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LEGAL EASE

PAGE 01/03

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

JARED PAUL STERN,

Plaintiff,

-against-

RONALD BURKLE, FRANK RENZI,  
MICHAEL SITRICK, WILLIAM SHERMAN,  
THE NEW YORK DAILY NEWS,  
HILLARY RODHAM CLINTON and  
WILLIAM JEFFERSON CLINTON,

Defendants.

Index No.

Date Purchased:

Plaintiff(s) designate(s)

NEW YORK

County as the place of trial.

The basis of the venue is

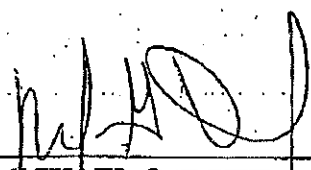
Defendants' place of  
business.SUMMONS

TO THE ABOVE-NAMED DEFENDANTS:

YOU ARE HEREBY SUMMONED to answer the complaint in this action and to serve a copy of your answer, or, if the complaint is not served with this summons, to serve a Notice of Appearance, on the Plaintiff's Attorney within 20 days after the service of this summons, exclusive of the day of service (or within 30 days after the service is complete if this summons is not personally delivered to you within the State of New York); and in case of your failure to appear or answer, judgment will be taken against you by default for the relief demanded in the complaint.

Dated: New York, New York  
March 21, 2007NEW YORK  
COUNTY CLERK'S OFFICE

MAR 22 2007

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MICHAEL G. DOWS

Attorney for Plaintiff

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New York, NY 10016

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SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

-----X  
JARED PAUL STERN,

Plaintiff,

-against-

Index No. 103916/07

RONALD BURKLE, FRANK RENZI,  
MICHAEL SITRICK, WILLIAM SHERMAN,  
The NEW YORK DAILY NEWS,  
HILLARY RODHAM CLINTON, and  
WILLIAM JEFFERSON CLINTON,

**VERIFIED COMPLAINT**

Defendants.  
-----X

Plaintiff, Jared Paul Stern, sues Defendants Ronald Burkle, Frank Renzi, Michael Sitrick, William Sherman, the New York Daily News, Hillary Rodham Clinton, William Jefferson Clinton, and alleges as follows:

**PARTIES, JURISDICTION AND VENUE**

1. Plaintiff Jared Paul Stern is an individual residing in the State of New York.
2. Upon information and belief, Defendant Ronald Burkle is an individual residing in the State of California.
3. Upon information and belief, Defendant Michael Sitrick is an individual residing in the State of California.
4. Upon information and belief, Defendant Frank Renzi is an individual residing in the State of California.

NEW YORK  
COUNTY CLERK'S OFFICE

MAR 22 2007

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5. Upon information and belief, Defendant William Sherman is an individual residing in the State of New York.

6. Defendant Hillary Rodham Clinton is an individual residing in the State of New York.

7. Defendant William Jefferson Clinton is an individual residing in the State of New York.

8. Upon information and belief, Defendant the New York Daily News is a corporation conducting business in the State of New York.

9. Venue and jurisdiction are proper in this Court as the defamatory statements and other tortious acts were circulated and perpetrated in New York County, which constitutes a transaction or occurrence out of which Plaintiff's claims arise and the events and occurrences otherwise took place in New York County, New York.

10. All conditions precedent to the bringing and maintenance of this action have been satisfied or waived.

#### **FACTUAL ALLEGATIONS**

11. At the time of the events described herein, Mr. Stern was a highly-regarded freelance journalist and literary editor employed by the New York Post on a part-time basis, as well as a contributor to publications such as the Wall Street Journal, the New York Times and New York Magazine.

12. During the past few years, Defendant Burkle, a powerful, politically connected billionaire who socializes with celebrities and carries on sexual liaisons with fashion models, some of whom are under the age of consent, became increasingly upset at what he

perceived as unflattering coverage in the New York Post.

13. Burkle was concerned that reports of his personal affairs, sexual and financial misconduct, and information about his extremely acrimonious divorce, would hamper his ability to continue to engage in unsavory and illegal conduct with impunity, and would embarrass and implicate close associates such as his advisor and employee, former President Bill Clinton and Clinton's wife, Senator Hillary Clinton, both of whom he has supported and continues to support politically and financially.

14. Unbeknownst to Mr. Stern at the time, Burkle had sent the New York Post threatening letters in an effort to discourage the paper from publishing further revelations of his licentious, improper and/or questionable behavior, which included his connections, friendship and/or business relationship with his employee, Bill Clinton, and Mr. Clinton's wife, New York Senator Hillary Clinton. He had even written to the New York Post's owner, Rupert Murdoch.

15. On March 22, 2006 at Burkle's invitation, Mr. Stern and Burkle met at an apartment at 250 Mercer St. in New York City rented by Burkle. This was falsely presented to Mr. Stern as a continuation of discussions about Burkle's media strategy and Skull & Bones by Jared Paul Stern, the clothing line started by Mr. Stern in the summer of 2005; said discussions were initiated by Burkle at a meeting between the two men which Burkle had arranged in July 2005.

16. The March 22, 2006 meeting was in fact a "set-up" perpetrated by Burkle and secretly videotaped by Burkle's security team, directed by Defendant Renzi, an ex-Secret Service agent formerly in the employ of Bill Clinton and head of security for Burkle's

investment firm Yucaipa Cos., and disreputable private investigator Richard Di Sabatino, without Mr. Stern's knowledge or consent. Using private investigators and others with ties to Defendants Hillary and Bill Clinton, Burkle frequently videotapes and runs surveillance on business associates, employees, acquaintances, rivals and even relatives without their knowledge or consent. Burkle and Renzi had also run surveillance and "dirt" gathering operations on Page Six editor Richard Johnson, his family, and other Page Six staffers.

17. Immediately following the March 22, 2006 meeting, Burkle, his attorneys, including New York-based lawyer Tom Harvey (a frequent Page Six source for information about his own clients); Burkle's security team, headed by Renzi; various former federal prosecutors in Burkle's employ; and Defendant Sitrick, a public relations and crisis management expert Burkle had hired, knowingly made false and baseless allegations and provided false evidence to the FBI and U.S. Attorney's office that Mr. Stern was attempting to extort money from him in exchange for favorable coverage in the New York Post.

18. Using Burkle's political influence, his connections to, and concerted activities with, Bill and Hillary Clinton, and Renzi's ties to former colleagues among high-ranking officials and federal agents, Burkle, Renzi and their cohorts were able to convince the federal authorities to investigate Burkle's false and baseless allegations despite the lack of evidence that Mr. Stern had done anything even remotely illegal. On information and belief, Hillary Clinton, as the U.S. Senator from New York, and Bill Clinton, as former President of the United States, used their influence and position with federal authorities in New York to further this scheme. They thus acted in concert with the other Defendants.

19. On March 31, 2006, Mr. Stern again met with Burkle at Burkle's

invitation. The March 31, 2006 meeting was also secretly videotaped, this time allegedly with representatives of either the FBI and/or the U.S. Attorney's office monitoring the proceedings electronically in an adjacent room also rented by Burkle, accompanied by Renzi and other members of Burkle's security team.

20. During the March 31, 2006 meeting, Burkle initiated a lengthy discussion about the New York Post, and in particular, its Page Six gossip column, where Mr. Stern worked part-time, on a freelance basis. Burkle asked Mr. Stern to propose a financial arrangement whereby Mr. Stern would assist Burkle with a media strategy and with Burkle's plans to acquire media properties, and an investment by Burkle in Mr. Stern's clothing company, Skull & Bones by Jared Paul Stern, was also discussed in continuance of the July 2005 meeting.

21. During the March 31, 2006 meeting, and unbeknownst to Mr. Stern at the time, Burkle excused himself from the room to consult with his security personnel and allegedly the federal representatives, who coached him on ways to entice, entrap, cajole, browbeat, trick or otherwise coerce Mr. Stern into making incriminating statements which, despite Burkle's manipulations and deceit, Stern declined to do.

22. Failing to obtain the evidence Burkle needed to support his false and misleading allegations of extortion against Mr. Stern, and finding that the federal authorities, on information and belief despite pressure or influence from the Defendants including Hillary and Bill Clinton, were not prepared to file any charges against Mr. Stern on the basis of his knowingly false and misleading accusations, Burkle, in consultation with Sitrick, decided to plant stories with Defendant the New York Daily News stating that Mr. Stern was guilty of an

extortion attempt nonetheless. This Burkle did at the time of or prior to the March 31, 2006 meeting in full knowledge that his accusations were false and misleading and that the federal authorities had already determined there was no basis for charges of extortion, or any other charges, to be brought against Mr. Stern.

23. In consultation with Burkle and under his direction Sitrick and other agents of Burkle's subsequently provided the New York Post's chief competitor, the New York Daily News, with a brief, highly-edited, out-of-context and misleading fragment of the videotaped conversations between Mr. Stern and Burkle, knowing they would jump at the chance to attack their arch-rival. Defendant William Sherman, who had previously been fired by the New York Post, obtained the assignment to do the story.

24. Burkle/Sitrick, and on information and belief the other Defendants, instructed the New York Daily News to write that Mr. Stern had committed a crime, though there was no evidence to support the false accusation, and despite the fact that Mr. Stern had not been charged with any crime. Burkle / Sitrick told Sherman that Mr. Stern was about to be arrested for extortion, and had Burkle's lawyers and former federal prosecutors in Burkle's employ repeat his accusations to the New York Daily News. Sherman recklessly disregarded the lack of evidence or confirmation in support of Burkle's allegations.

25. On April 6, 2006, Mr. Stern received a call from William Sherman asking him to confirm that he had attempted to extort money from Burkle. Mr. Stern declined to do so and informed Sherman that any such accusations were "completely outrageous."

26. Using the highly edited tape fragments provided by Burkle along with anonymous, false and misleading quotes from Burkle associates, "off the record" false and

misleading quotes from Sitrick and a similar false and misleading statements from Sitrick, and without any confirmation from the authorities whatsoever, Sherman wrote an article about Mr. Stern published by the New York Daily News on its front-page on April 7, 2006, a copy of which is attached hereto as Exhibit "A." The article was timed to disrupt the wedding of Page Six editor Richard Johnson.

27. Headlined "Page Six Scandal," the front page declared "FBI Launches Probe of Gossip Column" and "N.Y. Post writer tries to shake down billionaire" next to a photo of Mr. Stern and his name. The article contained untrue, false and misleading statements consisting of the following:

a. "The Billionaire, the Post and the \$220G Shakedown." William Sherman, *The Billionaire, the Post and the \$220G Shakedown*, the New York Daily News, Apr. 7, 2006.

b. "A New York Post Page Six staffer solicited \$220,000 from a high profile billionaire in return for a year's 'protection' against inaccurate and unflattering items about him in the gossip page, the Daily News has learned." William Sherman, *The Billionaire, the Post and the \$220G Shakedown*, the New York Daily News, Apr. 7, 2006.

c. "Page Six writer wanted \$\$\$ to stop inaccurate coverage." William Sherman, *The Billionaire, the Post and the \$220G Shakedown*, the New York Daily News, Apr. 7, 2006.

d. "It was all a setup, a string monitored by law enforcement, including U.S. attorney's office and the FBI, who are now investigating the extortion attempt." William Sherman, *The Billionaire, the Post and the \$220G Shakedown*, the New York Daily News,



Apr. 7, 2006.

e. "The shakedown began with a series of e-mails sent last month by Stern to Burkle." William Sherman, *The Billionaire, the Post and the \$220G Shakedown*, the New York Daily News, Apr. 7, 2006.

f. "It reached a boiling point more than an hour into the first meeting after Stern outlined various ways Burkle could buy protection on the gossip page." William Sherman, *The Billionaire, the Post and the \$220G Shakedown*, the New York Daily News, Apr. 7, 2006.

g. "An exasperated Burkle finally said, 'How much do you want?' after Stern said he could control coverage by Richard Johnson, the column's chief writer, and his staff." William Sherman, *The Billionaire, the Post and the \$220G Shakedown*, the New York Daily News, Apr. 7, 2006.

h. "Burkle was outraged by the payoff proposition, which began with the e-mails from Stern to Kevin Marchetti, and employee of Burkle's." William Sherman, *The Billionaire, the Post and the \$220G Shakedown*, the New York Daily News, Apr. 7, 2006.

i. "Shakedown artist Jared Paul Stern was taped at two meetings with Ron Burkle." William Sherman, *How He Made His Move*, the New York Daily News, Apr. 8, 2006.

j. "Stern had set his cash price for the one-year shakedown deal." William Sherman, *How He Made His Move*, the New York Daily News, Apr. 8, 2006.

k. "Earlier in the month, after Stern had sent Burkle e-mails asking for a private meeting with veiled hints of a shakedown, Burkle immediately notified his head of

security, a former Secret Service agent, and his attorneys." William Sherman, *How He Made His Move*, the New York Daily News, Apr. 8, 2006.

l. "And throughout last week, until the Daily News broke the story of Stern's shakedown, Stern was sending e-mails to a Burkle employee, asking for his money." William Sherman, *How He Made His Move*, the New York Daily News, Apr. 8, 2006.

m. "William Callahan, a former federal prosecutor who viewed the tapes, said, 'I would subpoena all the staff of Page Six into a grand jury and question them about taking extortion money to kill untrue stories and other favors and consideration for favorable stories.'" William Sherman, *How He Made His Move*, the New York Daily News, Apr. 8, 2006.

n. "The shakedown and Stern's description of the inner-workings of Page Six have rocked the world of gossip, while devastating the Post's franchise column. The News' revelations about the scandal have appeared on the front pages of newspapers around the nation and on television news shows as well." William Sherman, *How He Made His Move*, the New York Daily News, Apr. 8, 2006.

o. "Stern is listed in the Post's phone direction and he was at his desk when The News called him shortly before 5 p.m. on Thursday to ask about the shakedown." William Sherman, *How He Made His Move*, the New York Daily News, Apr. 8, 2006.

p. "When confronted with the extortion scam on Thursday, the Post suspended Stern" William Sherman, *Letter to Rupe Sparks Scandal*, the New York Daily News, Apr. 8, 2006.

q. "Stern solicits \$220,000 annual payoff to protect Burkle from false coverage in Page Six." William Sherman, *Letter to Rupe Sparks Scandal*, the New York Daily News, Apr. 8, 2006.

r. "March 31 - In a second videotaped meeting, Stern firms up details of payoff with Burkle." William Sherman, *Letter to Rupe Sparks Scandal*, the New York Daily News, Apr. 8, 2006.

s. "Exclusive excerpts of scribe's astonishing shakedown bid". *You need a real friend*, the New York Daily News, Apr. 8, 2006.

t. "Stern goes on to say if Burkle doesn't pay, the articles would continue." *You need a real friend*, the New York Daily News, Apr. 8, 2006.

u. "All of the guests [at Richard Johnson's wedding] who spoke to The News declined to talk about the extortion scandal." William Sherman and Angela Mosconi, *Page Six Editor Makes Own Gossip at Chic Nups*, the New York Daily News, Apr. 8, 2006.

28. The above statements were published to third parties in New York county and elsewhere, and the Defendants understood the statements to be defamatory and to apply to the Plaintiff.

29. In this and subsequent articles written by Sherman, copies of which are attached hereto as Exhibit "B," the New York Daily News falsely characterized the Burkle-Stern meetings as a "shakedown," "shakedown bid," "shakedown deal," "extort bid"

"extortion attempt" and "extortion scam." These statements were all made as unqualified statements of fact, with no indication that they were merely baseless allegations, and without any confirmation whatsoever from the authorities qualified to render such judgments.

30. The articles by Sherman also contained many false statements about the meetings as provided by Burkle/Sitrick, including the assertions that Burkle's videotaping was in fact a FBI "sting." In one passage indicative of the general inaccuracy and sloppiness that characterizes the New York Daily News' reporting, Mr. Stern was even falsely described as having "dyed blonde hair."

31. In a follow-up story on April 8, 2006, a copy of which is attached hereto as Exhibit "C," Sherman quoted Sitrick in the New York Daily News stating that "[Burkle] did say that the story in the New York Daily News was accurate." Mr. Stern's attorney Joseph Tacopina advised Sherman his stories were in fact grossly inaccurate and that Burkle had knowingly made false allegations.

32. New York Daily News spokesperson Donna Dees told the New York Sun on April 9, 2006 that Mr. Stern had perpetrated an "extortion plot" and falsely declared to the Associated Press that Mr. Stern had been "caught on tape in an FBI sting operation."

33. Burkle/Sitrick then provided the same edited tape fragment transcript and made the same false accusations to the New York Times, which ran a similar front page story about Mr. Stern on April 8, 2006, followed by several follow-up stories, most of which noted that Burkle and his associates were the sole source of the unfounded extortion accusations.

34. On April 10, 2006, ABC News reported that "When the FBI failed to find enough evidence to prosecute Jared Paul Stern, billionaire Ron Burkle took his story to the

Daily News." ABC News also reported that Burkle had tried to interest other law enforcement agencies in his so-called "evidence" of extortion without success.

35. No charges were ever filed against Mr. Stern. The authorities never confirmed Burkle's accusations of extortion nor have did they ever comment on their investigation. In January, 2007 the U.S. Attorney's office informed Mr. Stern's attorney Joseph Tacopina that Mr. Stern was no longer under any kind of investigation.

36. Knowing that he had engaged in defamatory and other tortious conduct, Burkle tried to obscure the fact that he and Defendant Sitrick were the source of the false and libelous information given to the New York Daily News and New York Times. In a New York Observer story dated April 17, 2006, Burkle and Sitrick denied that they had leaked information about Mr. Stern to the media and claimed they were not the ones who had released footage or transcripts from the edited tape fragment.

37. However, in a July, 2006 profile of Sitrick in Los Angeles magazine Sitrick boasted of the smear campaign he and Burkle had conducted against Mr. Stern. "The New York Daily News article was the culmination of a plan that Sitrick and Burkle put into motion," the magazine stated. The article quoted Defendant Sitrick stating that he had subjected Mr. Stern to "the Wheel of Pain," his term for the public relations equivalent of torture. "This guy needs to be outed," [said] Sitrick."

38. The false and misleading New York Daily News and New York Times stories planted by Burkle and Sitrick were picked up by other media around the country and worldwide in thousands of articles, translated into dozens of languages and propagated via countless websites. The New York Daily News front page was reproduced in several

newspaper, Internet and magazine articles, including, most recently, Harper's Bazaar in the United Kingdom.

39. In claimed anticipation of Mr. Stern's arrest for extortion, which Burkle/Sitrick falsely assured them was imminent, the New York Daily News and other news agencies sent reporters to Mr. Stern's house in upstate New York, where they trespassed on his property, photographed his house and disturbed his dog before being removed by state police.

40. On April 12, 2006, an editorial written by Burkle and placed by Sitrick, carrying Burkle's byline, appeared in the Wall Street Journal, containing demonstrably false statements and repeating Burkle's false accusations of extortion against Mr. Stern.

41. Sitrick subsequently posted a statement on his company's website repeating Burkle's false accusations against Mr. Stern as unqualified fact, and commending Sitrick for not being afraid to "play dirty."

42. Stories further disparaging Mr. Stern and repeating Burkle's false and baseless accusations as unqualified fact subsequently appeared in Radar Online, the Internet version of a New York-based magazine that Burkle owns. One of the articles, referred to Mr. Stern as an "extortionate former gossip columnist," while others re-stated Burkle's false accusations as fact. Burkle subsequently used Radar to get another Page Six staffer fired.

43. Burkle has a history of making false and misleading accusations, as set forth in lawsuits filed against him by his wife's ex-boyfriend, Charles Allen, and his former nanny, Chelsea Pesenmeier, in California last year. Burkle's business associate, Defendant Clinton and his wife, Hillary Clinton, a U.S. Senator from New York, also have a reputation for using

such smear tactics, as evidenced by their forty plus scandals, including but not limited to Monica Lewinsky, Whitewater, Filegate, Travelgate, Chinagate and a host of others that embroiled their administration in one scandal after another from 1992 to 2000. In fact, it was Hillary Clinton, who, in 1991-1992, conceived of, managed and ran the now infamous "War Room," where her agents, James Carville, George Stephanopoulos and others, using Anthony Pellicano and other private investigators, set out to and did smear adversaries of the Clintons to win the Presidency in 1992. The actions set forth in this complaint are a continuation of this "War Room," for the 2008 elections. Recently, even one of their biggest supporters, Hollywood producer David Geffen, has characterized the Clintons and their advisors as unscrupulous and dishonest and as a result has decided to support Barack Obama for president in 2008.

44. Burkle and Sitrick have never retracted their false and misleading accusations against Mr. Stern nor made any apology for their slanderous and libelous statements against him, nor has the New York Daily News issued any retraction.

45. By manufacturing the scandal aimed at incriminating Mr. Stern, Defendants Burkle, Renzi, Sitrick and the Clintons hoped to divert and intimidate journalists who might attempt to report on their illegal activity or publish embarrassing revelations of Burkle and Bill Clinton's sexual misconduct, including Clinton's extramarital affairs facilitated by Burkle, and sexual activity with minors, and even more importantly dissuade negative coverage of the numerous scandals that have been attributed and which will undoubtedly be uncovered about Hillary Clinton as she runs for the presidency in 2008.

46. In particular, Defendants, Burkle, Renzi, Sitrick and the Clintons, were anxious to suppress reports that they had hired now-jailed Clinton private investigator Anthony Pellicano to physically intimidate and dig up "dirt" on their adversaries and journalists who attempted to report the truth about their misconduct. Burkle was especially eager to conceal Pellicano operations carried out for Bill and Hillary Clinton and paid for by Burkle. It is no coincidence that Pellicano was very active for both Hillary and Bill Clinton in gathering information to smear the Clinton's perceived adversaries during the couple's years in the White House.

47. Defendants Burkle, the Clintons, Renzi and Sitrick have spent millions of dollars on this and similar operations intended to intimidate journalists and political and business adversaries in the past. When one national magazine was preparing a profile on Burkle that would have contained revelations he wished to suppress, Burkle and Renzi dug up "dirt" on the magazine's editor which they confronted him with, after which he agreed to kill the story. In addition, Defendants conducted surveillance on other New York Post Page Six staffers, such as editor Richard Johnson. The Defendant Burkle's Yucaipa offices contain many secret files full of similar "dirt" on Burkle's adversaries compiled by Renzi, Pellicano, Di Sabatino and others.

48. Defendant Bill Clinton is the Chief Marketing Officer for Burkle's Yucaipa company and its funds, and a close Burkle advisor. His role is to help find investment opportunities for Yucaipa projects, give credibility to Burkle and the funds and champion them to corporate executives, union leaders, the media and others. Burkle pays Bill Clinton \$12 - \$15 million a year for his services as Mr. Clinton is invaluable due to the star power he



provides. Clinton also receives a share of returns on Yucaipa funds and is a partner in a Yucaipa fund that invests in overseas ventures, for which he receives regular payments.

49. According to the New York Times, Burkle has contributed millions of dollars to both Clintons' political campaigns and to the Democratic Party and has been a significant benefactor of the Clinton Library in Little Rock, Arkansas. Burkle also helped pay part of the more than \$11 million in legal bills Bill Clinton accrued during the Whitewater and Monica Lewinsky investigations and was reportedly rewarded with a stay in the Lincoln Bedroom in the White House. Senator Hillary Clinton often votes on legislation affecting Burkle's business interests, and it is no coincidence Burkle is hosting a massive fundraising event to bring in money for Hillary's 2008 Presidential Election bid at his palatial Beverly Hills estate, the scene of numerous debaucheries, on Saturday, March 24, 2007. Burkle and Bill Clinton spend upwards of 500 hours a year together, more time than Clinton spends with his wife. Bill Clinton frequently flies on Burkle's jet and stays at his houses in the company of young females procured by the billionaire. In 2001, Burkle petitioned Clinton for a presidential pardon for convicted junk-bond trader Michael Milken who offered a large contribution to the Clinton presidential library as an inducement.

50. Defendants Bill and Hillary Clinton conceived of and participated in and furthered the illegal actions of the other Defendants in order to destroy Page Six of the New York Post and the New York Post in general. This was intended as a prelude to Hillary Clinton's run for the Presidency in 2008 as Page Six and the New York Post, owned and operated by Rupert Murdoch, were perceived as significant impediments to a successful candidacy and the Clintons' return to the White House. According to the New Yorker

magazine, both the Post and Fox News "pilloried the First Couple with a relish bordering on cruelty. Page Six, the Post's famous gossip column, referred to the President as the 'horn-dog-in-chef,' and Sean Delonas, its editorial cartoonist, routinely depicted him in his underpants." (The New Yorker, "Murdoch's Game", John Cassidy, October 16, 2006, pages 1-2.) Demonstrative of this intent are recent public rants against another of Murdoch's holdings, Fox News, by Defendant Bill Clinton, an employee and agent of Defendant Burkle. 51.

To this end, as reported in the New Yorker, Bill Clinton stated, "I'm sick and tired of being a goddam punching bag for the New York Post." (The New Yorker, "Murdoch's Game", John Cassidy, October 16, 2006, page 3.) Just as Burkle had tried and failed at one point to arrange a meeting with Page Six editor Richard Johnson, Defendant Bill Clinton had tried and failed to arrange a meeting with Post owner Rupert Murdoch. (*ibid*). Clinton complained to the Post's editor-in-chief about his treatment in the newspaper, just as Burkle had done. Further, Defendant Hillary Clinton was furious at the Post's coverage of her senate campaigns. The Post had run only seven positive editorial and columns about Hillary Clinton as opposed to two hundred negative ones. Clearly, Hillary and Bill Clinton are a material part of the scheme to destroy Page Six and the New York Post in general.

### COUNT I

#### DEFAMATION - LIBEL AND SLANDER

52. Plaintiff refers to and incorporates herein paragraphs 1 through 51 above.

53. Defendants have, as set forth above, made and published, either personally or through agents, false, misleading and untrue statements intended to defame the Plaintiff's reputation.

54. The Defendants' actions in making the false and misleading accusations to federal authorities, the New York Daily News and the New York Times constitute slander to extent the Defendants and their employees and/or agents verbally communicated the falsehoods. Further, the Defendants' statements constitute libel since the written falsehoods appeared in articles for the New York Daily News and the Wall Street Journal and caused further disparaging articles to be written in the Radar Online website and in other publications. As such, the Defendants' collective actions constitute defamation.

55. Defendants made false and misleading statements knowing that the facts alleged to the federal authorities and the media were false, misleading, and made with the intent to harm and injure Mr. Stern's reputation. Their false accusations of illegal conduct on Mr. Stern's part constitute defamation *per se*.

56. The statements described above are defamatory to the recipient. The statements were intended to harass the reputation of the Plaintiff, both personally and in relation to his employment and business endeavors so as to lower his status in the community, deter third parties from association with him thereby exposing him to public hatred, contempt, scorn, obloquy and/or shame.

57. Third parties heard and understood the statements to be defamatory and to apply to Plaintiff.

58. The statements were made to harm Plaintiffs' reputation without any justification or privilege.

59. Plaintiff has suffered damages as a result of the *per se* slanderous and defamatory statements made and/or published by Defendants, or at Defendants' direction,

including but not limited to, impairment of his reputation and standing in the community, embarrassment, and personal humiliation.

60. The cumulative effect of the stories in the New York Daily News, New York Times and other media, Burkle's Wall Street Journal editorial, Sitrick's statements and the avalanche of ancillary commentary and coverage bolstered by Burkle/Sitrick's false accusations and misrepresentations was to leave no doubt in the mind of the public that Mr. Stern had in fact attempted to extort Burkle, that Burkle's false accusations of extortion were supported by the federal authorities, that they would shortly be arresting Mr. Stern for extortion, and that Mr. Stern was guilty of criminal activity.

61. As a consequence of the foregoing, Mr. Stern was fired by the New York Post and has been unable to obtain other employment; he has been impoverished and ostracized; finally, he has endured many other deprivations and hardships as a result. His clothing line, "Skull & Bones by Jared Paul Stern," which by virtue of its name has its reputation inexorably linked with Mr. Stern's, and due to the fact that Burkle alleged it to be a vehicle for illegal activity, has also suffered financially and is unable to attract investors. Skull & Bones was mentioned by Defendants Sherman and the New York Daily News in their fabricated extortion stories, and the online version of these stories included a link to the Skull & Bones website, which also resulted in hate mail being sent to the company.

**WHEREFORE**, Plaintiff prays for actual economic and non-economic damages, jointly and severally, against each and all of the Defendants, punitive and exemplary damages, attorneys' fees costs and such other and further relief as the Court may deem appropriate.

**COUNT II****INTENTIONAL INFLICTION OF EMOTIONAL DISTRESS**

62. Plaintiff realleges and reavers paragraphs 1 through 61 of the Complaint, as if fully stated herein.

63. Defendants, jointly and severally, intentionally, maliciously, recklessly and negligently took actions and published false and misleading statements and took other tortious actions in concert about Plaintiff designed to cause severe emotional distress to the Plaintiff.

64. Defendants' conduct was so outrageous in character, and so extreme in degree, as to go beyond all possible bounds of decency, and to be regarded as atrocious, and utterly intolerable in a civilized community. Defendants knew or had reason to know, and indeed counted on the fact that their conduct was reasonably certain to inflict emotional distress upon the Plaintiff.

65. Defendants' outrageous actions were designed to cause Plaintiff severe emotional distress, physical injuries and side effects. As a result, Plaintiff was induced to suffer physical and emotional ailments which include but are not limited to loss of sleep, skin problems, stomach ailments, headaches, back pain, dizziness, lightheadedness, hypertension, shortness of breath, depression, hyperventilation, nervousness, excess intake of alcohol, and other symptoms, such as loss of sensory perceptions, and he has been left without the means to treat them.

**WHEREFORE**, Plaintiff prays for actual and compensatory economic and non-economic damages, including but not limited to pain and suffering, and punitive damages,

plus attorneys fees and costs, and such other relief as the court may deem just and proper.

**COUNT III**

**TORTIOUS INTERFERENCE WITH BUSINESS RELATIONSHIP**

66. Plaintiff realleges and reavers paragraphs 1 through 65 of the Complaint as if fully stated herein.

67. Defendants, jointly and severally, intentionally, maliciously, recklessly and negligently took actions and published false and misleading statements and took other tortious actions in concert against and concerning the Plaintiff for the purpose of causing injury and tortious interference in the business relationship between the Plaintiff and his employer, the New York Post.

68. The Defendants' actions were intended to harm the Plaintiff and were committed without excuse or justification. The motive for the interference was solely malicious and intended to strip the Plaintiff of business opportunities with his employer.

69. As a consequence of the Defendants' tortious interference, Mr. Stern was fired by the New York Post and has been unable to obtain other employment; he has been impoverished and ostracized; finally, he has endured many other deprivations and hardships as a result.

**WHEREFORE**, Plaintiff prays for actual and compensatory economic and non-economic damages, including but not limited to pain and suffering, and punitive damages, plus attorneys fees and costs, and such other relief as the court may deem just and proper.

**COUNT IV****INJURIOUS FALSEHOOD**

70. Plaintiff realleges and reavers paragraphs 1 through 69 of the Complaint as if fully stated herein.

71. Defendants, each and every one of them, jointly and severally, intentionally, maliciously, recklessly and negligently took actions and published false and misleading statements in concert about Plaintiff with the intent to harm the Plaintiff without regard to consequences such that a reasonably prudent person would or should anticipate that the damage to the Plaintiff would naturally flow.

72. The false and misleading statements injured the Plaintiff such that third parties were lead to take detrimental actions, to wit, the Plaintiff was fired by the New York Post and has been unable to obtain other employment. His clothing line, "Skull & Bones by Jared Paul Stern," which by virtue of its name has its reputation inexorably linked with Mr. Stern's, and due to the fact that Burkle alleged it to be a vehicle for illegal activity, has also suffered financially, is unable to attract investors and attracted hate mail.

**WHEREFORE**, Plaintiff prays for actual and compensatory economic and non-economic damages, including but not limited to pain and suffering, and punitive damages, plus attorneys fees and costs, and such other relief as the court may deem just and proper.

**COUNT V****ABUSE OF PROCESS**

73. Plaintiff realleges and reavers paragraphs 1 through 72 of the Complaint, as if fully stated herein.

74. Defendants, notwithstanding the New York Daily News, jointly and severally, made false, misleading and baseless allegations and so-called evidence to the FBI and U.S. Attorney's office that Mr. Stern was attempting to extort money from Burke exchange for favorable coverage in the New York Post.

75. There was no evidence to support the accusation of extortion and the accusations were made without excuse or justification. The Defendants' actions were intended to harm the Plaintiff and intended to strip the Plaintiff of credibility, business opportunities and good standing in the community.

76. Federal authorities determined there was no basis for charges of extortion, or any other charges, to be brought against Mr. Stern. No charges were ever filed against Mr. Stern, and the U.S. Attorney's office informed Mr. Stern that he was longer under investigation shortly after the false allegations were made.

77. As a consequence of the Defendants' abuse of the process in a perverted manner, Mr. Stern was fired by the New York Post and has been unable to obtain other employment; he has been impoverished and ostracized; finally, he has endured many other deprivations and hardships as a result, as plead herein.

**WHEREFORE**, Plaintiff prays for actual and compensatory economic and non-economic damages, including but not limited to pain and suffering, and punitive damages, plus attorneys fees and costs, and such other relief as the court may deem just and proper.



COUNT VICIVIL CONSPIRACY

78. Plaintiff realleges and reavers paragraphs 1 through 77 of the Complaint, as if fully stated herein.

79. Defendants, each and every one of them, jointly and severally, entered into a conspiracy to further and commit the overt acts and practices plead in this Complaint with the intent and effect of severely damaging Plaintiff, financially, emotionally and physically.

80. Defendants conspired to publish false and misleading statements, intentionally, maliciously, recklessly and negligently to severely harm Plaintiff and his reputation.

81. Defendants conspired to commit various torts and publish false and misleading statements, intentionally, maliciously, recklessly and negligently to inflict severe emotional distress, infamy, disgrace, ridicule, contempt, embarrassment, humiliation, physical harm and trauma upon him in his social, official and business relations of life.

82. Defendants conspired to publish false and misleading statements, intentionally, maliciously, recklessly and negligently to unjustifiably tortiously interfere with the right of the Plaintiff to pursue his lawful occupation and to receive the earnings of his business endeavors as well as to abuse process.


83. As a result of Defendants' concerted actions, Plaintiff was subjected to physical harm and trauma upon him in his social, official and business relations of life.

**WHEREFORE**, Plaintiff prays for actual and compensatory economic and non-economic damages, including but not limited to pain and suffering, and punitive damages, plus attorneys fees and costs, and such other relief as the court may deem just and proper.

**DEMAND FOR JURY TRIAL**

Plaintiff Jared Paul Stern demands a trial by Jury on all issues so triable by a jury.

Dated: New York, New York  
March 21, 2007

  
\_\_\_\_\_  
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(Pro Hac Vice Application Pending)

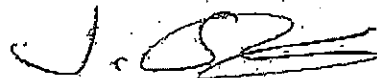
VERIFICATION

JARED PAUL STERN, The Plaintiff in this case hereby affirms the following under penalties of perjury:

That he has read the foregoing VERIFIED COMPLAINT and knows the contents thereof, that the same is true to his knowledge, except as to the matters stated to be alleged upon information and belief, and that as to those matters he believes them to be true.

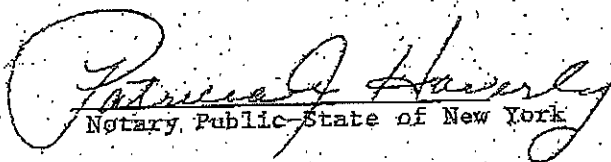
Affirmant further says that the grounds of his belief as to all matters in the VERIFIED COMPLAINT not stated to be upon his knowledge are based upon conversations with witnesses and a review of writings relevant to this action.

Dated: New York, New York  
March \_\_\_\_\_, 2007



JARED PAUL STERN

Sworn to before me this  
21st day of March, 2007.



Notary, Public State of New York

PATRICIA A. HAVERLY  
Notary Public, State of New York  
No. 01HA6003376  
Qualified in Greene County  
Commission Expires 3/09/2010