



Dear Michigan Republican,

As a Republican activist for 25 years, I take the role of precinct delegates and convention delegates very seriously. Conventions are an essential party of the Republican Party and having the right to free and fair conventions is something that is necessary to having a strong Republican Party. That is why I must call to your attention a difficult problem the Michigan Republican Party ("Party") must address. There is clear evidence that a secret deal was made between Ron Weiser and Stan Grot. Between August 20, 2018 and February 12, 2019, Stan Grot was paid the sum of \$200,000 – within only 7 months -- from the Party's Administrative Account. The payments were made so he would withdraw as a candidate for Secretary of State and ensure the party nominated Mary Treder Lang at the August 2018 convention.

One issue this raises is the manipulation of a statewide nomination process and the ethical issue of a Party chair essentially defrauding state convention delegates and depriving these delegates their choice of candidates at State Convention through a sleazy payoff. The other potential consequences for the Party are very serious, including the risk that this conduct could be deemed a violation(s) of the Michigan Campaign Finance Act (for both the Party and involved individuals).

As Party Chair, I engaged former Judge Jon Lauderbach of Warner Norcross+Judd LLP ("Warner Norcross"), who has also been a past campaign chair for former Attorney General Bill Schuette. Unfortunately, Mr. Lauderbach could only do a preliminary report because Mr. Weiser has refused to cooperate in the investigation and Clark Hill, counsel for the Party during Mr. Weiser's prior chairmanship, has refused to produce its file, including any contract(s) relating to the \$200,000 in payments.

THE CLEAR FACTS

The clear facts are as follows:

1. Grot was paid \$10,000 a month from the Party's Administrative Account with the first payment just 3 days after Grot dropped out of the race for Secretary of State, and just 4 days before the 2018 August nominating convention.
2. Grot was paid additional payments of \$10,000 monthly five times until a lump sum of an additional \$140,000 was paid two weeks before I began my term as Party Chair.
3. The \$140,000 was so substantial that the Party's CFO had to borrow from the Party's line of credit at Comerica Bank to pay Grot.
4. The Administrative Account cannot be used to pay one candidate to withdraw for a race in deference to another because that account consists of corporate dollars that are not disclosed to state regulators. This account is for party-building activities and issue advocacy – it cannot be used for express advocacy or to provide support for or against a particular candidate.
5. Mr. Grot did not do any documented work to earn this \$200,000 and yet this amount is well over twice as much as his salary as the Shelby Township Clerk. For context, that amount exceeds the annual salary of every employee at the Michigan Republican Party; it exceeds the annual salary of \$95,085 of the Senate Majority Leader; and it even exceeds the \$159,300 salary of the Governor.
6. There is no documentation of a contract between Mr. Grot and the Party or Mr. Weiser in the Party's possession and it is not on SharePoint, the web-based document management and storage system used by the Party.
7. There have been repeated requests from Warner Norcross and me to Weiser, Grot, and Clark Hill to provide the documentation or contract(s) relating to these payments, but none of these requests have been honored.

The preliminary report from Warner Norcross has its share of “he-said she-said,” but there is no credible evidence of any legitimate basis for the payments to Grot. Indeed, Mr. Weiser admitted to me when I first confronted him about the payments in the Spring of 2019 that he paid \$200,000 to Grot to get him out of the SOS convention race and guarantee the nomination of Grot’s opponent, Ms. Treder Lang.

One of the many ironies here is that after secretly paying Grot \$200,000, Mr.

Weiser spent less money to support Mary Treder Lang in her general election campaign against Benson.

Mr. Weiser refused to give me or Warner Norcross any contract or supporting paperwork for the expenditure, or talk about paying back the money to the Party, or consider how to mitigate any possible future Secretary of State fines or lawsuit against the Party. He would not even allow himself to be interviewed by Warner Norcross. His silence and obstruction speak volumes.

I regret not taking action sooner, but was respectful of Ron's serious health and family issues last year, his longtime service to the Party – after all, his name is on the building - and I quite frankly became focused on the intense fundraising, organizing, media demands of the historic election of 2020 that, as we all know, did not end on November 3. However, the Party's Bylaws require a CPA-certified audit or review of the Party's expenditures during each Election Cycle (i.e., from Election Day 2018 to Election Day 2020). So, I always knew, that come hell or high water, the audit was the proverbial Sword of Damocles that would force me to confront Ron soon after the November 3, 2020 election, if not earlier. While I had hoped that with time Ron would relent and engage with me on this issue and work toward the best possible solution for the Party, that has not happened.

THE DILEMMA

The situation became more complicated when Ron announced he was running against me. I was on the horns of a dilemma. While many elected officials had endorsed Ron, (with all due respect to elected officials 25 years of convention elections taught me that elected officials' endorsements mean very little to grassroots voters. After all, when he first ran, Mike beat the then-Senate Majority Leader who was endorsed by everyone.) And my calls to the grassroots went very well. But the elephant in the room (no pun intended) was this moral dilemma: should I raise the issue of the Grot payoff? And, if so, how could I raise the issue without causing a firestorm of political accusations and recriminations that would paralyze the Party? Ultimately, neither raising the issue, nor staying silent, was the right answer as long as I was still in the race for Chair. So, I stepped away from the Party race. And I hoped that Ron would recognize that act – and begin to engage in rectifying at least the legal issues, if not the ethical issues, caused by his payoff to Grot.

EVEN AFTER I PUBLICLY DROPPED OUT, WEISER REFUSED TO FIX THE

PROBLEMS HE CREATED FOR THE PARTY.

Yet, the dilemma remained when I stepped away. I tried to enlist a few former statewide Party nominees who know Weiser well to get him to engage to try to fix the many problems caused by his payoff to Grot – to pay the Party back the \$200,000; to indemnify the Party for any future SOS fines or penalties; and to promise not to punish any employees who assisted Warner Norcross in its investigation. But still, Weiser refused to do anything.

And so, I worried and was torn. I was torn because Weiser would not “do the right thing” even after I publicly dropped out of running. I assumed that once I dropped out, he would own up to his action (even if done privately) and fix the problems he created. But then he refused to do anything, and I worried that the arrogant billionaire would do it again. I was torn because after 25 years as a volunteer and precinct delegate, county chair, state committeewoman, and elected officer, it seemed the only way to fix things would be to go public. But I worried about going public because it might tear the Party apart, subjecting it to public ridicule and possible penalty(s) due to Weiser’s reckless actions, and hamper the Party as we enter into a new election cycle in 2022 where every state office is up for election. At the same time, I knew I had a moral responsibility - and the Party had a moral responsibility - to not tolerate defrauding either convention delegates or primary voters of their vote and to not break Michigan campaign finance laws.

The next party chair will preside over a convention where an entire slate of statewide candidates is chosen including Attorney General and Secretary of State. I could not allow the delegates to once again be deprived of an actual choice on the statewide ticket. If elected chair, I worry about Ron’s administration of the Party in the coming 2021-2022 term: and that he may engage in similar attempts to unduly influence primaries and cheat our primary and convention voters of a real choice. He brazenly defended his payoff to Grot, by telling a Warner Norcross lawyer that “it was his money”, but, of course, in fact it was not “his money”. ***It was the Michigan Republican Party’s money.*** [For the record, Weiser’s company, McKinley Properties gave \$60,000 in corporate dollars to the Administrative Account during the 2017-2018 cycle; a large amount but far less than the \$200,000 administrative account monies used to pay off Grot]. Indeed, Weiser had to borrow against the Party’s line of credit to make the final lump sum payment to Grot – and so added to the \$940,000 debt in the Party’s administrative account as he walked out the door.

But even if Weiser or McKinley had contributed all of the money in the Administrative Account, those dollars represent the Michigan Republican Party and have specific uses to advance the goals of the Michigan Republican Party. Those dollars are not meant for personal whim regardless of their origin. Further, wherever the money came from does not solve or negate the potentially serious violations of the Michigan Campaign Finance Act (“MCFA”), i.e., for the use of undisclosed corporate funds to influence a state race.

WEISER TRIES INTIMIDATION AND MAKES THE CHOICE CLEAR

Ten days ago, my worries about hurting the Party ended. That is when Weiser reduced a 20-year employee of the Party to sobbing and uncontrollable tears after he started talking to her about the future of her job at the Party. As honest a person as you will ever find, she was one of the primary witnesses interviewed by Warner Norcross, and that honesty threatened Ron. He made it clear that her future employment at the Party was at risk, knowing full well that she had two children at home who depended on her and her job.

That is when I decided that trying to get Ron to “fix the problem” would not ever fix the problem. I decided that I would not let a cowardly and amoral billionaire bully or pick on any Republican again if I could help it.

I in good conscience cannot sit quietly while Weiser refuses to address this enormous issue he created. I am sharing this with you because he cannot and should not be the Republican Party Chair. I am asking for you to consider these facts and decide that 2022 is too important for Michigan families, businesses, and our future to stand silent and let Weiser continue to ignore the rules of fair elections and common decency.

YOUR VOTE ON SATURDAY

Under Party rules, only those candidates who filed to run for Chair by December 21st will be on the ballot. That leaves only Ron Weiser and I. I don’t want to be the Chair and Ron is unfit to be the Chair.

So, I ask for your vote for reelection as Chairman for the Michigan Republican Party on a temporary basis. I would resign immediately after the election, but my great Co-Chair Terry Bowman has a full-time job and would not be able to manage the MRP staff on a temporary basis. Article IV of our bylaws gives the

State Committee the ability to elect a successor for the Chairman when a vacancy occurs. So, if elected, I will immediately resign effective April 3, 2021, the date of State Committee's Spring Meeting where it can pick the new Chair.

If you think what Ron did is okay, then vote for him.

If you don't want backroom deals and secret payoffs, then vote for me.

The choice is clear.

Laura Cox

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