

**IN THE UNITED STATES DISTRICT COURT  
FOR THE SOUTHERN DISTRICT OF FLORIDA**

LARRY KLAYMAN

Plaintiff,

v.

HILLARY RODHAM CLINTON,

and

WILLIAM JEFFERSON CLINTON,

and

THE CLINTON FOUNDATION

a/k/a The William J. Clinton Foundation

a/k/a The Bill, Hillary & Chelsea Clinton Foundation

1271 Avenue of the Americas, 42nd Floor

New York, New York 10020

Service: Chairman Bruce Lindsey or Vice-Chairman

Chelsea Clinton Mezvinsky (née Chelsea Victoria Clinton)

Defendants.

Civil Action No.: 9:15-cv-80388

**EXPEDITED HEARING  
REQUESTED**

**PLAINTIFF'S SUPPLEMENT OF NEWLY-DISCOVERED INFORMATION  
IN SUPPORT OF PLAINTIFF'S MOTION FOR THE COURT TO TAKE CUSTODY OF  
DEFENDANT HILLARY CLINTON'S COMPUTER EMAIL FILE SERVERS**

**I. INTRODUCTION AND SUMMARY**

Plaintiff hereby respectfully submits newly-disclosed information not previously available in support of his motion for the Court to take immediate custody of the Defendants' computer email file servers so as to preserve material evidence important to this case.

This case is properly brought under the Racketeer Influenced and Corrupt Organizations Act ("RICO"), 18 U.S.C. § 1961 *et seq.*, and pleads several predicate acts in furtherance of a criminal enterprise conceived of and implemented by Defendants Hillary Clinton, Bill Clinton,

and The Clinton Foundation, to reap hundreds of millions of dollars personally and for their Foundation by selling government access and influence. Two of the predicate acts criminally concern Defendants' destruction of evidence which will go to prove the criminality and result in RICO liability.

The gravamen of the RICO enterprise consists largely of the two major predicate acts as pled in Plaintiff's Amended Complaint including Defendant Hillary Clinton selling waivers to companies doing business in Iran while Secretary of State in exchange for donations to The Clinton Foundation and large speaking fees to her husband and later herself. Amended Complaint ¶¶ 34-37 , 91-99, 111-121.

It is these documents concerning the criminal enterprise which are likely to remain on Hillary Clinton's personal servers. In addition, documents concerning another major predicate act involve Hillary Clinton's release of classified information concerning Israeli war plans. Those leaks from the U.S. Department of State to The New York Times were designed to thwart an Israeli preemptive strike to damage or destroy Iran's nuclear weapons capability by revealing Israeli strategic plans to forward base military operations, as Israel's planes do not have the range without refueling to hit Iran and return, among other released classified sensitive information. Amended Complaint ¶ 38-41. These documents as well are likely to be on Hillary Clinton's personal email servers.

This is why the Court must take custody of the Defendants' email hard drives to preserve this material evidence. In summary, Defendants, in particular Hillary Clinton, destroyed emails which Plaintiff had requested under the Freedom of Information Act, 5 U.S.C. § 552 ("FOIA"), concerning her sale of waivers as Secretary of State to do business with the Islamic Republic of Iran and her participation principally in the criminal release of classified government information

involving American and Israeli cyber-warfare to destroy or severely cripple Iranian atomic centrifuges and also the release to New York Times reporter David Sanger of classified Israeli war plans to wage a preemptive air attack to eliminate Iranian nuclear facilities. Amended Complaint ¶ 2.

Defendant Hillary Clinton has been forced to admit she destroyed thousands of emails and then, not coincidentally, wiped her personal servers clean. Amended Complaint ¶ 61. It is now known and incontrovertible that Hillary Clinton, allegedly acting in concert with the other Defendants in furtherance of a criminal enterprise, communicated as Secretary of State using private email servers in her home in Chappaqua, New York. Amended Complaint ¶¶ 87, 146. This was obviously intended to hide her and the other Defendants' illegal criminal enterprise from the public and law enforcement authorities. Amended Complaint ¶ 267.

This case is thus the textbook case for the use of RICO as pled in the Amended Complaint. Accordingly, for these compelling reasons, Plaintiff correctly seeks to have this Court take custody immediately of Defendant Hillary Clinton's email servers to preserve evidence before it is totally destroyed. Once in the Court's custody at the appropriate point in the litigation, the Court can appoint a forensic computer expert to re-create any deleted emails that are relevant to this suit, while preserving the confidentiality of non-relevant documents.

The contents of Defendants' private email server are the most significant and important evidence of the RICO enterprise Plaintiff sues upon. It is likely that the data on the servers go to the heart of the violations and RICO enterprise. The Defendants' email server is the place where relevant documents would still reside, after Defendant admittedly deleted them.

## **II. REQUEST FOR EXPEDITED HEARING**

The Plaintiff further requests that the Court hold a hearing on the Plaintiff's motion next week or the week after, as expeditiously as possible.

The hearing is desired to address the issues in the motion and the need for the motion.

The hearing would be helpful to the Court to not only fully discuss the merits of the motion but also to discuss details of the implementation of taking the email servers into custody, to the satisfaction of the Court.

### **III. SUPPLEMENTAL FACTS MATERIAL TO THE MOTION**

#### **A. ILLEGAL GRATUITIES TO SECRETARY OF STATE AND HER FOUNDATION BY SWEDISH INTERESTS**

As the Plaintiff alleged in his Amended Complaint in paragraphs 111 through 121, Swedish telecommunications giant Ericsson bribed then Secretary of State Hillary Clinton in order to gain waivers and exemptions from the U.S. State Department and the U.S. Government generally to allow Ericsson to continue sales of sophisticated telecommunications equipment to Iran and to continue to do business with Iran, in circumvention of Congressionally-enacted sanctions on Iran designed to hinder, limit, show, and discourage Iran's development of nuclear weapons. The Secretary of State was allegedly bribed through donations to The Clinton Foundation, which benefit Defendant Hillary Clinton and Defendant Bill Clinton personally in many ways, and speaking fees paid to Bill Clinton including one speaking fee of \$750,000 for a single speech at a conference sponsored by Ericsson.

Now, newly-revealed information uncovered by investigative journalists shows that a Swedish organization affiliated with The Clinton Foundation, named "The William J. Clinton Foundation Insamlingsstiftelsen," also received an additional \$26 million in donations from Swedish business interests. *See*, Jo Solomon and Kelly Riddell, "Bill Clinton's foundation cashed in as Sweden lobbied Hillary on sanctions," The Washington Times, June 2, 2015, accessible at: <http://www.washingtontimes.com/news/2015/jun/2/clinton-foundations-sweden-fundraising-arm-cashed-/> Exhibit 1.

This additional \$26 million in newly-revealed donations was not disclosed by The Clinton Foundation in the United States or by the Defendants. Furthermore, the donations to The Clinton Foundation affiliate were not reported to or approved by the U.S. State Department as required by the Defendants' memorandum of understanding with the U.S. State Department as a condition of Hillary Clinton being made Secretary of State.

As The Washington Times revealed:

Bill Clinton's foundation set up a fundraising arm in Sweden that collected \$26 million in donations at the same time that country was lobbying Hillary Rodham Clinton's State Department to forgo sanctions that threatened its thriving business with Iran, according to interviews and documents obtained by The Washington Times.

The Swedish entity, called the William J. Clinton Foundation Insamlingsstiftelse, was never disclosed to or cleared by State Department ethics officials, even though one of its largest sources of donations was a Swedish government-sanctioned lottery.

As the money flowed to the foundation from Sweden, Mrs. Clinton's team in Washington declined to blacklist any Swedish firms despite warnings from career officials at the U.S. Embassy in Stockholm that Sweden was growing its economic ties with Iran and potentially undercutting Western efforts to end Tehran's rogue nuclear program, diplomatic cables show.

"Sweden does not support implementing tighter financial sanctions on Iran" and believes "more stringent financial standards could hurt Swedish exports," one such cable from 2009 alerted Mrs. Clinton's office in Washington.

Separately, U.S. intelligence was reporting that Sweden's second-largest employer, telecommunications giant Ericsson AB, was pitching cellphone tracking technology to Iran that could be used by the country's security services, officials told The Times.

By the time Mrs. Clinton left office in 2013, the Clinton Foundation Insamlingsstiftelse had collected millions of dollars inside Sweden for his global charitable efforts and Mr. Clinton personally pocketed a record \$750,000 speech fee from Ericsson, one of the firms at the center of the sanctions debate.

Mr. Clinton's Swedish fundraising shell escaped public notice, both because its incorporation papers were filed in Stockholm — some 4,200 miles from America's shores — and the identities of its donors were lumped by Mr. Clinton's

team into the disclosure reports of his U.S.-based charity, blurring the lines between what were two separate organizations incorporated under two different countries' laws.

And The Washington Times further discovered:

"[The Clintons] understood it's easy to raise money when you solicit people who had business pending before the government," Mr. Burton said. "The information that established this pattern was substantial, coming from both friends and adversaries around the world who knew they could gain access to the president and his administration and they could get things done if they were willing to pony up the money."

At the time of Mr. Clinton's foray into Swedish fundraising, the Swedish government was pressing Mrs. Clinton's State Department not to impose new sanctions on firms doing business with Iran, including hometown companies Ericsson and Volvo.

Mrs. Clinton's State Department issued two orders identifying lists of companies newly sanctioned in 2011 and 2012 for doing business with Iran, but neither listed any Swedish entities.

Behind the scenes, however, the U.S. Embassy in Stockholm was clearly warning the State Department in Washington that Sweden's trade was growing with Iran — despite Swedish government claims to the contrary.

"Although our Swedish interlocutors continue to tell us that Europe's overall trade with Iran is falling, the statements and information found on Swedish and English language websites shows that Sweden's trade with Iran is growing," the U.S. Embassy wrote in a Dec. 22, 2009, cable to the State Department that was released by WikiLeaks. The cable indicates it was sent to Mrs. Clinton's office.

At the time of the warning, Mrs. Clinton was about a year into her tenure as Mr. Obama's secretary of state and the two were leading efforts in Washington to tighten sanctions on Iran.

The Swedes were resistant to new sanctions, telling State Department officials repeatedly and unequivocally that they were worried new penalties would stifle the business between its country's firms and Tehran. At the time, Iran was Sweden's second-largest export market in the Middle East after Saudi Arabia.

"Behind the Swedish government's reluctance to support further sanctions in Iran, especially unilateral European measures, is a dynamic (though still fairly small) trade involving some of Sweden's largest and most politically well-connected companies: Volvo, Ericsson and ABB to name three," the U.S. Embassy wrote in one cable to Washington.

Several top Swedish officials made the case against proposed U.S. sanctions in successive meetings in 2009 and 2010, according to classified cables released by WikiLeaks.

"[Swedish] Sanctions coordinator [Per] Saland told us that Sweden does not support implementing tighter financial sanctions on Iran and that more stringent financial standards could hurt Swedish exports," one cable reported. Other cables quoted Swedish officials as saying they were powerless to order banks in their country to stop doing business with Tehran.

Sweden's foreign trade minister, Ewa Bjroling, met with State officials and said even though her government was obeying all existing United Nations and European Union sanctions, "Iran is a major problem for the GOS (Government of Sweden) because Swedish businesses have a long-standing commercial relationship in the trucks and telecom industries."

Eventually, Swedish Foreign Affairs Minister Carl Bildt — Mrs. Clinton's equal on the diplomatic stage — delivered the message personally to top State Department officials, who described him as "skeptical" about expanded Iran sanctions.

"Overall, I'm not a fan of sanctions because they are more a demonstration of our inability than our ability," Mr. Bildt was quoted as telling State officials in a cable marked "secret."

When Mr. Obama planned to meet with Swedish Prime Minister Fredrik Reinfeldt in late 2009, the State Department described Sweden as having been a behind-the-scenes obstructionist to new Iran sanctions. "Sweden has hampered EU efforts to impose additional sanctions," a State Department memo to the president warned.

Swedish government officials declined to address their back-channel overtures to Mrs. Clinton's department. "Discussions leading to decisions on sanctions are internal and should remain so," said Mats Samuelsson, a spokesman with the Swedish Embassy in Washington. "Sweden fully implements all U.N. and EU sanctions by which Sweden is bound."

See Exhibit 1.

**B. ILLEGAL GRATUITIES TO SECRETARY OF STATE AND HER FOUNDATION BY SWISS BANKING INTERESTS**

Furthermore, newly-revealed information uncovered by investigative journalists also reported on June 2, 2015, that since 2011 Defendant Bill Clinton has been paid – personally <sup>1</sup> – \$1.5 million by Switzerland’s largest bank UBS for giving speeches to private gatherings of wealthy clients of UBS at UBS’ speaker’s series held in locations from Miami to Florida, most recently in Nashville, Tennessee. *See*, Jo Solomon and Kelly Riddell, “Bill Clinton’s Wall Street cash puts wife in a tricky spot,” The Miami Herald, June 2, 2015. Exhibit 2.

<http://www.miamiherald.com/news/nation-world/national/article22942449.html>

Yet, once again, these \$1.5 million in speaking fees were paid from companies with enormous amounts of business at stake and interests pending before the U.S. Department of State and U.S. Government generally. These payments to the Defendants are from companies with billions – not millions but billions – of dollars at stake dependent upon the goodwill of the Obama Administration of which Defendant Hillary Clinton is a highly influential leader and the U.S.; Department of State which Hillary Clinton controlled. President of the United States Barack Obama depended heavily upon the support of Hillary Clinton to win re-election in November 2012. Therefore, Defendant Hillary Clinton had enormous influence in the White House and throughout the U.S. Government on all issues, not only at the U.S. Department of State. As The Miami Herald explained:

Many of the speeches and donations were made at times when the host banks were under Justice Department scrutiny. Just a couple of weeks ago, for example, UBS agreed to plead guilty to a felony wire fraud charge for manipulating benchmark interest rates and also admitted to breaching a 2009 pledge to commit no more crimes in return for a prosecution deferral. Since then, the bank paid \$3.5 billion in penalties and restitution for an array of offenses and cooperated with a

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<sup>1</sup> In addition to donations to The Clinton Foundation, these \$1.5 million out of the total \$118 million in speaking fees paid directly to the Clintons.



broad IRS investigation into American clients who opened offshore accounts to evade income taxes.

All told, the same 11 banks have paid more than \$81 billion – yes, that’s with a B – over the last six years to resolve federal investigations into alleged corruption, a McClatchy analysis found. With the settlements, the banks averted criminal and civil trials in the face of such allegations as that they fraudulently sold hundreds of billions of dollars in toxic mortgage securities, manipulated interest and foreign exchange rates and flouted U.S. sanctions against Iran, Sudan and Cuba.

In addition, The Miami Herald published an updated total reporting that Defendant Bill Clinton has received an extraordinary \$118 million in speaking fees since 2001, while his wife Defendant Hillary Clinton was a U.S. Senator and then U.S. Secretary of State. And meanwhile:

Ten of the world’s biggest financial institutions – including UBS, Bank of America, JP Morgan Chase, Citigroup and Goldman Sachs – have hired Bill Clinton numerous times since 2004 to speak for fees totaling more than \$6.4 million.

Moreover, The Miami Herald, further reported on Tuesday, June 2, 2015, that “Huma Abedin, one of Clinton’s closest confidants, worked simultaneously as a consultant for the State Department and Teneo, an elite strategic advisory firm for chief executives of some of the nation’s largest companies.” Huma Abedin was Secretary of State Hillary Clinton’s constant aide, almost always by her side and travelling with her. Thus, the person in direct supervision of all communications with the Secretary of State was simultaneously acting as a consultant for a firm advising some of the largest businesses in the United States with interests at stake around the world influenced by the decisions, actions, policies, and statements of the Secretary of State.

#### **IV. CONCLUSION**

This newly disclosed information should be considered in ruling on the Plaintiff’s motion for the Court to take the computer file servers/email servers into custody. A hearing is respectfully requested during the mid to later part of the week of June 8, 2015 or the following

week, as time is of the essence to preserve this material evidence which is likely to otherwise be destroyed, given Defendants past conduct and apparent obstruction of justice.

Dated: June 3, 2015

Respectfully submitted,

/s/ Larry Klayman  
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#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this June 3, 2015 a true and correct copy of the foregoing was served by first-class U.S. mail, postage prepaid, the Defendant having not yet entered an appearance on the Court's ECF system, upon the following:

Mr. David E. Kendall, Esq.  
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Respectfully submitted,

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# Exhibit 1

## National JUNE 2, 2015

# Bill Clinton's Wall Street cash puts wife in a tricky spot



Former U.S. President Bill Clinton, shown last month at the United Nations, has appeared at least nine times since 2011 for a speakers' series for UBS' American clients. For voicing his thoughts, he reaped a tidy \$1.5 million, according to financial disclosure statements filed by his wife. | **Bebeto Matthews** - AP

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BY GREG GORDON AND ANITA KUMAR  
*McClatchy Washington Bureau*

WASHINGTON — Former President Bill Clinton flew to Nashville, Tenn., in February to earn a fast \$225,000 for sharing his insights with a private gathering of wealthy clients of Switzerland's largest bank.

It marked at least the ninth time since 2011 that the widely sought ex-president had appeared at a speakers' series for UBS' American clients, at venues stretching from Miami to Los Angeles. For voicing his thoughts, he reaped a tidy \$1.5 million, according to financial disclosure statements filed by his wife.

But with Hillary Clinton once again a presidential candidate, the global gallivanting, which brought her husband a windfall of more than \$118 million in speaking fees since 2001, is prompting questions about whether he has compromised her independence, including with Wall Street.

Ten of the world's biggest financial institutions – including UBS, Bank of America, JP Morgan Chase, Citigroup and Goldman Sachs – have hired Bill Clinton numerous times since 2004 to speak for fees totaling more than \$6.4 million. Hillary Clinton also has accepted speaking fees from at least one bank.

And along with an 11th bank, the French giant BNP Paribas, the financial goliaths also donated as much as \$24.9 million to the Clinton Foundation – the family's global charity set up to tackle causes from the AIDS epidemic in Africa to climate change.

Many of the speeches and donations were made at times when the host banks were under Justice Department scrutiny. Just a couple of weeks ago, for example, UBS agreed to plead guilty to a felony wire fraud charge for manipulating benchmark interest rates and also admitted to breaching a 2009 pledge to commit no more crimes in return for a prosecution deferral. Since then, the bank paid \$3.5 billion in penalties and restitution for an array of offenses and cooperated with a broad IRS investigation into American clients who opened offshore accounts to evade income taxes.

All told, the same 11 banks have paid more than \$81 billion – yes, that's with a B – over the last six years to resolve federal investigations into alleged corruption, a McClatchy analysis found. With the settlements, the banks averted criminal and civil trials in the face of such allegations as that they fraudulently sold hundreds of billions of dollars in toxic mortgage securities, manipulated interest and foreign exchange rates and flouted U.S. sanctions against Iran, Sudan and Cuba.

The gusher of special interest money to the Clintons since they left the White House has become a dominant storyline in the early stages of the 2016 presidential race. In addition to Bill Clinton's speaking fees, it includes \$11.7 million in speeches by

Hillary Clinton in the 15 months before she announced her candidacy and more than \$2 billion in donations to the Clinton Foundation. She is not required to disclose what she and her husband earned from speaking fees in 2013.

That money flow has enmeshed the former and would-be future first couple in an extraordinary web of financial entanglements: with Arab governments, Canadian mining interests, U.S. energy giants and the largest banks on Wall Street, to name a few. Republicans and Clinton's Democratic challengers all contend she is too financially beholden to special interests to lead the nation.

The Clintons' soaring income from speaking fees and book royalties also threatens to undermine Hillary Clinton's attempt to cast herself as a crusader for poor and economically struggling Americans.

"The deck is still stacked for those at the top," Hillary Clinton said at a small business round table in Cedar Falls, Iowa, last month. "People aren't getting a fair shake. Something is wrong when CEOs earn more than 300 times more than what the typical American worker earns and when hedge fund managers pay a lower tax rate than truck drivers or nurses.

"I'm running for president because everyday Americans and their families need a champion, and I want to be that champion."

She wouldn't be the first wealthy president to try to look out for those on the bottom rungs of society, but she may have to overcome charges of hypocrisy, now circulating in a Republican National Committee video. The top range of assets listed in Hillary Clinton's latest financial statement, along with their two luxury homes, would put their net worth as high as \$70 million. Based on 2012 tax data in a University of California, Berkeley, study, their wealth would rank them near the nation's upper one-tenth of 1 percent.

If Hillary Clinton wins the White House, the financial industry payments and likely hefty donations to her campaign are "going to put her in a spot when she comes up with policies toward Wall Street," said Lawrence Noble, a senior counsel to the nonpartisan Campaign Legal Center.

"One of the dilemmas she's going to face is that even if she makes a decision based totally on its merits, and she in her heart of hearts believes it's the right thing to do, people are going to see it through the frame of receiving money from Wall Street," he said.

However, Noble emphasized that since a 2010 U.S. Supreme Court ruling all but eliminated constraints on election financing by corporations and wealthy individuals, a Republican presidential candidate could benefit from even greater financial backing. Billionaire conservatives such as brothers Charles and David Koch, who own a huge oil industry company, and Las Vegas casino owner Sheldon Adelson are expected to put hundreds of millions of dollars behind their favorite Republican candidates.

The Clintons' tangle goes beyond money, to overlapping connections in their inner circle. During her stint as secretary of state from 2009 to 2013, Hillary Clinton chose a Clinton Foundation employee, Cheryl Mills, as her chief of staff, fanning suspicions that Clinton tilted policy decisions to favor foundation donors.

Huma Abedin, one of Clinton's closest confidants, worked simultaneously as a consultant for the State Department and Teneo, an elite strategic advisory firm for chief executives of some of the nation's largest companies.

Most puzzling, perhaps, is how the Clintons seemed to take only modest steps to safeguard themselves from this controversy after all the past furors surrounding them in the 1990s, including Bill Clinton's sale of overnight stays in the White House's Lincoln Bedroom to high-dollar donors to the Democratic National Committee.

The former president did not respond to a request for an interview, and spokesmen for both Clintons declined to comment for this article.

Bill Clinton seemed to react to the stream of critical news stories in an open letter Friday thanking the Clinton Foundation's hundreds of thousands of donors after returning from a trip to Africa with his daughter, Chelsea.

"As you all know, it's the political season in America," he wrote, "so the purpose and impact of the efforts your support makes possible has largely been ignored in recent coverage of the Foundation."

He said the foundation has saved the lives of millions of AIDS victims, provided healthier food to 16 million American children and that private commitments arranged by the foundation "have already improved 430 million lives in more than 180 countries."

Hillary Clinton disassociated from the foundation while secretary of state and again

when she announced her presidential candidacy.

Karina Byrne, a UBS spokeswoman, said her bank invited Bill Clinton to join in a speakers series called "Revitalizing America," which brought business and government leaders to address global financial issues before some of the bank's wealthy clients. Former President George W. Bush also participated.

"Our clients have greatly appreciated the access in hearing from those two wonderful gentlemen," she said.

She was asked whether UBS officials also hired Clinton because his wife was a likely presidential candidate.

"Our interest was more in learning from President Clinton's experience," she said.

Among questions that the Clintons haven't answered is whether and to what degree Hillary Clinton insisted that her husband, unshackled from tight ethical restraints after ending his public service career in 2001, avoid booking speeches or accepting foundation donations that might saddle her with financial conflicts.

In a half-dozen interviews, friends familiar with the Clintons' thinking said that they have come to expect attacks challenging their integrity after enduring seemingly endless controversies during eight years in the White House. Those brouhahas also included Bill Clinton's impeachment over his sexual liaisons with intern Monica Lewinsky and never-proven conspiracy theories that White House Counsel Vince Foster didn't die of a suicide.

The Clintons have never tried to modify their behavior to avoid creating problematic perceptions, in the belief that whatever they did, they would always be criticized, said their friends, who spoke on condition of anonymity to avoid damaging relationships.

After the barrage of attacks in the 1990s, Bill and Hillary Clinton concluded they would always be fodder for the critics, said Skip Rutherford, a longtime friend who headed the Clinton Foundation when its mission was to build a presidential library and who heads the Clinton School of Public Service at the University of Arkansas.

"What I really think is that if the media didn't have these, then they would find something else," said a frustrated Donald Fowler, who chaired the Democratic National Committee during Clinton's presidency.



Fowler said critics have been trying to nail something on the Clintons for decades, and "it drives the Republicans nuts" that besides the Lewinsky scandal, "they haven't laid a finger on either of them."

P.J. Crowley, who served as a State Department spokesman under Hillary Clinton, said he could only remember two instances when her husband's interests at the foundation intersected with her own areas of focus: In 2009, when Bill Clinton went to North Korea to help seek the release of two U.S. journalists and in 2010, in the aftermath of the earthquake in Haiti. Rather than conflicting, their interests were "complementary," he said.

Before Hillary Clinton took office, Barack Obama's presidential transition team negotiated an agreement with the Clinton Foundation aimed at eliminating possible conflicts of interest during her tenure, limiting donations from foreign governments and requiring that the department pre-clear Bill Clinton's speaking appearances.

Despite the legalistic terms, concerns about conflicts were rarely raised, Crowley said. Except for the State Department officials charged with vetting Bill Clinton's planned speeches or reviewing proposed foreign government donations that exceeded the negotiated limits, department employees were not asked to look into or consider Bill Clinton's business transactions, he said.

Fred Wertheimer, who as president of Democracy 21 is among Washington's longest-serving watchdogs over money in politics, expressed dismay that Hillary Clinton did not take more steps to avoid even appearances of conflicts of interest.

Since she knew she might run for president, Wertheimer said, he "would have thought that Mrs. Clinton would have been much more careful about her speaking engagements" and more discreet than to become a principal in the Clinton Foundation for two years after leaving the State Department.

Noble, a former general counsel of the Federal Elections Commission, recalled the agency's major investigation into Bill Clinton's fundraising for the Democratic National Committee.

"What it told me about Bill Clinton was they were going to play fast and loose with the campaign finance rules . . . cozy up to people with a lot of money," he said.

Hillary Clinton has acknowledged that, between January 2014 and this April, she collected \$11.7 million from the talk circuit, including \$280,000 from Deutsche Bank, the Germany-based colossus. In addition, she spoke at events sponsored by Citibank, Goldman Sachs and JP Morgan Chase, donating to the Clinton Foundation total fees ranging from \$750,000 to \$1.5 million, the foundation recently disclosed.

Hillary Clinton's latest financial disclosure statement revealed that she and her husband earned \$25 million in speaking fees in the 15 months before she entered the presidential race. Campaign officials declined to say whether she will disclose their earnings in 2013, when both also traveled heavily to accommodate speech requests.

Because employees of Citigroup and other major banks and the firms' political action committees donated more than \$2 million to Hillary Clinton's 2000 and 2006 Senate campaigns, her eight years as a New York senator offer clues as to how she might deal with Wall Street.

In 2007, for example, she was among the first in Congress to call for tougher regulation of exotic new investment instruments that amplified the magnitude of the crisis. She also called for government intervention in the marketing of so-called subprime home mortgage loans, whose staged hikes in mortgage interest rates buried millions of borrowers with soaring monthly payments, leading to waves of foreclosures that crashed the housing market.

Yet as a U.S. senator, Hillary Clinton was only allowed by Senate rules to accept an honorarium of up to \$2,000 for speaking appearances, provided she donated the money to a charity.

One of her few recent public speeches shows how things have changed.

On Dec. 4, 2014, she spoke in Boston to the Massachusetts Conference for Women, a 51-minute appearance including a question-and-answer session.

Her reduced fee of \$205,500 amounted to \$4,029 per minute.

*Corrections: An earlier version of this story gave an incorrect name for the Campaign Legal Center. The story also gave incorrect information about Bill Clinton's impeachment. He was impeached over his sexual liaisons with intern Monica Lewinsky .*

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## Comments

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**Stephen Esteban Davie** · Top Commenter · Toronto, Ontario

One bright day some rural common-sense American solid person will decry that family lines should not be established to pass along political dynasties from generation to generation. The idea of a third Bush should produce this lashback. The sheer madness of Hilary running is bad enough, but somehow worse when you examine their combined lack of judgement from back in their Arkansas days up until the White House years, and then...worse still...Hilary's "demanded or else" position of Secretary of State. Clinton's little fund is full of saudi and other arab Muslim money from people who supported those who attacked on 911 and who support America's sworn muslim enemies. Her daughter married into a jewish family which brings for the the question of that wretched "Israel First" attitude of too many American ethnic folks with ties to that sinful country and it's murderous exploitive regime. Best thing the Clintons could do is move back to Arkansas and build a nice place in the country, with lots of servants running around with drinks and food. A good pool and maybe a putting green for Bill and some young female house staffers to keep him occupied. Hillary could supervise hog killings and smoking. Folks don't stay far from their roots. As long as she runs, the democrats will have no hope. Matt Damon would make a good candidate, or maybe Queen Latifah. She is the soul of America.

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## Top 10 Broadcasting Companies in the World



# Exhibit 2

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# Bill Clinton's foundation cashed in as Sweden lobbied Hillary on sanctions

By [John Solomon](#) and [Kelly Riddell](#) - *The Washington Times* - Tuesday, June 2, 2015

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Bill Clinton's foundation set up a fundraising arm in Sweden that collected \$26 million in donations at the same time that country was lobbying Hillary Rodham Clinton's State Department to forgo sanctions that threatened its thriving business with Iran, according to interviews and documents obtained by The Washington Times.

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"Sweden does not support implementing tighter financial sanctions on Iran" and believes "more stringent financial standards could hurt Swedish exports," one such cable from 2009 alerted Mrs. Clinton's office in Washington.

Separately, U.S. intelligence was reporting that Sweden's second-largest employer, telecommunications giant Ericsson AB, was pitching cellphone tracking technology to Iran that could be used by the country's security services, officials told The Times.

By the time Mrs. Clinton left office in 2013, the Clinton Foundation Insamlingsstiftelse had collected millions of dollars inside Sweden for his global charitable efforts and Mr. Clinton personally pocketed a record \$750,000 speech fee from Ericsson, one of the firms at the center of the sanctions debate.

Mr. Clinton's Swedish fundraising shell escaped public notice, both because its incorporation papers were filed in Stockholm — some 4,200 miles from America's shores — and the identities of its donors were lumped by Mr. Clinton's team into the disclosure reports of his U.S.-based charity, blurring the lines between what were two separate organizations incorporated under two different countries' laws.

The foundation told The Times through a spokesman that the Swedish entity was set up primarily to collect donations from popular lotteries in that country, that the money went to charitable causes like fighting climate change, AIDS in Africa and cholera in Haiti, and that all of the Swedish donors were accounted for on the rolls publicly released by the U.S. charity.

The foundation, however, declined repeated requests to identify the names of the specific donors that passed through the Swedish arm.

A spokesman for Mrs. Clinton's 2016 presidential campaign declined comment.

When Mrs. Clinton became President Obama's secretary of state in 2009, she vowed to set up a transparent review system that would ensure any of her husband's fundraising or lucrative speaking activities were reviewed for possible ties to foreign countries doing business with her agency, insisting she wanted to eliminate even the "appearance" of conflicts of interests.

But there is growing evidence that the Clintons did not run certain financial activities involving foreign entities by the State Department, such as the Swedish fundraising arm and the Clinton Giustra Sustainable Growth Initiative based in Canada, or disclose on her annual ethics form the existence of a limited liability corporation that Mr. Clinton set up for his personal consulting work.

The ethics agreement the Clintons signed in 2009 with the State Department stated that if a foreign government chose to "elect to increase materially its commitment, or should a new contributor country elect to support" Mr. Clinton's charitable causes, "the Foundation will share such countries and the circumstances of the anticipated contribution with the State Department designated agency ethics official for review."

The foundation spokesman said Mr. Clinton's team had nothing to hide about the Swedish entity and set it up solely to take advantage of changes in Swedish law in 2011 that allowed some of the country's lucrative lotteries to direct their charitable giving to the American-based Clinton Foundation.



The spokesman said Mr. Clinton's team believed the Nationale Postcode Loterij and the Swedish Postcode Lottery, two of the biggest contributors to the Swedish fundraising arm, were privately owned and unrelated to the Swedish government.

Both lotteries are owned by the private firm Novamedia, but they are closely regulated by the Swedish government, and the Postcode Lottery's top manager is approved and regulated by the Swedish government, according to interviews and documents.

According to Novamedia's 2014 annual report, the Swedish Postcode Lottery's managing director "is also the Lottery Manager appointed by the Swedish Gambling Authority. The Swedish Gambling Authority, which grants the lottery license, collaborates closely with the Lottery Manager and supervises the lottery."

About half the funds collected by the foundation's Swedish arm in 2011 and 2012 came from lottery enterprises tied to Novamedia.

"The Clinton Foundation is a philanthropy, period," foundation spokesman Craig Minassian told the Times. "We've voluntarily disclosed our more than 300,000 donors on our website, including those from Sweden. In fact, support from the Swedish Postcode Lottery has helped give millions of people access to HIV/AIDS treatment, lifted tens of thousands of rural farmers out of poverty, helped rebuild Haiti after the devastating earthquake and made it possible for cities and countries to reduce their carbon output by millions of tons. The truth is, when organizations like this support the Clinton Foundation, they do want something in return: they want to see lives improved through our work."

### **Familiar patterns and storylines?**

Those who have followed or investigated the Clintons over their three decades of power in Washington say the Swedish episode uncovered by The Times fits a familiar pattern of ambiguous transparency promises and fundraising carried out through cutouts that targeted foreigners with business interests before the U.S. government.

"They were very effective in being able to obfuscate what they were doing through cutouts and how they were raising their money," said retired Rep. Dan Burton, a Republican who chaired the main House investigative committee in the late 1990s that probed many of the Clintons' activities ranging from travel office firings and Whitewater investments to Asian fundraising.

The latter investigation disclosed an extensive 1996 Clinton fundraising operation that rewarded donors with White House coffees, access to top officials and nights in the Lincoln Bedroom despite the Clintons' promise to run the most ethical administration in history. It also proved that illegal foreign money went to the Democratic Party from the likes of Johnny Chung, a fundraiser who admitted taking \$300,000 from a Chinese military officer and giving it to Democrats, and James Riady, who pleaded guilty to routing foreign funds through a network of "straw donors" who enriched the Clinton campaign and Democratic Party while collecting political favors for his companies.

"[The Clintons] understood it's easy to raise money when you solicit people who had business pending before the government," Mr. Burton said. "The information that established this pattern was substantial, coming from both friends and adversaries around the world who knew they could gain access to the president and his administration and they could get things done if they were willing to pony up the money."

### **Fundraising in Sweden as sanctions debate raged in U.S.**

At the time of Mr. Clinton's foray into Swedish fundraising, the Swedish government was pressing Mrs. Clinton's State Department not to impose new sanctions on firms doing business with Iran, including hometown companies Ericsson and Volvo.

Mrs. Clinton's State Department issued two orders identifying lists of companies newly sanctioned in 2011 and 2012 for doing business with Iran, but neither listed any Swedish entities.

Behind the scenes, however, the U.S. Embassy in Stockholm was clearly warning the State Department in Washington that Sweden's trade was growing with Iran — despite Swedish government claims to the contrary.

"Although our Swedish interlocutors continue to tell us that Europe's overall trade with Iran is falling, the statements and information found on Swedish and English language websites shows that Sweden's trade with Iran is growing," the U.S. Embassy wrote in a Dec. 22, 2009, cable to the State Department that was released by WikiLeaks. The cable indicates it was sent to Mrs. Clinton's office.

At the time of the warning, Mrs. Clinton was about a year into her tenure as Mr. Obama's secretary of state and the two were leading efforts in Washington to tighten sanctions on Iran.

The Swedes were resistant to new sanctions, telling State Department officials repeatedly and unequivocally that they were worried new penalties would stifle the business between its country's firms and Tehran. At the time, Iran was Sweden's second-largest export market in the Middle East after Saudi Arabia.

"Behind the Swedish government's reluctance to support further sanctions in Iran, especially unilateral European measures, is a dynamic (though still fairly small) trade involving some of Sweden's largest and most politically well-connected companies: Volvo, Ericsson and ABB to name three," the U.S. Embassy wrote in one cable to Washington.

Several top Swedish officials made the case against proposed U.S. sanctions in successive meetings in 2009 and 2010, according to classified cables released by WikiLeaks.

"[Swedish] Sanctions coordinator [Per] Saland told us that Sweden does not support implementing tighter financial sanctions on Iran and that more stringent financial standards could hurt Swedish exports," one cable reported. Other cables quoted Swedish officials as saying they were powerless to order banks in their country to stop doing business with Tehran.

Sweden's foreign trade minister, Ewa Björling, met with State officials and said even though her government was obeying all existing United Nations and European Union sanctions, "Iran is a major problem for the GOS (Government of Sweden) because Swedish businesses have a long-standing commercial relationship in the trucks and telecom industries."

Eventually, Swedish Foreign Affairs Minister Carl Bildt — Mrs. Clinton's equal on the diplomatic stage — delivered the message personally to top State Department officials, who described him as "skeptical" about expanded Iran sanctions.

"Overall, I'm not a fan of sanctions because they are more a demonstration of our inability than our ability," Mr. Bildt was quoted as telling State officials in a cable marked "secret."

When Mr. Obama planned to meet with Swedish Prime Minister Fredrik Reinfeldt in late 2009, the State Department described Sweden as having been a behind-the-scenes obstructionist to new Iran sanctions. "Sweden has hampered EU efforts to impose additional sanctions," a State Department memo to the president warned.

Swedish government officials declined to address their back-channel overtures to Mrs. Clinton's department. "Discussions leading to decisions on sanctions are internal and should remain so," said Mats Samuelsson, a spokesman with the Swedish Embassy in Washington. "Sweden fully implements all U.N. and EU sanctions by which Sweden is bound."

### **A pass to telecommunications companies?**

The U.S. is allowed to penalize foreign firms — even if they are incorporated in countries that are U.S. allies — under the Iran Sanctions Act (ISA). Beginning in 2010, the Obama administration stepped up U.S. efforts to use ISA authorities to discourage investment in Iran and to impose sanctions on companies that insisted on continuing their business with Iran, according to a Congressional Research Service (CRS) report.

The State Department is required to report to Congress on ISA matters, which should be done every six months. The State report typically covers U.S. diplomatic concerns over which companies and countries may be interfering with U.S. policy by continuing their investments in Iran — much like the concerns that were coming out of Stockholm.

However, the State Department was slow in delivering its reports to Congress and placing them in the Federal Register as required by Section 5e of the ISA, which drew the concern of lawmakers that State wasn't moving fast enough on making its sanction recommendations prior to the 2011-2012 formal announcements.

In February 2010, Mrs. Clinton testified before the House Foreign Affairs Committee that the State Department's ISA preliminary review was completed in early February and that some of the cases reviewed "deserve more consideration" and were undergoing additional scrutiny. The preliminary review, according to the testimony, was conducted, in part, through State Department officials' contacts with their counterpart officials abroad and corporation officials.

That preliminary review hasn't been made public, and the first like-report was posted to the Federal Registrar in 2012 with no company names specifically mentioned.

Current State Department officials and outside experts who advised the department on Iran sanctions told The Times that Sweden, and more specifically Ericsson, was a matter of internal discussion from 2009 to 2011 before new sanctions were finally issued. "The Ericsson concerns were well-known, but in the end many of the sanction decisions were arbitrary and often involved issues beyond the actual business transactions," one

adviser directly involved in the talks told The Times, speaking only on the condition of anonymity because he was describing private deliberations.

U.S. intelligence officials told The Times that they kept the Obama administration apprised of Ericsson's activities inside Iran, including the fact that the Swedish firm had provided Iran's second-largest cellular provider with location-based technology to track customers for billing purposes. The technology transfer occurred in late 2009, shortly after Tehran brutally suppressed a pro-democracy movement in that country, the officials said.

U.S. intelligence further learned that Ericsson in 2010 discussed with Iran's largest cellular firm providing tracking technology that could be used directly by Iranian security authorities but never formally pursued the contract, officials said.

State officials declined to say whether Ericsson ever appeared on any preliminary sanctions lists, but they described a process for each sanction decision that involved input from the Treasury Department, the CIA, the Commerce Department and State. During those deliberations, there was a propensity to give extra consideration to companies promoting telecommunications technology inside Iran, the officials explained.

The reason, one official said, was that these companies were seen to be providing something that might help average Iranians stay in contact with the rest of the world. More specifically, the official said, such technology might help them circumvent the draconian censorship measures being taken by Tehran's government.

Swedish trade with Iran continued undeterred.

Swedish-based Ericsson and Volvo continued their business in Iran during this heightened period of scrutiny — even as other international companies started ending their relationships.

Ericsson has sold telecommunications infrastructure and related products to three Iranian firms: MCCI, MTN IranCell and Rightel. Volvo is the leading heavy truck company in Iran. U.S. senators have specifically raised concerns about the technology Ericsson was providing to Iran.

The company told The Times that it did, in fact, provide a location-based customer-tracking hub to MTN IranCell in 2009 but that it did not believe the system could be

misused by Iranian security authorities to track dissidents because its location tracking wasn't real-time and instead was aimed at facilitating billing.

"We have sold a location-based charging (LBC) to MTN IranCell," Ericsson spokeswoman Karin Hallstan said. "LBC is used by operators all over the world as a market segmentation tool in order to charge customers differently depending on where they are located. Ericsson is unaware of authorities in any country using LBC as an active monitoring tool, not least as typically this is not open to real-time analysis."

The company said it also pitched a tracking system specifically for Iran's security agencies to mobile operator MCCI to determine the scope of their requirements. But it never bid or won such a deal, company officials said.

Ericsson, for its part, believes the sale of telecommunications equipment in Iran may foster a democratic state — and help human rights issues.

"Ericsson strongly believes telecommunication contributes to a more open and democratic society, and we believe that the people of Iran have gained from having access to this technology," Ms. Hallstan said.

The telecommunications giant didn't make any contributions to the Swedish fundraising entity set up by Mr. Clinton, but it did pay the former president a record \$750,000 for a speech in Hong Kong in November 2011, just weeks after Mrs. Clinton released the first sanctions list that excluded Ericsson and other Swedish firms.

"The investment was significant but should be seen in light of [Mr. Clinton's] perceived crowd pull, the location (far to travel to Hong Kong) and an engagement that spanned two days," Ms. Hallstan said. "The conversation regarding Iran that you refer to had no impact on this decision and was not considered by the event team."

Ms. Hallstan said Ericsson started paying an annual membership fee to the Clinton Global Initiative in 2010 and is supporting a joint effort with Refugees United to help missing families reconnect with loved ones.

The company says it intends to continue pursuing opportunities with Tehran.

"Ericsson intends to continue to engage with existing customers and explore opportunities with new customers in Iran while continuously monitoring international developments as they relate to Iran and its government," Ms. Hallstan said. "As a

company present in 180 countries, we are sometimes asked to provide factual input regarding countries we operate in."

After the U.S. announced its sanctions list in 2011 and 2012 — which included no Swedish companies — the Clinton Foundation Insamlingsstiftelse saw an uptick in its fundraising, from about \$3 million in 2011 to \$9 million in 2012 to \$14 million in 2013, according to data released by the Swedish Svensk Insamlings Kontroll.

Two months after the second sanctions list was released, Mrs. Clinton made her first trip to Sweden as secretary of state to attend a Climate & Clean Air Coalition forum.

### **Setting up the Insamlingsstiftelse**

When Mr. Clinton set up his Swedish fundraising arm in 2011, he turned to one of the former first family's longtime confidants: Mrs. Clinton's former Arkansas law partner Bruce Lindsey.

The entity was essentially a fundraising shell, having no employees or contractors in Sweden, and it was governed by a board with six directors: Mr. Clinton's two close aides in retirement, Doug Band and Mr. Lindsey; the foundation's chief financial officer, Andrew Kessell; Swedish lawyer Jan Lombach; German media mogul Karl-Heinz Kogel; and British financier Barry Townsley.

Mr. Townsley was a public figure in the 2006-2007 "pay for peerage" scandal that rocked the British government and tarnished the reputation of Tony Blair months before he left office as prime minister.

A House of Commons report concluded that Mr. Townsley, a successful stockbroker and generous philanthropist, provided a 1 million pound loan in 2005 to the ruling Labor Party and received a peerage nomination from Mr. Blair's government. Mr. Townsley eventually declined the peerage appointment, saying the publicity had intruded on his privacy. He and other businessmen who made similar loans and were nominated for peerages were never charged with any wrongdoing, but the controversy tarnished Mr. Blair's tenure.

Mr. Townsley told The Times that Mr. Clinton called him personally to ask him to serve on the Swedish entity's board, and there were never any issues raised with him about the British patronage scandal.



He described himself as "a non-exec director," saying he never got paid, never raised any money, never attended any functions for the Swedish entity and didn't even get financial reports about the group's activities.

He said he did not believe the past controversy in Britain should have any bearing on his relationship with the Clintons, which began in 1999. "There was nothing to it, and the investigation went away. Nothing to be investigated," Mr. Townsley said.

The incorporation documents for Clinton Foundation Insamlingsstiftelse say "fundraising is the Swedish foundation's only purpose," and its annual reports show a total of \$26 million raised since 2011. The Swedish documents disclose only a few sources of incoming donations, with the largest being the Nationale Postcode Loterij with about \$5 million donated in 2012 and 2013 and the Swedish Postcode Lottery with about \$4 million donated in that same time frame.

Mr. Clinton set up the Clinton Foundation Insamlingsstiftelse to become a direct recipient of the funds from the Swedish Postcode Lottery, rather than having to go through an intermediary organization to get the contributions, according to a Clinton Foundation official.

"Under Swedish lottery legislation, an organization must be registered in Sweden to receive funds directly from the Swedish Postcode Lottery," said Roger Magergard, a spokesman for the lottery.

He added: "The partnership with Clinton Foundation Sweden is ongoing. The Swedish Postcode Lottery has 53 beneficiaries, and the cooperation with all organizations continues until either the beneficiary or the lottery decides to end the cooperation."

In 2011, Sweden changed its giving laws to allow "little-brother" foundations, such as the Clinton Foundation Sweden, to operate in the country and broadened the issues those foundations could collect money for, explained Filip Wijkstrom, a director at the Stockholm School of Economics, who has studied Swedish foundations and nonprofits.

That same year, Sweden changed its tax laws so that individuals could get small tax breaks on their charitable contributions and companies could deduct some donations as business expenditures.

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