

**PAUL ROLF JENSEN**

*Attorney and Counsellor at Law  
(Licensed in California)*

POST OFFICE BOX 9171  
RESTON, VA 20195

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

2004 SEP 14 P 4: 27

**SENSITIVE**

22 August 2004

VIA CERTIFIED MAIL #70030500000381206214

RETURN RECEIPT REQUESTED

MUR # 5532

Bradley A. Smith, Chairman  
Federal Election Commission  
999 "E" Street, N.W.  
Washington, D.C. 20463

RE: Complaint of Violation of Campaign Laws  
Made Against Larry Klayman, #S4FL00264

Dear Mr. Chairman:

I intend this letter to constitute a complaint that Larry Klayman, currently a candidate for the Republican nomination for the United States Senate from Florida, #S4FL00264, has violated various laws and regulations of your commission, as follows:

1. On July 12, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$2000.00 to the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.
2. On July 12, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$5000.00 to the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.
3. On May 6, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$5000.00 to the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.

Chairman Bradley Smith  
Federal Election Commission  
22 August 2004  
Page 2

4. On April 6, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$5000.00 to the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.
5. On January 13, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$1000.00 to the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.
6. On July 13, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$1000.00 to the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.
7. On January 13, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$1000.00 to Craig Engle, a partner in the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.

On January 29, 2004 I filed my first amended complaint in the United States District Court for the Eastern District of Virginia in the case of *Paul Rolf Jensen, Plaintiff, vs. Larry Klayman, etc*, case #Civil 03-1600-A. A copy thereof is attached hereto. The complaint seeks damages for slander, and slander per se, from Mr. Klayman. It alleges that, motivated out of personal animus for me, Mr. Klayman uttered actionable statements to various persons, seeking to impugn me in my profession. Mr. Klayman was and is at all times relevant represented in this case by the Washington, D.C. law firm of Arent, Fox. Their partner whose name appears on the pleadings is Craig Engle. The case is currently pending before the United States Court of Appeals for the Fourth Circuit.

None of the allegations of the complaint were addressed to Mr. Klayman's campaign. (However, some allegations mentioned campaign-related events in order to provide an explanation for Mr. Klayman's personal animosity to me.) Only Mr. Klayman, individually was named as a defendant,

Chairman Bradley Smith  
Federal Election Commission  
22 August 2004  
Page 3

and all of the allegations sound in tort.

For the foregoing reasons, I hereby complain that the payment by Mr. Klayman's campaign committee to the law firm of Arent Fox, somewhat misleadingly labeled "consultant expense-legal" was a violation of various laws and regulations.

As your commission has held in Advisory Opinion 2003-17:

Under the Act, there are four categories of permissible uses of campaign funds: (1) otherwise authorized expenditures in connection with a candidate's campaign for Federal office; (2) ordinary and necessary expenses incurred in connection with a Federal officeholder's duties; (3) contributions to organizations described in 26 U.S.C. 170c; and (4) transfers, without limitation, to national, State or local political party committees. 2 U.S.C. 439a(a).

The Act generally prohibits the conversion of campaign funds to "personal use." 2 U.S.C. 439a(b)(1). Specifically, 2 U.S.C. 439a(b)(2) states that funds are converted to personal use if they are used to fulfill any commitment, obligation or expense of a person that would exist "irrespective" of the candidate's election campaign or individual's duties as a holder of Federal office. This "irrespective test," which had been part of the Commission's personal use regulations, was statutorily codified by BCRA.

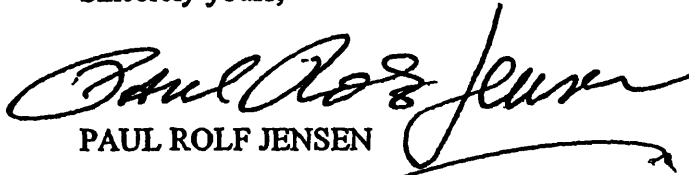
Commission regulations use the same "irrespective test" as does the Act. 11 CFR 113.1(g). The regulations implementing 2 U.S.C. 439a(b)(2) list certain uses of campaign funds that will be considered per se personal use. 11 CFR 113.1(g)(1)(I). This list does not include legal fees. If a particular use of campaign funds is not per se a personal use, it will be examined on a case-by-case basis using the irrespective test. 11 CFR 113.1(g)(1)(ii). Commission regulations provide a non-exclusive list of uses that are subject to a case-by-case examination. Legal expenses are among the listed uses to be examined on a case-by-case basis. 11 CFR 113.1(g)(1)(ii)(A). The Commission has previously concluded that legal expenses in defense of allegations relating directly to the candidate's campaign activities or status as a Federal officeholder may be paid for with campaign funds. Advisory Opinions 1998-1, 1997-12, 1996-24, and 1995-23; see also Advisory Opinion 1993-15. The use of campaign funds to pay for Mr. Treffinger's defense against allegations that are not directly related to his campaign activity would be a conversion to personal use.

Chairman Bradley Smith  
Federal Election Commission  
22 August 2004  
Page 4

The defense of this lawsuit would exist irrespective of Mr. Klayman's election campaign--and will continue after he ceases to be a candidate. This is because Mr. Klayman's tortious conduct was undertaken by him personally--out of his personal hatred for me--and not as a candidate or campaign activity. Since no aspect of *Paul Rolf Jensen vs. Larry Klayman* was or is "directly related to his campaign activity", I aver that the payments by Friends of Larry Klayman of Mr. Klayman's personal legal fees is a "conversion to [Mr. Klayman's] personal use" of those funds, in violation of the Act, within the ambit of that express phrase from Advisory Opinion 2003-17 regarding Mr. Treffinger.

I call upon the Commission to take appropriate action in this matter.

Sincerely yours,

  
PAUL ROLF JENSEN

25-19-026-012

**SCHEDULE B (FEC Form 3 )  
ITEMIZED DISBURSEMENTS**Use separate schedule(s)  
for each category of the  
Detailed Summary PageFOR LINE NUMBER:  
(check only one)

PAGE 527108

<input checked="" type="checkbox"/> 17	<input type="checkbox"/> 18	<input type="checkbox"/> 19a	<input type="checkbox"/> 19b
20a	20b	20c	21

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)  
**FRIENDS OF LARRY KLAYMAN**

Full Name (Last, First, Middle Initial)

**A. Edward J. Garety**Mailing Address **1717 Corcoran Street NW  
Townhouse B**City **Washington** State **DC** Zip Code **20009**Purpose of Disbursement  
**contract labor**Candidate Name  
**FRIENDS OF LARRY KLAYMAN**Category/  
TypeOffice Sought: ☐ House ☒ Senate ☐ President  
Disbursement For: **2004**  
☒ Primary ☐ General  
Other (specify) **▼**State: **FL** District: **00**Transaction ID: **SB17.8018**

Date of Disbursement

**03 / 01 / 2004**

Amount of Each Disbursement this Period

**3000.00**☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

Full Name (Last, First, Middle Initial)

**B. CRAIG ENGLE**Mailing Address **1050 CONNECTICUT AVENUE NW**City **WASHINGTON** State **DC** Zip Code **20035-5339**Purpose of Disbursement  
**LEGAL FEES**Candidate Name  
**FRIENDS OF LARRY KLAYMAN**001  
Category/  
TypeOffice Sought: ☐ House ☒ Senate ☐ President  
Disbursement For: **2004**  
☒ Primary ☐ General  
Other (specify) **▼**State: **FL** District: **00**Transaction ID: **SB17.5877**

Date of Disbursement

**01 / 13 / 2004**

Amount of Each Disbursement this Period

**1000.00**☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

Full Name (Last, First, Middle Initial)

**C. FEDERAL EXPRESS CORPORATION**Mailing Address **2008 CORPORATE PLAZA  
3RD FLOOR**City **MEMPHIS** State **TN** Zip Code **38132**Purpose of Disbursement  
**shp 02003**Candidate Name  
**FRIENDS OF LARRY KLAYMAN**001  
Category/  
TypeOffice Sought: ☐ House ☒ Senate ☐ President  
Disbursement For: **2004**  
☒ Primary ☐ General  
Other (specify) **▼**State: **FL** District: **00**Transaction ID: **SB17.5878**

Date of Disbursement

**10 / 12 / 2004**

Amount of Each Disbursement this Period

**43.91**☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

SUBTOTAL of Disbursements This Page (optional)

**4043.91**

TOTAL This Period (last page this line number only)

**SCHEDULE B (FEC Form 3 )  
ITEMIZED DISBURSEMENTS**

Use separate schedule(s)  
for each category of the  
Detailed Summary Page

FOR LINE NUMBER:  
(check only one)

PAGE 48/108

☒ 17 ☐ 18 ☐ 19a ☐ 19b  
20a 20b 20c 21

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee

NAME OF COMMITTEE (In Full)  
FRIENDS OF LARRY KLAYMAN

Full Name (Last, First, Middle Initial)

**A. ARENT FOX ATTORNEYS AT LAW**

Mailing Address 1050 CONNECTICUT AVENUE NW

City WASHINGTON State DC Zip Code 20098-5339

Purpose of Disbursement  
LEGAL FEES

Candidate Name  
FRIENDS OF LARRY KLAYMAN

001  
Category  
Type

Office Sought: ☐ House ☒ Senate ☐ President  
Disbursement For: 2004  
☒ Primary ☐ General  
☐ Other (specify) ▼

State: FL District: 00

Transaction ID: SB17.5880

Date of Disbursement

01 13 2004

Amount of Each Disbursement this Period

5000.00

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

Full Name (Last, First, Middle Initial)

**B. Baymont Inn-JAX**

Mailing Address 8189 HARTLEY ROAD

City JACKSONVILLE State FL Zip Code 32257

Purpose of Disbursement  
Lodging

Candidate Name  
FRIENDS OF LARRY KLAYMAN

002  
Category  
Type

Office Sought: ☐ House ☒ Senate ☐ President  
Disbursement For: 2004  
☒ Primary ☐ General  
☐ Other (specify) ▼

State: FL District: 00

Transaction ID: SB17.6952

Date of Disbursement

03 31 2004

Amount of Each Disbursement this Period

228.78

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

Full Name (Last, First, Middle Initial)

**C. BURGLAR ALARM SERVICES**

Mailing Address 5830 STIRLING ROAD

City HOLLYWOOD State FL Zip Code 33021

Purpose of Disbursement  
Alarm system

Candidate Name  
FRIENDS OF LARRY KLAYMAN

001  
Category  
Type

Office Sought: ☐ House ☒ Senate ☐ President  
Disbursement For: 2004  
☒ Primary ☐ General  
☐ Other (specify) ▼

State: FL District: 00

Transaction ID: SB17.5850

Date of Disbursement

01 05 2004

Amount of Each Disbursement this Period

98.14

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

SUBTOTAL of Disbursements This Page (optional)

5324.92

TOTAL This Period (last page this line number only)

1 Paul Rolf Jensen  
2 Post Office Box 9171  
3 Reston, Virginia 20195  
4 (703) 319-7660  
5 fax (703) 319-7794

29 2004

6 Plaintiff in Pro Se

7 UNITED STATES DISTRICT COURT  
8 IN AND FOR THE EASTERN DISTRICT OF VIRGINIA  
9 ALEXANDRIA DIVISION

10 PAUL ROLF JENSEN,

11 Plaintiff,

12 vs.

13 LARRY KLAYMAN, aka LARRY E.  
14 KLAYMAN, a candidate for the United States  
15 Senate from Florida,

16 Defendant.

CASE #Civil #03-1600-A

Case Assigned to The Hon. T. S. Ellis, III, Judge

FIRST AMENDED COMPLAINT

JURY TRIAL DEMANDED

17 Now comes Plaintiff, and as and for his complaint against Defendant, hereby alleges and complains as  
18 follows:

19 COMMON ALLEGATIONS

- 20 1. Paul Rolf Jensen, the Plaintiff in this action ("Jensen") is a resident of California and of Fairfax  
21 County, Virginia; Defendant Larry Klayman, aka Larry E. Klayman ("Klayman") is a resident  
22 of Florida, residing at 540 Brickell Key Drive, Apartment 732, in Miami, and is a candidate for  
23 election to the United States Senate from Florida, whose principal campaign committee is called  
24 "Friends of Larry Klayman" ("The Committee") whose office is in Miami Beach, Florida at 1613  
25 Alton Road. The amount in controversy exceeds \$75,000. Accordingly, this Court has  
26

27 FIRST AMENDED COMPLAINT

lawsuit against Klayman, and to the contrary, had agreed in reaching the aforesaid settlement to tell people that in Jensen's opinion, Klayman was an honest and ethical person. Klayman nevertheless remained embittered and full of malice against Jensen after the settlement for what he saw as Jensen's effrontery to demand that Klayman conduct himself in an ethical manner. For instance, shortly after Jensen was hired, Klayman ordered Jensen to "spy" on an outside advisor to the campaign, Roger Stone, and to go through Mr. Stone's private office, rifle the things on his desk, and similar tasks, in order to discover what non-campaign related matters Mr. Stone might be engaging his time in, since Klayman said Mr. Stone was obliged to spend all his time working for The Committee on Klayman's campaign. Jensen angered Klayman by refusing to obey this order. Another example of how Klayman's malice towards Jensen arose is that Klayman repeatedly demanded that Jensen, as a condition of his continued employment, act in an unethical and deceptive manner. For instance, in September 2003, while Jensen and Klayman were attending a conference in Colorado Springs of the Council for National Policy, Klayman told Jensen to lie, if the subject came up, about the fact that Klayman had recently been divorced from his wife, and had little contact with his children. (This subject did, of course, come up repeatedly, and Jensen witnessed Klayman lying to many leading conservatives about the strength of his marriage.) Also, Klayman insisted Jensen lie about Klayman's religious beliefs. When Klayman and Jensen met with a reporter from the Palm Beach Post (located in what Klayman said was a predominately Jewish area) Klayman told the reporter that he, Klayman, was Jewish, with no mention that Klayman also considered himself to be a Christian. Yet during the aforesaid meeting in Colorado Springs, Klayman told Jensen to tell people Klayman was a Christian, with no mention that Klayman was Jewish. When Jensen refused to lie in this way, Klayman became irate with Jensen, and accused Jensen of disloyalty. Among the persons Klayman told in Colorado Springs that he was Christian, not Jewish, were Dr. James Dobson and former United States Secretary of the Interior Don Hodel, both of Focus on the Family; California State Senator (and then-candidate for California Governor) Tom McClintock; Howard



25-19-026-0147

1 Phillips of the Conservative Caucus; former Ambassador Alan Keyes; Roy Moore, then the Chief  
2 Justice of the Supreme Court of Alabama; William "Bill" Ball; Stuart Epperson; Rich Bott; Dick  
3 Bott (these last four are wealthy individuals whom Klayman was prevailing upon to loan one  
4 million dollars each to American Target Advertising for its use to fund a direct mail campaign  
5 to benefit Klayman's candidacy). Even though in reaching the settlement of Jensen's claim for  
6 unpaid wages, Jensen promised Klayman not to sue over these facts, Klayman continued to  
7 harbor a hatred toward Jensen because of these facts, and this hatred quickly turned to malice—the  
8 motivation for Klayman to falsely accuse Jensen of a crime in order to try to hurt Jensen.  
9 Klayman's statements, as herein alleged, are further evidenced by a letter recently written to  
10 Jensen by Klayman's lawyer, accusing Jensen of misappropriating, inter alia, The Committee's  
11 "contributor list", echoing the false publications Klayman had made as alleged above. The  
12 malice implicit in this statement is demonstrated by the preposterousness of Klayman's lie: as  
13 of Jensen's resignation, Klayman had not raised one single contribution (other than indirectly via  
14 the American Target Advertising direct mail program, and the list of those contributors was  
15 exclusively then in the possession of American Target Advertising).

- 16  
17 8. As a result of Klayman's false and unprivileged statements, as herein alleged, plaintiff has been  
18 actually damaged in an amount as yet unascertained, and which will be subject to proof at trial,  
19 but which is believed and thereon alleged to exceed \$80,000.

20  
21 **COUNT II**

22 **SLANDER PER SE**

23 Plead as an alternative theory of relief

- 24 9. Plaintiff reincorporates and realleges the allegations contained above in paragraphs 1-4 as if set

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28

- 2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

## 9

10

- 12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

20

21

25.19.026.0144

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

DEMAND FOR JURY TRIAL

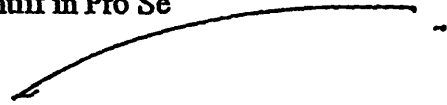
To this Honorable Court and to all interested parties: Plaintiff hereby demands a jury trial on all issues in this case.

Dated January 29, 2004



PAUL ROLF JENSEN

Plaintiff in Pro Se



25-19-026-0150

CERTIFICATE OF SERVICE

I hereby certify that on January 29, 2004, I caused the foregoing document, to be served by faxing a true copy thereof to the attention of Joseph Price, Esq. At 202 857 6395, and by placing a true copy thereof in a sealed envelope addressed as follows: Joseph R. Price, Esq., Arent Fox, 1050 Connecticut Avenue, NW, Washington, D.C., and personally delivering the same to that address. I am over the age of 18 years, and not a party to this action. I hereby declare under penalty of perjury that the foregoing is true and correct of my own knowledge. Executed at Washington, D.C. on January 29, 2004.

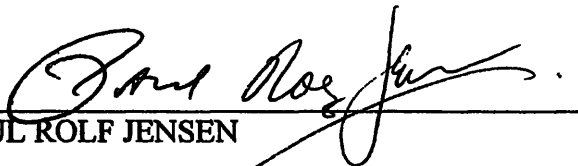


## VERIFICATION

I, Paul Rolf Jensen, declare as follows:

1. I am the complainant, and the sole author of the foregoing complaint in this matter.
2. I do solemnly swear under penalty of perjury of the laws of the United States that the contents of the foregoing complaint are true and correct to the best of my knowledge.

Executed at Washington, D.C. on September 10, 2004

  
PAUL ROLF JENSEN

Subscribed and sworn to before me on this 10<sup>th</sup> day of September 2004

  
NOTARY PUBLIC IN AND FOR  
THE DISTRICT OF COLUMBIA

BARRY H. DEUTSCHMAN  
NOTARY PUBLIC DISTRICT OF COLUMBIA  
My Commission Expires June 14, 2007

25.19.026.0151

## Assignment/Inquiry Sheet

DATE RECEIVED: 9/14/04 DATE TRANSMITTED: 9/14/04

☒ MUR **5532**

☐ PRE-MUR \_\_\_\_\_

☐ SUA SPONTE

☐ REFERRAL FROM:

CORRESPONDENCE FROM: PAUL ROLF JENSEN

NOTARY SEAL ON ORIGINAL ☒ YES

☐ NO

SIGNATURE: 

DATE 9/14/04

IMPROPER

NO JURISDICTION ☐

NOT NOTARIZED AND SWORN TO ☐

NOT SWORN TO ☐

FILE [ NO ACTION TAKEN ] ☐

CC FOR IMPROPER/NO JURISDICTION LETTERS:

---

---

---

---

---

---

---

---

---

---

---

---

**PAUL ROLF JENSEN**

*Attorney and Counsellor at Law*  
*(Licensed in California)*

POST OFFICE BOX 9171  
RESTON, VA 20195

22 August 2004

VIA CERTIFIED MAIL #70030500000381206214

RETURN RECEIPT REQUESTED

MUR # 5532

Bradley A. Smith, Chairman  
Federal Election Commission  
999 "E" Street, N.W.  
Washington, D.C. 20463

RE: Complaint of Violation of Campaign Laws  
Made Against Larry Klayman, #S4FL00264

Dear Mr. Chairman:

I intend this letter to constitute a complaint that Larry Klayman, currently a candidate for the Republican nomination for the United States Senate from Florida, #S4FL00264, has violated various laws and regulations of your commission, as follows:

1. On July 12, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$2000.00 to the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.
2. On July 12, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$5000.00 to the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.
3. On May 6, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$5000.00 to the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.

25-19-026-0153

Chairman Bradley Smith  
Federal Election Commission  
22 August 2004  
Page 2

4. On April 6, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$5000.00 to the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.
5. On January 13, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$1000.00 to the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.
6. On July 13, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$1000.00 to the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.
7. On January 13, 2004, Mr. Klayman's principal campaign committee, Friends of Larry Klayman, #COO390864, at Mr. Klayman's instance, improperly paid his personal legal bills in the amount of \$1000.00 to Craig Engle, a partner in the law firm of Arent Fox, and thereby converting said funds to Mr. Klayman's personal use. A copy of the relevant page showing this disbursement by Friends of Larry Klayman on its FEC Form 3, Schedule B, is enclosed for convenience of reference.

On January 29, 2004 I filed my first amended complaint in the United States District Court for the Eastern District of Virginia in the case of *Paul Rolf Jensen, Plaintiff, vs. Larry Klayman, etc*, case #Civil 03-1600-A. A copy thereof is attached hereto. The complaint seeks damages for slander, and slander per se, from Mr. Klayman. It alleges that, motivated out of personal animus for me, Mr. Klayman uttered actionable statements to various persons, seeking to impugn me in my profession. Mr. Klayman was and is at all times relevant represented in this case by the Washington, D.C. law firm of Arent, Fox. Their partner whose name appears on the pleadings is Craig Engle. The case is currently pending before the United States Court of Appeals for the Fourth Circuit.

None of the allegations of the complaint were addressed to Mr. Klayman's campaign. (However, some allegations mentioned campaign-related events in order to provide an explanation for Mr. Klayman's personal animosity to me.) Only Mr. Klayman, individually was named as a defendant,



Chairman Bradley Smith  
Federal Election Commission  
22 August 2004  
Page 3

and all of the allegations sound in tort.

For the foregoing reasons, I hereby complain that the payment by Mr. Klayman's campaign committee to the law firm of Arent Fox, somewhat misleadingly labeled "consultant expense-legal" was a violation of various laws and regulations.

As your commission has held in Advisory Opinion 2003-17:

Under the Act, there are four categories of permissible uses of campaign funds: (1) otherwise authorized expenditures in connection with a candidate's campaign for Federal office; (2) ordinary and necessary expenses incurred in connection with a Federal officeholder's duties; (3) contributions to organizations described in 26 U.S.C. 170c; and (4) transfers, without limitation, to national, State or local political party committees. 2 U.S.C. 439a(a).

The Act generally prohibits the conversion of campaign funds to "personal use." 2 U.S.C. 439a(b)(1). Specifically, 2 U.S.C. 439a(b)(2) states that funds are converted to personal use if they are used to fulfill any commitment, obligation or expense of a person that would exist "irrespective" of the candidate's election campaign or individual's duties as a holder of Federal office. This "irrespective test," which had been part of the Commission's personal use regulations, was statutorily codified by BCRA.

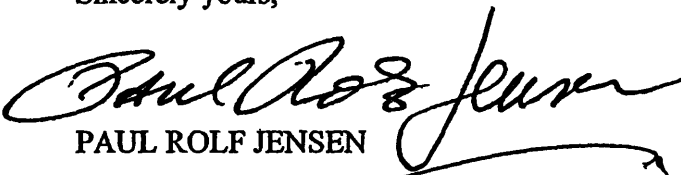
Commission regulations use the same "irrespective test" as does the Act. 11 CFR 113.1(g). The regulations implementing 2 U.S.C. 439a(b)(2) list certain uses of campaign funds that will be considered per se personal use. 11 CFR 113.1(g)(1)(I). This list does not include legal fees. If a particular use of campaign funds is not per se a personal use, it will be examined on a case-by-case basis using the irrespective test. 11 CFR 113.1(g)(1)(ii). Commission regulations provide a non-exclusive list of uses that are subject to a case-by-case examination. Legal expenses are among the listed uses to be examined on a case-by-case basis. 11 CFR 113.1(g)(1)(ii)(A). The Commission has previously concluded that legal expenses in defense of allegations relating directly to the candidate's campaign activities or status as a Federal officeholder may be paid for with campaign funds. Advisory Opinions 1998-1, 1997-12, 1996-24, and 1995-23; see also Advisory Opinion 1993-15. The use of campaign funds to pay for Mr. Treffinger's defense against allegations that are not directly related to his campaign activity would be a conversion to personal use.

Chairman Bradley Smith  
Federal Election Commission  
22 August 2004  
Page 4

The defense of this lawsuit would exist irrespective of Mr. Klayman's election campaign--and will continue after he ceases to be a candidate. This is because Mr. Klayman's tortious conduct was undertaken by him personally--out of his personal hatred for me--and not as a candidate or campaign activity. Since no aspect of *Paul Rolf Jensen vs. Larry Klayman* was or is "directly related to his campaign activity", I aver that the payments by Friends of Larry Klayman of Mr. Klayman's personal legal fees is a "conversion to [Mr. Klayman's] personal use" of those funds, in violation of the Act, within the ambit of that express phrase from Advisory Opinion 2003-17 regarding Mr. Treffinger.

I call upon the Commission to take appropriate action in this matter.

Sincerely yours,

  
PAUL ROLF JENSEN

25.19.026.0156

**SCHEDULE B (FEC Form 3 )  
ITEMIZED DISBURSEMENTS**Use separate schedule(s)  
for each category of the  
Detailed Summary PageFOR LINE NUMBER:  
(check only one)

PAGE 52/108

<input checked="" type="checkbox"/> 17	<input type="checkbox"/> 18	<input type="checkbox"/> 19a	<input type="checkbox"/> 19b
<input type="checkbox"/> 20a	<input type="checkbox"/> 20b	<input type="checkbox"/> 20c	<input type="checkbox"/> 21

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

FRIENDS OF LARRY KLAYMAN

Full Name (Last, First, Middle Initial)

A. Edward J. Garety

Mailing Address 1717 Corcoran Street NW  
Townhouse B

City Washington State DC Zip Code 20009

Purpose of Disbursement  
contract laborCandidate Name  
FRIENDS OF LARRY KLAYMANCategory/  
TypeOffice Sought: ☐ House ☒ Senate ☐ President  
Disbursement For: 2004 ☒ Primary ☐ General  
Other (specify) ▼

State: FL District: 00

Transaction ID: SB17.8016

Date of Disbursement

03/01/2004

Amount of Each Disbursement this Period

3000.00

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

Full Name (Last, First, Middle Initial)

B. CRAIG ENGLE

Mailing Address 1050 CONNECTICUT AVENUE NW

City WASHINGTON State DC Zip Code 20036-5339

Purpose of Disbursement  
LEGAL FEESCandidate Name  
FRIENDS OF LARRY KLAYMAN001  
Category/  
TypeOffice Sought: ☐ House ☒ Senate ☐ President  
Disbursement For: 2004 ☒ Primary ☐ General  
Other (specify) ▼

State: FL District: 00

Transaction ID: SB17.5877

Date of Disbursement

01/13/2004

Amount of Each Disbursement this Period

1000.00

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

Full Name (Last, First, Middle Initial)

C. FEDERAL EXPRESS CORPORATION

Mailing Address 2003 CORPORATE PLAZA  
3RD FLOOR

City MEMPHIS State TN Zip Code 38132

Purpose of Disbursement  
shp 0206Candidate Name  
FRIENDS OF LARRY KLAYMAN001  
Category/  
TypeOffice Sought: ☐ House ☒ Senate ☐ President  
Disbursement For: 2004 ☒ Primary ☐ General  
Other (specify) ▼

State: FL District: 00

Transaction ID: SB17.5878

Date of Disbursement

10/12/2004

Amount of Each Disbursement this Period

43.91

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

SUBTOTAL of Disbursements This Page (optional)

4043.91

TOTAL This Period (last page this line number only)

**SCHEDULE B (FEC Form 3 )  
ITEMIZED DISBURSEMENTS**

 Use separate schedule(s)  
for each category of the  
Detailed Summary Page

 FOR LINE NUMBER:  
(check only one)

PAGE 729/815

<input checked="" type="checkbox"/> 17	<input type="checkbox"/> 18	<input type="checkbox"/> 19a	<input type="checkbox"/> 19b
20a	20b	20c	21

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee

**NAME OF COMMITTEE (In Full)**  
Friends of Larry Klayman

Full Name (Last, First, Middle Initial)

**A. Archi Press**

Mailing Address 13501 SW 128th Street

City	State	Zip Code
Miami	FL	33198

 Purpose of Disbursement  
Printing

 Candidate Name  
Friends of Larry Klayman

Office Sought:	Disbursement For:
<input type="checkbox"/> House <input checked="" type="checkbox"/> Senate <input type="checkbox"/> President	2004 <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) _____

State: FL District: 00

Transaction ID: SB17.114867

Date of Disbursement

06	14	2004
----	----	------

Amount of Each Disbursement this Period

166.00
--------

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

Full Name (Last, First, Middle Initial)

**B. Arant Fox Attorneys at Law**

Mailing Address 1050 Connecticut Avenue, NW

City	State	Zip Code
Washington	DC	20036

 Purpose of Disbursement  
Consultant Expense/Legal

 Candidate Name  
Friends of Larry Klayman

Office Sought:	Disbursement For:
<input type="checkbox"/> House <input checked="" type="checkbox"/> Senate <input type="checkbox"/> President	2004 <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) _____

State: FL District: 00

Transaction ID: SB17.115157

Date of Disbursement

04	06	2004
----	----	------

Amount of Each Disbursement this Period

5000.00
---------

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

Full Name (Last, First, Middle Initial)

**C. Arant Fox Attorneys at Law**

Mailing Address 1050 Connecticut Avenue, NW

City	State	Zip Code
Washington	DC	20036

 Purpose of Disbursement  
Consultant Expense/Legal

 Candidate Name  
Friends of Larry Klayman

Office Sought:	Disbursement For:
<input type="checkbox"/> House <input checked="" type="checkbox"/> Senate <input type="checkbox"/> President	2004 <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify) _____

State: FL District: 00

Transaction ID: SB17.115159

Date of Disbursement

05	06	2004
----	----	------

Amount of Each Disbursement this Period

5000.00
---------

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

SUBTOTAL of Disbursements This Page (optional)

TOTAL This Period (last page for line number only)

10166.00
----------

**SCHEDULE B (FEC Form 3 )  
ITEMIZED DISBURSEMENTS**Use separate schedule(s)  
for each category of the  
Detailed Summary PageFOR LINE NUMBER:  
(check only one)☒ 17  
20a ☐ 18  
20b ☐ 19a  
20c ☐ 19b  
21

PAGE 390 / 480

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

Friends of Larry Klayman

Full Name (Last, First, Middle Initial)

A. Arant Fox Attorneys at Law

Mailing Address 1050 Connecticut Avenue, NW

City  
WashingtonState  
DCZip Code  
20088Purpose of Disbursement  
Consultant Expense/LegalCandidate Name  
Friends of Larry Klayman001  
Category/  
Type

Office Sought:

☐ House  
☒ Senate  
☐ President

Disbursement For:

☒ Primary ☐ General  
☐ Other (specify) ☐

State: FL

District: 00

Transaction ID: SB17.114854

Date of Disbursement

01 / 13 / 2004

Amount of Each Disbursement this Period

5000.00

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

Full Name (Last, First, Middle Initial)

B. Arant Fox Attorneys at Law

Mailing Address 1050 Connecticut Avenue, NW

City  
WashingtonState  
DCZip Code  
20088Purpose of Disbursement  
Consultant Expense/LegalCandidate Name  
Friends of Larry Klayman001  
Category/  
Type

Office Sought:

☐ House  
☒ Senate  
☐ President

Disbursement For:

☒ Primary ☐ General  
☐ Other (specify) ☐

State: FL

District: 00

Transaction ID: SB17.114885

Date of Disbursement

01 / 13 / 2004

Amount of Each Disbursement this Period

1000.00

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

Full Name (Last, First, Middle Initial)

C. Aristotle International, Inc.

Mailing Address 2285 Peachtree Road  
Suite 210City  
AtlantaState  
GAZip Code  
30309Purpose of Disbursement  
Credit Card Service ChargeCandidate Name  
Friends of Larry Klayman003  
Category/  
Type

Office Sought:

☐ House  
☒ Senate  
☐ President

Disbursement For:

☒ Primary ☐ General  
☐ Other (specify) ☐

State: FL

District: 00

Transaction ID: SB17.114477

Date of Disbursement

01 / 12 / 2004

Amount of Each Disbursement this Period

4.00

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

SUBTOTAL of Disbursements This Page (optional)

5004.00

TOTAL This Period (last page this line number only)

**SCHEDULE B (FEC Form 3 )  
ITEMIZED DISBURSEMENTS**Use separate schedule(s)  
for each category of the  
Detailed Summary PageFOR LINE NUMBER:  
(check only one)

PAGE 328 / 596

<input checked="" type="checkbox"/> 17	<input type="checkbox"/> 18	<input type="checkbox"/> 18a	<input type="checkbox"/> 19b
<input type="checkbox"/> 20a	<input type="checkbox"/> 20b	<input type="checkbox"/> 20c	<input type="checkbox"/> 21

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee

NAME OF COMMITTEE (in Full)  
Friends of Larry Klayman

Full Name (Last, First, Middle Initial)

**A. Archi Press**

Mailing Address 13501 SW 128th Street

City Miami State FL Zip Code 33186

Purpose of Disbursement  
PrintingCandidate Name  
Friends of Larry Klayman

Office Sought:

☐ House  
☒ Senate  
☐ PresidentDisbursement For: 2004  
☒ Primary ☐ General  
☐ Other (specify) ▼

State: FL District: 00

Transaction ID: SB17.130684

Date of Disbursement

08 / 10 / 2004

Amount of Each Disbursement this Period

52.00

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.63

Full Name (Last, First, Middle Initial)

**B. Aron Fox Attorneys at Law**

Mailing Address 1050 Connecticut Avenue, NW

City Washington State DC Zip Code 20036

Purpose of Disbursement  
Consultant Expense/LegalCandidate Name  
Friends of Larry Klayman

Office Sought:

☐ House  
☒ Senate  
☐ PresidentDisbursement For: 2004  
☒ Primary ☐ General  
☐ Other (specify) ▼

State: FL District: 00

Transaction ID: SB17.130704

Date of Disbursement

07 / 12 / 2004

Amount of Each Disbursement this Period

2000.00

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.63

Full Name (Last, First, Middle Initial)

**C. Aron Fox Attorneys at Law**

Mailing Address 1050 Connecticut Avenue, NW

City Washington State DC Zip Code 20036

Purpose of Disbursement  
Consultant Expense/LegalCandidate Name  
Friends of Larry Klayman

Office Sought:

☐ House  
☒ Senate  
☐ PresidentDisbursement For: 2004  
☒ Primary ☐ General  
☐ Other (specify) ▼

State: FL District: 00

Transaction ID: SB17.130754

Date of Disbursement

08 / 02 / 2004

Amount of Each Disbursement this Period

5000.00

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.63

SUBTOTAL of Disbursements This Page (optional)

7052.00

TOTAL This Period (last page this line number only)

**SCHEDULE B (FEC Form 3 )  
ITEMIZED DISBURSEMENTS**Use separate schedule(s)  
for each category of the  
Detailed Summary PageFOR LINE NUMBER:  
(check only one)

PAGE 48/108

<input checked="" type="checkbox"/> 17	<input type="checkbox"/> 18	<input type="checkbox"/> 19a	<input type="checkbox"/> 19b
<input type="checkbox"/> 20a	<input type="checkbox"/> 20b	<input type="checkbox"/> 20c	<input type="checkbox"/> 21

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)  
FRIENDS OF LARRY KLAYMAN**A. Arent Fox Attorneys at Law**

Full Name (Last, First, Middle Initial)

Mailing Address 1050 CONNECTICUT AVENUE NW

City WASHINGTON State DC Zip Code 20036-5339

Purpose of Disbursement  
LEGAL FEESCandidate Name  
FRIENDS OF LARRY KLAYMANOffice Sought: ☐ House ☒ Senate ☐ President  
Disbursement For: 2004  
☒ Primary ☐ General  
☐ Other (specify) ▼

State: FL District: 00

Transaction ID: SB17.5880  
Date of DisbursementM M / D D / Y Y  
01 / 13 / 2004

Amount of Each Disbursement this Period

5000.00

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53**B. Baymont Inn-JAX**

Full Name (Last, First, Middle Initial)

Mailing Address 8189 HARTLEY ROAD

City JACKSONVILLE State FL Zip Code 32257

Purpose of Disbursement  
LodgingCandidate Name  
FRIENDS OF LARRY KLAYMANOffice Sought: ☐ House ☒ Senate ☐ President  
Disbursement For: 2004  
☒ Primary ☐ General  
☐ Other (specify) ▼

State: FL District: 00

Transaction ID: SB17.6852  
Date of DisbursementM M / D D / Y Y  
03 / 31 / 2004

Amount of Each Disbursement this Period

228.78

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53**C. BURGLAR ALARM SERVICES**

Full Name (Last, First, Middle Initial)

Mailing Address 5830 STIRLING ROAD

City HOLLYWOOD State FL Zip Code 33021

Purpose of Disbursement  
Alarm systemCandidate Name  
FRIENDS OF LARRY KLAYMANOffice Sought: ☐ House ☒ Senate ☐ President  
Disbursement For: 2004  
☒ Primary ☐ General  
☐ Other (specify) ▼

State: FL District: 00

Transaction ID: SB17.5860  
Date of DisbursementM M / D D / Y Y  
01 / 05 / 2004

Amount of Each Disbursement this Period

90.14

☐ Refund or Disposal of Excess  
Contributions Required Under  
11 C.F.R. 400.53

SUBTOTAL of Disbursements This Page (optional)

5324.92

TOTAL This Period (last page this line number only)

1 Paul Rolf Jensen  
2 Post Office Box 9171  
3 Reston, Virginia 20195  
4 (703) 319-7660  
5 fax (703) 319-7794

JAN 29 2004

6 Plaintiff in Pro Se

7 UNITED STATES DISTRICT COURT  
8 IN AND FOR THE EASTERN DISTRICT OF VIRGINIA  
9 ALEXANDRIA DIVISION

10 PAUL ROLF JENSEN,

11 Plaintiff,

12 vs.

13 LARRY KLAYMAN, aka LARRY E.  
14 KLAYMAN, a candidate for the United States  
15 Senate from Florida,

16 Defendant.

) CASE #Civil #03-1600-A

) Case Assigned to The Hon. T. S. Ellis, III, Judge

) FIRST AMENDED COMPLAINT

) JURY TRIAL DEMANDED

17 Now comes Plaintiff, and as and for his complaint against Defendant, hereby alleges and complains as  
18 follows:

19 COMMON ALLEGATIONS

- 20 1. Paul Rolf Jensen, the Plaintiff in this action ("Jensen") is a resident of California and of Fairfax  
21 County, Virginia; Defendant Larry Klayman, aka Larry E. Klayman ("Klayman") is a resident  
22 of Florida, residing at 540 Brickell Key Drive, Apartment 732, in Miami, and is a candidate for  
23 election to the United States Senate from Florida, whose principal campaign committee is called  
24 "Friends of Larry Klayman" ("The Committee") whose office is in Miami Beach, Florida at 1613  
25 Alton Road. The amount in controversy exceeds \$75,000. Accordingly, this Court has  
26

27 FIRST AMENDED COMPLAINT



jurisdiction under 28 U.S.C. §1332.

- 2.
- On or about August 11, 2003, Plaintiff was hired by Klayman and The Committee as a full time employee. Other persons were also so employed, and outside consultants and advisors engaged. Klayman claimed to be a man of uncompromising integrity whose ethics were beyond reproach. Such claims were almost immediately belied by The Committee's failure to do what Klayman promised Jensen (in terms of fundraising) to meet the Committee's expenses, and the concomitant almost immediate failure by Klayman and The Committee to keep promises to pay staff their salaries and expenses. Ultimately, when Klayman returned empty-handed from a week-long fundraising trip to California, and plaintiff still had been paid absolutely nothing, plaintiff quit, realizing The Committee would never be able to afford to pay his promised salary. A few days later, on or about October 20, 2003, Jensen confronted Klayman with a draft lawsuit<sup>1</sup>, and gave Klayman one last chance to keep his promise and pay Jensen, explaining that if Klayman did not make good on his word, Jensen would sue The Committee that very day. Faced with that inevitability, Klayman relented and Jensen was paid. In return, Jensen gave Klayman all of the property of The Committee that Jensen possessed, and met again with Klayman and another staffer to discuss pending issues facing Klayman's candidacy. Jensen provided answers to every question asked of him. Subsequently, on several occasions, Klayman and his remaining staff phoned Jensen for information, which Jensen readily provided. At no time did Jensen retain, much less pass on to others, any proprietary information or property of either Klayman personally, or of The Committee.

3. At various times throughout the months of November, December, 2003 and January, 2004,

---

<sup>1</sup>Plaintiff is no longer in possession of a copy of this document, having given all copies to Defendant, at his request.

25-19-026-0164

1 knowing it to be false, Klayman nevertheless spoke to various persons, including Tony Fabrizio  
2 and Scott Reed, telling them that Jensen had "stolen both physical and intellectual property" of  
3 the campaign, and then shared the same with others, and in so doing "had committed a crime",  
4 and needed to "hire a criminal lawyer". At the time Klayman published his statement to  
5 Fabrizio, Fabrizio was speaking to Klayman on the telephone from Alexandria, Virginia. Other  
6 persons to whom Klayman published the statements were located, among other places, in  
7 Arlington County, Virginia and Washington, D.C.. Accordingly, this Court is the proper venue  
8 for this action.

- 9  
10 4. None of the statements of Klayman as herein alleged were in any sense privileged, or true.

11  
12 **COUNT I**

13 **SLANDER**

- 14 5. Plaintiff reincorporates and realleges the allegations contained above in paragraphs 1-4 as if set  
15 forth in herein at this point.
- 16
- 17 6. The aforesaid alleged statements of Klayman were published by him with actual malice towards  
18 Jensen, expressly made for the purpose of unjustly causing Jensen to suffer. Jensen is a lawyer  
19 and political consultant, and Klayman published his statements to persons Klayman believed  
20 might in the future be in a position to help or hurt Jensen in his profession and trade, and it was  
21 Klayman's desire to hurt Jensen in his profession and trade.
- 22
- 23 7. Klayman's malice towards Jensen was in part motivated by Jensen's repeated insistence to  
24 Klayman that Klayman honor his commitments and promises to pay other staff and debts of The  
25 Committee, and that Klayman cease lying to potential supporters and influential Republicans  
26 about his beliefs and background, despite the fact that Jensen had not gone forward with his

1 lawsuit against Klayman, and to the contrary, had agreed in reaching the aforesaid settlement t  
2 tell people that in Jensen's opinion, Klayman was an honest and ethical person. Klayma  
3 nevertheless remained embittered and full of malice against Jensen after the settlement for wha  
4 he saw as Jensen's effrontery to demand that Klayman conduct himself in an ethical manner.  
5 For instance, shortly after Jensen was hired, Klayman ordered Jensen to "spy" on an outside  
6 advisor to the campaign, Roger Stone, and to go through Mr. Stone's private office, rifle the  
7 things on his desk, and similar tasks, in order to discover what non-campaign related matters Mr.  
8 Stone might be engaging his time in, since Klayman said Mr. Stone was obliged to spend all his  
9 time working for The Committee on Klayman's campaign. Jensen angered Klayman by refusing  
10 to obey this order. Another example of how Klayman's malice towards Jensen arose is that  
11 Klayman repeatedly demanded that Jensen, as a condition of his continued employment, act in  
12 an unethical and deceptive manner. For instance, in September 2003, while Jensen and Klayman  
13 were attending a conference in Colorado Springs of the Council for National Policy, Klayman  
14 told Jensen to lie, if the subject came up, about the fact that Klayman had recently been divorced  
15 from his wife, and had little contact with his children. (This subject did, of course, come up  
16 repeatedly, and Jensen witnessed Klayman lying to many leading conservatives about the  
17 strength of his marriage.) Also, Klayman insisted Jensen lie about Klayman's religious beliefs.  
18 When Klayman and Jensen met with a reporter from the Palm Beach Post (located in what  
19 Klayman said was a predominately Jewish area) Klayman told the reporter that he, Klayman, was  
20 Jewish, with no mention that Klayman also considered himself to be a Christian. Yet during the  
21 aforesaid meeting in Colorado Springs, Klayman told Jensen to tell people Klayman was a  
22 Christian, with no mention that Klayman was Jewish. When Jensen refused to lie in this way,  
23 Klayman became irate with Jensen, and accused Jensen of disloyalty. Among the persons  
24 Klayman told in Colorado Springs that he was Christian, not Jewish, were Dr. James Dobson and  
25 former United States Secretary of the Interior Don Hodel, both of Focus on the Family;  
26 California State Senator (and then-candidate for California Governor) Tom McClintock; Howard  
27

25-19-026-0166

1 Phillips of the Conservative Caucus; former Ambassador Alan Keyes; Roy Moore, then the Chief  
2 Justice of the Supreme Court of Alabama; William "Bill" Ball; Stuart Epperson; Rich Bott; Dick  
3 Bott (these last four are wealthy individuals whom Klayman was prevailing upon to loan one  
4 million dollars each to American Target Advertising for its use to fund a direct mail campaign  
5 to benefit Klayman's candidacy). Even though in reaching the settlement of Jensen's claim for  
6 unpaid wages, Jensen promised Klayman not to sue over these facts, Klayman continued to  
7 harbor a hatred toward Jensen because of these facts, and this hatred quickly turned to malice—the  
8 motivation for Klayman to falsely accuse Jensen of a crime in order to try to hurt Jensen.  
9 Klayman's statements, as herein alleged, are further evidenced by a letter recently written to  
10 Jensen by Klayman's lawyer, accusing Jensen of misappropriating, inter alia, The Committee's  
11 "contributor list", echoing the false publications Klayman had made as alleged above. The  
12 malice implicit in this statement is demonstrated by the preposterousness of Klayman's lie: as  
13 of Jensen's resignation, Klayman had not raised one single contribution (other than indirectly via  
14 the American Target Advertising direct mail program, and the list of those contributors was  
15 exclusively then in the possession of American Target Advertising).

- 16
- 17 8. As a result of Klayman's false and unprivileged statements, as herein alleged, plaintiff has been  
18 actually damaged in an amount as yet unascertained, and which will be subject to proof at trial,  
19 but which is believed and thereon alleged to exceed \$80,000.

20

21 **COUNT II**

22 **SLANDER PER SE**

23 Plead as an alternative theory of relief

- 24 9. Plaintiff reincorporates and realleges the allegations contained above in paragraphs 1-4 as if set  
25  
26  
27

1       forth in herein at this point.

- 2
- 3   10.   Klayman's statements as herein alleged were made with actual malice, intended for the purpose
- 4       of harming Jensen in his profession and trade. Accordingly, plaintiff should recover from
- 5       defendant, a sum (according to proof at trial, but not less than \$350,000) for punitive and
- 6       exemplary damages sufficient to punish and deter said defendant from such conduct in the future.
- 7

8

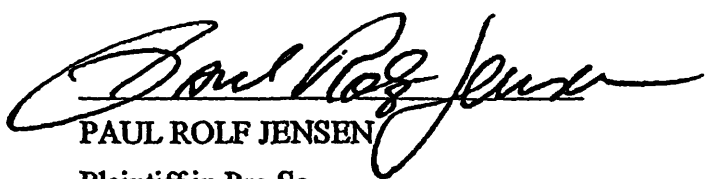
9                                   **PRAYER**


10   Accordingly, Plaintiff prays for relief as follows:

- 11
- 12   1.   For compensatory damages in an amount to be proven at trial, but not less than \$80,000; and
- 13   2.   For punitive and exemplary damages in an amount to be proven at trial, but not less than
- 14       \$350,000; and
- 15
- 16   3.   For costs of suit; and
- 17   4.   For such other and further relief as the Court may find just and proper.
- 18

19

20   Dated: January 29, 2004

21                                     
PAUL ROLF JENSEN  
22                                   Plaintiff in Pro Se

23                                   

24

25

26

25-19-026-0167

DEMAND FOR JURY TRIAL

To this Honorable Court and to all interested parties: Plaintiff hereby demands a jury trial on all issues in this case.

Dated January 29, 2004



PAUL ROLF JENSEN

Plaintiff in Pro Se

CERTIFICATE OF SERVICE

I hereby certify that on January 29, 2004, I caused the foregoing document, to be served by faxing a true copy thereof to the attention of Joseph Price, Esq. At 202 857 6395, and by placing a true copy thereof in a sealed envelope addressed as follows: Joseph R. Price, Esq., Arent Fox, 1050 Connecticut Avenue, NW, Washington, D.C., and personally delivering the same to that address. I am over the age of 18 years, and not a party to this action. I hereby declare under penalty of perjury that the foregoing is true and correct of my own knowledge. Executed at Washington, D.C. on January 29, 2004.



25-19-026-0169

## VERIFICATION

I, Paul Rolf Jensen, declare as follows:

1. I am the complainant, and the sole author of the foregoing complaint in this matter.
2. I do solemnly swear under penalty of perjury of the laws of the United States that the contents of the foregoing complaint are true and correct to the best of my knowledge.

Executed at Washington, D.C. on September 10, 2004

  
PAUL ROLF JENSEN

Subscribed and sworn to before me on this 10<sup>th</sup> day of September 2004

  
NOTARY PUBLIC IN AND FOR  
THE DISTRICT OF COLUMBIA

BARRY H. DEUTSCHMAN  
NOTARY PUBLIC DISTRICT OF COLUMBIA  
My Commission Expires June 14, 2007

25-19-026-0170



PAUL ROLF JENSEN

*Attorney and Counsellor at Law*  
*(Licensed in California)*

POST OFFICE BOX 9171  
RESTON, VIRGINIA 20195

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
OFFICE OF GENERAL  
COUNSEL  
SEP 14 A 9 21

10 September 2004

Retha Dixon, Docket Manager  
Federal Election Commission  
999 "E" Street, N.W.  
Washington, D.C. 20463

MUR # \_\_\_\_\_

RE: Complaint of Violation of Campaign Laws  
Made Against Larry Klayman, #S4FL00264

Dear Miss Dixon:

This will acknowledge receipt of your letter under date of September 1<sup>st</sup>, which reached me yesterday. Enclosed, as you requested is another copy of my complaint letter (with all attachments) dated 22 August 2004. Attached to it now as the last page is the notarized verification you requested in your letter.

Please let me know if I can provide you with any additional information.

Sincerely,



PAUL ROLF JENSEN