including foreign branches in Mumbai, London, Milan and Hong Kong. The investigations were in the following general areas:

- allegations of senior officer misconduct, conflicts of interest, Code of Ethics violations, financial irregularities and other matters made to the Bank's Ethics and Compliance Hotline or in other communications to management by "whistleblowers";
- certain irregularities identified by Corporate Audit, Compliance, lines of business or regulators;
- allegations of "retaliatory termination" by former employees in complaints filed with OSHA pursuant to the Sarbanes-Oxley "whistleblower" provisions;
- other litigation support, including assisting in the defense of civil legal matters;
- "complex investigations," often in conjunctions with Corporate Security or other Audit groups.

During one internal investigation, I identified an unrelated scheme within a bank division involving the illegal reimbursement of campaign contributions. After initiating and completing a full investigation, I worked with counsel to help self-reported the matter to the Federal Election Commission. Because, in part, of the quick and thorough manner in which the matter was addressed and reported, the bank received a minimal penalty of \$1,800, while a former executive was fined substantially more. I also helped design a "filter" that would help detect reimbursed campaign contributions in the future (which was also a factor in the FEC's minimal penalty). See <http://www.fec.gov/press/press2009/20091029MUR.shtml>.)

As a licensed private investigator, I have concentrated on litigation support for attorneys in both civil and criminal matters. This includes extensive review of documentary evidence, full analysis of financial records with summary reports, interviews of clients and witnesses, and full trial support. Since early 2010, I have testified as a defense witness in two federal criminal trials (an alleged multimillion dollar Ponzi scheme and a high-profile tax case) and two sentencing hearings, and also as an expert in a civil deposition involving loan fraud.

EDUCATION

- BS Accounting (1977), James Madison University, Harrisonburg, VA.
- Specialized FBI training received in securities fraud, financial institution fraud, mortgage fraud, identity theft, computer intrusion and health care fraud and corruption of public officials.

MEMBERSHIPS / LICENSES

- Former Certified Anti-Money Laundering Specialist
- Association of Certified Fraud Examiners (associate member)
- Society of Former Special Agents of the Federal Bureau of Investigation (Secretary-Treasurer, Western North Carolina Chapter)
- North Carolina licensed Private Investigator