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ATTORNEYS AT LAW  
WASHINGTON HARBOUR  
3000 K STREET, N.W.  
SUITE 600  
WASHINGTON, D.C. 20007-5109  
202.672.5300 TEL  
202.672.5399 FAX  
foley.com

July 22, 2011

**CONFIDENTIAL**

**VIA HAND DELIVERY**

WRITER'S DIRECT LINE  
202.295.4081  
cmitchell@foley.com EMAIL

CLIENT/MATTER NUMBER  
093467-0102

Mr. Christopher Hughey, Esq.  
Acting General Counsel  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463

Re: MUR 6380 – Respondents' Supplemental Response to Complaint  
Filed by CREW against Christine O'Donnell and Friends of  
Christine O'Donnell

Dear Mr. Hughey:

The undersigned serves as counsel to Christine O'Donnell, the Republican nominee for the United States Senate from Delaware in 2010 and Friends of Christine O'Donnell, the principal authorized committee for Christine O'Donnell in the 2009-10 election cycle (collectively, hereafter "Respondents").

Citizens for Ethics and Responsibility in Washington ("CREW") filed a Complaint against Respondents on September 20, 2010 alleging certain violations of the Federal Election Campaign Act of 1971, as amended ("FECA" or "the Act"). Respondents filed their response to the Complaint on December 2, 2010, refuting the allegations in the Complaint and providing documentary evidence to demonstrate that the allegations in the Complaint were/are false.

This submission should be deemed a supplement to the Respondents' earlier response to the Complaint, based on newly available information which further underscores that the Complaint is without merit and should be dismissed.

The complaining witness in the Complaint is identified Leonard S. Togman, described as a "registered voter in Delaware".<sup>1</sup> What CREW did not disclose to the FEC, the news media or the public at the time (or since) is that Leonard S. Togman is the *father* of Melanie Sloan<sup>2</sup>, thus undermining the very independence of the complaint's origin.

CREW's complaint and legal attacks against Christine O'Donnell largely rely on an undated affidavit signed by David C. Keegan, described in the Complaint as a "campaign consultant" to Ms. O'Donnell's

<sup>1</sup> See FEC Complaint, p. 2, ¶6

<sup>2</sup> See Exhibit A, *New York Times*, September 23, 2007, Melanie Sloan wedding announcement article:  
<http://query.nytimes.com/gst/fullpage.html?res=9901E2DB1639F930A1575AC0A9619C8B63>

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Mr. Chris Huey, Esq.  
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campaign<sup>3</sup>. However, the veracity of Keegan's testimony and affidavit have been called into serious question in a recent interview with Keegan. In fact, the *entire* CREW complaint and the criminal inquiry demanded by CREW was based on Keegan's supposed 'inside knowledge' of the finances of the O'Donnell campaign and Ms. O'Donnell when, in fact, he had neither and admitted as much in the recent interview.

According to two submissions on July 14, 2011 by Attorney Richard L. Abbott, Esq., a Delaware attorney also serving as counsel to Christine O'Donnell & Friends of Christine O'Donnell<sup>4</sup>, the affidavit submitted by CREW from David Keegan was false and contained numerous false statements that Melanie Sloan and CREW knew or should have known to be false prior to her filing of the FEC Complaint and her accompanying letters to the Delaware United States Attorney and the Delaware Attorney General, furnishing copies of the FEC Complaint and demanding a criminal investigation into Respondents, based on the Keegan affidavit.

In his submission to Attorney General Joseph R. Biden III on July 14, 2011, Mr. Abbott wrote:

"Proof of Mr. Keegan's false statements is contained in a transcript of a recent telephone interview. A copy of the transcript is enclosed. Also enclosed is a CD containing an audio recording of Mr. Keegan's statements. A video of Mr. Keegan being interviewed last Fall by CNN can be accessed at <http://ac360.blogs.cnn.com/2010/09/17/video-odonnells-campaign-spending-under-fire/> in order to compare his voice."

"Your attention is directed to paragraph 6, of the Keegan Affidavit, wherein he asserts that "Ms. O'Donnell used campaign funds to pay Mr. Vasher both March and April 2009 rent payments." On page 4. of the March 12, 2011 telephone interview transcript, Mr. Keegan admits that the two \$750 payments that he alleged in his Affidavit to be for rent were actually reimbursements for Mr. Vasher's expenses. On page 6, of the transcript, Keegan admits that the payments were "in place of rent," and that he doesn't really know whether they were for rent because "that's for the courts to decide." On both transcript pages 4. and 7., Mr. Keegan states that Ms. O'Donnell simply did not have an "audit trail" to justify the expenditures,' implicitly conceding that in fact he had no direct knowledge of whether the payments were for rent as he alleged. Lastly, Mr. Keegan admits on page 16. of the transcript that his Affidavit is "worthless."

From the July 14, 2011, Letter from Mr. Richard L. Abbott, Esq., to Attorney General Joseph R. Biden III. *See Exhibit B.*

<sup>3</sup> See FEC Complaint, p. 3, ¶9. Mr. Keegan was *never* a 'consultant' to Christine O'Donnell or Friends of Christine O'Donnell.

<sup>4</sup> See Exhibit B, July 14, 2011 Letter and Documents from Richard L. Abbott, Esq. to Delaware Attorney General Joseph R. Biden III; See Exhibit C, July 14, 2011 Letter and Documents from Richard L. Abbott, Esq. to United States Attorney Charles M. Oberly III



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A transcript of the Keegan interview and the documentation delivered to the Attorney General of Delaware and the United States Attorney for Delaware advising both law enforcement offices of Keegan's potential perjury and Melanie Sloan's culpability for promoting his false testimony to the authorities are attached to this filing.<sup>5</sup>

The US Attorney, at CREW's instigation, apparently did undertake an investigation of the CREW complaints about Respondents. And, after spending several months reviewing the underlying facts, the United States attorney ultimately found no evidence to warrant further proceedings or prosecution, and recently advised the undersigned that the investigation is closed.<sup>6</sup>

In short, the CREW allegations contained in the FEC Complaint and disseminated widely by CREW through the media and to the United States Attorney in Delaware were and are *false*.

Complaints filed with the FEC pursuant to 2 U.S.C. §437g are required to be verified under penalty of perjury pursuant to applicable federal law. According to 11 C.F.R. §111.4(c), "All statements made in a complaint are subject to the statutes governing perjury and to 18 U.S.C. §1001."

Clearly, both Ms. Sloan and Mr. Keegan made false statements to the FEC in the CREW complaint filed against Respondents.

Respondents have provided to the Commission documentation that demonstrates that the lease for the campaign headquarters was *not* Christine O'Donnell's personal residence, but was, rather, a lease in the name of the campaign which served as the campaign headquarters *and* provided space upstairs where various campaign workers *and* Ms. O'Donnell resided. Christine O'Donnell paid rent from her personal account to the campaign for her *pro-rata* share of the premises used by her for living space, and documentation of these facts was provided to your office in the December 2, 2011 response.

What is being submitted today is the additional information demonstrating that Mr. Keegan did *not* tell the truth in his affidavit, that the affidavit was prepared for him by Melanie Sloan or her subordinates and/or agents, that Melanie Sloan knew or should have known that the allegations contained in the Complaint were not true and that the entire complaint was fabricated by Melanie Sloan and CREW.

Respondents hereby respectfully request that the Complaint be dismissed as being without merit or factual substantiation and further because no violation of the FECA has occurred.

Respondents further demand that Melanie Sloan, CREW and David C. Keegan be referred to the Department of Justice for prosecution for their false statements to the FEC and their violation of 18 U.S.C. §1001.

Please contact me at (202) 295-4081 if you have questions or desire further information.

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<sup>5</sup> Id.

<sup>6</sup> See Exhibit D, July 15, 2011 Letter from US Attorney Charles Oberly III to Cleta Mitchell, Esq., advising of the closing the investigation into Ms. O'Donnell and Friends of Christine O'Donnell.



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Mr. Chris Huey, Esq.  
July 22, 2011  
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I will look forward to your prompt response. Thank you for your attention to this serious matter.

Sincerely,

A handwritten signature in black ink that reads 'Cleta Mitchell'.

Cleta Mitchell, Esq., Counsel  
Christine O'Donnell & Friends of Christine O'Donnell

Enclosures

cc: Christine O'Donnell  
Matt Moran, Treasurer, Friends of Christine O'Donnell  
Members, Federal Election Commission:  
Caroline C. Hunter, Vice-Chairman  
Donald F. McGahn II  
Matthew S. Petersen  
Steven T. Walther  
Ellen L. Weintraub  
Cynthia L. Bauerly, Chairman

# **EXHIBIT A**

**The New York Times**

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September 23, 2007

## Melanie Sloan, Eric Anderson

Melanie Sloan and Eric Curt Anderson are to be married this evening in Washington, Va. The Rev. Christopher Castle, a Southern Baptist minister, is to officiate at the Inn at Little Washington.

The bride and the bridegroom both work in Washington.

The bride, 41, is a founder and the executive director of Citizens for Responsibility and Ethics, a government watchdog group. She was an assistant United States attorney in Washington from 1998 to 2003. She graduated from the University of Chicago, from which she also received her law degree. She is a daughter of Barbara and Leonard S. Togman of Wilmington, Del.

The bridegroom, 45, is the deputy director of an Asian policy consulting group of Science Applications International Corporation, a military contractor in San Diego. He is a major in the Air Force Reserve. In 2005, he worked in Baghdad as the senior intelligence analyst for the multinational forces in Iraq. He graduated from Illinois Wesleyan University and has two graduate degrees in political science, a master's from Bowling Green State University and a doctorate from the University of Missouri. He is a son of Audrey and James C. Anderson of Port Townsend, Wash.

The bride's previous marriage ended in divorce, as did the bridegroom's previous two marriages.

### PHOTO

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# **EXHIBIT B**

# ABBOTT LAW FIRM LLC

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RICHARD L. ABBOTT, ESQ.  
302.489.2535  
RICH@RICHABBOTTLAWFIRM.COM

July 14, 2011

VIA HAND DELIVERY

The Honorable Joseph R. Biden, III  
Attorney General  
Delaware Department of Justice  
820 N. French Street, 6<sup>th</sup> Floor  
Wilmington, DE 19801

Re: *Criminal Complaint – David C. Keegan*

Dear General Biden:

I am writing to request a criminal investigation, and any appropriate prosecution, of David C. Keegan regarding the potential offenses of 3<sup>rd</sup> Degree Perjury and Making A False Written Statement on behalf of my clients, Christine O'Donnell and Friends of Christine O'Donnell.

In or about September of 2010, Mr. Keegan executed an Affidavit attesting to the truth of certain matters under penalty of Perjury regarding Delaware United States Senate candidate Christine O'Donnell. A copy of his Affidavit is enclosed. It is believed that, as a Delaware resident, the Affidavit was executed in the State.

Two statements contained in the Affidavit are believed to be false. Because Mr. Keegan submitted the Affidavit with knowledge that it would be provided to the Federal Elections Commission and possibly other governmental authorities, the falsity of his sworn allegations could rise to the level of Misdemeanor offenses under the Delaware Criminal Code.

Pursuant to Title 11, § 1221 of the Delaware Criminal Code, a person is guilty of Perjury in the Third Degree when he or she swears falsely. Section 1224 defines "swears falsely" to mean when a person makes a false statement, knowing it to be false, or not believing it to be true, under oath in a written instrument.

Under Title 11, § 1233 of the Delaware Criminal Code, a person is guilty of Making A False Written Statement when he or she makes a false statement which the person knows to be false or does not believe to be true, in a written instrument bearing a notice authorized by law to the effect that false statements are punishable. Federal Election law provides that a person who files a complaint with the Federal Elections Commission must do so in writing, signed and sworn to under penalty of Perjury, per



The Honorable Joseph R. Biden, III  
July 14, 2011  
Page 2

Title 2, § 437g.(a)(1) of the United States Code. Consistent with § 4537g., Mr. Keegan provided an Affidavit which was attested to as true, and containing the express language that it was made under penalty of Perjury.

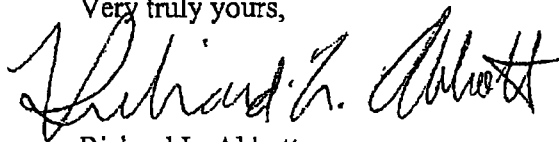
Proof of Mr. Keegan's false statements is contained in a transcript of a recent telephone interview. A copy of the transcript is enclosed. Also enclosed is a CD containing an audio recording of Mr. Keegan's statements. A video of Mr. Keegan being interviewed last Fall by CNN can be accessed at <http://ac360.blogs.cnn.com/2010/09/17/video-odonnells-campaign-spending-under-fire/> in order to compare his voice.

Your attention is directed to paragraph 6. of the Keegan Affidavit, wherein he asserts that "Ms. O'Donnell used campaign funds to pay Mr. Vasher both March and April 2009 rent payments." On page 4. of the March 12, 2011 telephone interview transcript, Mr. Keegan admits that the two \$750 payments that he alleged in his Affidavit to be for rent were actually reimbursements for Mr. Vasher's expenses. On page 6. of the transcript, Keegan admits that the payments were "in place of rent," and that he doesn't really know whether they were for rent because "that's for the courts to decide." On both transcript pages 4. and 7., Mr. Keegan states that Ms. O'Donnell simply did not have an "audit trail" to justify the expenditures,' implicitly conceding that in fact he had no direct knowledge of whether the payments were for rent as he alleged. Lastly, Mr. Keegan admits on page 16. of the transcript that his Affidavit is "worthless."

Mr. Keegan is a Delaware resident and is therefore subject to the jurisdiction of the Delaware Criminal Code regarding the potential offenses of 3<sup>rd</sup> Degree Perjury and Making A False Written Statement. I would ask that you immediately commence a criminal investigation and undertake any warranted prosecution of Mr. Keegan for these two charges.

I await your reply.

Very truly yours,



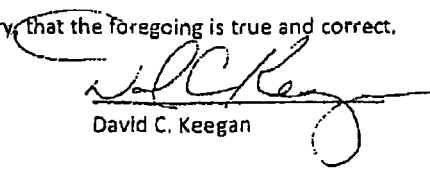
Richard L. Abbott

RLA:cth  
Enclosures  
File No. 353.01

**Affidavit of David C. Keegan**

- 1) I, David Keegan was introduced to Christine O'Donnell in May 2008 by my nephew Brent Vasher and in June 2008, I joined Ms. O'Donnell's campaign for the United States Senate from the state of Delaware.
- 2) My position with the campaign was to serve as a financial consultant and fundraiser. In that capacity, I became familiar with the campaign's spending.
- 3) I became concerned about Ms. O'Donnell's campaign spending as she had no other visible source of personal income.
- 4) In the summer of 2008, because Ms. O'Donnell had failed to meet her mortgage payments, the bank was about to foreclose on her home, located at 518 N. Lincoln Street, Wilmington, Delaware. Concerned that this would reflect negatively on her campaign, Ms. O'Donnell persuaded Mr. Vasher to purchase the house, but allow her to continue living there.
- 5) In January 2009, Mr. Vasher began charging Ms. O'Donnell rent in the amount of \$750 per month.
- 6) Unable to meet those payments, Ms. O'Donnell used campaign funds to pay Mr. Vasher both her March and April 2009 rent payments. Ms. O'Donnell recorded each of those \$750 payments on her Federal Election Commission forms as "expense reimbursements."
- 7) I later became aware that in 2009, Ms. O'Donnell used her campaign funds for other personal expenses, including gas, meals and even an outing to a bowling alley.

I hereby attest, under penalty of perjury, that the foregoing is true and correct.

  
David C. Keegan

INTERVIEW WITH DAVID KEEGAN MARCH 12, 2011  
WITH FREE-LANCE JOURNALIST

*DAVID KEEGAN:* Hello? Hello?

*REPORTER:* Hello, Is this David Keegan?

*DAVID KEEGAN:* Yes, it is.

*REPORTER:* I am \_\_\_\_ a reporter calling from Transterra Media.

*DAVID KEEGAN:* Who are you with?

*REPORTER:* Transterra Media

*DAVID KEEGAN:* What's that?

*REPORTER:* Internet TV.

*DAVID KEEGAN:* Never heard of 'em

*REPORTER:* We are a television news bureau which provides news stories to other news networks, which are mostly overseas. We provide news or interviews for broadcast. So I am calling to ask to interview you for a news story.

*DAVID KEEGAN:* Yeah, um...

*REPORTER:* We are doing interviews for a story or a series of stories on the Christine O'Donnell campaign, including the accusations brought by Citizens for Responsibility and Ethics in Washington or CREW.

We saw that today there is a new story in the FREEDOMIST about you and your role in the huge news story over New Years' about Christine O'Donnell. I want to ask you some questions for broadcast in our news story.

I wanted to see if you want to give a response for our story to the latest report in the FREEDOMIST that you have no experience or training as a Financial Consultant and have only a diploma from the University of Michigan in Near Eastern and North African Studies in 1993?

*DAVID KEEGAN:* Yeah, I've read it and... um... and ah... I have no response to it. You know the guy that wrote it is ah... He has his opinion and... so... anyway and that's all I'm going to say. I've already just made it clear that I'm not going to talk to anybody about any of this stuff anymore. So I apologize.

**REPORTER:** But we are an international TV with audiences worldwide. People in other countries are interested to hear about how elections work in America. Don't you want to tell us your side of the story?

**DAVID KEEGAN:** Oh no no. I've had... I keep getting people.... they always ask for interviews... you know, even when Miss O'Donnell made comments on national TV last time everybody called me and wanted to see if I wanted to rebut what she had said ... And, uh... No I don't wish to ... The C.R.E.W. complaint that's their thing I'm just a minor part of that, so...

**REPORTER:** The Freedomist reports today that the O'Donnell campaign did not have very much money to manage or invest, so there would be no reason for the campaign to have a Finance Consultant.

**DAVID KEEGAN:** Uh. That's correct

**REPORTER:** I wanted to see if you want to respond to the latest report today that you have no experience or training to be a Financial Consultant for O'Donnell's campaign?

**DAVID KEEGAN:** No no. I'm not going to go into it anymore. I'm not supposed to talk about it. So - anyway. You know, I don't know if you are. I don't know who you are - I don't know who you are inquiring about and why your trying to find out my questions on my background either so ...

**REPORTER:** Well, our audiences in other countries are interested in how elections in America work. They are interested in the accusations about Christine O'Donnell in this famous election.

**DAVID KEEGAN:** mm hmm

**REPORTER:** The Freedomist reports today that they could not find any information about your work history. Have you ever worked as a Finance Consultant or Financial Advisor before?

**DAVID KEEGAN:** [laugh] You know what I want you to do? Is look through all of the FEC reports and who got paid and pull up their W2 forms. Christine O'Donnell, I mean they, she even listed her own mother as a financial consultant so ... that is a term that they - was given to me in the campaign, that's what they hired me. No, I'm not a certified financial planner or anything like that... um... I am in the process of getting an MBA - though. Ah... That is a... So, anyway - And that's neither here nor there. I never touted myself as a financial consultant. However if you look at, you look at Christine O'Donnell's background - anybody that could balance a paycheck or check book and anyone that could ah- you know make payments - you know she lost her house, she lost her phone - she lost her car - um... - all of her credit cards because - she could not handle her own, you know balance a checkbook so ... Anyway - so as far as - when we were all hired we were all given titles - and we are all given responsibilities...

**REPORTER:** The FREEDOMIST reports today that the O'Donnell campaign did not have very much money to manage or invest, so there would be no reason for the campaign to have a Finance Consultant.

**DAVID KEEGAN:** Correct. Yeah, I mean - I mean that's like saying you know I'm a financial consultant to my children - ah... There were no - and the same thing - like look at the Assistant Treasurer -- she didn't. She doesn't have any financial background either. She's a secretary at a uhh... a private, uh... a small private... very small private, little grade school so... The title that people were given - it was just ... She wanted people to on the campaign to - you know, fill positions and kinda you know, assign jobs - and um... Later on - I ah... - oh never mind I'm just not going to - go in to it. But there was. Yeah.

**DAVID KEEGAN:** I - oh I don't know and I'm not going to go into that.... that part of it either so...

**REPORTER:** But... at the time Christine O'Donnell was already dating your nephew Brent Vasher, right?

**DAVID KEEGAN:** Yeah, which was quite interesting, because she was 39 and I think he was 26 years old or something - so - at the time -

**REPORTER:** I was told your nephew, Brent Vasher, who was dating Christine O'Donnell as boyfriend and girlfriend?

**DAVID KEEGAN:** Yeah...

**REPORTER:** So what I am trying to understand is... Don't you think it is very strange that a boyfriend would charge his girlfriend rent?

**DAVID KEEGAN:** No... no... no....

**REPORTER:** In America is that typical?

**DAVID KEEGAN:** No...

**REPORTER:** So I don't understand why a boyfriend would be charging his girlfriend rent. That doesn't make sense to me.

**DAVID KEEGAN:** She - no - no no - here - he was - ah... No. He... She was from early in the campaign - she ah... Her house was about to go into foreclosure. She wasn't able to make payments on her house... um... Brent was helping to - um... - you know organize the campaign - and negotiated a deal - where Brent actually purchased the house from her. So Brent became the owner of the house. And she lived in the house without paying rent I think it was without paying rent - up until January of 2009, somewhere around there. And then Brent - started charging her rent. And I think she finally left - must have been June of 2009 that she moved out .. of that house . He, but he was not living in that house. He had his own place - yeah... and they were not dating then ...

**REPORTER:** Did Brent know he was receiving rent form campaign funds?

DAVID KEEGAN: pardon --

REPORTER: Excuse me. Wouldn't Brent Vasher have legal problems if he knew that he was getting paid rent with money from her campaign?

DAVID KEEGAN: No. He was getting reimbursed for his expenses. But the problem was Christine didn't provide the audit trail.

REPORTER: But I still do not understand why a boyfriend will be charging his girlfriend rent? Can you explain this?

DAVID KEEGAN: Huh? Um. I think well, rather than. He - as a landlord has a choice of whether or not to make her pay rent, correct?

REPORTER: But they were living together as boyfriend and girlfriend.

DAVID KEEGAN: No they were not! He did not live in that house - ever.

REPORTER: Really? So they were dating. Weren't they living together?

DAVID KEEGAN: No

REPORTER: Wow, okay.

DAVID KEEGAN: They were boyfriend and girlfriend up until about... July of 2008. And then he just stayed on working with the campaign - because I mean the romance was over - or if there was one...

REPORTER: Now, you say in your affidavit that your nephew Brent Vasher charged his girlfriend Christine O'Donnell \$750 in rent. I am sorry. I wonder if you could explain a little more why would she was paying your nephew rent?

DAVID KEEGAN: He became a landlord. Now all that stuff has to do - ok - if you look at the FEC. Then she moved out and moved into a different place in Greenville - and that's what the press is talking about is that she was paying campaign funds to pay her rent at the Greenville place - not the house with Brent.

REPORTER: Really? So where is Greenville?

DAVID KEEGAN: that's..

REPORTER: Well, that's another house? So I don't understand. Can you explain for us what is your accusation in your affidavit about?

**DAVID KEEGAN:** Yeah? That's what everybody does not realize there were two different residences that she had. One of them Brent Vasher bought and she subsequently, I guess, could not make rent payments or for some reason he asked her to move out because he wanted to sell the house - he did not - you know... Brent now owned the house, but he had to make mortgage payments. So he started charging Christine O'Donnell rent - she made - I don't know if she paid him with cash, check, or how - for you know January and February - I think and then in March and April - she ah... um...

**REPORTER:** Now can you explain how do you know these details which are in your affidavit?

**DAVID KEEGAN:** Pardon?

**REPORTER:** I was saying, how do you know about these details?

**DAVID KEEGAN:** Now, okay, well, that was that would have been referring to, if you look in the FEC, you know the Federal Election Commission, payments. The problem is none of you research people do your homework very well, I don't think. You need to read all the FEC stuff, get a time line - and then fig - you know - and then you know plot it along. I mean you know again you did not know that there were two different houses correct?

**REPORTER:** Oh, no, I didn't. But now you are saying it is wrong for Christine O'Donnell to use campaign funds for these expenses?

**DAVID KEEGAN:** She wasn't running for Senate then... this was... The campaign ended at the election in November - of 2008. Now this is all of this is ah... -

**REPORTER:** Really? Why does she say she was a candidate?

**DAVID KEEGAN:** Because she still was trying to ... and then in January of 2009 the Treasurer quit and somehow she became her own Treasurer... of her own... what she calls a campaign. But the campaign was actually over.

**REPORTER:** Why do you think she spend campaign money on her own personal expenses?

**DAVID KEEGAN:** She didn't have a job

**REPORTER:** But if the campaign is over, how can she spend any campaign money? I don't understand.

**DAVID KEEGAN:** Because there was still cash - in the bank account. And there were still expenses to be paid. See the... when you set up the campaign its set up as a nonprofit company through the state of Delaware - which, by the way, I'm the one that set it up -

**REPORTER:** What payments did she make that violated campaign rules? So there is still money after the campaign. And so you are accusing that Christine could not use that money herself?

**DAVID KEEGAN:** And that has to do with... Okay remember - I said January February ah... she paid rent... either cash or - a check to rent. In March and April if you look at the FEC statements um... it says there were checks like \$550 or \$750. I don't know I cannot remember the amount. You can look it up. There are two different - one was in the first quarter one was in the second quarter. ah... quarterly FEC statements. And it shows payments to Brent Vasher and it says its reimbursement for expenses. Right? And that would be for March and April. Those are in the FEC - and then in May and June. I guess she paid rent ah... you know, and I remember asking Brent where did she get the money to pay that rent and he goes I have no idea. Ah... but anyway for um... March and April ah... there were two payments from the campaign. So apparently Christine must have written Brent two checks - and then used - and then called it a campaign expense.

**REPORTER:** She called it an expense?

**DAVID KEEGAN:** And said reimbursement for campaign expense -

**REPORTER:** Okay. So in your affidavit for CREW you claim those checks were to pay for Christine O'Donnell's rent to Brent Vasher?

**DAVID KEEGAN:** Uh... I think it was in place of rent.

**REPORTER:** Really? But your accusation is that Christine O'Donnell paid rent to her boyfriend with the two campaign checks?

**DAVID KEEGAN:** That's what the ah... complaint is. I don't know. That's not for me to say that's for the courts to decide.

**REPORTER:** Okay. I see. But do you think that someone like her or any other candidate can easily make such an obvious mistake violating campaign finance rules? You said before that on her reports to the FEC she is saying reimbursement for expenses.

**DAVID KEEGAN:** But I... I... But I... I... the fact is when I asked does she have an audit trail. There is no audit trail - I don't think she has any ah... or at that time did not have any - specific expenses. It was a matter of she did not have money to pay - she needed to pay her - she needed to pay the rent. Otherwise she is going to - you know - Brent at that time - he's the landlord - if she did not pay the rent he's going to kick her out. But so where did she get the money to pay the rent? She took it out of her - out of uh - the account. I don't - know if it was - a check cash or what - it was just - she accounted - for for it as - ah... which came out - later in her reports - she said it was um... - it was ah... reimbursement expenses. And when I asked Brent about that - you know I said - does she have an audit trail - or anything - he said no - no I never submitted anything or...



**REPORTER:** How do you know all these details? Did Brent tell you this?

**DAVID KEEGAN:** No. He told me. Again. It's all hearsay, and in my affidavit, it just says, "learned of this it does not say I witnessed" - so

**REPORTER:** Do you believe that your nephew Brent Vasher will go to jail or lose his job for taking what you say is stolen money for rent?

**DAVID KEEGAN:** Well, um... I don't know and I don't think so they're not investigating him, um... I don't see that - um... Again it was Christine O'Donnell that paid money to Brent and then accounted for it cause she took it out of the campaign. She needed to

**REPORTER:** But I still don't understand. They were dating and he asked her to pay him rent? What do you mean?

**DAVID KEEGAN:** No they weren't!! That - I told you this is March and April of 2009. They stopped being boyfriend and girlfriend back in July and August of 2008 - 8 months earlier, yeah. And everybody. That's when -

**REPORTER:** So who was it who broke up the relationship between Brent Vasher and Christine O'Donnell, do you know?

**DAVID KEEGAN:** Ah... Why don't you look that up in the National Enquirer or something - you know that's none of my business. And it's none of your business either. That's a personal relationship you're talking about there...

**REPORTER:** Is Brent Vasher now dating another girlfriend?

**DAVID KEEGAN:** And I don't know. That's none of your business either so -

**REPORTER:** Do you want to comment about the reports that you posted negative statements about Christine O'Donnell on Facebook, something about her bush?

**DAVID KEEGAN:** pardon -

**REPORTER:** Did you post negative comments about Christine O'Donnell on Facebook, something about her bush?

**DAVID KEEGAN:** Ah... if you look on - Facebook or anywhere else - there are thousands and thousands of derogatory comments about her. And it was just. There are thousands of comments about Chris Coons her opponent and Mike Castle her primary opponent - um... This Jonathon Moseley isolated my comments - which were just as funny and just as irritating as everybody else's - you know. And then he talks about things that I said - that I posted on there - there were links from, nothing was original - all links from you know either - other web sites or something that - people - some of the parities that were on TV - um... - you know parodies that I'm not a witch - um... - several other things but - you know -

**REPORTER:** Okay, now in 2008 the Treasurer of Christine O'Donnell's campaign was Timothy Koch, is that right?

**DAVID KEEGAN:** Yeah, he did a wonderful job. He was excellent. ... Now he quit! He quit! Timothy Koch. He ended his treasury, being Treasurer - December of 2008. This is prior, this is prior to Christine writing those checks. But when she did that she was her own treasurer, I think. But there might have been something else but somebody inexperienced -

**REPORTER:** Was Brent Vasher the Legal Counsel, the attorney, for the O'Donnell campaign?

**DAVID KEEGAN:** Not that I know of. He did not have a title - no -

**REPORTER:** How did you get involved with the campaign?

**DAVID KEEGAN:** Um... You know what? They asked me - if I wanted to... my son was helping with the campaign - and um... Brent and Christine approached me - at a party and asked me - if I wanted to come on board - and they said it would be a paid position and you know - and compensation would be in line - umm.. with what Kristin Murray would be paid who was the campaign manager - when I joined and also -

**REPORTER:** Why did they decide to give you a title of a Financial Consultant? Did you suggest that title?

**DAVID KEEGAN:** Ah... No... I mean Brent knew - that I had made a considerable amount of money - and - whatever - um... And later on - you know - when I walked in - into that campaign into my first meeting - they handed me business cards. And on it it said David Keegan - you know - and the Christine O'Donnell campaign - and my as far as the title it was finance. That didn't mean I was Treasurer or anything. That was supposed to mean - they just kinda wanted - my job was to be - ah... kind of a budget advisor, you know, help, uh... It ended up - you have to - take a look at the scale of this campaign compared to a real campaign. We are talking at no time in June, July, or August - was there more than \$10,000 or \$12,000 in the bank account - you know - I -

**REPORTER:** So what do you think a title of Financial Consultant means for a Campaign?

**DAVID KEEGAN:** No - again - the title Financial Consultant - everybody says, oh yeah, I'm claiming to be a Financial Consultant. Where that came about was, uh, sometime in August all of the staff - new staff members that were on there - we all finally got a pay check - and it was only for \$1000 each - um... You know. But it was a start. We knew that, hey, the pay checks weren't going to come rolling in unless the donations came in. So anyway, on that pay stub - and if you look in there - um... - Tim Koch - puts whatever... at that time, put whatever... you know the title of what we were doing and on there it says Financial Consulting.

Some reporter somewhere or somebody... uh... you know... in a story or something got a hold of, you know... I let some reporters see the W-2 or the 1099 excuse me... Form 1099 and they

said oh, you know she was denying that I was employed by the campaign - and he says no, it says right here - I'm looking at a copy of the - He's talking to her on the radio saying I'm looking at a copy right here - ah - This was of a 1099 you know, Financial Consultant, so that's where that came from.

But okay, now during the campaign you understand there are contributions coming in and then there are expenses - correct? So it's a matter of cash flow - Cash coming in - cash going out - to buy things - ah - At one point we had a large staff meeting - in - and a guy that - Mike Schwartz - was Senator Tom Coburn's Chief of Staff - He came here and had a meeting after which we kind of re - kind of - re-designed the purposes of our staff and our positions who was to be in charge of getting people - Volunteers - who was to do this - you know, this job and that job - My job and another guy's job - and he was a full time employee and also lived two hours South of here - ah - So he was not going to be able to do too much - except maybe on weekends - But our job was to try to come up with - and one of the things that we were tasked was to create a budget - And so our budget - you know, that we were trying to base it on - ok we have our expectations - of the amounts that are coming in to the campaign through donations and um - And then what was needed to - what was being paid - ah - So - I mean - so my job - one of my jobs was to - try to - I wanted to have a certain percentage of the donations that came in - be set aside to pay back staff expenses - Ah - A lot of the people were - who Christine went to - and I was guilty of this early in the campaign - was putting stuff on my own credit card and then sending in an expense report - And fortunately I did get reimbursed - the first part of the campaign was like \$1400 - Then, um, it was also - aware -

**REPORTER:** I saw you gave a loan of Christine O'Donnell's campaign \$2,300 and it was paid back, right?

**DAVID KEEGAN:** Yeah, that was - later on - Okay, that was July 24th and 25th - July 24th um - The campaign needed \$10,000 to take down to Dover to the election commissioner - to file in order to be - you know - file the paper work to be put on the ballot - and ah - And we did not have \$10,000 in the bank - so on July -

**REPORTER:** Is it true that you were paid back \$2,300?

**DAVID KEEGAN:** Yeah, Yeah - But, uh, Yeah - I made sure and prior to that and I had talked with Tim Koch the Treasurer - he said he would not - you know we were scrambling to get donations - and so I said you know if we are short - ah - I think we were short like \$1,800 - ah - when we actually by the time, out of the \$2,300 that I loaned the campaign - I think at that time we really needed \$1,800 - And Tim Koch said you know I had to, he said, he would write the check and - cause he was - he worked out of Virginia - So he wrote the check and had it sent overnight delivery - which we received at like 10 AM on the 25<sup>th</sup> - We had to be down in Dover by noon on the 25<sup>th</sup> - But he also said do not cash that check until - you know I had to verify that I had put the \$2,300 into the O'Donnell account - Fortunately my bank account was with the same bank as the campaign - And we just, uh, transferred the cash immediately which I then relayed to Tim Koch - So, otherwise you know that check would have - he would have called the bank - and said cancel the check - So that's how we had the \$10,000 to take down to Dover and get it - And the other thing that I told Tim Koch as soon as that thing gets cleared that \$10,000 - We knew it was going to - you know, the \$10,000 is paid to the Delaware

Republican Party. And I had promises from them that that would be redeposited or given back into - given back to the campaign. So it's just kind of a temporary circle of campaign funds. When that \$10,000 campaign fund came back, Jim Koch knew that he was paying me back \$2300 - which he did. That was done right away. There was no problem at all with that. That's nothing.

But that - what it does show is that yes I did have access to all the bank records and what was going on in the campaign. And also as part of my job too - ah - was to start - you know, we were going to start ordering signs, leaflets, pamphlets and you know promotional stuff. And part of my job was to - ah - start ordering them - including my T-shirts - I put in an order for T-shirts and ah - was told by - you know, someone would be - someone else was going to be paying for them and I didn't have to worry about them. So two days later I am getting a call - and this was supposed to be a rush order - so then 2 days later, because my name is on it - was on that - I did the ordering. They're calling me trying to find out what is - well somebody finally paid for it and went and picked them up. Cause I got pretty mad - and ah - That was one of the things that made me mad.

Then she wanted to order - uh - some other stuff - and which was very expensive - and I - I ah - and then - Plus she was getting ready to go on a - fly herself and two other campaign staffers out to California to what was supposed to be a fund raiser. And that was like \$900, 900 some dollars in airfare. And then at this point um - there's just a couple thousand dollars in the campaign. And I also remembered she purchased the airline tickets through her mother's travel agency that her mother worked for. And at one point asked me if I could put those on my credit card and I said no I'm not going to do that. Someone else will have to do that. And the money for the airline - for the tickets was due on - I don't know what the date. But she ended up um - paying for them a couple days later. I don't know if they went on Brehl's credit card or there is another person Mary Lou Vail who put a lot of stuff on her credit card and I think finally got reimbursed this past July, two years after the campaign um - and the other fellow Asim Ghalab. If you look then you can see his pay information, too. He finally got paid 700 and something dollars two years later. And I talked to him and yeah. Here's this unexpected check in the mail. And he never expected to see that again - ah -

Anyway - I - She wanted to order a bunch of stuff. I said we don't have the money to do that. And her response then was well see if they could invoice it. And I said even if we invoice it, we have maybe \$500 a week coming into this campaign and you want me to order you know \$10,000 worth of stuff. It's just not going to happen. So um - Then she wanted me to give her the information, the contact information for the company, and I said no - uh - You know, you hired me to help - here my job is to work on a budget and be responsible. I said its totally within the scope of my job to say no this would be financially irresponsible.

And that was kind of the beginning of ah - You know if you look at the campaign and how she operates I - somewhere along the line there, too, we were to order yard signs. I put in an order for yard signs. I told the people at the company that I ordered them from them that if they were to invoice it and trust it they might not get paid - ever. And at the same time I also got in contact with Tim Koch and I said can we, here we are - I think we need about \$2500 dollar's worth of yard signs and ah - um - I said can you, you know, can you give me a check number - cut a

check for that? And so it was a day or so later he came back and says ok that's - they sent the invoice to him. And he cut the check and once that was done the signs were printed. And I also warned them I said - just be careful that the campaign does not have a bunch of money in here and I believe that she is acting that she is being financially irresponsible - just like she did with her own personal credit - credit cards. And this is why she was having campaign staffers put stuff on their own credit card. She didn't have any - so ah.

And that was kind of the beginning of the end between myself and Christine. She is getting mad because I didn't give her the information. So apparently she went out and tried to get the information for herself. But there were some other things - issues as to what she wanted to do ah. Here it was in August?

**REPORTER:** We have also heard that you did work in the government. Is that true?

**DAVID KEEGAN:** Yeah, but that's again I am not going into my career - um... - and anything like that is classified anyway so....

**REPORTER:** Was your work in the government with finance?

**DAVID KEEGAN:** Nothing to do really with finance.

**REPORTER:** So you being a Financial Consultant for Christine O'Donnell's campaign did not involve any special training or experience?

**DAVID KEEGAN:** Yeah. It's just a campaign. It's not like even. Anybody can be Treasurer. You know I am not putting myself out there or saying that. You know I could not be legal counsel for the campaign cause I don't have a law degree. I'm not a member of any bar or have a law degree. I can't say I'm the campaign physician but. You know it was a job title that they gave me that they called me - um. The other guy Asim Ghulab. They were making cards for him. And she gave him the title of Chief of Staff. Well, what the heck does that mean - ah... I mean my title is - yeah.

**REPORTER:** Okay. Of course the FREEDOMIST article claims and Christine O'Donnell says that you could not be a Financial Consultant because you did not have an education or work experience in finance.

**DAVID KEEGAN:** It doesn't, it doesn't really require anything - I gotta tell ya her mother worked, if you look in there, worked at a travel agency. Christine O'Donnell put her own mother on the payroll and she's listed as a Financial Consultant. You know - give me a break - its - and you know - in that r... ah... -

**REPORTER:** Really? Is that legal for a campaign to hire a candidate's family?

**DAVID KEEGAN:** Ahhh... Probably... you know. I'm sure - I'm sure it is.

But, you know, you have to show that she did some work. Um... I don't know... Later on - I don't know if she had contracts, you know, made with these people that were to be paid. um... so.. you know such an amount. But - for me - and the rest of our staff - we would be considered independent contractors. But we were hired and .. I got a 1099 for \$1000 - um... the agreement was when she hired me - Kristin Murray, Asim Ghulab, Marie Redfield, my son David - um... I don't know about Mary Lou but, um... We were all to be hopefully paid at a rate of \$4000 a month.

My son David [redacted] left the campaign mid-July because he had a navy commitment. He was in the ROTC program. He'll do stuff with the Navy for the Summer. So I mean that was early - that was the 2008 campaign and, you know, just finding, learning about stuff.

I mean part of the other job that I did was trying to find places to tap for donations. And so I asked her about Fairleigh Dickenson College where she said she graduated from. I said don't they have an alumni association? I'm going to contact them. And she said, no no, don't contact them. Don't even, you know, talk to them or anything. And I was very confused. But I went ahead and contacted them. And they said they didn't have her name on record. And I'm like oh she didn't even graduate from there. And apparently she did not. Um...

**REPORTER:** So, do you think it's possible that any candidate for Senate would make such an obvious mistake violating campaign rules, such a mistake that it so easy to be uncovered right away? Usually, people who want to violate campaign finance laws, do some complicated operations that are not so easy to be uncovered?

**DAVID KEEGAN:** Yeah,

**REPORTER:** She is, like any other candidate is an educated and reasonable person.

**DAVID KEEGAN:** That's what I don't understand either and...

**REPORTER:** So, how could she make such an obvious mistake that everybody would find out about right away?

**DAVID KEEGAN:** Again she was in dire.. She had no job, no other source of income - the only money that she could consider coming in to herself is campaign donations

**REPORTER:** But she cannot use campaign donations, right?

**DAVID KEEGAN:** She did it anyway. That's what... this is what the whole purpose of this investigation is to see if she did this illegally ...

**REPORTER:** Really? So you are supposing she was using campaign donations for herself?

**DAVID KEEGAN:** [sarcastic laugh]



**REPORTER:** You are saying, suppose you put yourself in her place with no other money, you believe she was having to break the law by taking campaign donations?

**DAVID KEEGAN:** You know... here, here... Put myself in her place? Okay. If it were me, would I have lost my house? Not made payments on my house? Would I have lost all my credit cards? Would I have racked up uh... thousands of dollars in past due electric bills? Would I have made my car payments? Look at how irresponsible she is. She had no clue. Would I...? Look at her campaign debt. Would I - and for me - I would not do it - I would not call companies and say can you invoice this knowing that my campaign and my company did not have money to pay that. That to me is stealing... too.

**REPORTER:** I don't understand how this situation could be created. It's not believable that she or any other candidate could make so many obvious mistakes.

**DAVID KEEGAN:** Okay, don't forget. Because she - to me, she is not the brightest. Uh. That's my opinion - and - anybody that - she was financially irresponsible to begin with. Now Tim Koch quit as Treasurer. He was no longer in charge of writing checks - all of a sudden Christine takes over for herself as Treasurer. And she is able. She has all control over the bank account and the campaign and everything - and she goes out - plus she had uh - um - you know, debit cards too. So she goes out and - can't pay bills, but she needs gas money - food money - ah - travel money. So she uses - ah - out of what was you know, what was in the campaign still in the campaign fund. And at the same time, she is still out. There are still donations coming in - in the spring of 2009. You can look at the FEC reports. And that's what I suggest you do - is go through all the reports with a fine tooth comb so you get an idea of who was paid when and and - whatever but ah - um

**REPORTER:** It's hard to believe that a candidate like her could have so many flaws. A lot of conservatives still support her and voted for her. Many conservatives voted for her.

**DAVID KEEGAN:** No normal person would. But look at her past. Look at how irresponsible she is with her own credit situation. She lost everything because she didn't make payments. She didn't get a job to make payments. She did not get a job to make rent payments apparently. She didn't get a job to have money to buy gas. She had ah. All of her gas it looks like ah - look at all her receipts that she submitted. This is somebody who is living alone - not in a campaign. But she still - she becomes. Again the campaign is an ongoing company. It's a corporation. It's a nonprofit corporation. But if she were to use these things as uh - you know, as expenses - she needs to declare that as being part of her own income. What she could have done is - taken - you know - instead of paying Brent \$750.00, she could have paid herself \$750.00. And - But she would have to declare that as income and pay taxes on it. That's how dumb she is. She didn't do that.

**REPORTER:** Do you disagree with Christine O'Donnell politically?

**DAVID KEEGAN:** Umm. Uhuh. You know, I... ummm... as far... as far... you know... Let me also explain as far as my own political beliefs they are very much in line and agree with a lot of Christine's policies. My complaint that I don't like Christine is her financial

irresponsibility, her lying about her college, her treatment - the way, you know, she treated and failed to reimburse um - staff members - that she, you know, lies about whether or not we were employees - when all the proof says, yes, we have 1099's. You know, you don't get that 1099 unless you were a paid employee. Aah. She lied, you know, saying ok. Oh I don't know there's stuff that - a lot of stuff. As far as other political parties.

**REPORTER:** But you're talking mainly about lies after the 2008 campaign was over?

**DAVID KEEGAN:** Yeah.

**REPORTER:** I was told there was some incident when you showed up for her campaign event and were asked to leave...

**DAVID KEEGAN:** Here's what happened. Do you know who Ginger Gibson is? There's a newspaper here the Delaware News Journal. She's the one that wrote - initially wrote the article - um - in this past spring - before the last election. When Christine announced her candidacy for the 2010 election, um - I went to the meeting - to the announcement. And I just wanted to ask her if she has any intention of ever paying back her staff members for their expenses and also for the supposed salaries we had been promised.

Well she had me kicked out of the meeting saying that the meeting was just for journalists, even though I had an invitation and was also an - an invitation from the Republican Party headquarters was extended over there. And they asked me to go. But so anyway I never got a chance to ask that question. But I did make it known to several of the reporters there my concern. And then, um. Shortly after that, it was noticed that I had been tossed out of the meeting. So I had a lot of people wondering why I had been tossed. And I told them the same thing that I told you. I have some questions about that.

Well this one reporter, Ginger Gibson, picked up on a lot of what I've told you and did, you know, an extensive investigation and the public records and, um, the Fairleigh Dickinson, and ah. And actually it finally came out that she had not graduated and that she lost her house. And all this stuff came out. And so people - this was - you know, people started picking up on that.

And the question became, you know, who's this financially irresponsible person? What business does she have running? Why is she running for the Senate? Who would support such an irresponsible, crazy. Then she went on, oh, to tell lies and fibs about other things and was called out on that. So it just kind of snow-balled. It, it grew from pretty much from what Ginger Gibson had originally written. And then some of the other networks started picking up on it - um - and the other.

**REPORTER:** And so it became a big story all around the world because of that.

**DAVID KEEGAN:** [chuckling] It was an interesting story. I mean, she was... she...



abortion. And there was, ah, there was the same. I saw a lot of my friends voted for Christine O'Donnell. She, that she has expressed a lot of views that they believed in. So, but still.

**REPORTER:** What was your motivation to complain about Christine O'Donnell?

**DAVID KEEGAN:** Uh, oh, after the first election and from what I saw in a way she treated the candidates, *(sic)*, this is, I always felt this is, you know, a year earlier, I would have liked to have had somebody, ah, and the same thing with, ah, Kristin Murray, the, ah, old campaign manager when I was with the campaign, too. And we both felt we wanted to make, it would be nice to make a complaint or if someone would just look into what she did, ah, as far as things like that rent, I don't know, you know, I don't know the whole truth behind that. It could be something completely different than, than what, what I think, but I.

**REPORTER:** So, you were personally upset at her for all of this?

**DAVID KEEGAN:** Ah, she, she needs to account for her sins, for her transgressions, against, you know, in the campaign. She needs to, and, you know, one of the other things was, nnn, after the campaign I wanted to make sure that she didn't run again. I wanted to make sure that any money that came in, that it does not go to her, it goes to paying.

And that was one of my big concerns when I was in the campaign, I wanted to make sure that some of the money that came in, that we budgeted to give back to the employees who were putting stuff on their own credit cards and charging stuff and paying out with their own money, because the campaign didn't have the money to pay for it.

So when anytime Christine would go out to dinner and charge it to the campaign or go out to lunch, I would get mad and I would say, Christine, why can't you just put a sandwich in a paper bag and take it with you. I had to buy my own meals when we were on those campaigns driving around. Everybody else had to buy their own meals, but not Christine.

And this was back when early I put stuff on my credit card. I think I was reimbursed for all that but, I'm thinking, you know, in fact, I got reimbursed for the money that I put on my card. But Christine didn't.

**REPORTER:** You think...? You were paid for expenses and the loan?

**DAVID KEEGAN:** Yeah! Yeah! But, no, no, twenty-three hundred was a loan to the campaign so she could make a payment. But in the meantime, I also had another fourteen hundred, one thousand four hundred dollars in other expenses. I did get reimbursed for all that. Plus, plus I got one thousand dollars on my 1099 as my pay, out of.

**REPORTER:** It's funny that she paid you \$2,300 back right away and \$1400 but still hasn't paid you the last \$138.

**DAVID KEEGAN:** Ah, no! Ahh, not funny....

**REPORTER:** But her supporters will say that she did pay if you are just patient and wait.

**DAVID KEEGAN:** Okay, now.

**REPORTER:** Don't you think she will eventually pay when she has enough money?

**DAVID KEEGAN:** No!

**REPORTER:** If the campaign is over, why do you still want to pursue these accusations now?

**DAVID KEEGAN:** I wanted to make sure that that, ah, if she was... I figured that more money coming in. She's running for Senator again in 2010. So that means, and then I noticed in the FEC reports that she had thousands and thousands of dollars coming in. She had donations for Five Thousand Dollars (\$5,000.00), but none of it got. You know, it was made, she didn't make payments to pay any of the, ah, previous expenses, expenses that were owed to other campaign members, campaign staff. And that was my biggest concern. And also, ah, when the campaign was over and you're still... look there is still a debt on there for a hundred thirty eight dollars which I properly submitted. It was for mileage, you know, picking up signs, just very minor. One hundred thirty eight dollars is nothing. I drink bottles of wine that cost more than that. It cost, it cost me ninety dollars to fill up my car. But she also owed my son, who's a college student, three hundred and... uh, like three hundred twenty six dollars. And she has been saying that we never properly submitted, ah, the expenses. I'm, you know, they were approved, they were approved and put in the books as campaign debts by Jim Koch the Treasurer. But she's saying that he's incompetent? No! You know, I, ah, it's just doesn't make sense.

**REPORTER:** Some people may say this is about revenge?

**DAVID KEEGAN:** Uh, No! No! Because it was, ah, but I did feel, ah... I felt during the campaign, that it was one of my jobs, and one of my responsibility [sic] is to make sure that no one is cheated and that's what she was doing. It's not about a revenge, it is just simply about having her do the right thing. And the only way...

**REPORTER:** So, her treatment of campaign workers made you angry?

**DAVID KEEGAN:** No, no, no no, no! The thing that made me angry is not, not that so much. It was, ah, ehh, I had reporters asking me about the campaign. And, ah, after that, you know, she started telling lies. Her first, one of the first interviews, she got on, and said that, you know, on the radio so that I was never an employee, I was just a volunteer, I only worked in... you know, even with Kristin Murray she worked there a couple of weeks and got fired. Ah, after three weeks, she had a thousand dollars, she should had, ah.... You know, Kristin Murray, the campaign manager, she had to pay her own rent, she had to go find another job, because Christine...

**REPORTER:** Did you try to talk to Christine O'Donnell about paying you these problems?

DAVID KEEGAN: Ah, ahhhh, you... ah, ah, excuse me. I mean, do you really think that we didn't try that? Of course, we tried. ...

REPORTER: So what did she say about it?

DAVID KEEGAN: Well, ah, ah... she ....

REPORTER: And then is that why you started to accuse her, because you got angry that she treated you bad during the campaign?

DAVID KEEGAN: No, no, no! No, no, no! I mean she never treated us bad in the campaign. There were some things that we didn't like and the fact that she didn't reimburse us for expenses, and she didn't reimburse us at the same time she's spending money on herself. So, ah, again, ...

REPORTER: So, you decided to start this investigation now?

DAVID KEEGAN: I didn't undertake any, I didn't undertake any big task. I ...

REPORTER: But you said you were upset because she lied about you?

DAVID KEEGAN: Ah, like I said, this is after, I mean, when she goes on the air and, and you know, berates us and says we were not employees, we didn't do anything on the campaign and that, you know, that she doesn't owe us anything. Aah, you know, we were not employed, we're volunteers, that there was no salaries and, ah, and you know so then, one of them, you know, one of the reporters, it was a radio interviewer who said, 'I am looking at 1099's here from all these people, how do you explain that?'

Then she, even at one point, she, she, ah, had her lawyer call and tell the, ah, tell the radio talk show host that we have signed statements of non-disclosure, meaning we're not allowed to talk about the campaign. And we never signed anything like that so again she was making up stuff. So, this became, ah, a number of lies on her part that later became more irritating. And then, and then it's was just, it just, then it becomes just politics. Um, you know, ... it's, it's I don't want her to be Senator. Okay?

I think there are other people in our state who are so much more qualified, and that have better backgrounds, that are smarter, ah, you know, she has a cute face and I think that's what attracted lot of the, the men, of the, what they call, the slower, lower of the two southern counties of Delaware.

Ah, and, but, after that, any of my comments and stuff were purely political. Once the election was over I couldn't care less. You know, I think she's still, ah, you know she still, umm, she. I don't know if it's in January or whatever, she, I mean the people, the press still asking, you know, 'why have you not paid these people back?' And, and then that October that was when, ah, you're familiar, you mentioned CREW, right? Citizens for Responsibility Ethics in Washington. They approached me. They came to me. I did not initiate that. That had nothing to do... All I did was, you know, the only thing that's there is an affidavit and,

umm, I am mad at GREW because I was supposed to be able to edit that affidavit and see what they were writing and it was only supposed to go to the Federal Elections Commission. They attached that affidavit to a complaint with the Attorney General without my permission.

So, ah, you know, push comes to, plus there is no original signed document. Normally something like that a legal document. They even have my name wrong [chuckling] so [chuckling] it's to me, my affidavit in there is worthless. But once that was on there and released, the next day, that morning, I had every news show, you know, across the country and, ah, that wanted to know, what was going on. And, umm, and then, since then, ah, you know that's been completely out of my hands.

So that whole part, this is just part that caught the news media's attention. But again, my, I mean there were two parts to that. The GREW complaint also talks about her paying rent, umm, for an apartment that doubled as her campaign headquarters? That was not the house. That was, that had nothing to do with me. I know nothing about that part. The only thing I know, and I learned about, was that, that 2 checks that showed up in the FEC report (chuckling), and that which I asked Brent about.

So, anyway! So, no! I don't. I did not. You know, I, I, I don't (wanna waste my time and resources. Ahh, you know, I'm not, ah, then again I've declined. You probably. You're very nice and, ah, and I declined just about any other interview from Associated Press, NBC, ah, CNN, all of the major news people in the United States are trying to get me, but pretty much.

**REPORTER:** So, many people say this complaint and accusations are all political, coming from her opponents?

**DAVID KEEGAN:** Yeah! Why, ah. [Chuckling] Pretty much. Once she became. Once she upsets Mike Castle in the primary election, that's when everybody took and said, Who is this Christine O'Donnell, that she could win against someone that has been an elected official in Delaware for like, I think, 38 years? Mike Castle was considered unbeatable. And so yes, that's when everybody took notice and that's also about the time they started, like I said, earlier in the year, this is March or April, when she made her announcement. Shortly after that, that was when Ginger Gibson did her initial stories on Christine O'Donnell and, ah, and then that kind of died away. But then as the election against Mike Castle, Mike Castle used a lot of that material against her. And I think it's in one of their ads they even, I think, Chris Coons, the Democrat, I think, they both may have quoted, quoted me, uhhh, or taken a quote which I did in an interview with a reporter and used it, for part of their campaign. That's when I stopped, you know, I don't, I didn't want Mike Castle or Chris Coons using my name against Christine O'Donnell. You know, that to me is, however, they did use some quotes and, and, ah.

**REPORTER:** Really? You didn't want to be in the news?

**DAVID KEEGAN:** Correct, you see, I'm not, I've done interviews. I told...

**REPORTER:** But everyone was very interested in the story. It was very famous.

DAVID KEEGAN: Ahh. Of course, they were. And now, after the elections over everybody's still interested in it. I don't know. I think the CREW complaint came out and I think CREW, the Citizens for Responsibility had their own time agenda. They wanted to get that out real quick and which kinda surprised me. Ah, they, I'm sure that they had some kind of political agenda. Ah, I don't know. But they go after both Democrat and Republican people that they consider, ah...

REPORTER: Violators?

DAVID KEEGAN: Correct! Yeah! Yes!

REPORTER: What was the role of Delaware politicians in all of these events?

DAVID KEEGAN: The Delaware, it's... There's a guy named Tom Ross who was the head of the Delaware Republican Committee and I think he had a complaint, ah, also about her misuse of campaign. I can't remember that. You might wanna look that one up, too. So that was, that part of it. Again his name is Tom Ross. And about how she was, umm, conducting her campaign. Umm, there were lots of comments from him and he was very much in favor of Mike Castle.

There's another complaint, I dunno that, who, which is the second part during this, this current campaign of how she was, ah, paying, umm, yeah, paying. I guess, they're accusing her again of paying using her campaign money to pay rent. You know, that she had supposedly her campaign headquarters and where she lived with the same place. That I have nothing to do with. That's part of the CREW complaint.

And then there's a minor third, or on our fourth part. [Sighing]. What was that about? Umm... I can't remember. Ummmm, living. Oh there is, there was some questions. Oh! The other part was about her acting as her own Treasurer. Remember I said, after Tim Koch quit? Yeah, um, the candidate is not allowed to do that. That is one of the laws. She has to get a, someone, someone else has to do that.

And that was during that time that she made the, you know, the in lieu of rent payments. I just call them rent payments. I don't know what they actually were, if they were actual reimbursements or not. Because I'm sure, Brent Vasher has, you know, probably thousands and thousands of dollars that he probably, you know when they were boyfriend-girlfriend, or whatever, that he paid for, but, ah, I can't, I can't verify that either. But, so...

Anyway, my whole role in this was very minor. CREW approached me, asked me to, ah, ahh, basically tell what I knew, the stuff that was in there and that's it. It's one little page of a couple of things that I'd learned about the campaign and after the campaign. But you know, historically, I did have other complaints and issues with Christine O'Donnell. During the campaign, no, I did not want her to win, and like anybody else who went on Facebook or made comments to, ah, uh, umm, you know, articles that were on the newspaper, or you know, online you can comment at the end of the article if you want. You know, hundreds and thousands...



**REPORTER:** But it's kind of strange. In 2008, you were working to get Christine O'Donnell elected as a United States Senator. Then, weren't you?

**DAVID KEEGAN:** Yeah! Yeah! And everything went well until the ah, before the end of the campaign were what we differed on how the campaign. I did not want to, how we spent money, I did not want to put my name and order something, and have people come back to me, blaming me for ordering something that we had no intention of paying for. Because, yah, I knew we didn't have the money to pay for it. And I was afraid, I mean, that's, that's ah, yeah.

**REPORTER:** The campaign spending would not be your responsibility, would it?

**DAVID KEEGAN:** Oh, it could, because, you know, I was acting as a legal agent of the campaign when, if Christine or whoever is in charge of the campaign empowers me to make purchases than I'm, than I'm also as responsible for that, too, legally. So, I did not wanna order something and it would be against own conscience to order, you know, ten thousand yard signs for Five Thousand Dollars (\$5,000.00) knowing that we couldn't pay for 'em that they would never be paid for, that to me, I would be stealing. So, but Christine, no problem doing that. And you know.

**REPORTER:** So you think Christine was stealing?

**DAVID KEEGAN:** Yeah!

**REPORTER:** Okay, this information is all very interesting.

**DAVID KEEGAN:** Well.

**REPORTER:** So we would like to come to Delaware and interview you on camera.

**DAVID KEEGAN:** Oh, No! I won't do any camera interviews. And again, ah, you know, I'm, I'm shy. I don't want people knowing who I, what I look like. I don't want people stopping me on the street. Again, Delaware is small and like I said, I've already been harassed. With the Freedomist stuff.

But, ah, you know if you have any other questions, let me give you another phone number. It's, ah, 302-598-9951. And I would ask you please not to call this number, this is my home number and also, ah, so, I, you know, in fairness to my family. I would ask you, you know, to call me.

**REPORTER:** Is that your telephone at work?

**DAVID KEEGAN:** No, it's my cellphone.

**REPORTER:** Oh, okay.

**DAVID KEEGAN:** So...

**REPORTER:** Thank you. Thank you for your time.

**DAVID KEEGAN:** Ahhh!

**REPORTER:** So, you say you are not doing this for some political agenda?

**DAVID KEEGAN:** No! CREW has their own. I mean, not. They've been doing that for years. Ummm! You know with other politicians. I mean, that's their, their job and their purpose in life is to make sure that politicians are playing by the rules. And there have other politicians that have been brought down by, you know, much, much lesser charges than what, what they're talking about with Christine. The part, where my part in the campaign was very, ending up being very minor and that whole campaign was kind of a joke. She got, she was completely overwhelmingly beaten by Joe Biden.

I mean, never had a chance, we know that going in that she would, she had no chance of winning. Ah, umm, my whole contention was if she had followed my way of doing the campaign, and not going into the debt, making sure that, you know, it was ran honestly, and people were paid, and not, ah, not owed tens of thousands of dollars, well, she still would have lost, but she wouldn't have that debt carried forward, which is one of the things she was criticized about.

**REPORTER:** Alright, maybe I forgot something from my notes. But I think that is everything. Thank you for your time.

**DAVID KEEGAN:** Okay!

**REPORTER:** But I thank you for helping me with all of these questions.

**DAVID KEEGAN:** Okay! Yah! Okay!

**REPORTER:** Thank you again. You were very helpful.

**DAVID KEEGAN:** You're Welcome! Take Care!

(Ended at point 01:17:12)

**LANDLORD:**  
**Mid-Atlantic Realty Co., Inc.**  
 248-C Presidential Drive  
 Greenville, Delaware 19807  
**RENTAL AGREEMENT**

THIS AGREEMENT is made this 8th day of January, 2010 by and between Mid-Atlantic Realty Co., Inc. ("Landlord"), and Christine O'Donnell for US Senate (Occupant David Hust) ("Tenant(s)"). For and in consideration of the premises and the mutual promises, covenants and conditions contained herein, the parties hereto agree as follows:

**1. THE FOLLOWING TERMS, CONDITIONS AND DEFINITIONS SHALL APPLY TO THIS AGREEMENT:**

**RENTAL UNIT:** 1242 Presidential Drive, Greenville, DE 19807

**TERM OF THE RENTAL AGREEMENT:** Fourteen Months

**FIRST DAY OF TERM:** February 1, 2010 **LAST DAY OF TERM:** March 31, 2011

**PRO-RATED RENTAL FROM: 01/8/2010 TO: 01/31/2010 IN THE AMOUNT OF \$** 1,316.00

**RENT: \$** \$1,645.00 **PER MONTH**

SEE PROGRESSIVE RENT ADDENDUM 1

**TOTAL RENT FOR ENTIRE TERM:** \$23,030.00

**PLUS ANY ADDITIONAL RENT AS SET FORTH BELOW.**

**MAXIMUM NUMBER OF OCCUPANTS:** 1 (one) SEE ATTACHED LISTING ON APPLICATION WHICH IS INCORPORATED HEREIN AS IF FULLY SET FORTH.

**SECURITY DEPOSIT:** \$99.00 **DATE** 01/20/10 Security deposit shall be held at Wachovia. Any reference in this rental agreement to §5101 or other sections of the Code is to the Residential Landlord Tenant Code, 25 Del. C. §5101 et seq. as amended.

**TENANT INITIALS:** COS

**2. DESCRIPTION AND USE OF RENTAL UNIT.**

Landlord has rented the Rental Unit set forth in this Agreement in its present condition and is under no duty to make any repairs or alterations except as provided in this Agreement or as required by law. Tenant(s) shall use this Rental Unit only as a residence and for no other purpose. Tenant(s) agree that the number of occupants of the Rental Unit is limited to the number set forth in this Agreement and in the application. No pets shall be permitted, without the prior express written consent of the Landlord and a pet agreement is signed.

**3. RENTAL APPLICATION.**

(a) Tenant has delivered a rental application to the landlord. Tenant represents that all information contained therein is true and correct to the best of the tenant's knowledge, information and belief. The rental application and any information contained therein is incorporated into this agreement as if fully set forth herein. Providing incorrect or inaccurate information on the application is considered to be a breach of this agreement and shall be grounds for termination of this rental agreement.

(b) The lease application must be updated on a yearly basis, or at the time of renewal of the rental agreement. Failure to update the lease application may form the basis for a termination of this lease.

**4. MAINTENANCE AND REPAIRS TO RENTAL UNIT.**

(a) Landlord agrees it is responsible for making repairs as set forth in the Residential Landlord Tenant Code §5105, and it does not assume any additional responsibility for making repairs unless specifically set forth herein.

(b) Tenants shall:

(1) Keep that part of the Rental Unit which the Tenant(s) occupy and use as clean and safe as the conditions of the Rental Permit;

(2) Dispose from the Rental Unit all ashes, rubbish, garbage and other organic or flammable waste, in a clean and safe manner;

(3) Keep all plumbing fixtures used by the Tenant(s) as clean and safe as their condition permits;

(4) Use in a reasonable manner all electrical plumbing, sanitary, heating, ventilating, and other facilities and appliances in the premises;

(5) Not willfully or wantonly destroy, deface, damage, repair or remove any part of the structure or Rental Unit or the fixtures, equipment or appliances thereon, nor permit any person on the premises with the Tenant's permission to do any such thing. See §5105.

(c) Any defective condition of the premises which comes to the Tenant's attention, and which the Tenant has reason to believe is the duty of the Landlord or of another Tenant to repair, shall be reported in writing by the Tenant to the Landlord as soon as is practicable. The Tenant shall be responsible for any liability or injury resulting to the Landlord as a result of the Tenant's failure to timely report such condition, unless Landlord has actual notice of the defective condition. See §5105.

**5. TERM OF RENTAL AGREEMENT.**

**TERMINATION**

(a) **GENERAL RULE: TERMINATION AT END OF TERM**

This Agreement shall be for fourteen months, commencing with the first day of the term and shall continue unless terminated by either party in accordance with the Delaware Residential Landlord-Tenant Code, 25 Del. C. §106(c), by either party providing the other with a minimum of sixty (60) days' written notice prior to the expiration of the term. In the case of such written notice from landlord or tenant, this Rental Agreement shall continue upon the same terms and conditions herein contained on a month to month basis, and to run from year to year unless terminated by either Landlord or Tenant by written notice as set forth above.

(b) **PREMATURE TERMINATION:** Tenants must give the sixty (60) day notice set forth above, unless the tenant can satisfy one of the requirements of the exceptions as set forth in §5114 then the tenant may terminate the Rental Agreement upon thirty (30) days' written notice, which thirty-day period shall begin on the first day of the month following the day of actual notice. Tenant shall provide landlord with sufficient documentation to verify the tenant's right to early termination.

(c) **RENEWALS OF AGREEMENT WITH AMENDMENTS OR MODIFICATIONS:** If the Landlord intends to renew this rental agreement subject to amendments or modifications then the landlord shall give the tenant a minimum of sixty (60) days' written notice prior to the expiration of the term of this agreement, that the agreement shall be renewed subject to amended provisions or modified provisions, including but not limited to amended provisions relating to the length of the term or the amount of the security deposit or the amount of the rent. The notice shall specify the modified or amended provisions, the amount of any rent or security deposit, and the date on which any modifications or amendments shall take effect. See §5107-§5108.

(d) After the receipt of such notice the Tenant must notify the landlord, a minimum of Forty Five (45) days prior to the last day of the term, that tenant will not accept the modifications or amendments and is terminating the rental agreement. If the tenant fails to timely give such notice the tenant will be deemed to have accepted all of the terms of the rental agreement as amended, for a further term as provided, or for such further term as may be started in such notice. If the Tenant rejects the modified terms or provisions set forth in a notice of renewal, given under this paragraph, then the rejected notice of renewal shall be considered an effective termination notice. See §5107 and §5108.

**6. RENTAL PAYMENT, LATE CHARGES, SERVICE FEES AND ADDITIONAL RENT.**

(a) **RENTAL PAYMENT DUE:** Except as otherwise provided in Paragraph 1, Tenant(s) shall pay the rent for the entire term of this Agreement in equal monthly installments on the first day of each month as set forth in this Agreement, in advance, without demand or set off at the office of the Landlord or at such other place as the Landlord may hereafter designate. The first month's rent shall be appointed so as to fall on the first day of each month, and henceforth the rent shall be due on that date. See §5101(a)(b)(c).

(b) **PAYMENT METHOD:** Cash payment for rent will not be accepted, all rent must be paid by Personal Check, Certified Check or Money Order.

(c) **LATE CHARGES:** If the rent is paid after the fifth day of the month, a LATE CHARGE of five (5%) of the monthly rental amount shall be due. This late charge must be paid with the rent and shall be considered as additional rent for the purposes of this Rental Agreement. See §5101(d).

(d) **SERVICE FEES:** In addition to said rent, Tenant(s) shall pay the following Service Fees:

(1) A Service Fee of (\$25.00) will be imposed any time the Tenant's bank, for any reason, refuses to honor a check drawn by the Tenant(s). This fee must be paid with the rent and shall be considered as additional rent for the purposes of this Rental Agreement. After the second return of a check, all future payments must be by certified check or money order.

(2) An optional service fee for any purpose allowed by §5111.

Rent includes: Washer, Dryer, Dishwasher, Garbage Disposal, Refrigerator, Range, Cold Water Sewer, and Trash Removal.  
 Resident Pays: Cable, Electric, and Telephone.

**7. UTILITIES/TAXES.**

(a) The following utilities and appliances will be furnished to the tenant by the landlord:

All costs of operation of such services are the direct responsibility of the Tenant(s).

(b) In the event landlord becomes liable for a substantial increase in property taxes, or a substantial increase in other maintenance or operating costs not associated with landlord's compliance with current Code's or Ordinances, not less than four (4) months prior to the demand for such increase and the increase in rent does not exceed the prorated portion of the net increase in taxes or costs, then tenant's monthly rental will be automatically increased to reflect the extra costs aforementioned.

**8. SECURITY DEPOSIT.**

(a) Tenants have paid in advance a security deposit in the amount set forth on the initial page of the Agreement, which shall be held and applied by Landlord in accordance with the law. In the event this Agreement is assigned by the Landlord, the Landlord shall have the right to transfer the security deposit to the assignee, which assignee shall deposit and use the security deposit in accordance with this paragraph, and Landlord will notify, in writing, the Tenant(s) of the assignment. See §5114.

(b) The security deposit will be placed by the Landlord in an escrow bank account consistent with the Residential Landlord Tenant Code. See §5114.

(c) The security deposit may be used by the Landlord to:



- (1) Reimburse the Landlord for the actual damages caused to the premises by the Tenant which exceed normal wear and tear or which cannot be corrected by painting and ordinary cleaning; See § 5514(e)(1) and/or
- (2) Pay the Landlord for all rental arrears due under the Rental Agreement, including Service Fees and rental due for premature termination or abandonment of the Rental Agreement by the Tenant; See § 5514(e)(2) and/or
- (3) Reimburse the Landlord for all reasonable expenses incurred in renovating and re-renting the premises caused by the premature termination of the Rental Agreement by the Tenant, which included termination pursuant to 25 Del. C. § 5514. See § 5514(e)(3)

## 9. USE OF PREMISES.

- (a) Tenant agrees that during the term of this Lease the Premises will be used and occupied as a single-family residence and not for any other purposes. Except as permitted by the written consent of Landlord, no persons other than those defined as Tenants pursuant to this agreement shall be permitted to occupy the Premises. See § 5512
- (b) No nuisance will be permitted on or about the Premises; Tenants will not be involved in any activity that affects the insurance on the Premises or on any property therein including, but not without limitation, fire, extended, other general public liability insurance, or which may impact work of volatile pay stub insurance, or which may create any extra premiums for or increase the rate of, any such insurance. If anything shall be done or kept or omitted to be done in, upon or about the Premises which shall create any extra premiums for, or increase the rate of, any such insurance, Tenants will pay the increased cost of the same to Landlord upon demand.

## 10. NO SUBLETTING OR ASSIGNING OR RENTAL AGREEMENT.

Tenants shall not, without prior written consent of the Landlord, sublet, assign, mortgage or pledge this Agreement or the Rental Unit.

## 11. NOTICE OF EXTENDED ABSENCE.

Tenants shall notify the Landlord in writing no later than the first day of such absence of any anticipated absence from the Rental Unit of the Tenant for more than seven (7) days. Failure to give said notice may be treated as abandonment of the rental property pursuant to § 5507, and may be grounds for the termination of this agreement. See § 5507

## 12. NO LIABILITY FOR LOSS OR DAMAGE TO TENANTS' PERSONS OR PROPERTY INDEMNITY TO LANDLORD.

- (a) Tenants agree to be solely responsible for all loss or damage to Tenants or their property or to any other person which may be situated in the Rental Unit during the term of this Agreement or any renewal or extension thereof, including any loss by water, fire, or theft in and about the Rental Unit and storage as well as gross negligence of Landlord, its servants, agents or employees excepted; In addition, Tenants agree to indemnify and save Landlord harmless from any and all loss occasioned by the Tenant's breach of any of the covenants, terms and conditions of the Agreement, or caused by tenant(s) family, guests, visitors, agents or employees. See § 5309
- (b) The Landlord strongly suggests that the Tenant procure and maintain adequate content and liability insurance to afford protection against the risks herein assumed. If the Tenant elects to procure such insurance then the Tenant agrees to provide Landlord with written evidence of the existence and validity of this insurance.

## 13. SUBORDINATION.

This Agreement shall be subject to and subordinate to any lien of any mortgages and other encumbrances now existing or hereafter created on or against the Rental Unit, without the necessity of any further instrument or act on the part of Tenants, but Tenants agree upon demand of Landlord to execute, acknowledge, and deliver such instruments as shall be desired by any mortgage or proposed mortgage or by any such person holding or about to acquire a ground rent or other encumbrances, to confirm the subordination herein set forth.

## 14. NO WAIVER BY LANDLORD.

Neither the failure of the Landlord to insist upon the strict and prompt performance of all the terms and conditions of the Agreement or any of them, nor the acceptance by the Landlord of such performance thereafter shall be considered or construed as a waiver or relinquishment of Landlord's rights and Landlord may enforce the same in strict accordance with the Agreement in the event of any continuing or subsequent default on the part of the Tenant.

## 15. SURRENDER OF THE RENTAL UNIT.

Upon expiration or early termination of this Agreement, Tenants shall surrender the Rental Unit to Landlord in good condition and repair. Tenant shall secure the rental unit and return all keys to Landlord at the time of expiration or early termination of the agreement. Tenant shall also provide the Landlord with a forwarding address in writing. If the Tenant upon vacating the unit fail to remove all personal property from the Rental Unit then Landlord shall have the right to remove and store the same at the Tenant's expense. At the end of seven (7) days if Tenants have failed to claim the personal property and to reimburse the Landlord for the expense of removal and storage, then the personal property may be disposed of by the Landlord without further notice or obligation to the Tenants. See § 5514(b) and § 5715

## 16. FIRE AND CASUALTY DAMAGE, CONDEMNATION OR CHANGE OF OWNERSHIP OF THE PREMISES.

(a) In the event that the Rental Unit, or any part thereof is taken or condemned for a public or quasi-public use, this Agreement shall, as to the part so taken, terminate as of the date title to or possession of the Rental Unit shall vest in said condemnor, whichever date Landlord may elect, and rent shall abate in proportion to the square feet of leased space so taken or condemned, or shall cease if the entire Rental Unit is so taken. In the event of any total or partial taking, Tenants waive all claims as against the Landlord, and as against the condemning authority, and Tenants agree not to make any claim for the value of the leasehold interest by reason of such complete or partial taking. It is further agreed that Tenants shall not be entitled to any notice whatsoever from Landlord for the partial or complete termination of this Agreement by reason of such taking or condemnation.

(b) If the Rental Unit herein demised, or any part thereof or the building of which the Rental Unit is a part or any part thereof, are condemned or declared unsafe by any constituted authority having the power to make such condemnation or such declaration or are the subject of a violation notice or a notice requiring repairs or construction by any such authority, Landlord, at Landlord's sole election, may cancel and terminate this Agreement, and in the event Landlord elects to so cancel and terminate this Agreement, Tenants, upon notice from Landlord, shall immediately surrender the Rental Unit to Landlord and this Agreement shall terminate and the rent reserved shall be apportioned as of the date of such cancellation. In such event, Tenants waive all claims as against the authority or party making said condemnation or declaring the Rental Unit or any part thereof, or the building of which the Rental Unit is a part of the required surrender of the Rental Unit other than those claims allowed by the Residential Landlord Tenant Code, as amended.

(c) In the event of the sale or the assignment of all of Landlord's right, title and interest in this rental agreement or in the premises covered by the rental agreement, then the tenant agrees that all obligations hereunder undertaken by Landlord, including but not limited to the obligation to return any security deposit paid by the tenant, shall be transferred to the purchaser of assignee not in such event all of Landlord's obligations shall terminate and tenant shall look solely to such purchaser or assignee for the performance of such obligations or for the enforcement thereof. Each subsequent purchaser or assignee shall in turn have the privileges of sale and assignment.

(d) If the rental unit is damaged or destroyed by fire or casualty to an extent that enjoyment of the rental unit is substantially impaired, and such fire or other casualty occurs without fault on the part of the tenant, or a member of the tenant's family, or another person on the premises with the tenant's consent, the tenant may act in the ways provided for in § 5309.

## 17. LIABILITY FOR PREMATURE TERMINATION OF RENTAL AGREEMENT BY TENANT.

If the tenant prematurely terminates this agreement, tenant shall be responsible for the lesser of the following:

- (1) The entire rent due for the remainder of the term and expenses for actual damages caused by the tenant (other than normal wear and tear) which are incurred in preparing the rental unit for a new tenant; or
- (2) All rent accrued during the period reasonably necessary to re-rent the premises at a fair rental; plus the difference between such fair rental and the rent agreed to in the prior rental agreement; plus expenses incurred to re-rent the premises caused by the tenant, (beyond normal wear and tear); plus a reasonable commission, if incurred by the landlord for the re-renting of the premises. In any event the landlord has a duty to mitigate damages. See § 5507(d)

## 18. RIGHT OF LANDLORD TO ENTER PREMISES.

(a) The Tenants may not unreasonably withhold consent for the Landlord to enter into the Rental Unit in order to inspect the premises, make necessary repairs, decorations, alterations, or improvements, supply services as agreed to or exhibit the Rental Unit to prospective purchasers, mortgagees or tenants so long as the Landlord provides the Tenants with at least forty-eight hours notice of the Landlord's intent to enter, except for repairs requested by the Tenants, and shall enter only between 8:00 a.m. and 9:00 p.m. In the case of an emergency, the Landlord may enter the Rental Unit at any time. See § 5509(a)

(b) The tenant is required by § 5509 of the Residential Landlord Tenant Code to:

- (1) provide written notice to the landlord whenever the tenant intends to install a new lock on the door at the tenant's expense and;
- (2) provide the Landlord with a copy of the key to the new lock; and
- (3) the new lock must fit into the system already in place and the lock installation cannot cause damage to the door.

## 19. CLEANLINESS.

The Tenants will maintain the Rental Unit in a clean and sanitary condition at all times and otherwise act consistent with the Rules and Regulations and will deliver the Rental Unit to Landlord at the expiration of the term of this Agreement in a clean and sanitary condition.

## 20. NOTICES.

Any notice to be given by the Landlord shall be in writing and may be served personally by leaving a copy thereof at the Premises or usual place of abode with an adult person residing therein. In lieu of personal service or service by copy of such notice may be sent by registered or certified mail with return receipt requested, by first-class mail as evidenced by a certificate of mailing postage-prepaid, addressed to the Tenants at the Premises, or by depositing the same upon the Premises, when combined with an approved mailing method. Any notice to be given by the Tenants shall be in writing and shall be served upon the Landlord by leaving a copy thereof at the Landlord's address as set forth below or with an adult person residing therein, or with an agent or other person in the employ of the Landlord whose responsibility it is to accept such notice. In lieu of personal service or service by copy of the notice, a copy of such notice may be sent by registered or certified mail with return receipt requested, by first-class mail as evidenced by a certificate of mailing postage-prepaid, addressed to the Landlord at the address set forth on the first page. See § 5513 and § 5514

## 21. DEFAULT BY TENANTS.

(a) Failure to pay rent upon Rent.

(1) The Landlord, or the Landlord's agent, may at any time after rent is due, including the time period between the date the rent is due and the date when late fees may be imposed, demand payment of such rent and additional rent, and notify the Tenants in writing that, unless payment is made within five (5) days after the date notice was given or sent, this Rental Agreement shall be terminated. If the Tenant remains in default, the Landlord may thereafter bring an action for summary possession of the Premises or any other proper proceeding, action or suit for possession. See § 5502(a)

(2) The Landlord may bring an action for rent and additional rent at any time after the Landlord has demanded payment of past-due rent, and has notified the Tenants of the Landlord's intention to bring such action. This action may include late charges, which have accrued as additional rent. See § 5502(b)

(3) If the Tenant pays all rent due before the Landlord has initiated an action against the Tenants for non-payment of rent, and the Landlord accepts such payment subject to a written reservation of rights, then Landlord may then still initiate an action for summary possession or for failure to pay rent. See § 5502(c)

(4) If the Tenant pays all rent and additional rent due after the Landlord has initiated an action for nonpayment or late payment of rent against the Tenants, and the Landlord accepts such payment subject to a written reservation of rights, then the Landlord may continue to maintain that action for past due rent. See § 5502(d)

## (b) Rules and Covenants.

(1) By signing this rental agreement the tenant agrees that the rules and regulations signed by the tenant in conjunction with the signing of this agreement are incorporated into this agreement by reference and are a part hereof.

(2) If the Tenant's breach any rule or covenant which is material to the Rental Agreement, the Landlord shall notify the Tenant of such breach, in writing, and shall allow seven (7) days after such notice for remedy or correction of the breach. See §5513.

(i) Notice under this paragraph shall substantially specify the rule allegedly breached and advise the Tenant that, if the violation continues after (7) days, the Landlord may terminate this Rental Agreement and bring an action for summary possession. Such notice shall also state that it is given pursuant to 25 Del. Code §5513, and if the Tenant commits a substantially similar breach within one year, the Landlord may rely upon such notice as grounds for initiating an action for summary possession. The issuance of a notice pursuant to this paragraph does not establish that the initial breach of the Rental Agreement actually occurred for purposes of this paragraph.

(ii) If the Tenant's breach can be remedied by the Landlord, as by cleaning, repairing, replacing a damaged item, or the like, the Landlord may so remedy the Tenant's breach and bill the Tenant for the actual and reasonable costs of such remedy. Such billing shall be due and payable as additional rent, immediately upon receipt.

(iii) If the Tenant's breach of a rule or covenant also constitutes a material breach of an obligation imposed upon Tenants by a municipal, county or state Code, ordinance or statute, the Landlord may terminate the Rental Agreement and bring an action for summary possession.

(3) When a breach by Tenant causes or threatens to cause irreparable harm to any person or property, or a Tenant is convicted of a class A misdemeanor or felony during the term of the tenancy which caused or threatened to cause irreparable harm to any person or property, the Landlord may, without notice, remedy the breach and bill the Tenant, immediately terminate the Rental Agreement upon notice to the Tenant and bring an action for summary possession, or do both.

(4) Upon notice to the Tenant, the Landlord may bring an action or proceeding for waste or for breach of contract for damages suffered by the Tenant's willful or negligent failure to comply with Tenant's responsibilities under the Rental Agreement. The Landlord may request a forthwith summons.

(c) Absence or Abandonment

(1) The Tenant shall indemnify the Landlord for any harm resulting from the Tenant's extended absence of more than seven (7) days where Tenant has failed to provide notification as required under paragraph 10 of this Rental Agreement.

(2) The Landlord may, during any extended absence of the Tenant, enter the Rental Unit as is reasonably necessary for inspection, maintenance, and safekeeping. See §5507.

(3) If the Tenant wrongfully quit the Rental Unit, and unequivocally indicates by words or deed the Tenant's intention not to resume tenancy, such action by the Tenant shall entitle the Landlord to proceed as specified elsewhere in this Rental Agreement and the Tenant shall be liable consistent with §5507(d) and Paragraph 17 above.

(d) Unreasonable Refusal to Allow Access to Premises

The Tenant shall be liable to the Landlord for any harm proximately caused by the Tenant's unreasonable refusal to allow access. See §5509.

(e) Additional Defaults

To the extent permitted by law, upon any other defaults of this agreement the Rules and Regulations or of the Residential Landlord-Tenant Code, if not cured within seven (7) days written notice by the Landlord, Landlord may thereafter terminate this agreement and pursue any legal rights and remedies it may have.

21. HOLDOVER TENANCY

Whenever the term of the Rental Agreement expires, as provided herein, or by the exercise by the Landlord of a right to terminate, if the Tenant continues in possession of the premises after the date of termination without the Landlord's consent, Tenant shall pay to the Landlord a sum not to exceed double the monthly rental under this Rental Agreement, computed and pre-paid on a daily basis, for each day the Tenant remains in possession for any period. In addition, holdover Tenant shall be responsible for any further losses by the Landlord as determined by a proceeding before any Court of competent jurisdiction. See §5515.

22. DELAWARE CONTRACT

This Agreement shall be construed to conform to the laws of the State of Delaware.

24. TERMS AND CONDITIONS

This Agreement contains all of the terms and conditions agreed to by the parties hereto and shall not be amended or modified in any way, including but not limited to: course of conduct, or by non-enforcement of any provision, except by means of a written instrument executed by the parties hereto.

25. PARTIES BOUND

This Agreement shall bind, and shall inure to the benefit of Landlord and Tenant and their respective heirs, successors and assigns. In the event "Landlord" or "Tenant" shall consist of more than one person or entity, the obligations and rights of Landlord and Tenant shall be the joint and several as to all persons or entities identified as "Landlord" or "Tenant".

26. RECORDING

It is understood and agreed by the Landlord and Tenant that this Agreement or any provision contained herein shall not be recorded. The recording of this Agreement or any provision contained herein shall constitute a material default.

27. DAMAGE CAUSED BY TENANT

Landlord shall not be liable for any damage, compensation or claim by reason of inconvenience or annoyance arising from the necessity of repairing any portion of the building, the interruption of the use of the premises, or the termination of this agreement by reason of the destruction of the premises, except as set forth in the Residential Landlord-Tenant Code.

28. SEVERABILITY CLAUSE

If any section or provision of this agreement is found to be unenforceable, invalid or illegal it shall have no effect on the remainder of the agreement and all remaining provisions shall remain enforceable.

29. TENANT RESPONSIBILITY FOR DAMAGES

Tenant by accepting this agreement covenants and agrees that Tenant will be responsible for all damages accidentally, maliciously, intentionally, or negligently caused by the Tenant, Tenant's family, guests or invitees to any of the property of the Landlord.

30. MISCELLANEOUS

Any headings or captions preceding the text of the paragraphs herein are inserted solely for the convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

31. NO ORAL REPRESENTATIONS

Tenant has read and understood this agreement, and is competent to understand and enter into this agreement. Tenant has not relied upon any oral representations, promises or warranties made by the Landlord or its agent in making the premises.

32. DEATH OF TENANT

In the event of the death of the Tenant, the Landlord has the option to terminate the Rental Agreement or to extend a new Rental Agreement to the Estate of the deceased Tenant subject to the same requirements of a renewal application for approval of a Rental Agreement. The death of the last surviving Tenant, who is signatory to this Rental Agreement, will constitute automatic termination of the tenancy. The benefit of this Rental Agreement may not be assigned, transferred or assumed by the decedent's estate, heirs, next of kin or beneficiary named in a will or trust. Any payments owed by said Tenant to Landlord pursuant to this Rental Agreement shall remain a claim against Tenant's estate.

33. THE RECEIPT OF SIGNATORY OF RESIDENTIAL LANDLORD-TENANT CODE AND OTHER DOCUMENT ACKNOWLEDGED

Tenant hereby acknowledges the receipt of the following and that they have read and understood each document:

1. Rules and Regulations, a copy of which is attached hereto as Exhibit "A";
2. Lead Disclosure Form, a copy of which is attached in the move in packet as Exhibit "B";
3. A Summary of the Delaware Residential Landlord-Tenant Code, a copy of which is attached in the move in packet as Exhibit "C";
4. Guarantor/Surety Disclosure form if applicable;
5. Pet Agreement

IN WITNESS WHEREOF, the parties have set their hands and seals to this Agreement the day and year below written.

WITNESS:

*Barbara Morrow*

LANDLORD:

*Julie Murphy* (SEAL)

Dated: 1/8/10

WITNESS:

*Barbara Morrow*

TENANT:

*Chris Ornel* (SEAL)

Dated: 1/08/10

WITNESS:

TENANT:

By: \_\_\_\_\_ (SEAL)

Dated: \_\_\_\_\_

WITNESS:

TENANT:

By: \_\_\_\_\_ (SEAL)

Dated: \_\_\_\_\_

WITNESS:

TENANT:

By: \_\_\_\_\_ (SEAL)

Dated: \_\_\_\_\_

WITNESS:

SURETY or GUARANTOR:

By: \_\_\_\_\_ (SEAL)

Dated: \_\_\_\_\_

WITNESS:

SURETY or GUARANTOR:

By: \_\_\_\_\_ (SEAL)

Dated: \_\_\_\_\_

SURETY OR GUARANTOR NOTICE

TENANT: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

You are being asked to guarantee performance of all provisions, terms and conditions of this rental agreement, as well as the present future responsibilities of the tenant under this agreement, with no limit upon the amount of your liability. You may have to pay the full amount of the tenant's obligations for rent, utilities and fees if the tenant does not pay. You will also be liable for interest, collection costs, damages, Court costs and other charges as permitted by this agreement or the Residential Landlord Tenant Code.

Think carefully before you accept this responsibility. If the tenant does not perform its responsibilities, you will be required to do so. Be sure that you can afford to pay all of these charges and costs, and that you want to accept this responsibility.

The landlord can collect the amounts described above from you without first trying to collect from the tenant. The landlord can use the same collection methods against you that it can use against the tenant, such as bringing an action in Court, garnishing your wages, placing a lien upon your property. Non-payment of these amounts can adversely affect your credit record.

Prior to signing this notice and the rental agreement, I read and understood all of the provisions of the rental agreement, including this notice to surety or guarantor. In addition, I understand that this Guaranty is effective upon my signing this agreement and that the guaranty will continue until terminated as provided in the agreement and the Residential Landlord Tenant Code, or until the time that all amounts have been paid in full and all responsibilities have been completed.

\_\_\_\_\_  
SURETY OR GUARANTOR: (Typed)\_\_\_\_\_  
SURETY OR GUARANTOR: (Signature)\_\_\_\_\_  
Witness\_\_\_\_\_  
Date\_\_\_\_\_  
Date

**EXHIBIT "A"****Mid-Atlantic Realty Co., Inc. RULES AND REGULATIONS CONCERNING USE, OCCUPATION AND MAINTENANCE OF THE RENTAL UNIT, APURTENANCES THEREON, AND THE BUILDING OF WHICH THE RENTAL UNIT IS A PART.**

Tenant under this Rental Agreement shall be responsible for the conduct of all family members, guests, and/or invitees while in the rental community and shall be liable for any damages caused by same. The conduct of family members, guests and/or invitees while in the community may serve as the basis for termination of this Rental Agreement if the conduct violates this Rental Agreement, the Rules and Regulations or the Residential Landlord Tenant Code.

**USE OF THE PREMISES**

Tenant agrees that, Tenant, members of Tenant's family, guests, agents, servants or licensees shall:

- (1) Use the laundry and drying machines or only on such days, and at such hours as landlord may from time to time designate. Such equipment shall be used only for washing and drying clothes. The drying or airing of clothes or other articles outside the rental building from the windows, on the ground, racks or other drying devices is prohibited. The use of any and all types of laundry equipment, including washers, dryers or other such appliances, is strictly prohibited in all rented units. Washing machines are not to be kept or stored in the rental unit. Coin operated automatic washing machines and clothes dryers that may be installed in the common area of the property, are for the convenience of the tenants. Residents may use laundry machines at their own risk. Landlord assumes no responsibility for such use.
- (2) Comply with moving hours and conditions as established by Landlord, and no moving is permitted on Sundays or holidays. All packing cases, barrels boxes and other containers used in moving must be removed by Tenant. Moving or delivery vans or trucks are not permitted to cross the curbs, walks or lawns, and must load and unload from the streets, carways or parking areas.
- (3) Abide by the directions of Landlord for the proper operation of heat, ventilation and air conditioning and not open windows while heat or air conditioning is in operation.
- (4) Dispose of garbage, refuse and waste matter in such manner and at such places as Landlord may direct. Individual trash and garbage containers are not permitted to be placed in public halls, or outside rental buildings. No Tenant shall discard trash, rubbish, cans, bottles or waste except in authorized containers.
- (5) Provide appropriate curtains or shades for windows and doors within a period of 10 days from the commencement of the rental agreement. All exterior drapes must be white in color.
- (6) Not install any awnings, venetian blinds, shades or other window coverings, which are visible from the exterior of the unit, which have not been previously approved in writing by Landlord.
- (7) Not exhibit or cause to be exhibited the name of the Tenant, or the e-mail address of the tenant, in any place except that provided by the Landlord for such purposes.
- (8) Not place any sign, notice, legend or advertising or e-mail address on any part of the building of which the rental unit is a part or upon any door or window thereof.
- (9) Not consent any television or aerial of any nature to be bracing, nor any electrical appliance, equipment or apparatus which Landlord may require, or may cause, the removal of same, at Tenant's expense.
- (10) Not make any alterations, improvements or additions to the rental unit or to the building of which the rental unit is a part without prior written consent of the Landlord, and make any and all alterations, improvements or additions with Landlord's written consent shall be removed by Tenant and the rental unit restored to the same good order in which it now is, all at the expenses of the Tenant as additional rental.
- (11) Not obstruct the corridors, walls, passages, stairways, entrances or any other places in the building of which the rental unit is a part in any way or manner whatsoever or obstruct the sidewalks in front of or leading to the building of which the rental unit is a part.
- (12) Not use the ground floor of the building in which the rental unit is situated for storage except in such part thereof as shall be specifically designated by the Landlord for use by the Tenant for storage purposes.
- (13) Not erect any outside aerials, wires or equipment in connection with any radio or television, or make any other outside installation without the prior written consent of the Landlord.
- (14) Not erect or maintain or allow or permit to be erected or maintained any outdoor banner or sign on the exterior or interior walls of any windows in the rental unit or the building in which the rental unit is a part.
- (15) Not use cooking appliances in such manner as to permit smoke or odor to permeate the building or otherwise interfere with the rights of other Tenants; no outside grills or cooking of any kind is permitted around the building or otherwise interfere with the rights of other Tenants; no outside grills or cooking of any kind is permitted around the building or on any balcony.
- (16) Maintain the premises in a good state of preservation and cleanliness.
- (17) All supplemental heaters are prohibited. Tenant may not use or store any kerosene, oil, wood or coal heaters in the rental unit. These units are prohibited by State law from being used by residents in multi-family housing.
- (18) No outside grills or cooking of any kind is permitted around the building or on any balcony or patio. Nothing other than patio furniture may be stored on the balcony or patio.

**NOISES AND DISTURBANCES**

Tenant agrees that, Tenant, members of tenant's family, guests, agents, servants or licensees shall:

- (19) Not make or permit to be made by any family member, guest or invitee any disturbing noises in or about the rental unit, nor engage in conduct or behavior which:
  - a. Interferes with other tenants' quiet enjoyment of the premises or;
  - b. Is likely to confer substantial risk of physical harm to other occupants; or
  - c. Is illegal conduct; or
  - d. Is loud, boisterous behavior; or
  - e. Is conduct which interferes with the rights, comforts or conveniences of other tenants or neighbors; or
  - f. Involves the playing of or permitting to be played any musical instrument, television, radio, or other noise creating equipment if the same shall disturb or annoy other Tenants or neighbors;
  - g. Causes a public nuisance or breach of any Code, Statute or Ordinance governing such conduct.

**CONDUCT**

Tenant agrees that, Tenant, members of Tenant's family, guests, agents, servants or licensees shall:

- (20) Not bring anything to or keep anything in the rental unit or the building of which the rental unit is a part, or commit or allow to be committed any act objectionable to the fire or other hazard insurance companies for the Landlord whereby the fire or other hazard insurance on the rental unit or any part thereof or on the building of which the rental unit is a part shall become void, suspended or rated as more hazardous substance or other obnoxious substances.
- (21) Not bring into or keep upon or suffer to be brought into or kept in the rental unit or the building of which the rental is a part any explosives or hazardous substance or other obnoxious substances.
- (22) Not deliver or cause to be delivered into the building without prior notice to the Landlord any furniture, furnishings, or freight before the first date for which rent has been paid in the initial entry for occupancy by the Tenant; permission for deliveries to the rental unit, in the absence of the Tenant, must first be obtained from Landlord.
- (23) Not shake from any window, door or balcony, or hand outside any window or balcony any carpet, rug, bed clothing or other articles, or sweep any dirt, refuse or other matter from the rental unit into any entrance way, or throw or permit anything to be thrown out of any window or door, or upon the exterior areas of the building, since any such conduct would be a threat to the health safety and welfare of the tenants, guests, visitors or employees of the Landlord.
- (24) Not place or deposit or allow any furniture or other equipment to be placed or deposited inside of the rental unit or outside of the building of which the rental unit is a part.
- (25) Not permit the delivery of kitchen supplies, market goods, laundry, ice, other supplies, property and packages of any kind, other than directly into the premises or at the entrance provided therefore, nor leave any articles of any nature there for collection by others, and Landlord will not be held responsible for any loss or damage to any such property, nor will Lessor be responsible for any article left with any employee or in any part of the building of this apartment complex.
- (26) Not use the toilets or other plumbing appliances for any purpose other than that for which they were constructed and intended, not place any sweepings, rubbish, rags, or fish gravel or other improper articles therein. Any damages resulting from any misuse thereof shall be borne by the Tenant.
- (27) Not nail the walls, ceilings, floors or woodwork by driving nails, tacks or screws or otherwise defacing same. Tenant will be responsible for disfiguration of cabinets, refrigerator or walls by the application of any paper, paint or dural.
- (28) Not lean upon or define screens, windows, storm windows or doors, not cause or permit the removal of any screens, windows, storm windows, or doors, and Tenant shall be responsible for any damage or injury resulting from any such removal.
- (29) Not bring into the rental unit, or allow to be brought into the rental unit, without the prior written consent of the landlord, any of the following:
  - a. Water beds;
  - b. Weight lifting equipment;
  - c. Hot tubs;
  - d. Fish tanks over 30 gallons;
  - e. Large appliances not provided by the landlord.
- (30) Not solicit for any purpose or cause within the rental facility.
- (31) Not engage in conduct which causes or threatens to cause irreparable harm to any person or property, or be convicted of a class A misdemeanor or felony during the term of the tenancy which caused or threatened to cause irreparable harm to any person or property. In either event the landlord may, without notice, remedy the breach caused by the conduct and bill the tenant as provided in the Residential Landlord Tenant Code or immediately terminate the rental agreement upon notice to the tenant and bring an action for summary possession, or do both.
- (32) Be responsible for discharge or replacement of fire extinguisher and for proper use of smoke detectors. All damage or missing parts will be assessed to tenant. Resident responsible for sprinkler engagement or any damage it causes.

**ENTRANCES, FRONT WALKS AND LAWNS**

Tenant agrees that, Tenant, members of tenant's family, guests, agents, servants or licensees shall:

- (33) Not obstruct any walkways, passageways, stairways and similar facilities from egress or ingress by tenants, guests and invitees and said areas shall at all times be kept free and clear and be used only for the purpose for which they were intended.
- (34) Not permit the placement or storage of sleds, baby carriages, bicycles wagons, toy vehicles, baby playpens, in the lawn, passageways, entrances, front walks and lawns or other common areas of the building. All deliveries must be made to the entrance of doors of the rental unit and no empty delivery containers are permitted in public halls overnight.
- (35) Not permit children or play in public halls, stairways, or entrances, nor use or permit to be used the area around the building for outside games, sports and recreational activities except those in areas specifically designated by Landlord.

AUTOMOBILES, TRUCKS AND OTHER VEHICLES

Parking spaces have been provided for the use of tenants, and parking will be strictly limited to the areas set aside for such purpose.

Tenant agrees that, Tenant, members of tenant's family, guests, agents, servants or licensees shall:

- (36) Not permit or cause any vehicle parking in any parking area provided nearest the building of which the Tenant's rental unit is a part. Only two vehicles per unit are permitted.
- (37) Not park any unsightly vehicle on the property. An unsightly vehicle includes but is not limited to a vehicle containing body rust or body metal which is not painted in accordance with manufacturer's specifications, missing body parts such as bumpers, fenders, etc. The determination of whether a vehicle is unsightly shall be in the sole discretion of the Landlord.
- (38) Not cause or permit any person to wash, clean, polish or major repairs to any motor vehicle in the parking area or in any other portion of the apartment complex.
- (39) Not park or store or suffer or permit to be parked or stored in any parking area any trailer, truck, nursery trailer or disabled motor vehicle including any vehicle with either expired tags or commercial or unlicensed vehicles.

ANIMALS

Tenant agrees that, Tenant, members of tenant's family, guests, agents, servants or licensees shall:

- (40) Not permit any pet or animal of any kind in or about the rental unit or the building of which the rental unit is a part, except with the prior written consent of the Landlord, and pet security deposit is paid (only 1 pet permitted).

Tenant, in signing in space provided below, hereby acknowledges that Tenant has read and understands the Rules and Regulations as set forth above and agrees that any violations of these Rules and Regulations shall entitle Landlord to terminate this Rental Agreement.

[Signature]  
TENANT

01/06/10  
DATE

\_\_\_\_\_  
TENANT

\_\_\_\_\_  
DATE

\_\_\_\_\_  
TENANT

\_\_\_\_\_  
DATE

Occupant(s), in signing the space provided below, hereby acknowledges that Occupant has read and understands the Rules and Regulations as set forth above and agrees to be bound by same, and further agrees that any violations of these Rules and Regulations shall entitle Landlord to terminate this rental agreement.

[Signature]  
OCCUPANT

1/8/10  
DATE

\_\_\_\_\_  
OCCUPANT

\_\_\_\_\_  
DATE

# PROGRESSIVE RENT ADDENDUM

This Addendum is attached to and amends that certain Lease, dated January 8, 2010 between Mid-Atlantic Realty Co., Inc (herein after called "Landlord") and O'Donnell for US Senate (Occupant, David Hust) (hereinafter called "Resident"). Unless otherwise indicated, capitalized terms used herein shall have the meanings assigned thereto in the Lease.

## WITNESSETH:

WHEREAS, pursuant to the Lease, Landlord has leased to Resident for 14 months the Premises known as Greenville Place Apartments, Apartment Number 1242 Presidential Drive, Greenville, DE 19807. WHEREAS, the Lease provides that Resident shall pay Rent of \$1,645.00 per month, such payment due and payable on or before the first day of each month during the Lease term.

WHEREAS, it is the intention of Landlord to defer Resident's Rent (herein called "Deferred Rent") during the Lease Term subject to the following conditions;

NOW, THEREFORE, Landlord and Resident agree as follows:

1. **Scheduled Deferment of Rent.** Owner agrees to conditionally defer and Resident agrees to pay the Rent to Owner on or before the first day of the month in accordance with the lease as follows:

MONTH	RENT DUE	DEFERRED RENT	AMOUNT PAYABLE
02/01/10	\$1,645	\$235	\$1,410
03/01/10	\$1,645	\$235	\$1,410
04/01/10	\$1,645	\$235	\$1,410
05/01/10	\$1,645	\$235	\$1,410
06/01/10	\$1,645	\$235	\$1,410
07/01/10	\$1,645	\$235	\$1,410
08/01/10	\$1,645	\$235	\$1,410
09/01/10	\$1,645	\$235	\$1,410
10/01/10	\$1,645	\$235	\$1,410
11/01/10	\$1,645	\$235	\$1,410
12/01/10	\$1,645	\$235	\$1,410
01/01/11	\$1,645	\$235	\$1,410
02/01/11	\$1,645	\$235	\$1,410
03/01/11	\$1,645	\$235	\$1,410

2. **Deferred Rent Becomes Immediately Due and Payable as Rent if Resident Defaults.** If Resident is in default under the Lease, all Deferred Rent shall become immediately due and payable as Rent. The amount immediately due and payable as Rent shall include the Deferred Rent accrued prior and subsequent to the occurrence of the default.

Resident  
Signature

*[Handwritten Signature]*

Date 1/08/10

Landlord  
Signature

*[Handwritten Signature]*

Date 1/8/10

# **EXHIBIT C**

# ABBOTT LAW FIRM LLC

RICHARD L. ABBOTT, ESQ.  
302.489.4147  
RICH@RICHABBOTTILAWFIRM.COM

July 14, 2011

## VIA HAND DELIVERY

The Honorable Charles M. Oberly, III  
United States Attorney  
District of Delaware  
1007 Orange Street, Suite 700  
Wilmington, DE 19801

RECEIVED:

DATE: 7/14/11 | TIME: 3:56 PM

BY: Christine Wehner  
SIGNATURE  
Christine Wehner  
PRINT NAME

Re: *CREW Allegations Against Christine O'Donnell*

Dear Mr. Oberly:

I am writing to request the investigation into false statements submitted to your office and the Federal Elections Commission regarding the above matter on behalf of my clients, Christine O'Donnell and Friends of Christine O'Donnell.

On September 20, 2010, the Citizens for Responsibility and Ethics in Washington ("CREW"), by their Executive Director Melanie Sloan, submitted a request to your office seeking an investigation into Ms. O'Donnell for purportedly "converting campaign funds to personal use, for making false statements on forms filed with the Federal Election Commission ("FEC"), and for tax evasion." A copy of the letter is enclosed for your reference.

A copy of the CREW Complaint filed with the FEC was submitted to your office soon after. A copy of the Complaint submitted by Ms. Sloan on behalf of CREW, as well as the FEC confirmation of receipt letter, are enclosed for your reference.

The matter submitted to your office relies in part on an Affidavit of David C. Keegan. Based upon tape recorded statements made by Mr. Keegan, some of the contents of his Affidavit were false. This same date, a Complaint has been filed with the Delaware Attorney General's office, requesting that the Department of Justice immediately commence an investigation and undertake any appropriate prosecution of Mr. Keegan for potential violations of the Delaware State Criminal Code. A copy of the letter is enclosed.

The CREW submission to your office also alleges that rent was paid by Ms. O'Donnell from campaign funds for a personal residence, despite the fact that it was well established that the premises at issue were in fact utilized for purposes of a campaign headquarters. Indeed, the enclosed Lease documents show that the tenant was the campaign, not Ms. O'Donnell. It is obvious that paying rent for campaign offices and campaign staff housing is a legitimate campaign expense.



The Honorable Charles M. Oberly, III  
United States Attorney  
July 14, 2011  
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The CREW submission to your office was suspiciously timed. It occurred just days after Ms. O'Donnell won an upset Republican Primary election victory in the United States Senate race. And not surprisingly, the publicity that arose from CREW's bogus complaint was played up in the media during the course of the ensuing general election season. Although the purely political motives behind the submission to your office are not illegal, making false statements to the United States Attorneys' Office and/or FEC would violate Federal law.

Under Title 18, § 1001 of the United States Code, it is a crime for a person to knowingly and willfully make "any materially false, fictitious, or fraudulent statement or representation" in "any matter within the jurisdiction of the Executive, Legislative, or Judicial Branch of the government of the United States." The CREW Complaint to the FEC and your office constitute matters which are in the jurisdiction of the U.S. Government.

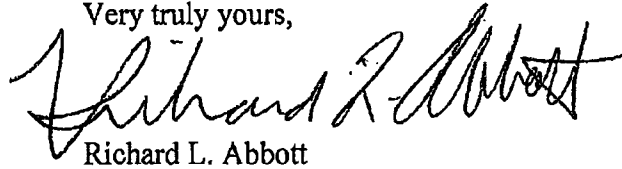
The complaints were made without proper vetting of the Keegan Affidavit, which is now known to be false. They were also submitted directly in the face of evidence indicating that the allegations about rent payments were both untrue and legally erroneous. As a result, your office is respectfully requested to immediately commence an investigation and undertake any appropriate prosecution of Ms. Sloan for potential violation(s) of Federal law.

It should also be noted that the September 20, 2010 letter from Ms. Sloan to your office contends that Ms. O'Donnell committed certain crimes. Specifically, Ms. Sloan alleged that Ms. O'Donnell "violated 2 U.S.C. § 439(a)(b) and § 437(g)(b)(1)(A)(ii)," and "knowingly and willfully...[committed a] violation of 18 U.S.C. § 1001." To the extent that the mails or interstate wire communications were involved with the filings made by CREW and Ms. Sloan, there also could be violations of the Federal Criminal Code provisions governing Mail Fraud and Wire Fraud, 18 U.S.C. §§ 1341 and 1343. The September, 2010 submission to your office purports to be made via facsimile transmission. Follow-up communications with your office may have been submitted by means of the U.S. Postal Service.

The Honorable Charles M. Oberly, III  
United States Attorney  
July 14, 2011  
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I look forward to receiving your reply.

Very truly yours,

A handwritten signature in black ink, appearing to read "Richard L. Abbott". The signature is fluid and cursive, with the first name "Richard" being the most prominent part of the script.

Richard L. Abbott

RLA:cth  
Enclosures  
File No. 353.01

# CREW | citizens for responsibility and ethics in washington

September 20, 2010

David C. Weiss  
United States Attorney  
U.S. Attorney's Office  
for the District of Delaware  
P.O. Box 2046  
Wilmington, DE 19899

BY FAX: (302) 573-6220

Dear Mr. Weiss:

Citizens for Responsibility and Ethics in Washington ("CREW") respectfully requests that the Delaware United States Attorney's Office immediately commence an investigation into Republican senatorial candidate Christine O'Donnell for converting campaign funds to personal use, for making false statements on forms filed with the Federal Election Commission ("FEC"), and for tax evasion.

Friends of Christine O'Donnell is a "political committee" within the meaning of the Federal Election Campaign Act ("FECA"), 2 U.S.C. § 432(e)(1), and the principal campaign committee authorized by Ms. O'Donnell under 2 U.S.C. § 432(e)(1) to support her candidacy for election to the United States Senate. Friends of Christine O'Donnell is registered with the FEC and is subject to the reporting requirements and the campaign finance limitations and prohibitions of the FECA, 2 U.S.C. §§ 431-35.

Friends of Christine O'Donnell maintained a business checking account at Wachovia Bank. According to Ms. O'Donnell's former campaign finance consultant, David Keegan, Ms. O'Donnell had signature authority on the account and also had a debit card to withdraw cash from the account. In a signed affidavit, Mr. Keegan attests that Ms. O'Donnell used campaign funds to pay rent she owed to her landlord, Brent Vasher, on two occasions in 2009. In addition, Ms. O'Donnell used campaign funds to pay for personal expenses, including gas, meals and even a bowling outing. As the forms Ms. O'Donnell filed with the FEC clearly indicate, however, Ms. O'Donnell claimed the payments to Mr. Vasher were "reimbursement expenses" and claimed the gas, meals and bowling outings were "travel" expenses.

As you know, federal law prohibits federal candidates from using campaign funds for personal use. By wrongfully converting to her personal use over twenty thousand dollars in contributions to the authorized political committee Friends of Christine O'Donnell in both 2009 and 2010, Ms. O'Donnell violated 2 U.S.C. § 439a(b) and § 437g(d)(1)(A)(ii), which prohibit knowingly and willfully failing to report expenditures aggregating more than \$2,000 in a calendar year.

Honorable David C. Weiss  
September 20, 2010  
Page Two

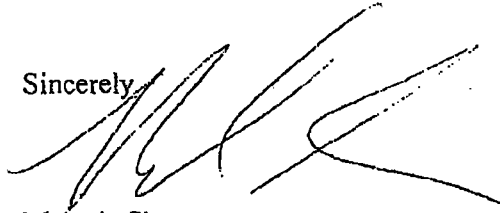
In order to conceal the fact she had embezzled funds from Friends of Christine O'Donnell to pay for her rent in March and April 2009 and to pay for meals, gas, and even a bowling outing, Ms. O'Donnell reported those expenses on the campaign's Year-End FEC Report as "expense reimbursements," and "travel" expenses. Ms. O'Donnell personally signed the Year-End Report the campaign submitted to the FEC. Therefore, by deliberately misrepresenting the true nature of the campaign's expenditures on the reports submitted to the FEC, Ms. O'Donnell knowingly and willfully made materially false, fictitious, and fraudulent statements and representations to the FEC in violation of 18 U.S.C. § 1001.

Finally, given that Ms. O'Donnell used Friends of Christine O'Donnell campaign funds for her personal benefit, she likely committed tax evasion by failing to include those funds as income on her 2009 U.S. Individual Tax Return, Form 1040 in violation of 26 U.S.C. § 7201.

Given these apparent criminal violations, it is critical for the Department of Justice to begin an immediate inquiry into Ms. O'Donnell's conduct. A candidate cannot treat her campaign account like a personal piggy bank -- even when she has no other visible means of support. The government has an obligation to protect citizens seeking to be engaged in our political process from those who would prey upon them for their own financial benefit. Ms. O'Donnell's blatant misappropriation of campaign funds undermines the integrity of our electoral system and it is incumbent upon the Department of Justice to deal with such crimes quickly and severely.

A copy of the complaint CREW has filed with the FEC will be sent to you via overnight delivery, but is also available on our website, [www.citizensforethics.org](http://www.citizensforethics.org). Thank you for your prompt attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'MS', with a long horizontal stroke extending to the right.

Melanie Sloan  
Executive Director

cc: Jack Smith  
Chief, Public Integrity Section  
Department of Justice

## FEDERAL ELECTION COMMISSION

In the matter of: Christine O'Donnell                      MUR No. \_\_\_\_  
                         Friends of Christine O'Donnell

## COMPLAINT

1.        Citizens for Responsibility and Ethics in Washington ("CREW") and Leonard S. Togman bring this complaint before the Federal Election Commission ("FEC") seeking an immediate investigation and enforcement action against Christine O'Donnell and her campaign committee, Friends of Christine O'Donnell, for direct and serious violations of the Federal Election Campaign Act ("FECA").

Complainants

2.        Complainant CREW is a non-profit corporation, organized under section 501(c)(3) of the Internal Revenue Code. CREW is committed to protecting the right of citizens to be informed about the activities of government officials and to ensuring the integrity of government officials. CREW seeks to empower citizens to have an influential voice in government decisions and in the governmental decision-making process through a combination of research, litigation, and advocacy.

3.        In furtherance of its mission, CREW exposes unethical and illegal conduct of those involved in government. One way CREW does this is by educating citizens regarding the integrity of the electoral process and our system of government. Toward this end, CREW monitors the campaign finance activities of those who run for federal office and publicizes those who violate federal campaign finance laws through its website, press releases, and other methods of distribution. CREW also files complaints with the FEC when it discovers violations of the FECA. Publicizing campaign finance violators and filing complaints with the FEC serve

CREW's mission of keeping the public informed about individuals and entities that violate campaign finance laws and deterring future violations of campaign finance law.

4. In order to determine whether an individual, candidate, political committee, or other regulated entity is complying with federal campaign finance laws, CREW needs the information contained in receipts and disbursements reports that political committees must file pursuant to the FECA, 2 U.S.C. § 434(a)(2) and implementing regulations, 11 C.F.R. § 104.1. CREW is hindered in its programmatic activity when an individual, candidate, political committee or other regulated entity fails to disclose campaign finance information in reports of receipts and disbursements required by the FECA.

5. CREW relies on the FEC's proper administration of the FECA's reporting requirements because the FECA-mandated reports of receipts and disbursements are the only source of information CREW can use to determine if a candidate, political committee, or other regulated entity is complying with the FECA. The proper administration of the FECA's reporting requirements includes mandating that all reports of receipts and disbursements required by the FECA are properly and timely filed with the FEC. CREW is hindered in its programmatic activity when the FEC fails to properly administer the FECA's reporting requirements.

6. Complainant Leonard S. Togman is a citizen of the United States, a registered voter, and a resident of the State of Delaware. As a registered voter, Mr. Togman is entitled to receive information contained in reports of receipts and disbursements required by the FECA, 2 U.S.C. § 434(a)(2), and FEC regulation 11 C.F.R. § 104.1. Mr. Togman is harmed when a candidate, political committee, or other regulated entity fails to report campaign finance activity as required by the FECA. *See FEC v. Akins*, 524 U.S. 11, 19 (1998), quoting *Buckley v. Valeo*, 424 U.S. 1, 66-67 (1976) (political committees must disclose contributors and disbursements to

help voters understand who provides which candidates with financial support). Mr. Togman is further harmed when the FEC fails to properly administer the FECA's reporting requirements, limiting his ability to review campaign finance information.

#### Respondents

7. Christine O'Donnell is the Republican nominee for the United States Senate from the State of Delaware. Ms. O'Donnell was also a candidate for the United States Senate from the State of Delaware in 2006 and 2008. Ms. O'Donnell's personal residence is located at 248 Presidential Drive, Greenville, Delaware 19807.

8. Friends of Christine O'Donnell is the principal campaign committee of Christine O'Donnell. Friends of Christine O'Donnell is located at 248 Presidential Drive, Greenville, Delaware 19807.

#### Factual Allegations

9. According to the sworn affidavit of former O'Donnell campaign consultant David C. Keegan, attached hereto as Exhibit A, throughout calendar year 2009 Christine O'Donnell used the campaign funds of Friends of Christine O'Donnell to pay her personal expenses, including two months' rent on her home, gas, meals, and even an outing to a bowling alley. Mr. Keegan was introduced to Ms. O'Donnell in May 2008 by his nephew, Brent Vasher. Exhibit A at ¶ 1. In June 2008, Mr. Keegan joined Ms. O'Donnell's 2008 Senate campaign as a financial consultant and fundraiser. Exhibit A at ¶¶ 1-2. In that capacity, Mr. Keegan became familiar with the campaign's spending and quickly became concerned about Ms. O'Donnell's spending of campaign funds because she had no visible source of personal income. Exhibit A at ¶¶ 2-3.

10. In the summer of 2008, the bank was about to foreclose on Ms. O'Donnell's home, located at 518 N. Lincoln Street, Wilmington, Delaware, because she had failed to meet her

mortgage payments. Concerned that this would reflect negatively on her campaign, Ms. O'Donnell persuaded Mr. Vasher to purchase the house, but allow her to continue living there. Exhibit A at ¶ 4. In January 2009, Mr. Vasher began charging Ms. O'Donnell rent on the 518 N. Lincoln Street house in the amount of \$750 per month. Exhibit A at ¶ 5.

11. Unable to meet those payments, Ms. O'Donnell used the campaign funds of Friends of Christine O'Donnell to pay Mr. Vasher both her March and April 2009 rent payments. Ms. O'Donnell reported each of those \$750 payments on her Federal Election Commission forms as "expense reimbursements." Exhibit A at ¶ 6. *See also* Friends of Christine O'Donnell's 2009 April 15<sup>th</sup> Quarterly Report and 2009 Year-End Report (relevant portions attached hereto as Exhibits B and C, respectively). Mr. Keegan subsequently became aware that in 2009, Ms. O'Donnell used the campaign funds of Friends of Christine O'Donnell for other personal expenses, including gas, meals, and even an outing to a bowling alley. Exhibit A at ¶ 7. *See also* Exhibits B and C.

12. On March 21, 2010, the *News Journal* in Wilmington, Delaware reported that Christine O'Donnell was using contributions to Friends of Christine O'Donnell to pay a portion of the rent on her new personal residence at 248 Presidential Drive, Greenville, Delaware.

According to the Delaware newspaper:

On Jan. 12, 2010, O'Donnell changed her Delaware address in the voter registration, according to Elections Commissioner Elaine Manlove. She shares her new residence, a three-bedroom, two-bath town home in Greenville Place, with David Hust, a campaign staffer who is originally from Houston, Texas. . . . Greenville Place lists the prices of a town house rental between \$1,645 and \$2,020 a month, depending on the number of bedrooms and square feet. O'Donnell said she pays half of her rent with campaign donations because she also uses the town home as her Senate campaign headquarters. 'I'm splitting it, legally splitting it and paying part of it,' she said. 'This is our technical headquarters.'



Ginger Gibson, O'Donnell faces campaign debt, back-tax issues, *The News Journal* (March 21, 2010) (attached as Exhibit D).

13. In fact, between January 1, 2010 and August 25, 2010, Christine O'Donnell used the campaign funds of Friends of Christine O'Donnell to pay four vendors -- Mid-Atlantic Realty Co., Inc, (dba Greenville Place), Delmarva Power, Comcast of Delaware, and Verizon Wireless - - a total of twenty thousand, three hundred and sixty-two dollars and seventeen cents (\$20,362.17) for rent and utility payments that were the personal obligations of the candidate, Christine O'Donnell. See Friends of Christine O'Donnell's 2010 April 15<sup>th</sup> Quarterly Report, 2010 July 15<sup>th</sup> Quarterly Report, and 2010 12-Day Pre-Primary Report (relevant portions attached as Exhibits E, F and G respectively).

14. Specifically, between January 1, 2010 and August 25, 2010, Christine O'Donnell used the campaign funds of Friends of Christine O'Donnell to make the following rent and utility payments that were the personal obligation of Christine O'Donnell:

Mid-Atlantic Realty Co, Inc.	\$16,816.60
Delmarva Power	\$1,030.32
Comcast of Delaware	\$1,305.84
Verizon Wireless	\$1,209.41

TOTAL: \$20,362.17

COUNT I

15. The FECA specifically prohibits a candidate for federal office from using campaign funds to pay the personal obligations of the candidate. The Act states that "a contribution or donation . . . shall not be converted by any person to personal use." 2 U.S.C. § 439a(b)(1). The Act further specifies that "a contribution or donation shall be considered

to be converted to personal use if the contribution or amount is 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, including . . . a home mortgage, rent or utility payment." 2 U.S.C. § 439a(b)(2)(A). *See also* 11 C.F.R. § 113.1(g)(1)(i)(E).

16. By using the campaign funds of Friends of Christine O'Donnell to pay the March and April 2009 rent on the 518 N. Lincoln Street house Ms. O'Donnell violated 2 U.S.C. § 439a(b)(2)(A) and 11 C.F.R. § 113.1(g)(1)(i)(E).

#### COUNT II

17. The FECA requires the authorized committee of a candidate for federal office to file periodic reports with the Federal Election Commission itemizing the name and address of each person to whom an expenditure in excess of \$200 is made together with the date, amount and purpose of the expenditure. 2 U.S.C. § 434(b)(5)(A). *See also* 11 C.F.R. § 104.3(b)(3)(i)(A).

18. By falsely describing the purpose of the two \$750 payments to Brent Vasher in March and April 2009 as "expense reimbursements" when in fact the payments were for rent on the 518 N. Lincoln Street house, Ms. O'Donnell and Friends of Christine O'Donnell violated 2 U.S.C. § 434(b)(5)(A) and 11 C.F.R. § 104.3(b)(3)(i)(A) as well as the False Statements Act, 18 U.S.C. § 1001.

#### COUNT III

19. The FECA specifically prohibits a candidate for federal office from using campaign funds to pay the personal obligations of the candidate. The Act states that "a contribution or donation . . . shall not be converted by any person to personal use." 2 U.S.C. § 439a(b)(1).

The Act further specifies that "a contribution or donation shall be considered to be converted to personal use if the contribution or amount is 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, including . . . a non-campaign-related automobile expense, . . . a vacation or other non-campaign related trip . . . [or] admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign." 2 U.S.C. §§ 439a(b)(2)(C),(E)&(H). *See also* 11 C.F.R.

§§ 113.1(g)(1)(i)(F)&(J); 11 C.F.R. §§ 113.1(g)(1)(ii)(B),(C)&(D).

20. By using the campaign funds of Friends of Christine O'Donnell to pay for her personal automobile, meal, travel and entertainment expenses, including an outing to a bowling alley, Christine O'Donnell violated 2 U.S.C. §§ 439a(b)(2)(C),(E)&(H), 11 C.F.R. §§ 113.1(g)(1)(i)(F)&(J), and 11 C.F.R. §§ 113.1(g)(1)(ii)(B),(C)&(D).

#### COUNT IV

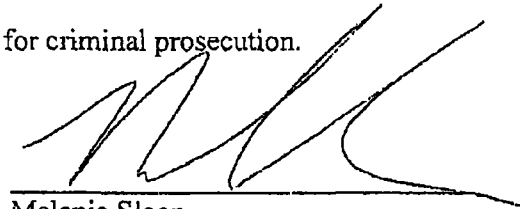
21. The FECA specifically prohibits a candidate for federal office from using campaign funds to pay the personal obligations of the candidate. The Act states that "a contribution or donation . . . shall not be converted by any person to personal use," 2 U.S.C. § 439a(b)(1). The Act further specifies that "a contribution or donation shall be considered to be converted to personal use if the contribution or amount is 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, including . . . a home mortgage, rent or utility payment." 2 U.S.C. § 439a(b)(2)(A). FEC regulations implementing the prohibition on converting campaign funds to personal use make clear the prohibition applies to rent or utility payments for any portion of the candidate's personal

residence. The regulations specify the personal use prohibition applies to "Mortgage, rent or utility payments *[f]or any part* of any personal residence of the candidate or a member of the candidate's family." 11 C.F.R. § 113.1(g)(1)(i)(E)(1) (emphasis added).

22. By paying vendors a total of twenty thousand, three hundred and sixty-two dollars and seventeen cents (\$20,362.17) for rent and utility payments that were the personal obligations of the candidate, Christine O'Donnell and Friends of Christine O'Donnell violated 2 U.S.C. § 439a(b) and 11 C.F.R. § 113.1(g)(1)(i)(E)(1).

### CONCLUSION

WHEREFORE, Citizens for Responsibility and Ethics in Washington and Leonard S. Togman request that the Federal Election Commission conduct an investigation into these allegations; declare the respondents to have violated the Federal Election Campaign Act and applicable FEC regulations; impose sanctions appropriate to these violations; and take such further action as may be appropriate, including, but not limited to, referring this case to the FEC Audit Division for a complete audit of the campaign records of Friends of Christine O'Donnell, and referring it to the Department of Justice for criminal prosecution.



Melanie Sloan  
Executive Director  
Citizens for Responsibility and Ethics  
in Washington  
1400 Eye Street, N.W.  
Suite 450  
Washington, DC 20005  
(202) 408-5565 (phone)  
(202) 588-5020 (fax)

## Verification

Citizens for Responsibility and Ethics in Washington and Melanie Sloan hereby verify  
that the statements made in the attached Complaint are, upon information and belief, true.


Sworn pursuant to 18 U.S.C. § 1001.



Melanie Sloan

District of Columbia: SS

Sworn to and subscribed before me on  
the 20th day of Sept., 2010

  
Notary Public's Signature  
My Commission Expires JULY 31, 2014



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

SEP 24 2010

Melanie Sloan  
Executive Director  
Citizens for Responsibility and Ethics  
in Washington  
1400 Eye Street, N.W.  
Suite 450  
Washington, DC 20005

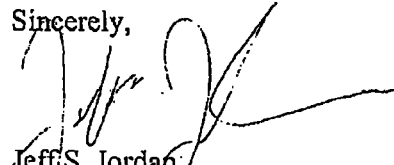
RE: MUR 6380

Dear Ms Sloan.:

This letter acknowledges receipt of your complaint on September 20, 2010, alleging possible violations of the Federal Election Campaign Act of 1971, as amended. The respondent(s) will be notified of this complaint within five business days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be notarized and sworn to in the same manner as the original complaint. We have numbered this matter MUR 6380. Please refer to this number in all future communications. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

  
Jeff S. Jordan  
Supervisory Attorney  
Complaints Examination &  
Legal Administration

Enclosure:  
Procedures

# FAX TRANSMISSION

UNITED STATES ATTORNEY'S OFFICE  
THE NEMOURS BUILDING  
1007 Orange Street, Suite 700, Wilmington, Delaware 19899-2046  
302-573-6277  
Fax: 302-573-6431

**DATE:** July 15, 2011

**TO:** Cleta Mitchell, Esq.  
Foley & Lardner, LLP  
Fax: 202-672-5399

**FROM:** Charles M. Oberly, III  
United States Attorney

**SUBJECT:** Christine O'Donnell

**PAGES:** 2 (including cover page)

**CONTENTS:** Letter

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**IF YOU DO NOT RECEIVE ALL OF THE PAGES, OR IF THERE IS ANY DIFFICULTY IN RECEIVING, PLEASE CALL ME AS SOON AS POSSIBLE AT (302) 573-6277. THANK YOU.**

FROM USAO DISTRICT DE

(FRI) 7.15'11 16:49/ST. 16:48/NO. 4861728720 P 2

**U.S. Department of Justice***United States Attorney's Office  
District of Delaware**1007 Orange Street, Suite 700  
P.O. Box 2046  
Wilmington, Delaware 19899-2046**(302) 573-6277  
FAX (302) 573-6220*

July 15, 2011

Via Facsimile and U.S. Mail

Cleta Mitchell, Esq.  
Foley & Lardner, LLP  
3000 K Street, N.W.  
Suite 600  
Washington, DC 20007

Re: **Christine O'Donnell**

Dear Ms. Mitchell:

In or about September 2010, this office received a referral from Citizens for Responsibility and Ethics in Washington ("CREW") alleging certain criminal campaign finance violations committed by Ms. O'Donnell. As you are aware, this office has been reviewing these allegations, which principally involve the claim that Ms. O'Donnell illegally converted campaign funds to her personal use and made corresponding false statements on forms filed with the Federal Election Commission.

I write to inform you that this office has closed its review and does not intend to pursue criminal charges at this time. It is my understanding that the CREW complaint was also filed with the FEC, and we intend to refer this matter to that agency.

If you have any questions, please contact Assistant United States Attorney Keith M. Rosen, the Chief of our Criminal Division.

Very truly yours,

*Charles M. Oberly III*  
CHARLES M. OBERLY, III  
United States Attorney