August 8, 1985

Ministerie van Binnenlandse Zaken
Attn.: Mr. F. van Dorren
        Room L 619
        P. O. Box 20011
        2500 EA DEN HAAG (The Netherlands)

Dear Mr. van Dooren:

It is my understanding that Mr. Simon Scholten of Drukkerij Europrint in Veendam
has talked to you about our company, Computer Election Systems (CES).

I am sorry that we were unable to meet when I was in Europe recently. I know
that you went on Holiday, and I trust it was a good one for you. I would like
to introduce our company to you and review the literature that I have enclosed.

CES is the leader of computerized voting systems in the world. Our company was
formed in 1969 by four ex IBM employees. We have enjoyed a successful 16 years,
and currently 42% of the United States uses our system for the conduct of elections.

Simon sent me a copy of your election code. I realize that it provides for the
use of lever machines. I have included copies of legislation to reflect similar
changes from your environment to legislation written for the use of punch or
electronic voting systems.

I am also including brochures about CES, a variety of systems available, and an
installation manual of our system. CES has a staff of marketing, engineering,
and installation personnel available to assist you as necessary. Our headquarters
is in Berkeley, California. We also have a manufacturing facility in the Dallas,
Texas area.

Please do not hesitate to contact me if I can be of any assistance. We look forward
to having an opportunity to work with you and your staff.

Thank you.

                              Sincerely,

                              Henry J. Foster
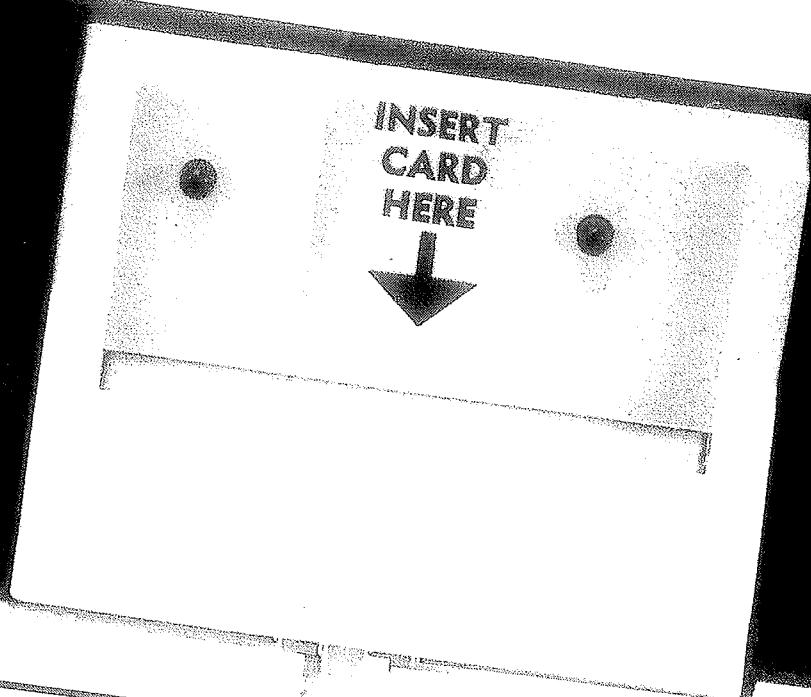   General Manager   °

HJF/kt

enc.

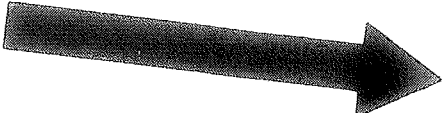cc: Mr. J. Kemp - President
     Mr. S. Thayne - V. Pres., Mktg.

CES COMPUTER ELECTION SYSTEMS
THE PROVEN LEADER IN VOTING SYSTEMS

INSERT CARD HERE

CHIEF EXECUTIVE

VOTE FOR ONE

GEORGE WASHINGTON   96 →

JOHN ADAMS   98 →

THOMAS JEFFERSON   100 →

CE PRESIDENT

VOTE FOR ONE

SUSAN B. ANTHONY   102 →

DR. THOMAS DOOLEY   104 →

ALBERT SCHWEITZER   106 →

CTOR OF ENTERTAINMENT   VOTE FOR ONE

EMMETT KELLY   108 →

ANNY BRICE

ILL ROGERS

TURN PAGE →

TO CONTINUE VOTING

In 1966, fewer than 1% of the voters in the U.S. cast ballots on the CES Voting System. In 1980, 28% of the electorate used the same system — over 25,000,000 voters! Shouldn't you know the reasons for this unprecedented growth and acceptance?

CES   THE WINNER

e CES Voting System featuring the VOTOMATIC Vote
der is the most advanced method of casting and tabulating
s available. Combining the speed of electronic data
ssing with the accuracy of a single punched card ballot, the
/oting System has been used with outstanding success in
as well as small, voting jurisdictions since 1964.

ique in the elections industry, only CES, as a single vendor,
des a total service and support package to each customer.
otal support concept ranges from the selection and
amming of the appropriate ballot tabulation system to the
ng of precinct officers. CES provides virtually all the
vare, software, election supply items and supportive services
ssary to conduct elections using the CES Voting System.

ere are compelling reasons why more voting jurisdictions
t the CES Voting System over all others. Chief among them

URACY: The CES Voting System features reliable vote
ding and accurate tabulation at the precinct level or central
uter center.

JRITY: The basic design of the total system and elaborate
:dural safeguards employed insure maximum system
rity.

IT TRAIL: The voted ballot cards, computer generated
on results and intermediate magnetic storage media provide
m accountability to the voted ballot.

ACQUISITION COST: CES Voting System initial and
cement costs are about one-tenth that of lever voting
ines.

LY RETURNS: Computer generated election results are
ible on a precinct-by-precinct basis or on an up-to-the-
te cumulative voting jurisdiction-wide basis.

VOTER PREFERENCE: The CES Voting System features simple
voting procedures coupled with a more favorable ratio of voters to
voting devices, which virtually eliminates long voting lines.

FLEXIBILITY: CES has the ability to produce customized systems.
In fact, many CES products have been developed for specific
jurisdictions.

PRECINCT WORKER ACCEPTANCE: The CES Voting System's
simplified polling place procedures, including a rapid closing of
the polling place, have led to a high degree of precinct worker
acceptance.

ECONOMY: The CES Voting System offers the user savings in
the many areas of storage, transportation, maintenance,
preparation, insurance, printing, etc. . . The CES Voting System
often pays for itself through reduced election costs in five years or
less.

EXACT RECOUNTS: A single punch card ballot is a permanent
record of a cast ballot capable of hand or computer recount.
Computer counts are impartial and consistent.

LOW STORAGE REQUIREMENTS: One VOTOMATIC Vote
Recorder requires about one cubic foot of storage.

COMPATIBLE ABSENTEE SYSTEM: The same printing format
on all ballot types results in efficiencies and economies.

PROVISIONS FOR GROWTH: The 312 totally usable voting
positions on the VOTOMATIC Vote Recorder provide tremendous
ballot capacity.

FINANCIAL STABILITY: CES is a highly successful company
with financial resources to back up commitments and deliver the
highest quality products on time.

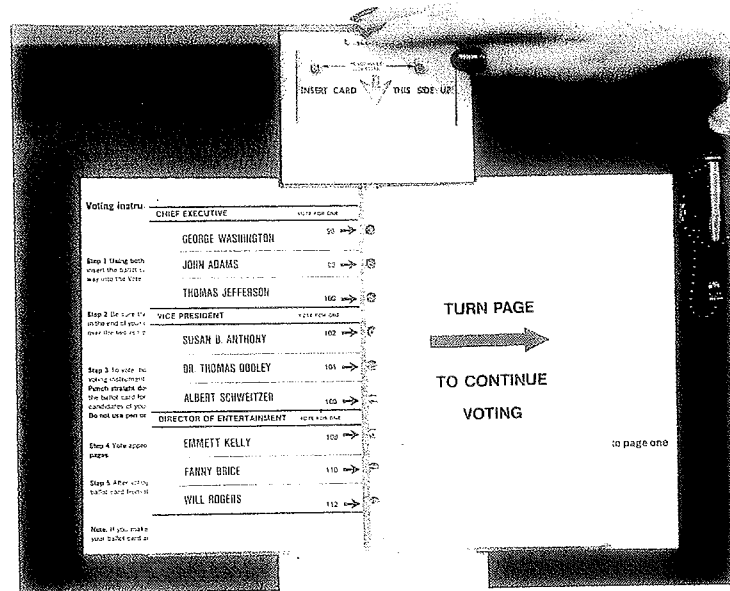CES IS THE RECOGNIZED LEADER AND INNOVATOR IN
ELECTRONIC VOTING.
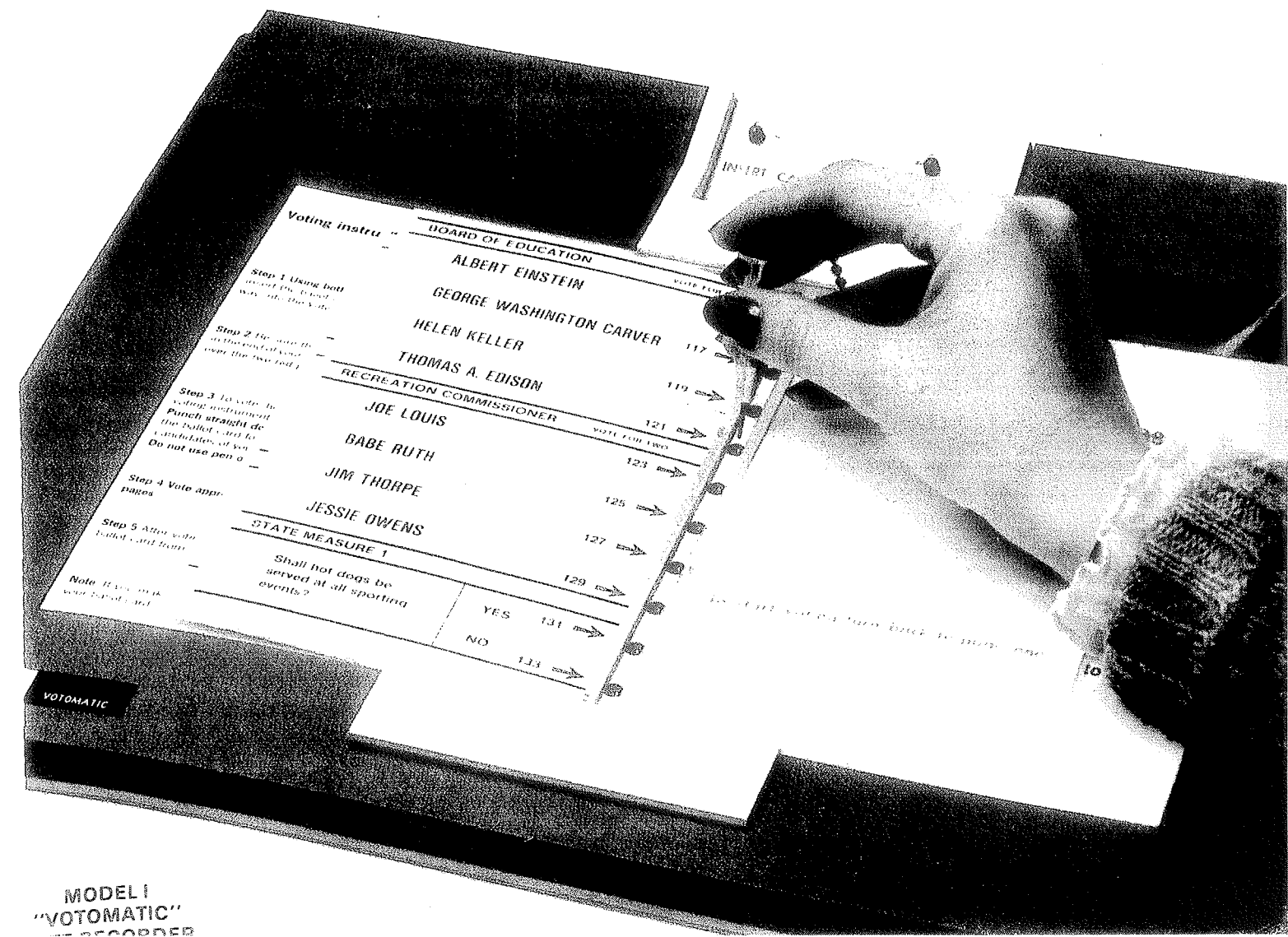
MODEL I
"VOTOMATIC"

Upon entering the precinct or polling location:
Each voter is given a brief but thorough demonstration in the proper use of the CES VOTOMATIC Vote Recorder.
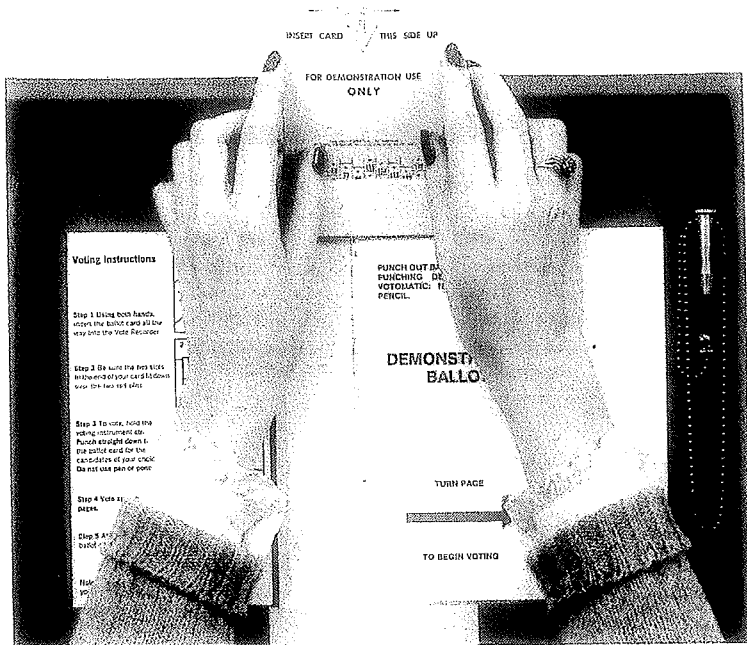
STEP #1 - Using both hands, the voter inserts the ballot card into the VOTOMATIC Vote Recorder. . .

STEP #2 - Making sure the two holes at the top of the card f securely over the two red pins on the vote recorder.
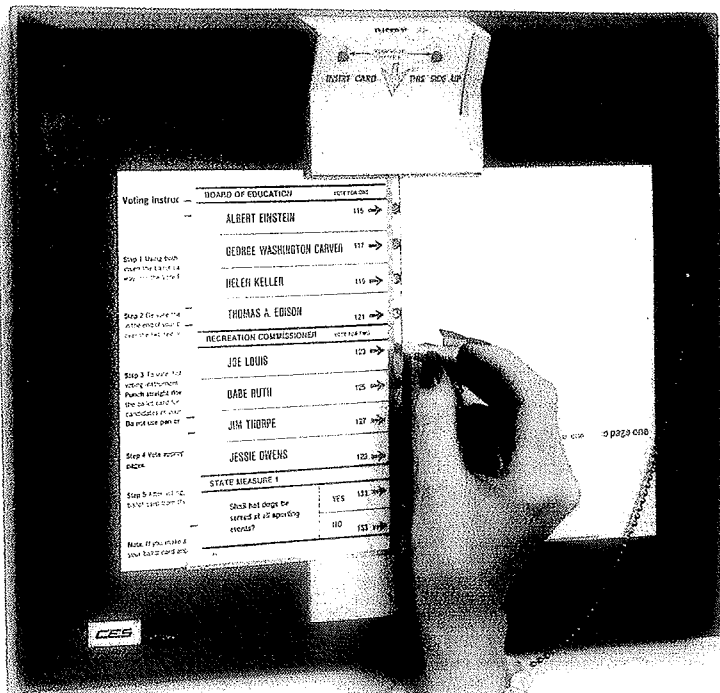
STEP #3 - Turning to the first page of the ballot booklet, the voter finds the choices listed. Selections are made by pushing the voting punch (stylus) into the hole found next to the party, candidates and propositions.
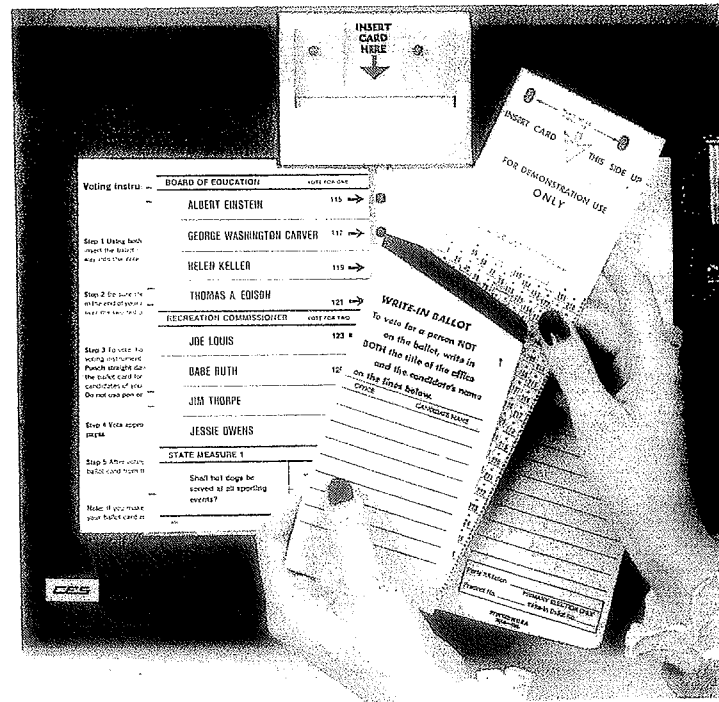
STEP #4 - When voting is completed, the voted ballot card removed from the VOTOMATIC Vote Recorder and placed in t write-in/secrecy envelope. The voted ballot card and envelope a then deposited in the ballot box.

# WHEN IT COUNTS!

BALLOT TABULATION EQUIPMENT

Nothing is more critical to the success of an election than ballot tabulation. It must be timely, efficient and above all accurate.

CES offers the most extensive line of proven ballot tabulation alternatives available in the industry.

PRECINCT LEVEL TABULATION

For voting jurisdictions desiring precinct level tabulation, CES offers four different micro-processor based Precinct Ballot Counters. The following models comprise the CES Precinct Ballot Tabulation product line.

PBT: This model features operation throughout the day and is voter initiated. The device offers alphanumeric printout, a removable memory pack containing precinct summary totals and a self-contained ballot box.

PBC 4: This model is operated by precinct workers after the polls close and produces a numeric printout of election results.

PBC 4D: This model is operated by precinct workers after the polls close, produces a numeric printout and contains a removable memory pack.

PBC 5: This model is operated either in a throughout-the-day mode by the voters or after the polls close by precinct workers. The PBC 5 features an alphanumeric printout, a removable memory pack and an optional ballot box.
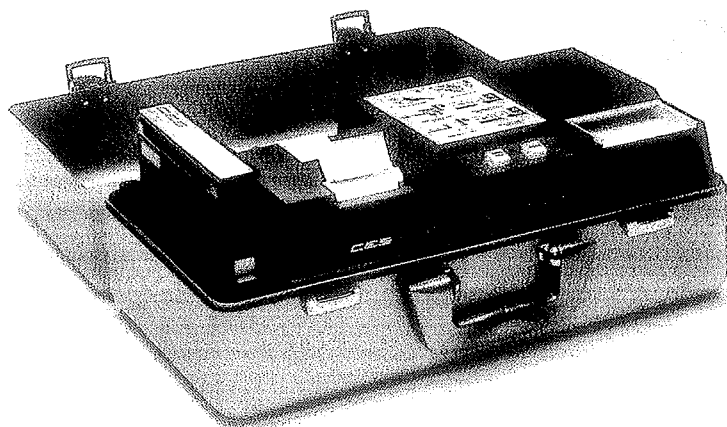

PBC MODEL 4D

CENTRAL BALLOT TABULATION

For regional or central counting facilities, CES offers the following ballot tabulation systems:

BALLOT TAB: For smaller voting jurisdictions, this portable mini-computer-based ballot tabulation system processes up to 1000 ballots per minute and generates results on a numeric strip printer.

ALPHABETIC BALLOT TAB: For small to medium size voting jurisdictions, this mini-computer based ballot tabulation system processes up to 1000 cards per minute and produces results on an alphanumeric line printer at speeds up to 600 lines per minute.

BALLOT MULTIPLEXOR SYSTEM (BMX): The BMX is designed for large voting jurisdictions that require high speed card reading capability and compatibility with a standard general purpose business computer. The BMX consists of up to four 1000 card per minute readers per system which transfer ballot card images to magnetic tape. The ballot card image tape is then processed by CES' proprietary Election Language (EL-80) ballot tabulation software on the user's mainframe.
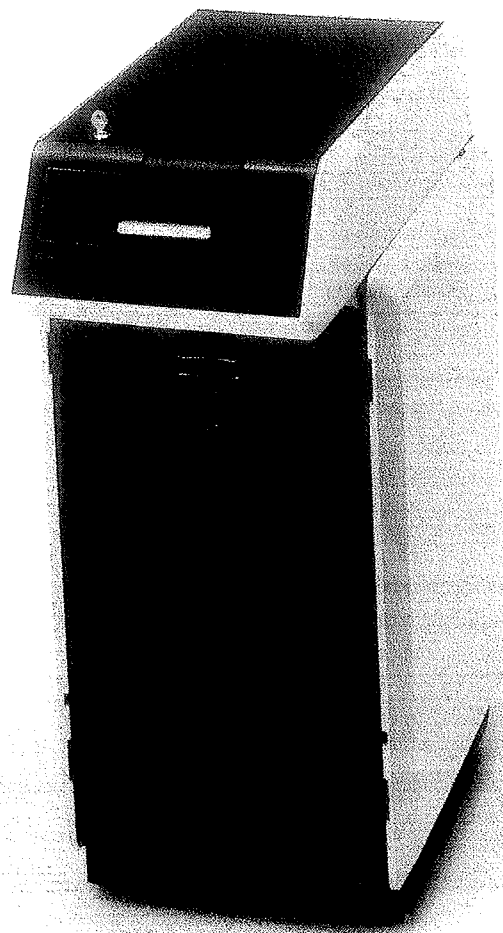

PRECINCT BALLOT TABULATOR (PBT)

COUNTING MULTIPLEXOR SYSTEM (CMX): The CMX is designed for voting jurisdictions requiring high speed card reading, as well as stand-alone result generating capabilities. The CMX is a disk-based ballot tabulation system which can utilize up to six 1000 card per minute readers per system. Developed by CES this unique system uses proprietary software and patented hardware components. Election reports including the Official Canvass of Votes are produced by a high speed line printer.
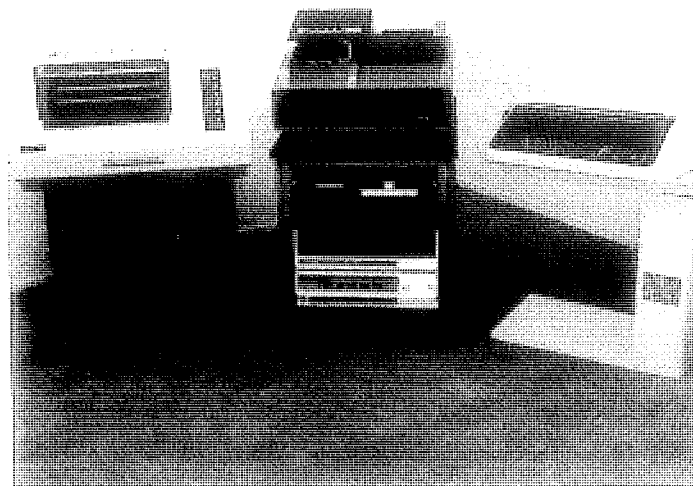
ALPHA BALLOT TAB

AT THE POLLS!

IV VOTOMATIC
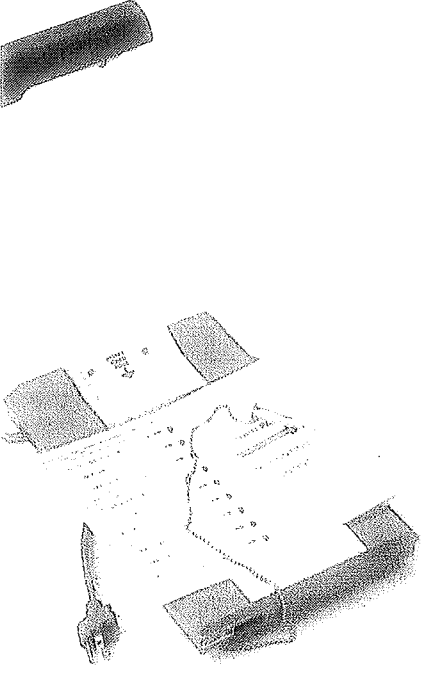
MODEL III P VOTOMATIC

RECORDING DEVICES

VOTOMATIC Vote Recorder is available in
asic configurations: the Model I, the Model
the Model IV.
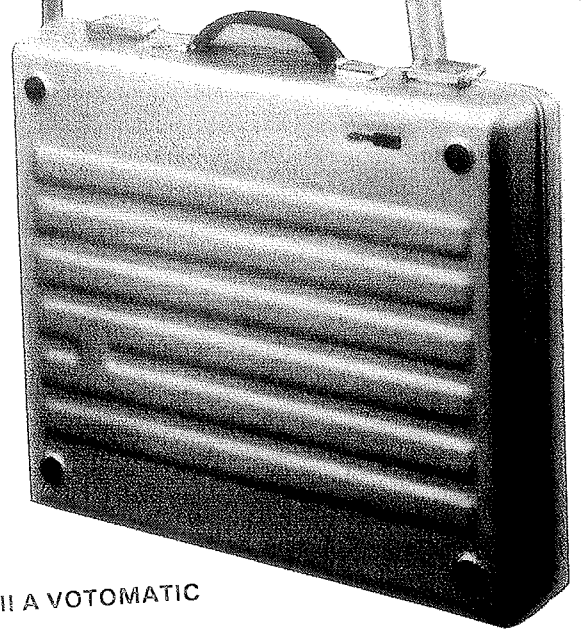
els I and IV vary in size and weight and are
ed to sit on the shelf of a standard voting
Either the Model I or the Model IV may be
ally equipped with a lamp and/or shelf
s.

Model III is a completely self-contained
station with the legs stored as an integral
f the case. Model III cases are available in
durable aluminum or high impact plastic.
Model III contains a lamp to illuminate the
g surface, is completely dust-proof and when
use, can be efficiently stored due to compact
design and positive stacking capability.

cinct officers appreciate the simplicity, as well
e speed, of the setup and take-down
edures associated with the CES Model III
OMATIC Vote Recorder.

MODEL III A VOTOMATIC

A BRIEF HISTORY OF THE CES VOTOMATIC VOTING SYSTEM

Voting began in Colonial America with a simple voice vote at town meetings. The "ayes" and "nays" were adequate until people demanded the right to a secret ballot. The printed or written paper ballot was introduced in 1634 and allowed the secrecy demanded by the electorate. The paper ballot became the standard method of voting and maintained that position until 1892. In that year, a new concept in voting was introduced with the invention of the lever voting machine. In the next seventy years, the lever voting machines would revolutionize the voting process in the United States. By 1960, approximately one-half of all voters in the United States were voting on the lever machines. However, in 1962, a new idea in voting was born.

Joseph P. Harris, a political scientist and internationally recognized authority in the field of election administration, introduced a new concept in voting. This was to allow the voter to record his or her vote on data processing media and allow electronic computers to tally the votes. This data processing medium consisted of a single prescored punch card.

By 1962, computers, which were less than two decades old, had established themselves as an accurate, fast and efficient tool for processing large masses of data. By that year, the IBM 1401 Data Processing System, which had been announced in 1959, was installed in enough locations to make the vote counting function a realistic application.

Two years of development ensued during which the VOTOMATIC concept was molded into a working voting system. The vote recording device used by voters in the precinct had to be refined and brought into mass production. To accomplish this, Professor Harris was assisted by William Rouveral, Professor of Mechanical Engineering at the University of California. Under Rouveral's direction, the VOTOMATIC Vote Recorder passed through various prototype stages and into the final product state.

The computer program, which would tabulate ballots Election Night, was a second vital element in the entire system. To accomplish this function, Dr. Harris called upon Kenneth Hazlett, also of the University of California, to program a VOTOMATIC Ballot Tabulation System. The first computer ballot tabulation system was completed in 1963.

The first official use of the VOTOMATIC Voting System occurred in a Primary Election on September 9, 1964 in Fulton and DeKalb Counties, Georgia. Later that year, the VOTOMATIC Voting System was implemented in Lane County, Oregon, Monterey County, California and San Joaquin County, California for use in their 1964 Presidential Election.

The patents covering the VOTOMATIC Voting System, after having been successfully introduced and marketed through 1964 by Harris Votomatic, Inc., were acquired by the International Business Machine Corporation in 1965. This acquisition by IBM accelerated the national exposure given the VOTOMATIC Voting System since IBM developed a sales force to market the voting system from coast to coast. This sales force included data processing personnel charged with installing the system on a national basis. Details of the entire system were reviewed and upgraded by IBM's experienced system planners.

Due to careful attention and planning by IBM throughout the next three years, the VOTOMATIC Voting System users group expanded from the original five to more than sixty by the end of 1968. The system was introduced and used successfully in fifteen states during that short three year period.

In early 1969, IBM decided to concentrate its marketing efforts exclusively in areas of general purpose data processing equipment as well as office products. IBM, due to this decision, divested itself of the VOTOMATIC Voting System. By mid-1969, a license agreement was reached between IBM and COMPUTER ELECTION SYSTEMS in which CES assumed manufacturing and marketing rights to the VOTOMATIC Voting System. In return for these rights CES paid royalties to IBM. This agreement was terminated in 1972 upon the outright cash purchase by CES of all patents pertaining to the Harris Votomatic Voting System.

From 1969 through 1972, CES installed the VOTOMATIC Voting System in more than 100 election jurisdictions. By the end of 1972, there were 180 election jurisdictions comprising a registered voter population of thirteen million American voters utilizing a single punch card voting. While those pioneering years were difficult, the concept of a single punch card voting system became established and eminently workable. To that end, by the end of 1978, 600 election jurisdictions comprising 27 million American voters were using the CES Voting System. Since 1975, more jurisdictions have chosen the CES VOTOMATIC Voting System each year, than all other voting systems combined. The CES Voting System today, while still based on the single prescored ballot card and the VOTOMATIC Vote Recorder, is vastly different in terms of ballot card and ballot tabulation than the voting system introduced in 1964. The recent proliferation of technology has led to specialized ballot tabulation equipment which provides vote totals on either a precinct level basis or in a central counting location. These micro and mini-computer based ballot tabulation systems allow the CES Voting System user a flexibility in tabulation option unheard of in the voting system's introductory years.

COMPUTER ELECTION SYSTEMS is a company dedicated to the field of election administration. As the World's largest manufacturer of voting equipment, it is the goal of CES to incorporate technological advances into the administration of elections, utilizing the talents of company experts in the fields of electronic data processing and election administration.

-2-

HOW THE CES VOTOMATIC SYSTEM WORKS: AN OVERVIEW

IN THE POLLING PLACE

As each voter enters the polling place, he or she is shown how to vote
on a Demonstration VOTOMATIC Vote Recorder. The voting techniques
necessary to cast a punch card ballot are explained. This demonstration
instructs the voter in the simple operation of the voting device so that
he has a complete understanding of it prior to entering the voting
booth. Following the demonstration, the voter signs an application for
ballot and is verified as a qualified voter in that Precinct. Upon
completion of the step, he is issued a single, prescored punch card
ballot and directed to a voting booth.

While in the booth, the voter inserts the ballot card into the VOTOMATIC
Vote Recorder and begins voting. Voting is accomplished by depressing
the punching tool through a hole opposite the name or symbol of the
desired candidate or party. Upon completion of voting, the voter may
verify each vote he or she cast by comparing the numbered square punched
in the ballot card with the number opposite the names or symbols as
displayed on the ballot pages. Finally, the ballot card is placed into
the Secrecy Envelope prior to the voter leaving the voting booth.

The ballot inside the Secrecy Envelope is then handed to one of the
polling place officials who removes the numbered ballot card stub and
places the voted ballot card still inside the Secrecy Envelope into the
ballot box. This procedure is repeated for each voter throughout Election
Day.

At the close of the polls the precinct officials unlock the ballot box
and remove all of the voted ballot cards. The ballots are placed in a
Ballot Transfer Carrier and sealed. The precinct officers then reconcile
the number of ballots issued with the number of voters having made
application for ballot and complete the required paperwork. When this
is completed, the voted ballots are delivered by two or more precinct
officials to the Counting Center.

Two alternatives exist for counting the voted ballots:

(1) Through the use of a Precinct Ballot Counter (PBC), an easy to use
     attache-size micro computer, the ballots are counted and a printout
     prepared in the precinct. A removable Memory Module is removed
     from the PBC containing the complete set of totals. This Memory
     Module is brought down to the Counting Center for immediate transfer
     to a larger computer system which compiles the vote results for all
     precincts. Telephone transfer of results may also be accomplished
     through an RS 232 connection.

(2) The uncounted ballots, sealed in the transfer case, are brought to
     the Counting Center for quick counting at rates of up to 4,000
     ballots per minute.

COUNTING CENTER

As the voted ballots arrive from the polling locations, they are checked
in at the Receiving Stations. The precinct officials are given a receipt
and the time of arrival as well as condition of the sealed ballot transfer
carrier is noted.

The sealed ballot transfer carrier is then sent to a Ballot Inspection
Station. The Ballot Inspection Team breaks the ballot transfer carrier
seal and removes the voted ballots. The ballots are examined to detect
torn or otherwise damaged ballot cards. If a damaged ballot is found, a
certified duplicate copy of the damaged ballot is made. Both the damaged
original and the duplicate are given the same indentification number so
that they may be matched again if necessary. When the Inspection Team
has completed ballot inspection for a precinct, the ballots are forwarded
to the Processing Team.

The Processing Team is responsible for all aspects of the computer
operation. This includes ballot processing, the generation of periodic
cumulative reports throughout the evening and the production of individual
precinct results. After the ballots have been tabulated, they are sent
to the storage area for post processing disposition in accordance with
the law governing the voting jurisdiction.

The Storage Team places the ballots in a secure storage area where they
will remain for the period prescribed by law. The voted ballot cards, a
permanent record of a cast ballot capable of being counted manually, are
available in a secure storage area should they be required for a recount.

CERTIFICATION OR LOGIC AND ACCURACY CHECKS

Many checks are made throughout the administration of a punch card
election to insure the accuracy of the entire election. The first
begins in the polling place at the end of the day.

The precinct officials determine the number of ballots issued during the
day by examining the serially numbered stubs remaining. The ballot
count is then reconciled with the number of voters having signed the
application for ballot. These counts will later be matched with the
actual number of ballots counted by the computer for that precinct. All
must agree prior to certification of the election. The C.E.S. Voting
System offers the user a complete audit trail wherein an election can
be verified to the cast and issued ballot.

Prior to Election Day, a Public Logic and Accuracy Test is conducted
using the ballot tabulation computer with a ballot card test deck. The
results contained in these test ballots have been predetermined and what
the counts should be are known before the test is conducted. The computer-
produced results are compared to the predetermined results. Comparison
of the two is assurance that the computer is operating properly. The
test decks and computer program are placed in a secure area following
the Public Logic and Accuracy Test.

On Election Day, the test decks and the computer program are removed from security and are run again to assure that both the computer and the program are still operating properly. Upon completing the test, the computer is ready to process ballots. The test is again conducted after all ballots have been processed.

Since a punch card ballot is a permanent record of a ballot cast and can be recounted manually, the ultimate check of the validity or accuracy of an election rests with the ballot cards. As a part of the Canvass procedure, randomly selected precinct's ballots can be tallied manually and these totals compared to the computer count thus providing another check. The C.E.S. Single Punch Card Voting Systems provides checkpoints throughout the election administration cycle wherein users can satisfy themselves as well as the electorate that the most accurate and reliable election results have been produced.

A Banner Year for CES

n the election industry, where a number of compan- have come and gone over the years, CES is proud to nounce that 1984 was one of its most successful rs. New customers, new products, new personnel — helped contribute to a banner year. Newly appointed esident, Jack Kemp is directing CES through a ong growth period, since the company's separation m its parent holding company, Hale Technology rporation.

In 1984, CES clearly retained its role as the world's gest manufacturer of voting equipment. Our cus- ner base has expanded to include more than 1,000 isdictions in 40 states, using a variety of products m one of the industry's few full-service companies. Because of the November General Election, CES pended considerable energy in 1984 toward Election pport — making sure that our customers were able run successful, trouble-free elections. When it was er, more than 34 million votes had been cast on CES uipment, with relatively few calls for support from r Technical Services Dept. on election night.

In addition to the reliable Votomatic punched card voting system, CES' new optical scanner, OPTECH, was a great success for new customers in Birmingham, AL, Louisville, KY, Milwaukee, WI and others. The newly introduced microcomputer-based voting system, TARGET, also made its debut in 1984.

Research and development of new products at CES has created a lot of excitement. Ready to be previewed at the 1985 IACREOT Convention is CES' new Elec- tronic Voting System, a highly reliable, low cost solu- tion for those jurisdictions ready to replace their out- dated lever machines.

CES has moved ahead to 1985 by taking significant steps toward the improvement of customer service. The capabilities of the ballot card printing plant have been enhanced by purchasing additional equipment and by adding a toll-free 800 number (922-9032). New person- nel have joined CES in Marketing, Field Service, and Software Development, all with a commitment to pro- fessionalism and customer satisfaction.

1984 may have been a banner year for CES, but look ahead for the years to come to be even better.
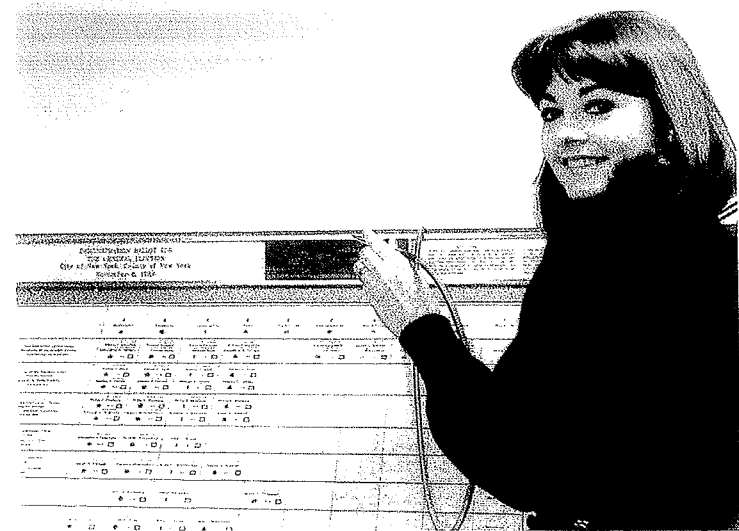
Elvis at IACREOT?

Yes, but only until you give me a new name!
You see, ELVIS is the nickname of CES' new Elec- onic Voting System, which will be demonstrated at' \CREOT in June.

You're invited to stop by CES' exhibit booth, get :quainted with ELVIS, then tell us what you think a)od name would be with which to market the prod- :t.

CES will review all entries, select the best name, and ward $500 to the winner.

New Electronic Voting System

Computer Election Systems, the industry leader in voting equipment, is proud to introduce a truly state- of-the-art electronic voting system. Designed to appeal to those jurisdictions who are tired of the high costs associated with maintaining and storing their old lever machines, CES' Electronic Voting System provides an effective *and* economical solution.

Some of the advantages to be found in the new sys- tem:
* COMPACT AND LIGHTWEIGHT
* FLEXIBLE BALLOT LAYOUT
* TILT BALLOT FACE
* L.E.D. MESSAGE DISPLAY PANEL
* BATTERY BACK-UP
* PRINTED RESULTS
* CENTRAL ACCUMULATION

The new system also allows the electronic processing of absentee ballots.

For more information, stop by CES' exhibit space at IACREOT, or contact your local CES Marketing Rep- resentative.

SEE C.E.S. AT IACREOT.
YOU COULD WIN $500!

Election Report '84

On November 6, 1984, more than 34 million votes — more than 44% of the national total — were cast across the country on Computer Election Systems' voting equipment. More than 1,000 jurisdictions in 40 states used CES systems.

1984 marked the twentieth year of single punched card elections. Since 1964, there have been over 350 million ballots cast on Votomatic Vote Recorders. Well over a million ballots were counted on CES' new optical scan voting system, OPTECH, and the new microcomputer-based system, TARGET.
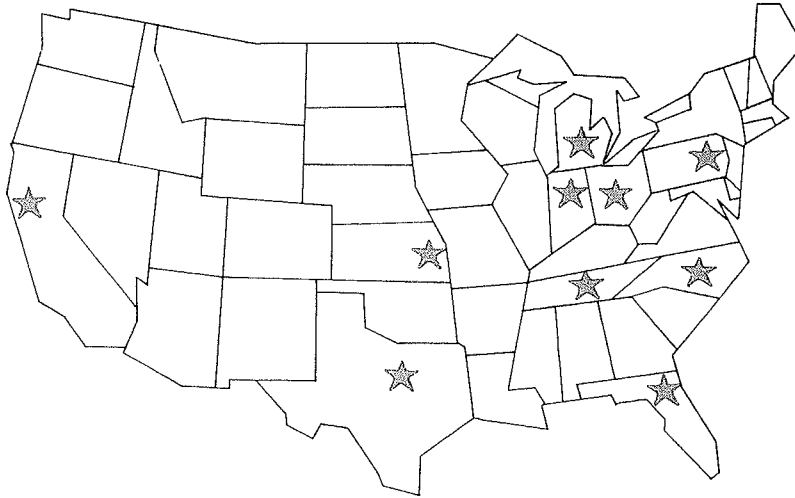
Robert Braun
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Tom Heim
Harrisburg, PA
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Paul Linerode
Hendersonville, TN
(615) 824-1445

Dan McGinnis
Indianapolis, IN
(317) 846-2771

Jim Parido
Palm Harbor, FL
(813) 442-9247

Jim Riggs
Berkeley, CA
(415) 527-5150

Randy Rodriguez
Mission, KA
(913) 451-6701

Russ Sloss
Lewisville, NC
(919) 852-7140

Margie Wondergem
Sunfield, MI
(313) 645-0894

REGIONAL OFFICES

CES