



Principal Expense Report

Elaine F. Marshall, Secretary of State
 Mary Kelly, Lobbyist Registrar

REPORTS ARE DUE SEPTEMBER 16, 2004

Reporting Period: January 1, 2004 through July 18, 2004

Name of Principal (Entity, Not Officer): IBM

Name and Address of Each Lobbyist on File for This Biennium: The Capital Group
PO Box 10701 Raleigh, NC 27605

(1) Transportation

<u>Date</u>	<u>To Whom Paid</u>	<u>Legislators Who Benefitted*</u>	<u>Amount</u>

Total: 0

(2) Lodging

<u>Date</u>	<u>To Whom Paid</u>	<u>Legislators Who Benefitted*</u>	<u>Amount</u>

Total: 0

(3) Entertainment

<u>Date</u>	<u>To Whom Paid</u>	<u>Legislators Who Benefitted*</u>	<u>Amount</u>

Total: 0

(4) Food

Date	To Whom Paid	Legislators Who Benefitted*	Amount

Total: 0

(5) Any Item Over \$25.00 (not included in another category)

Date	To Whom Paid	Legislators Who Benefitted*	Amount

Total: 0

(6) Contributions

Date	To Whom Paid	Legislators Who Benefitted*	Amount

Total: 0

(7) Disclosure of Compensation and Certification

If a lobbyist is a full-time employee, or is compensated by means of an annual fee or retainer, the principal shall estimate and report the portion of the salary or retainer that compensates the lobbyist for lobbying.

During the reporting period covered by this expense report, \$ 60,000 * was paid or promised directly or indirectly to all lobbyists based on estimated time, effort and expense in connection with lobbying activities on behalf of the undersigned principal. I also certify that all other information contained herein and on the attached schedules, if any, is to the best of my knowledge true, correct, and complete.

[Signature]

Signature of Officer of Principal

John A. Bernardin, Jr.

Print or Type Name and Title

9/15/2004

Date

* estimate 5% of fee was for lobbying. the rest was a marketing consulting fee.

Attach additional sheets if necessary. An incomplete report will not be accepted. Each total column must show an amount or a zero.

*If more than ten legislators benefitted from the expenditure, individual names need not be reported. Instead, you may either report the number benefitted or invited to benefit, or the basis for their particular selection.

Please mail this report to Department of the Secretary of State, Attention: Mary Kelly, P.O. Box 29626, Raleigh, NC 27626-0626. (Street address: 2 South Salisbury Street, Raleigh, NC 27603)