

Clinton Settles Jones Lawsuit With a Check for \$850,000

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By NEIL A. LEWIS

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Just as the Senate is about to begin President Clinton's impeachment trial in earnest, Mr. Clinton sent \$850,000 to Paula Corbin Jones today to settle the sexual misconduct lawsuit that started it all.

Clinton Administration officials said a check for \$850,000, the amount agreed to in November to settle the case, was being sent by overnight mail to Ms. Jones and her lawyers. The officials, who asked that their names not be used, said that a little more than half of the money, \$475,000, came from an insurance policy against civil liability the President held with Chubb Group Insurance. Most, if not all, of the remainder was withdrawn from a blind trust in the name of Mrs. Clinton, which officials said last year had assets of slightly more than \$1 million.

A blind trust that is in Mr. Clinton's name was reported in financial disclosure forms last year to have less than \$100,000 in assets. A White House official said that although the trusts were in separate names, they were, in effect, joint accounts.

It was unclear why the amount not covered by insurance was not withdrawn from the Clintons' legal defense fund as officials had once suggested it would be. A conservative legal organization said it would sue to prevent Mr. Clinton from using that fund to pay the settlement.

The payment ends Mr. Clinton's involvement in the lawsuit itself, but its repercussions continue as the Senate prepares to hear opening arguments on Thursday in his trial on two articles of impeachment stemming from Ms. Jones's complaint. It was in a deposition that the President gave in Ms. Jones's lawsuit last Jan. 17 that he first denied having sexual relations with Monica S. Lewinsky, a former White House intern.

The impeachment articles charge that Mr. Clinton lied about his relationship with Ms. Lewinsky before a grand jury and obstructed justice by trying to conceal that relationship.

The lawsuit that led to the impeachment drama was filed by Ms. Jones in 1994. She contended that three years earlier, when she was an Arkansas state employee and Mr. Clinton was Governor, he had her summoned to his hotel suite in Little Rock, Ark., where he made a crude sexual proposal.

Mr. Clinton denied the accusation, but he allowed that it was possible that Ms. Jones was escorted to the suite for an innocent introduction.

Lawyers for the President and Ms. Jones came close to settling the lawsuit but did so only last November after much of the damage to Mr. Clinton had occurred. As part of the settlement, he did not admit to any wrongdoing and did not offer any apologies, two conditions that Ms. Jones had earlier insisted would have to be part of any agreement.

Ms. Jones and her lawyers now have to turn to the contentious issue of how to divide the money.

Her first set of lawyers, Gilbert K. Davis and Joseph Cammarata, have submitted legal bills totaling \$874,000. Her second set of lawyers, a Dallas firm, has said its bill exceeds \$1.4 million, and the Rutherford Institute of Charlottesville, Va., which helped with her legal expenses, has said it paid more than \$400,000. Ms. Jones's friends have said that she hopes to take a substantial portion of the settlement for herself.

The check, which was written on the escrow account of Mr. Clinton's lawyer, Robert S. Bennett, was made out to Ms. Jones, Mr. Davis and Mr. Cammarata, the Dallas lawyers and William McMillan, a California lawyer and husband of Susan Carpenter-McMillan, who became a spokeswoman for Ms. Jones. Mr. McMillan helped negotiate the final settlement.

Mr. Clinton purchased the Chubb Group Insurance policy years ago, before he was President, officials said. The policy is known as a personal liability umbrella, an option often available on homeowners' policies.

After Judge Susan Webber Wright of Federal District Court in Little Rock threw out defamation charges in Ms. Jones's lawsuit last April 1, Chubb initially said it would not pay for the remaining sexual harassment counts, but its officials changed their minds after negotiations with Mr. Bennett.