

EXHIBIT “1”

Whittemore

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Grand jury meets about Whittemore

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While a federal grand jury heard about Harvey Whittemore's campaign contribution activities on Wednesday, a state judge disclosed that he had received \$10,000 from the lobbyist and questioned whether he should say on a case filed by the Whittemore-Peterson Institute.

Etika, a friend of Gregory's, the grand jury heard testimony from an undisclosed list of Whittemore associates and their left. The federal courtrooms about \$15 million. Assistant U.S. Attorney Steven Mylro, who is handling the case, left a woman after and disclosed in a statement on the status of the hearing.

No indictments in the Whittemore case had been filed at the federal court

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ON RGJ.COM/WHITTEMORE

Read post details: Journal coverage of the Harvey Whittemore investigation and the Whittemore-Sarino divorce

May 20 solar eclipse rare for Reno-Tahoe

See REPORT

A narrow strip of Northern Nevada will get a partial solar eclipse on May 20 for an annual solar eclipse in anticipation of the unusual event, the Nevada Historical Society and Flamingo Historical Society are presenting educational lectures.

"Annular eclipses are fairly rare. Ones visible from our backyard are exceedingly rare," Flamingo Historical Society associate director Don Bailey said. See full story on page 1C.

of the judiciary, he said. The code also has a test for determining if there is an appearance of impropriety that must be considered in this case, he said.

The first step was to disclose the contributions to the lawyers in the case, he said, and the second step is for them to discuss the issue with their clients. If no one thinks there is a problem, they can proceed, but if the two sides can't agree, then the judge could recuse himself, or the side could file a motion to disqualify the judge.

But Ann Hall, lawyer for the Whittemore-Peterson Institute, objected to Adams' concern. Hall said that Harvey Whittemore does not have "any ownership interest" in the institute and is not a party in the lawsuit against Mikovits. Annette Whittemore is the president of the company and is the one to be called as a witness, Hall said.

"She's also not under grand jury investigation for campaign contributions of any type," Hall told the judge. "She's never even been subpoenaed. But with respect to Harvey Whittemore, he is not involved."

Dennis Jones, lawyer for Mikovits, disputed that claim, saying the Whittemores contributed \$5 million to start the institute, Adams also questioned whether the fact that Nevada is a "community property state" when it comes to married couples would make them both a part of the case.

According to other cases, Harvey Whittemore's former company, the Wingfield Nevada Grain, has sued the institute claiming that while Whittemore was manager of Wingfield, he spent about \$1.7 million of the company's money to pay institute staff and for the institute to use the jet.

Also, according to documents that filed in January, Wingfield paid Mikovits' salary from Nov. 15, 2006, to Sept. 16, 2007. At that time, Harvey Whittemore owned Wingfield.

Adams said he does not have any reservations about his ability to preside over the case in an impartial manner. But he said he has "a very strong commitment to the integrity of the system."

The lawyers must now decide whether they will challenge his position on the case, and Adams must decide whether or he should recuse himself.

by the end of the date. The FBI has investigated whether Whittemore skirted campaign finance laws by funneling funds through his family and workers to specific candidates.

Meanwhile, in a state courthouse, Washoe District Judge Brent Adams said the FBI investigation and media attention on the Whittemore cases prompted him to disclose that he had received funds from the embattled lobbyist.

Adams has been overseeing a case filed by the Whittemore-Peterson Institute for Neuro-immune Disease against researcher Dr. Judy Mikovits, who took documents and notes books with her after she was fired last year.

Adams ruled against Mikovits last month, saying she did not comply with the order to return all of the materials to the institute, and lawyers for both sides gathered Wednesday to discuss damages. But Adams said he wanted instead to discuss his future on the case.

Whittemore and his business, Red Hawk Land Co., each gave Adams a \$5,000 contribution in 2008, and two of Whittemore's sons each gave \$200, Adams said. While considerable, the Whittemore funds were only a fraction of the \$300,000 he raised for his re-election bid, he said.

"I can tell you the following facts," Adams told the lawyers. "Neither Mr. Whittemore, his wife or any member of his family have ever contacted me directly or indirectly about any case, even in my 23 years in this position. I've never been at their homes; they've never been to my home."

But the rules on judicial conduct and a desire to secure the public's trust in a fair and impartial justice system prompted him to examine his position on the case, he said. He reviewed the rules and several cases and then talked the issue over with David Sarowski, the executive director for the Nevada Commission on Judicial Conduct, to help make his decision.

The judicial code requires judges to "act at all times in a manner that promotes public confidence in the independence and integrity and impartiality."

WHITTEMORE CASE

Judge recuses himself from institute lawsuit

Martha Boalish
Staff Writer

The judge overseeing a lawsuit filed by the Whittemore Peterson Institute for Neuro-Immune Disease against a fired researcher recused himself from the case Thursday over concerns about a \$10,000 campaign contribution from embattled lobbyist Harvey Whittemore.

But Whittemore said Thursday that he has nothing to do with the institute and attempts to tie him to the medical center are "unfair and inappropriate."

"It is a nonprofit founded by my wife, Anne," Harvey Whittemore said in a telephone interview. "It has been supported by Anne and I over

the years, but it's an absolute sham to say we have anything to do with the lawsuit. It's a separate entity."

The institute made world headlines in 2009 when researcher Judy Mikovits led a team that discovered a new retrovirus that could help treat chronic fatigue syndrome. But the research was discredited last year, and Mikovits lost her job.

The institute sued Mikovits after she took materials when she left and refused to give them back, he said.

Whittemore declined to comment about the grand jury hearing, an

WHAT'S NEXT?

A new judge will be randomly assigned to the Whittemore Peterson Institute case

ON RGJ.COM/WHITTEMORE

Read past Reno Gazette Journal coverage of the Harvey Whittemore investigation and the Whittemore-Senate debate.

Wednesday, examining his campaign contribution activities. No conclusion of the grand jury's work had been filed by late Thursday.

The institute case will now be randomly assigned to a new judge, said

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Adams ruled against Mikovits last month, saying she did not comply with his order to return all of the materials to the institute, and lawyers for both sides gathered Wednesday to discuss damages. But Adams said he wanted instead to discuss the future on the case.

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"I can tell you the following facts," Adams told the lawyers. "Neither Mr. Whittemore, his wife or any member of his family have ever contributed to me directly or indirectly about any case ever, in my 23 years in this position. I've never been at their homes, they've never been to my home."

But the rules on judicial conduct and a desire to secure the public's trust in a fair and impartial justice system prompted him to examine his position on the case. He said he reviewed the suit and several cases and then ruled the issue over with David Scruvinski, the executive director for the Nevada Commission on Judicial Conduct, to help make his decision.

The judicial code requires judges to "act at all times in a manner that promotes public confidence in the independence and integrity and impartiality"

of the judiciary," he said. "The question was if that fact concerning if there is an appearance of impropriety that must be considered in this case, he said.

The first step was to disclose the contributions to the lawyers in the case, he said, and the second step is for them to discuss this issue with their clients. If no one thinks there is a problem, they can proceed, but if the judge can't agree, then the judge could recuse himself, or he could file a motion to disqualify the judge.

But Ann Hall, lawyer for the Whittemore Peterson Institute, objected to Adams' recusal. Hall said that Harvey Whittemore does not have any ownership interest in the institute and is not a party in the lawsuit against Mikovits. Adams' Whittemore is the president of the company and is the one who will be called as a witness, Hall said.

"She's also not under grand jury investigation for campaign contributions of any type," Hall told the judge. "She's never even been subpoenaed. But with respect to Harvey Whittemore, he is not involved."

Danielle Jones, lawyer for Mikovits, disputed that claim, saying the Whittemores contributed \$5 million to start the institute. Adams also questioned whether the fact that Nevada is a "community property state" when it comes to married couples would make them both a part of the case.

According to other cases, Harvey Whittemore's former company, the Wingfield Nevada Group, has sued the institute claiming that while Whittemore was manager of Wingfield, he spent about \$1.7 million of the company's money to pay institute staff and for the institute to use the jet.

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Take campaign donations out of the judicial system

When Nevada voters in 2010 rejected a measure that sought to take campaign contributions out of judicial elections, it was mostly a hypothetical issue.

Now, it's very real. On Thursday, Washoe District Judge Brent Adams removed himself from a civil lawsuit involving the White more Peterson Institute at the University of Nevada, Reno because he received donations to his re-election campaign from the longtime lobbyist and real estate developer Harvey Whittemore and members of his family.

Adams is a long-serving and much-respected judge in Washoe County, and no one who's followed his career would accuse him of favoritism for a bit more than \$10,000 in campaign contributions. And Whittemore isn't even directly involved in the lawsuit filed by the institute against a former researcher.

But Adams felt he had no choice but to recuse himself from the case: "I believe that my further participation in this case creates the appearance of impropriety."

That's what the late-state Sen. Bill Raggio predicted when he championed a new system for choosing judges in Nevada. The voters disagreed. Now, Raggio's prediction has come true. And, given the range of Whittemore's contributions over the years, this might just be the tip of a very big and troublesome iceberg.

Ever since a nasty dispute broke out between Whittemore and his partners in several real estate developments, including Wingsfield Springs in Northern Nevada, the politicians who have benefited from his campaign largesse have been running for cover: U.S. Senate Majority Leader Harry Reid, U.S. Sen. Dean Heller, U.S. Rep. Shelley Berkley (a candidate



Nevada state Sen. Bill Raggio, R-Reno, who died this year, was the prime mover behind a proposal to change the way judges are selected in Nevada. AP FILE

SNAPSHOT

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to make a fair, unbiased decision, but because of the appearance of impropriety.

It's important to keep in mind that, so far, there has been no public evidence that Whittemore or anyone connected with him did anything illegal or improper. A grand jury reportedly has been meeting to consider the contributions, but the details aren't known. Nor have any of the politicians who accepted his contributions been accused of wrong-doing.

But appearances are critical to the judicial system. If the public loses faith in the integrity of the courts, the system will be deep trouble.

Adams was right to recuse himself. But he shouldn't have been put in that position. The state needs to try again to find a way to take money out of judicial campaigns.

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