

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION**

FEDERAL ELECTION COMMISSION,

Plaintiff,

vs.

Case No. 3:10-cv-1155-J-37JRK

SAM KAZRAN,

Defendant.

ORDER

This cause is before the Court on the parties' Joint Motion for Entry of Stipulated Order and Consent Judgment (Doc. No. 64), filed February 27, 2012. The parties advise the Court that they have reached an amicable settlement in this matter, and they seek entry of a stipulated order and consent judgment. Upon consideration, the Court concludes the parties' Motion (Doc. No. 64) is due to be **GRANTED**.

The parties stipulate and agree to the following findings of fact and conclusion of law, which the Court adopts as set forth in this Order.

1. During the relevant time, 11-2001 LLC d/b/a/ Hyundai of North Jacksonville ("HNJ") was a car dealership located in Jacksonville, Florida. Defendant Sam Kazran ("Kazran") owned 49% of HNJ and operated the dealership. Vernon G. Buchanan owned the remaining 51% of HNJ through 1099 Management Company, LLC.

2. In 2005, Buchanan began his campaign for the 2006 election to Congress in Florida's 13th Congressional District. Vern Buchanan for Congress (the "Buchanan Campaign") was Buchanan's principal campaign committee during the 2006 and 2008 election cycles.

3. In 2005, Kazran instructed HNJ employees to contribute to the Buchanan Campaign and authorized their reimbursement for such contributions with HNJ funds. Kazran authorized HNJ's reimbursement of \$16,800 in contributions to the Buchanan Campaign in 2005.

4. In 2006, Kazran instructed HNJ employees and others to contribute to the Buchanan Campaign and authorized those individuals' reimbursement for such contributions with HNJ funds. Kazran authorized HNJ's reimbursement of \$32,700 in contributions to the Buchanan Campaign in 2006.

5. In 2007, Kazran instructed HNJ employees to contribute to the Buchanan Campaign and authorized their reimbursement for such contributions with HNJ funds. Kazran authorized HNJ's reimbursement of \$18,400 in contributions to the Buchanan Campaign in 2007.

6. In total, Kazran authorized HNJ's reimbursement of \$67,900 in purported individual contributions to the Buchanan Campaign, and Kazran instructed HNJ employees and others to make these contributions in their own names.

7. Kazran argues that:

- a. Congressman Buchanan was the president and managing member of HNJ and completely controlled said entity.
- b. Congressman Buchanan had a commanding knowledge of election laws far superior to that of the minority owner, Kazran, who had no knowledge of election laws.
- c. Accordingly, it was only without knowing that any laws may have been unintentionally violated, that Kazran instructed HNJ's employees as

set forth above.

8. Based on the foregoing, Kazran does not admit liability but has agreed to settle this matter to avoid the costs and risks of further litigation.

9. Nevertheless, the Federal Election Campaign Act provides that "[n]o person shall make a contribution in the name of another person." 2 U.S.C. § 441f. The prohibition encompasses "[k]nowingly help[ing] or assist[ing] any person in making a contribution in the name of another," 11 C.F.R. § 110.4(b)(1)(iii), as well as the undisclosed reimbursement of another person for his purported contribution. *Id.* § 110.4(b)(1)(iv)(2).

10. Accordingly, the parties have consented to entry of a judgment for Plaintiff and against Kazran for a non-knowing and non-willful violation of 2 U.S.C. § 441f for the following amounts on the following terms:

- a. Kazran's counsel, Stok, Folk & Kon, will disburse to Plaintiff the \$3000 that Kazran previously deposited into the trust account designated pursuant to the parties' stipulation within five business days from the date of entry of judgment, and Kazran will pay to Plaintiff 25 monthly payments of \$100 per month beginning 30 days from the date of entry of judgment; provided however, Defendant can satisfy the judgment by paying a total of \$5000 to Plaintiff on or before March 31, 2012.
- b. If Defendant fails to timely pay any sum due under the judgment and fails to cure the default within five business days of delivery of a notice of default by Plaintiff to Defendant by e-mail at kazran52@aol.com and to Defendant Kazran's counsel of record by e-mail or facsimile, Kazran shall owe Plaintiff the liquidated sum of \$20,000 less any sums

paid by Kazran under his agreement with Plaintiff.¹

11. Plaintiff accepts the foregoing civil penalty amount because of evidence that Defendant's liabilities exceed his assets.

12. Except for Defendant Kazran's obligations under the settlement agreement, Plaintiff releases Defendant from any and all claims and cause of action that were the subject of this action or that relate directly or indirectly to the facts and circumstances that were the subject of this action.

13. Nothing in this Order or the settlement agreement limits Defendant Kazran's rights and remedies he may have under the law or equity, and Defendant Kazran specifically reserves all rights and remedies he may have against Congressman Buchanan or his related entities; provided, however, that Defendant Kazran waives and releases Plaintiff from any claims or causes of action Defendant Kazran may have against Plaintiff that relate directly or indirectly to this action.

In view of the foregoing, it is hereby **ORDERED**:

The parties' Joint Motion for Entry of Stipulated Order and Consent Judgment (Doc. No. 64) is **GRANTED**. The Clerk of Court is directed to enter final judgment in favor of Plaintiff and against Defendant Sam Kazran in substantially the following form:

IT IS ORDERED AND ADJUDGED THAT Plaintiff, Federal Election Commission, recover from Defendant, Sam Kazran, the amount of \$3000 plus 25 periodic payments of \$100 per month beginning 30 days from the date of entry of this judgment; provided however, Defendant Sam Kazran may satisfy this judgment by paying a total of \$5000 to Plaintiff on or before

¹ The parties's agreement purports to authorize Plaintiff to submit an affidavit to the Court following the entry of judgment if Defendant Kazran defaults on his obligations under the settlement agreement. The Court is not inclined to adopt that procedure. If Defendant Kazran happens to default, Plaintiff may move to amend the judgment, as provided by the Federal Rules of Civil Procedure.

March 31, 2012.

The Clerk shall enter final judgment in favor of Plaintiff and against Defendant 11-2001 LLC d/b/a Hyundai of North Jacksonville as directed by the Court on October 12, 2011. The Clerk shall close the file thereafter.

DONE AND ORDERED in Chambers in Jacksonville, Florida, on February 28, 2012.



ROY B. DALTON JR.
United States District Judge

Copies:

counsel of record