



Department of Justice

FOR IMMEDIATE RELEASE
June 3, 2011
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FORMER SENATOR AND PRESIDENTIAL CANDIDATE JOHN EDWARDS CHARGED
FOR ALLEGED ROLE IN SCHEME TO VIOLATE FEDERAL CAMPAIGN FINANCE
LAWS

WASHINGTON - A federal grand jury today returned a six-count indictment against former U.S. Senator and Presidential candidate John Edwards for allegedly participating in a scheme to violate federal campaign finance laws, announced U.S. Attorney George E.B. Holding for the Eastern District of North Carolina and Assistant Attorney General Lanny A. Breuer of the Justice Department's Criminal Division.

The indictment, returned in the Middle District of North Carolina, charges Johnny Reid Edwards, 58, of Chapel Hill, N.C., with one count of conspiracy to violate the federal campaign finance laws and to make false statements to the Federal Election Commission (FEC); four counts of accepting and receiving illegal campaign contributions from two donors in 2007 and 2008; and one count of concealing those illegal donations from the FEC. Edwards is scheduled to make his initial appearance in federal court in Winston-Salem, N.C., at 2:30 p.m. EDT before U.S. Magistrate Judge Patrick Auld.

"Democracy demands that our election system be protected, and without vigorously enforced campaign finance laws, the people of this country lose their voice," said U.S. Attorney Holding. "The U.S. Attorney's Office and the Department of Justice are committed to the prosecution of individuals who abuse the very system of which they seek to become a part."

"Today, a federal grand jury returned a six-count indictment against former Senator John Edwards for violating federal election laws during his campaign for President of the United States," said Assistant Attorney General Breuer. "Mr. Edwards is alleged to have accepted more than \$900,000 in an effort to conceal from the public facts that he believed would harm his candidacy. As this indictment shows, we will not permit candidates for high office to abuse their special ability to access the coffers of their political supporters to circumvent our election laws. Our campaign finance system is designed to preserve the integrity of democratic elections – for the presidency and all other elected offices – and we will vigorously pursue abuses of the kind alleged today."

"Public servants are held to the same laws as everyone else in this country. The position sought does not exempt anyone, even those running for President of the United States," said Chris Briese, Special Agent in Charge of the FBI in North Carolina.

“Public officials hold positions of trust and get no free pass to ignore the law,” said Victor S. O. Song, Chief, Internal Revenue Service (IRS) Criminal Investigation (CI). “Today’s indictment demonstrates IRS’ commitment to work with our law enforcement partners to ensure our public officers remain trustworthy and adhere to the highest levels of integrity.”

According to the indictment, while a candidate for President of the United States, Edwards conspired with other individuals to accept and receive campaign contributions in excess of limits imposed by the Federal Election Act in an effort to protect and advance his candidacy from disclosure of an ongoing extra-marital affair and the resulting pregnancy. The indictment alleges that between 2007 and 2008, Edwards accepted and received more than \$900,000 as part of this effort.

The Federal Election Act limits the amount an individual may contribute to any candidate for federal elected office in order to limit the influence any one individual may have on the outcome of a federal election. The Federal Election Act established that the most one individual could contribute for the 2008 presidential primary election was \$2,300. According to the indictment, the Federal Election Act’s contribution limit applies to anything of value provided for the purpose of influencing a federal election, including contributions to a candidate and his/her campaign; expenditures made in cooperation, consultation or concert with, or at the request or suggestion of, a candidate or his/her campaign; and payments for personal expenses of a candidate unless those payments would have been made irrespective of his/her candidacy.

The Federal Election Act, according to the indictment, also requires each presidential campaign committee to file periodic campaign finance reports with the FEC, which are made available to the public. In these reports, the committees were required to identify each person who, during the relevant reporting period, contributed more than \$200 to the committee, along with the date and the amount of the contribution. According to the indictment, these reports are intended to provide citizens with a transparent record of the amount and sources of all campaign contributions and to assist voters in making informed decisions at the polls.

According to the indictment, the payments at issue were used to facilitate Edwards’ extra-marital affair, and to conceal it and the resulting pregnancy from the public. The indictment alleges that the funds were used to pay for the living and medical expenses of the individual with whom Edwards was having the affair, and to pay for the travel and accommodations necessary to hide this individual from the news media and the public so that Edwards’ candidacy would not be damaged. According to the indictment, Edwards knew that the public revelation of the affair and pregnancy would undermine his image and force his campaign to divert personnel and resources away from campaign activities to respond to criticism and media scrutiny.

The indictment alleges that Edwards and his co-conspirators concealed the alleged unlawful contributions from the FEC and the public by causing the John Edwards for President Committee to file with the FEC false and misleading campaign finance reports that failed to disclose the illegal contributions.

A defendant is presumed innocent unless and until proven guilty beyond a reasonable doubt in a court of law.

If convicted, Edwards faces a maximum penalty of five years in prison and a \$250,000 fine on the conspiracy charge. He faces five years in prison and a \$250,000 fine on each count of accepting and receiving illegal campaign contributions, and a maximum of five years in prison and a \$250,000 fine on the charge of concealing the alleged illegal donations.

The case is being prosecuted by Assistant U.S. Attorneys Robert J. Higdon Jr. and Brian S. Meyers of the U.S. Attorney's Office for the Eastern District of North Carolina, as well as Deputy Chief Justin V. Shur and Trial Attorneys David V. Harbach II and Jeffrey E. Tsai of the Public Integrity Section in the Justice Department's Criminal Division. The case is being investigated by the FBI and IRS-CI.

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