Mike Hatch, Attorney General Minnesota Attorney General's Office 1400 Bremer Tower 445 Minnesota Street Saint Paul, Minnesota 55101

December 6, 2005

Dear Mike:

This letter is to apprise you personally of the theft of Solid Rock Church, Inc. of Elk River. The theft occurred between the period of 1993 and 1995 and was accomplished by the filing of fraudulent Articles of Incorporation revisions with the Minnesota Secretary of State's Office. I personally bear witness to the corporate meetings involved and discovered the fraud in April of 1998.

This isn't a matter involving Church-State separation. It is a matter of corporate law and involves fraudulent Articles under Minn. §317A. This also isn't speculation as the matter is now documented in Tenth District Court records. This also isn't the first time your office has been notified.

In addition to the corporate conversion [theft] via fraudulent articles, my own personal property was stolen. As I explored legal remedies, I contacted several law firms and the only firm that would take the matter was Bennett & Rider in Minneapolis. However, I was quoted \$150-200k to litigate the matter and a \$100k retainer to start. Being a "poor" man primarily in a ministry position and without any source of income, this was simply out of the question.

In the bigger picture, the corporate theft fell under the AG's authority. That is why I first contacted the Attorney General's Office when I thought fraud had occurred. Humphrey III was AG at the time. If memory serves me, his AG office rejected any involvement over monetary/budget concerns. I.E. No budget provision was available. Strange? Yes, I know. Especially since Minn. §317A.751 Sub 5, the law, states clearly that the Attorney General can seek relief when "Articles of Incorporation" are obtained through fraudulent means.

However, other than my personal witness and experience with corporate law, I did not have the actual meeting minutes [evidence] at the time the AG office was first contacted. In the ensuing time, I filed written complaints with the following authorities: Elk River Police, Sherburne County Sheriff, Sherburne County Attorney and, of course, to *your* AG office via David Aafedt on at least two separate occasions. Upon the advice of several individuals, I then proceeded by myself with civil litigation for personal fraud as a pro se litigant.

Judge Alan Pendleton dismissed the first Complaint in summary judgment BECAUSE the Complaint lacked all eleven elements of fraud as required by Minn. "Rules." I might add that he ruled this way—in spite of having actual corporate meeting minutes before him that proved that the "Articles of Incorporation" were obtained by fraudulent means and perjury. The nature of the *fraudulent* "Articles" disenfranchised the voting members and consolidated the non-profit corporation's property into the hands of the William Neal Matthews' family.

Minn. §317A.903 makes it clear that the Court can refer the matter to the Attorney General wherever there is a clear state interest. In this case, when corporate meeting records within Court files are compared to Secretary of State filings—fraud is evidenced in the Articles. I.E. On its face, the documents prove fraud was committed against the State of Minnesota. The state has a compelling interest when perjury is committed against the Secretary of State in corporate filings in order to obtain fraudulent Articles of Incorporation. Judge Pendleton ignored the State of Minnesota's interest when he failed to take action to correct this fraud.

Upon further encouragement, including a letter from Assistant AG David Aafedt, I filed a second more detailed Complaint to address the issue of the eleven fraud elements. In a stunning Court decision, the case was dismissed under res judicata and Judge Karla Hancock fined me \$17k in legal fees. Once again, a Tenth District Court Judge dismissed my lawsuit in spite of documentation of perjury and the obtaining of fraudulent Articles from the Secretary of State. I don't believe Judge Hancock even read the pleadings and the evidence I provided. I believe she was biased against a pro se litigant. Both judges gave this fraud no serious consideration, even though it was documented. However, that does not negate nor change the corporate documentation of the theft now in state records. Ergo, the Court has in its possession a corporate paper trail that proves the crime even though they chose to ignore the crime. I do not believe that this is your vision of justice in the State of Minnesota.

Therefore, all of the governing civil authorities, including the Court and *your* office, have heretofore ignored this \$6 Million non-profit corporate theft. However, I personally am not sure if you have ever even been apprised of this crime. Again, the theft is documented in Court records of corporate minutes and their resultant Secretary of State fraudulent "Articles" filings—so my opinion should be of little or no concern to you when *evidence* is available.

Aside from apprising you of this matter, I am writing to you because I have just published the "Book of Edward: Christian Mythology." The book, a ten-year effort, fully discusses this theft in chapters 16 and 20. My first NATIONWIDE press release goes out on the 14th of December to all U.S. news outlets [all major and minor radio, TV, print, magazine, etc.].

I had an important PR firm I planned to use refuse to handle the book PR over a "political" concern about finger pointing amongst state civil authorities once the \$6 Million church theft becomes fully public. In part, I believe your upcoming gubernatorial race played a role in their decision. The non-profit corporate theft is documented in Court records and online at http://www.james417.org.

The "Book of Edward" can be found at http://www.edwardtheapostle.org.

I have moved on, but so far the fraudulent Articles and theft remains unaddressed by state authorities. Many might now ask if crime pays in Minnesota? Therefore, I am asking you personally to get involved and review the corporate meeting minutes and compare them to the filings with the Secretary of State. You will find that this non-profit corporation's president obtained fraudulent Articles and that scienter is manifestly clear within his filings. Articles were altered over time with the goal of stealing the corporate property and that is the end result of the fraudulent filings. The corporate members were illegally disenfranchised!

Minn. §317A.813 makes it clear that the Attorney General has powers "to supervise and investigate corporations under this chapter ... to secure [full] compliance." And again, Minn. §317A.751 Subd 5 gives the Minnesota Attorney General the authority and power to take action in the case of fraud against the state. You clearly have the power to investigate these fraudulent Articles. You need nothing other than the meeting minutes and the state filings to prove to yourself that fraud has occurred.

Please consider this a heads up and a formal request for the State of Minnesota to deal with this fraud once and for all. Crime should not pay in Minnesota, but in this case it has paid well for 10 years. And, I do not want any part of my book to be misconstrued or used by any political party for some type of gotcha politics. I fear that once the non-profit corporate Church theft becomes fully public in the news that this issue will reflect poorly back upon *your* office—even though local authorities and the Court all failed to do their civil duty.

I know that you have always wanted to do the right thing—as have I. Thank you for your quick attention to this matter Mike. If I may be of any assistance, please feel free to contact me. I will be happy to assist your investigation in whatever capacity I may be able to.

Sincerely yours,

Res. Edward & Palmer

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