

FEDERAL ELECTION COMMISSION

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FEDERAL ELECTION
COMMISSION

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OFFICE OF GENERAL
COUNSEL

IN THE MATTER OF:

**FRIENDS OF CHRISTINE O'DONNELL)
1242 PRESIDENTIAL DRIVE)
WILMINGTON, DELAWARE 19807)**

MUR No.

6525

RE: 2007-2008 ELECTION CYCLE

COMPLAINT

1. 'Friends of Christine O'Donnell' proposes to convert \$5,058.55 owed to Jonathon Moseley from the 2008 election cycle into an in-kind donation for Christine O'Donnell's 2008 U.S. Senate Republican primary, in excess of the \$2,300 maximum allowed donation.

2. For elections for Federal political office during the 2007-2008 election cycle, the maximum donation to a campaign committee allowed under the regulations of the Federal Election Commission and the Federal Elections Campaign Act was \$2,300 per donor.

3. The \$2,300 cap per donor applied to in-kind donations as well as cash donations.

4. Jonathon Moseley performed work for 'Friends of Christine O'Donnell' for which he earned, claimed, invoiced, and was promised \$3,256 as compensation for his work.

5. Jonathon Moseley incurred expenses related to his work and advanced payment for expenditures on behalf of 'Friends of Christine O'Donnell' totaling \$7,202.55, of which \$1,802.55 has still not been reimbursed to Jonathon Moseley.

6. Jonathon Moseley invoiced for reimbursement of expenses \$6,518.52 on a spreadsheet prepared in May 2008 for filing the campaign finance reports to the Federal Election Commission, but also submitted an additional \$684.03 in other expenses to be reimbursed on the invoice attached, for a total of \$7,202.55 in expenses. See, invoice and spreadsheet attached.

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7. Now 'Friends of Christine O'Donnell' (F.O.C.D.) has converted into a donation to the campaign (as expressed in legal documents) Jonathon Moseley's invoices totaling \$5,058.55 (\$3,256 for work performed + \$1,802.55 for unreimbursed expenses = \$5,058.55) in the amount of \$5,058.55.

8. This involuntary donation forced upon Jonathon Moseley is unlawful, being in excess of the \$2,300 maximum allowed.

9. Specifically, F.O.C.D. sent a letter in June 2010, attached, accompanying a \$700 check as a partial payment for expenses and expenditures from the 2008 primary. Attached.

10. Buried in this June 2008, letter, is a statement that cashing the check will be treated as agreement to treat the balance as paid in full, and as a waiver of any further amounts due.

11. *In effect, F.O.C.D. asked Mr. Moseley to make a DONATION to the 2008 primary campaign by converting \$5,058.55 still owed into a donation to the campaign.*

12. This \$5,058.55 was, at the time of that letter (in June 2010), already invoiced to the campaign and pending for processing and payment from almost two years earlier. See invoices and emails attached.

13. Jonathon Moseley's mail was forwarded from North Carolina to his Aunt's house in Florida, where his Aunt cashed the check in Jonathon Moseley's bank account without consulting Jonathon Moseley or reading the accompanying letter.

14. Now in legal documents, attached, F.O.C.D. argues that the \$5,058.55 was forgiven – that is, donated to the campaign – by Jonathon Moseley by cashing the check accompanied by the June 2010 letter.

15. Where a debt is owed by a campaign, and the debt is forgiven by the payee, this is an in-kind donation to the campaign.

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16. 'Friends of Christine O'Donnell' is a campaign committee registered with and regulated by the Federal Election Commission for Christine O'Donnell's election campaign in Delaware for the United States Senate in 2008 and 2010.

17. 'Friends of Christine O'Donnell' could not and cannot legally receive from Jonathon Moseley direct, actual, or in-kind donations in excess of \$2,300 for the 2007-2008 election cycle for the primary election, including an involuntary donation.

18. A forgiveness or waiver of the \$3,256 owed for work performed – actually invoiced – would produce a total (involuntary) donation to Friends of Christine O'Donnell by Jonathon Moseley for the 2007-2008 election cycle of \$5,058.55 in the primary alone.

19. All of these items occurred during and arose from the 2008 primary campaign (actually a convention contest in May 2008 under which Christine O'Donnell automatically became the nominee when the other candidate accepted the decision of the Convention).

20. The alleged in-kind donation by forgiving \$5,058.55 (\$3,256 invoiced for work plus \$1,802.55 for unreimbursed expenses) exceeds the maximum donation of \$2,300 allowed.

21. It should be noted that (a) never at any time did 'Friends of Christine O'Donnell' directly or indirectly or by any official thereof ever dispute any of these expenses for which reimbursement was claimed or the compensation for Jonathon Moseley's work, but (b) on the contrary in several emails 'Friends of Christine O'Donnell' asked for patience from Moseley indicating that given enough time 'Friends of Christine O'Donnell' would pay all that Moseley was claiming, without any exceptions ever being identified. These emails are available.

22. In 2008, Friends of Christine O'Donnell promised to pay Jonathon Moseley \$3,256 for his work as Campaign Manager and Treasurer in the primary (convention contest), being the amount of money that Moseley would lose by leaving a different job early to assist 'Friends of

Christine O'Donnell' in the 2008 campaign.

23. In 2008, Jonathon Moseley actually invoiced 'Friends of Christine O'Donnell' for his work in the amount of \$3,256 in addition to requesting reimbursement of expenses advanced on behalf of 'Friends of Christine O'Donnell' in the amount of \$7,202.55. *See Invoice, attached.*¹

24. 'Friends of Christine O'Donnell,' ChristinePAC and Christine O'Donnell filed a declaratory judgment complaint in the Court of Common Pleas for the State of Delaware, New Castle County, Case No. CPU4-11-005735 – attached – arguing that the \$3,256 claim actually invoiced work for work by Moseley was (a) forgiven by an "accord and satisfaction" in Summer of 2010 or (b) forgiven by the expiration of the statute of limitations.

25. Implicitly, this Delaware lawsuit also assumes that the \$1,802.55 of unreimbursed expenses from the 2008 primary campaign has also been converted into an in-kind donation.

26. *Significantly, Moseley had repeatedly demanded payment throughout 2008 and 2009, so the delay is entirely due to non-payment by Friends of Christine O'Donnell.*

27. In FOCD's campaign finance reports filed with the Commission, it appears that on August 25, 2010, FOCD apparently noted a \$600 "in kind donation" writing off some of the remaining balance from 2008.

28. Friends of Christine O'Donnell actually paid expenses totaling \$5,400. Although an additional \$600 is reported on August 25, 2010, it appears that this was actually a write-down of debt labeled as an in-kind donation and not an actual payment to Jonathon Moseley.

29. Thus, Friends of Christine O'Donnell failed to reimburse \$1,802.55 in expenses.

30. Therefore, 'Friends of Christine O'Donnell' could not legally accept a waiver of the \$3,256 invoiced for Moseley's work, even assuming that Moseley ever agreed to such a waiver.

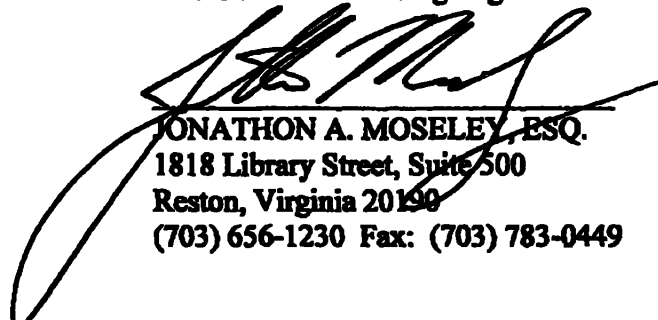
¹ Note that the date on the invoice is erroneous, apparently being a failure by Moseley to update the date from a previous invoice being used as word processing template. The Invoice reflects payments that were actually made in September 2008. It appears that the correct date was in October 2008.

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31. The alleged forgiveness or waiver of the \$3,256 – which was actually invoiced – would constitute an in-kind donation to the 2007-2008 election cycle in the amount of \$3,256, exceeding the allowed maximum donation for the 2008 primary campaign by \$5,058.55 (\$3,256 invoiced for work plus \$1,802.55 for unreimbursed expenses) - \$2,300 = \$2,785.55.

32. Furthermore, it appears that the campaign did not report or disclose all expenses in its campaign finance reports to the Federal Election Commission in the 2007-2008 election cycle.

I DECLARE UNDER PENALTY OF PERJURY that the foregoing is true and correct.


JONATHON A. MOSELEY, ESQ.
1818 Library Street, Suite 500
Reston, Virginia 20190
(703) 656-1230 Fax: (703) 783-0449

COMMONWEALTH OF VIRGINIA)

COUNTY OF FAIRFAX)

ss.:

Before me, the undersigned Notary Public, in and for the above-mentioned jurisdiction, appeared this day Jonathon A. Moseley whose name is signed to the foregoing document, and acknowledged her signature thereto.

Subscribed and sworn to before me this 17 day of January, 2012.


Notary Public Eric Mast

My Commission Expires: 10/31/2015



IN THE COURT OF COMMON PLEAS OF THE STATE OF DELAWARE

IN AND FOR NEW CASTLE COUNTY

FRIENDS OF CHRISTINE O'DONNELL, :
a Federal Political Campaign Committee and: :
a Delaware Nonprofit Association; :
CHRISTINEPAC, a Federal Political :
Action Committee and a Delaware Nonprofit: :
Association, and CHRISTINE O'DONNELL: :

Plaintiffs, :
: :
: :

v. :
: :
: :

C.A. No. :
: :
: :

JONATHON A. MOSELEY, :
: :
: :

Defendant. :
: :
: :

COMPLAINT

The Plaintiff brings this action for Declaratory Judgment, as follows:

THE PARTIES

1. Plaintiff Friends of Christine O'Donnell ("Friends") is a Federal Political Candidate Committee organized and established pursuant to the provisions of 2 U.S.C. § 431 *et seq.*, and also constitutes a Delaware Nonprofit Association pursuant to 6 Del. C. § 1901 *et seq.*

2. Plaintiff ChristinePAC (the "PAC"), is a Federal Political Candidate Committee organized and established pursuant to the provisions of 2 U.S.C. § 431 *et seq.*, and also constitutes a Delaware Nonprofit Association pursuant to 6 Del. C. § 1901 *et seq.*

3. Plaintiff Christine O'Donnell ("O'Donnell") is a Delaware resident who is the candidate of Friends and a member of the PAC.

4. Defendant Jonathon A. Moseley ("Moseley") is, upon information and belief, a resident of the Commonwealth of Virginia, residing and with offices located at 1818 Library

P.'s EXHIBIT

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Street, Suite 500, Reston, Virginia 20190. Moseley is a lawyer licensed to practice in the Commonwealth of Virginia.

JURISDICTION

5. This Court has jurisdiction over this action pursuant to Article IV, § 7B of the Delaware Constitution, 10 *Del. C.* § 1324, and 10 *Del. C.* Ch. 65.

THE FACTS

6. In or about late 2010 or early 2011, Friends retained Moseley to provide certain legal and related services. No written retainer agreement was requested or obtained by Moseley, and all relations between the parties were pursuant to verbal agreement.

7. Friends agreed to pay Moseley the amount of \$5,000 per month for his legal and related services. The original understanding between the parties was that Moseley would perform services for a 3-month time period, and no express agreement was entered into between the parties for any services beyond that timeframe.

8. Friends compensated Moseley in the total amount of \$17,500 for services and costs. This fully compensated Moseley for all work performed under the agreement between the parties.

9. Moseley has in recent months threatened to bring suit against Friends for alleged claims regarding additional amounts purportedly due to him for additional work beyond that ever agreed to by Friends. Moseley has also asserted that Friends is indebted to him in the amount of \$3,250 for work that he performed in 2008, which was allegedly agreed upon and then performed solely in the State of Delaware and concluded by no later than June of 2008 (the "2008 Bill").

10. Prior to performing the work at issue in the 2008 Bill for Friends, Moseley has alleged that he lived in Los Angeles, California, and that he moved to Delaware to perform the services.

11. Friends paid Moseley an accommodation amount regarding the 2008 Bill in the summer of 2010, with the express written condition that Moseley would negotiate the check provided as full and final payment for all amounts due at that time. Moseley received the check and the written conditions from Friends and negotiated the check.

12. Friends has informed Moseley that under Delaware law (10 Del. C. § 8106), the Delaware Statute of Limitations also bars his claim for the 2008 Bill. Moseley has declined and refused to continue his threats to bring suit against Friends for the \$3,250 amount despite the accommodation and Statute of Limitations bars to such a claim.

13. Moseley has also demanded that Friends, and/or PAC, and/or O'Donnell pay him additional amounts in recent months for alleged additional work performed beyond the scope and timeframe agreed to by Friends. Specifically, he has made numerous written demands for payment of two (2) additional monthly amounts of \$5,000 (\$10,000 total) for work through April, 2011, and verbally demanded payment for the first time on October 12, 2011 of three (3) additional monthly amounts of \$5,000 each (\$15,000 total) for work through May, 2011. Most recently, he threatened to sue all three (3) Plaintiffs via a written, signed, Verified Complaint dated about one month ago.

14. Plaintiffs have declined to pay Moseley on the grounds that the monies were not earned or agreed to be paid, and that no services were contemplated to be provided. Under Federal Election laws, Friends is not authorized to make payment solely based on unfounded threats of litigation by a former attorney. PAC and O'Donnell did not hire Moseley.

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15. Moseley has also made general threats to sue Friends, and/or PAC, and/or O'Donnell in recent months for additional amounts purportedly due and owing of various amounts.

16. Plaintiffs believe that Moseley has been paid for all services ever rendered by Moseley, and that they are not legally obligated to pay any other amounts to him.

17. Given Moseley's threats to improperly sue the Plaintiffs in the Commonwealth of Virginia, which clearly lacks jurisdiction over some, if not all, of his purported claims, Plaintiffs are forced to file this action in order to obtain a declaration from this Court establishing that they have no liability to Moseley for any monetary amounts.

COUNT I - DECLARATORY JUDGMENT

18. The contents of paragraphs 1. through 17. are hereby restated as if fully set forth herein.

19. Pursuant to 10 *Del. C.* § 6501, the Courts of this State have the power to declare the rights, status, and other legal relations between parties. Under 10 *Del. C.* § 6502, the Courts of this State are authorized to determine the rights of parties under any contract.

20. This Court should declare that the Plaintiffs have no monetary obligations of any nature or sort to Moseley regarding his claims.

21. Moseley has been paid in full by Friends, and no further agreements were entered into by the parties for him to perform any additional services for which any additional compensation might be due.

22. Moseley's claim from June of 2008 in the amount of \$3,250 was resolved pursuant to an "Accommodation" via consensual settlement and compromise, and it is further barred based upon the Delaware 3-year general Statute of Limitations which ran in June of 2011.

23. The Court should enter a Declaratory Judgment establishing that the Plaintiffs have no indebtedness to Moseley.

WHEREFORE, the Plaintiffs respectfully request that this Court enter a Declaratory Judgment in their favor and against Defendant Jonathon A. Moseley, establishing that there are no further financial obligations for amounts owed based on services performed and actually contracted for between the parties, and that the Court grant such other and farther relief as it deems just and proper.

ABBOTT LAW FIRM

A handwritten signature in black ink, appearing to read "Richard L. Abbott", written over a horizontal line.

Richard L. Abbott, Esquire (L.D. #2712)
724 Yorklyn Road, Suite 240
Hockessin, DE 19707
(302) 489-2529

Attorneys for Plaintiff

Dated: October 13, 2011

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FEC
FORM 1

STATEMENT OF
ORGANIZATION

SECRETARY OF THE SENATE
08 MAY -1 PM 12:05

Office Use Only

1. NAME OF
COMMITTEE (in full)

(Check if name
is changed)

Example: If typing, type
over the lines.

12FE4M5

Friends of Christine O'Donnell

ADDRESS (number and street)

(Check if address
is changed)

Post Office Box 3987

1812 Marsh Road Suite #308

Wilmington

DE 19807

CITY

STATE

ZIP CODE

COMMITTEE'S E-MAIL ADDRESS

O'Donnell2008@gmail.com

COMMITTEE'S WEB PAGE ADDRESS (URL)

www.ChristineO'Donnell08.com

www.TheBidenQuiz.com

COMMITTEE'S FAX NUMBER

888-792-3433

2. DATE

03-25-2008

3. FEC IDENTIFICATION NUMBER

C

4. IS THIS STATEMENT

☒ NEW (N)

OR

AMENDED (A)

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer

Jonathan Maseley

Signature of Treasurer

Jonathan Maseley

Date

04-25-2008

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. § 437g.

ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

Office Use Only					
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For further information contact:
Federal Election Commission
Toll Free 800-424-9540
Local 202-694-1100

FEC FORM 1
(Revised 12/2007)

MOSELEY ID # 0166

P.'s EXHIBIT

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5. TYPE OF COMMITTEE

Candidate Committee:

- (a) ☒ This committee is a principal campaign committee. (Complete the candidate information below.)
- (b) ☐ This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate

Christine O'Donnell

Candidate Party Affiliation

R

Office Sought:

House

Senate

President

State

DE

District

- (c) ☐ This committee supports/opposes only one candidate, and is NOT an authorized committee.

Name of Candidate

Party Committee:

- (d) ☐ This committee is a _____ (National, State or subordinate) committee of the _____ (Democratic, Republican, etc.) Party.

Political Action Committee (PAC):

- (e) ☐ This committee is a separate segregated fund. (Identify connected organization on line 6.) Its connected organization is a:

Corporation

Corporation with Capital Stock

Labor Organization

Membership Organization

Trade Association

Cooperative

- (f) ☐ This committee supports/opposes more than one Federal candidate, and is NOT a separate segregated fund or party committee. (i.e., nonconnected committee)

In addition, this committee is a Leadership PAC. (Identify sponsor on line 6.)

Joint Fundraising Representative:

- (g) ☐ This committee collects contributions, pays fundraising expenses and disburses net proceeds for two or more political committees/organizations, at least one of which is an authorized committee of a federal candidate.
- (h) ☐ This committee collects contributions, pays fundraising expenses and disburses net proceeds for two or more political committees/organizations, none of which is an authorized committee of a federal candidate.

Committees Participating in Joint Fundraiser

1. _____ FEC ID number C
2. _____ FEC ID number C
3. _____ FEC ID number C
4. _____ FEC ID number C
5. _____ FEC ID number C

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Write or Type Committee Name

Friends of Christine O'Donnell

6. Name of Any Connected Organization, Affiliated Committee, Leadership PAC Sponsor or Joint Fundraising Representative

Mailing Address

CITY

STATE

ZIP CODE

Relationship:

Connected Organization

Affiliated Committee

Leadership PAC Sponsor

Joint Fundraising Representative

7. Custodian of Records: Identify by name, address (phone number - optional) and position of the person in possession of committee books and records.

Full Name

Christine O'Donnell

Mailing Address

Post Office Box 3987WilmingtonDE 19807

CITY

STATE

ZIP CODE

Title or Position

Candidate

Telephone number

397-299-18066

8. Treasurer: List the name and address (phone number - optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name
of TreasurerJonathon Maseley

Mailing Address

CITY

STATE

ZIP CODE

Title or Position

Jonathon Maseley

Telephone number

703-854-13733

Treasurer

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