

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF ALBANY

-----X  
In the Matter of the Application of :  
 :  
DONALD J. TRUMP, individually and on behalf of :  
THE TRUMP ORGANIZATION, :  
 :  
Petitioners, :  
 :  
For a Judgment Under Article 78 of the CPLR, :  
 :  
v. :  
 :  
NEW YORK STATE JOINT COMMISSION ON :  
PUBLIC ETHICS, :  
 :  
Respondent. :  
-----X

NOTICE OF PETITION


Index No.: 4134-14

PLEASE TAKE NOTICE, that upon the annexed Petition of Donald J. Trump, individually and on behalf of The Trump Organization (together the "Trump Parties"), verified August 7, 2014, an application will be made before Supreme Court of the State of New York, Albany County, at the courthouse thereof, located at 16 Eagle Street, Albany, New York 12207 on September 12, 2014 at 9:30 a.m., or as soon thereafter as counsel can be heard, for a judgment pursuant to New York Civil Practice Law and Rules Article 78 (a) directing the New York State Joint Commission on Public Ethics (the "Commission") to (i) act in accordance with New York State Executive Law § 94, (ii) vote on whether to commence an investigation into alleged misconduct by New York State Attorney General Eric T. Schneiderman, as described in the Trump Parties December 2, 2013 complaint and (iii) formally notify the Trump Parties of its decision, and (b) for such other and further relief as may be just, proper and equitable.

PLEASE TAKE FURTHER NOTICE, that an answer and supporting affidavits, if any, shall be served at least seven days before the aforesaid date of hearing.

Petitioners designate Albany County as place of trial. The basis of venue in Albany County is CPLR 506.

Dated: New York, New York  
August 7, 2014

By:   
Alan G. Garten  
Alyssa B. Cohen  
c/o The Trump Organization  
725 Fifth Avenue  
New York, New York 10022  
(212) 832-2000

*Attorneys for Petitioners*

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF ALBANY

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PETITION

Index No.: 4134-14

TO THE SUPREME COURT OF THE STATE OF NEW YORK:

The petition of Donald J. Trump ("Mr. Trump"), individually and on behalf of The Trump Organization (together the "Trump Parties"), respectfully alleges:

THE PARTIES

1. Petitioner Donald J. Trump resides at 725 Fifth Avenue, New York, New York 10022.
2. Petitioner The Trump Organization (aka Trump Organization LLC) is a limited liability company duly organized under the laws of the State of New York, with its principal office at 725 Fifth Avenue, New York, New York 10022.
3. The New York State Joint Commission on Public Ethics (the "Commission") is a government agency created by the New York State Legislature, with its principal office at 540 Broadway, Albany, New York 12207.

## THE COMMISSION

4. The New York State Joint Commission on Public Ethics was established in 2011<sup>1</sup> for the purpose of restoring and maintaining public faith in government and its elected officials. Established as part of the Public Integrity Reform Act of 2011, the Commission has oversight over both the Executive and Legislative Branches and is charged with investigating possible violations of Public Officers Law Section 74 on the part of the four statewide elected officials (*i.e.*, Governor, Lieutenant Governor, Comptroller and Attorney General) as well as candidates for statewide elected office. *See* Exec. Law §94(13)(a).

5. Public Officers Law Section 74 prohibits a state officer or statewide elected official from possessing interests or engaging in activities that are in conflict with the proper discharge of his or her duties in the public interest. *See* Pub. Off. Law §74(2). Section 74 dictates “standards of conduct which address actual as well as apparent conflicts of interest” on the part of state officers and statewide elected officials. *See* N.Y. Ethics Comm’n Adv. Op. 98-12 (Oct. 20, 1998), at p. 1. Among other prohibited conduct, Section 74 provides:

No officer or employee of a state agency...should use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or herself or others....

*Id.* at §74(3)(d).

An officer or employee of a state agency...should not by his conduct give reasonable basis for the impression that any person can improperly influence him or unduly enjoy his favor in the

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<sup>1</sup> Pursuant to the Public Employee Ethics Reform Act of 2007, the New York State Ethics Commission merged with the New York Temporary State Commission on Lobbying to form a new entity, the Joint Commission on Public Integrity. Under the Public Integrity Reform Act of 2011, the Joint Commission on Public Integrity was replaced by the Joint Commission on Public Ethics. The Public Integrity Reform Act of 2011 explicitly provides that the advisory opinions issued by the New York State Ethics Commission and the Joint Commission on Public Integrity are not revoked or rescinded. *See* Exec. Law §94(1).



performance of his official duties, or that he is affected by the kinship, rank, position or influence of any party or person.

*Id.* at §74(3)(f).

An officer or employee of a state agency...should endeavor to pursue a course of conduct which will not raise suspicion among the public that he is likely to be engaged in acts that are in violation of his trust.

*Id.* at §74(3)(h).

6. According to an official Advisory Opinion, “these provisions address not only actual conflicts of interests, but also conduct that gives the impression that a conflict exists. The law is intended to enhance the public’s trust and confidence in the government through the prevention of corruption, favoritism, undue influence and abuse of official position.” *See* Ad. Op. 98-12, at p. 2.

7. Upon receipt of a sworn complaint, “the commission shall, **within forty-five calendar days** . . . vote on whether to commence a full investigation of the matter under consideration to determine whether a substantial basis exists to conclude that a violation of law has occurred.” *See* Exec. Law §94(13)(a). In discharging its mandate, the Commission is granted broad authority to subpoena witnesses and compel their attendance, administer oaths or affirmations and demand the production of books and records relevant or material to its investigation. *See* Exec. Law. §94(17)(c).

8. Upon a finding that a state official has knowingly and intentionally violated Section 74, in addition to any other penalty provided by law, the Commission is authorized to fine the offending officer, or suspend or remove from him from public office. *See* Pub. Off. Law §74(4). Moreover, where the Commission determines that a state officer has used or attempt to use his official position to secure unwarranted privileges or exemptions for himself or others in

violation of Section 74(3)(d), the Commission is authorized to assess certain civil penalties. *Id.* at §74(4).

### **THE TRUMP PARTIES' COMPLAINT**

9. On December 3, 2013, the Trump Parties, in accordance with Executive Law § 94(9)(g), filed a complaint (the "Complaint") with the Commission requesting that it commence an investigation into the misconduct of New York State Attorney General Eric T. Schneiderman. A copy of the Complaint, with proof of delivery, is attached as Exhibit A.

10. Among other unlawful conduct, the Trump Parties alleged in the Complaint that Mr. Schneiderman had violated the Public Officers Law by soliciting campaign contributions and other fundraising endorsements from the Trump Parties and their executives during the entirety of an active two year investigation by the Office of the Attorney General (the "OAG") into Trump Entrepreneurial Initiative LLC f/k/a Trump University LLC ("TEI"), an affiliate of the Trump Parties.

11. In support of those claims, the Complaint chronicled, in painstaking detail, supported by several sworn affidavits, countless instances of Mr. Schneiderman and leaders of his campaign fundraising team actively soliciting the Trump Parties, their executives and family members for:

- financial support in the form of contributions to Mr. Schneiderman's reelection campaign, as well as contributions to other causes and political candidates Mr. Schneiderman either supports or is affiliated with;
- political endorsements, including prevailing upon members of the Trump family, to host a meet-and-greet breakfast to introduce Mr. Schneiderman to their personal friends, colleagues and other young, successful and wealthy business people, whom Mr. Schneiderman deemed the "the next generation of influential New Yorkers"; and
- the aid of their influence and celebrity status to secure other favors and preferential treatment in furtherance of Mr. Schneiderman's political aspirations.

12. While enthusiastically soliciting campaign contributions and other support and special favors, the Complaint also alleged that Mr. Schneiderman, on his own initiative, repeatedly approached the Trump Parties at different fundraising and social events to assure them, unsolicited, that the investigation into TEI was not something they needed to worry about and that it would eventually go away on its own.

**THE COMMISSION'S FAILURE TO ACT**

13. Pursuant to Exec. Law §94(13)(a), the Commission was required to vote on whether to commence an investigation based on the Complaint within 45 calendar days of receiving the Complaint.

14. Here, the Commission received the Complaint from the Trump Parties on December 3, 2013. As such, the Commission was required to vote on whether or not to pursue the Complaint no later than January 17, 2014.

15. More than 240 days have now elapsed since the Trump Parties filed the Complaint with the Commission.

16. Notwithstanding the foregoing, upon information and belief, as of the date hereof, the Commission has never even voted on the Complaint. Indeed, as of the date hereof, the Commission has never even confirmed in writing to the Trump Parties that it received the Complaint, though it is undisputed that the Commission did.

17. The failure and/or refusal of the Commission to act on the Complaint is contrary to the stated purpose of the Commission, namely, enhancing the public's trust and confidence in government and its elected officials through the prevention of corruption, favoritism, undue influence and abuse of official position.

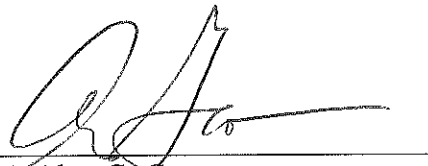
18. For all the foregoing reasons, the Trump Parties respectfully request an order

from this Court directing the Commission to act in accordance with Exec. Law §94(13)(a) and formally notify the Trump Parties of its decision.

19. No previous application for the relief herein requested has been made.

WHEREFORE, the Trump Parties respectfully request that a judgment be entered pursuant to New York Civil Practice Law and Rules Article 78 (a) directing the Commission to (i) act in accordance with New York State Executive Law § 94, (ii) vote on whether to commence an investigation into alleged misconduct by New York State Attorney General Eric T. Schneiderman, as described in the Complaint, (iii) formally notify the Trump Parties of its decision, and (b) for such other and further relief as may be just, proper and equitable.

Dated: New York, New York  
August 7, 2014

By:   
Alan G. Garten  
Alyssa B. Cohen  
c/o The Trump Organization  
725 Fifth Avenue  
New York, New York 10022  
(212) 832-2000

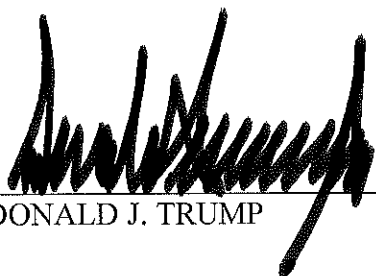
*Attorneys for Petitioners*

VERIFICATION

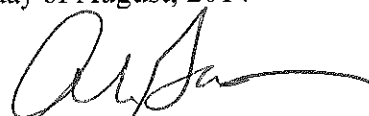
STATE OF NEW YORK )  
 ) ss.:  
COUNTY OF NEW YORK)

DONALD J. TRUMP, being duly sworn, deposes and says:

I am a Petitioner herein. I am also the President of Petitioner The Trump Organization. I have read the foregoing Petition, know the contents thereof and the same are true to my own knowledge, information and belief.

  
\_\_\_\_\_  
DONALD J. TRUMP

Sworn to me this 7<sup>th</sup>  
day of August, 2014

  
\_\_\_\_\_  
Notary Public

ALAN GARTEN  
Notary Public, State of New York  
No. 02GA6021578  
Qualified in Nassau County  
Commission Expires on March 15, 2015

**EXHIBIT A**



New York State Joint Commission on Public Ethics  
 540 Broadway Plaza  
 Albany, New York 12207  
 www.jcope.ny.gov  
 518-408-3976

**SWORN COMPLAINT**

The Joint Commission on Public Ethics has jurisdiction to investigate potential violations of Public Officers Law §73, §73-a, §74, Civil Service Law §107 and Legislative Law article 1-A as they apply to state legislators, candidates for the Legislature and legislative employees, as well as the four statewide elected officials, candidates for those offices, executive branch state employees, certain political party chairs, and lobbyists and their clients.

**COMPLAINANT NAME** Donald J. Trump and The Trump Organization  
**ADDRESS** c/o Stephen B. Meister, Esq., Meister Seelig & Fein, LLP  
**CITY, STATE, ZIP** 2 Grand Central Tower, 140 East 45th Street, 19th Floor, New York, New York 10017  
**TELEPHONE** (212) 655-3551  
**EMAIL** sbm@msf-law.com

Please provide a statement or description of the alleged violation of Public Officers Law §73, §73-a, §74, Civil Service Law §107 or Legislative Law article 1-A including facts constituting a violation of the law(s) above, the identity of the individual(s) at issue and, if possible, a date, time, place of the alleged violation. Also note any documents or exhibits you are including to support the allegations.

See attached Complaint.

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Has this matter been referred to any other agency?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If yes, which agency?	<input type="text"/>	
Is there a pending legal action you are aware of?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
If yes, where?	<input type="text" value="As detailed in the attached Complaint, the Trump Parties allege misconduct by New York State Attorney General Eric T. Schneiderman preceding Mr. Schneiderman's filing of an action entitled 'People v. The Trump Entrepreneurial Initiative LLC et al.' in New York County Supreme Court bearing Index Number 451463/2013."/>	

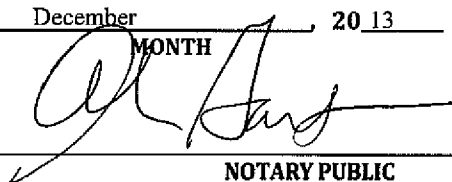
General Eric T. Schneiderman preceding Mr. Schneiderman's filing of an action entitled "People v. The Trump Entrepreneurial Initiative LLC et al." in New York County Supreme Court bearing Index Number 451463/2013.

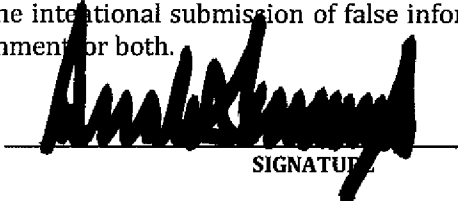
I, Donald J. Trump, being duly sworn, have read the foregoing complaint in its entirety, including any additional pages, and to the best of my knowledge, or based on information and belief, believe it to be true. I also understand the intentional submission of false information may constitute a crime punishable by fine or imprisonment or both.

Sworn to before me this 2nd day of

December, 2013

MONTH

  
 \_\_\_\_\_  
 NOTARY PUBLIC

  
 \_\_\_\_\_  
 SIGNATURE



New York State Joint Commission on Public Ethics  
540 Broadway Plaza  
Albany, New York 12207  
www.jcope.ny.gov  
518-408-3976

**SWORN COMPLAINT ADDITIONAL PAGE**

Lined area for writing the sworn complaint.



**BEFORE THE NEW YORK STATE  
JOINT COMMISSION ON PUBLIC ETHICS**

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DONALD J. TRUMP and THE TRUMP ORGANIZATION,

Complainants,

v.

ERIC T. SCHNEIDERMAN,

Respondent.

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**IN THE MATTER OF AN INVESTIGATION INTO  
APPARENT MISCONDUCT BY NEW YORK STATE  
ATTORNEY GENERAL ERIC T. SCHNEIDERMAN**

MEISTER SEELIG & FEIN LLP  
2 Grand Central Tower  
140 East 45<sup>th</sup> Street, 19<sup>th</sup> Floor  
New York, New York 10017  
(212) 655-3500

*Attorneys for Complainants*

By this Complaint, Donald J. Trump (“Mr. Trump”) and The Trump Organization (“Trump Org.,” and together with Mr. Trump, the “Trump Parties”), through their attorneys, Meister Seelig & Fein LLP, respectfully request that the New York State Joint Commission on Public Ethics (the “Commission”), commence an investigation into the misconduct of New York State Attorney General Eric T. Schneiderman (“Mr. Schneiderman”) alleged hereunder. As detailed in this Complaint, Mr. Schneiderman committed multiple violations of New York Public Officers Law Section 74 by, among other illegal conduct, soliciting campaign contributions and other fundraising endorsements from Mr. Trump and other high profile Trump Org. executives during an active investigation by the Office of the Attorney General (the “OAG”) into Trump Org.’s affiliate, Trump Entrepreneurial Initiative LLC f/k/a Trump University LLC (“TEI”).

### **INTRODUCTION**

In May 2011, in the context of a broader investigation into the for-profit education industry, the OAG commenced an investigation into TEI after receiving a few isolated complaints from former TEI students. Though the larger investigation focused primarily on institutions which, *unlike TEI*, had received some form of state or federal financial aid, grants or subsidies for themselves or their students, over the next two years, TEI fully cooperated with the OAG’s investigation by producing hundreds of thousands of documents in response to the

OAG's subpoena, including more than 10,000 handwritten surveys from former TEI students, 98 percent of whom had given TEI's programs and curriculum the highest degree of praise. Additionally, TEI also voluntarily made many of its former executives, including the company's former president, Michael Sexton, available for depositions at the OAG's offices.

The OAG's investigation into TEI came just a few short months after Mr. Schneiderman had been elected into office. In the months preceding his election, Mr. Schneiderman, who had been engaged in a hard fought battle for the job, made at least two unannounced visits to Trump Org.'s offices, at a time when his campaign was struggling, to personally request that Mr. Trump contribute to his campaign. In response, Mr. Trump made a \$12,500 contribution.

Yet, Mr. Schneiderman's solicitation of the Trump Parties did not end once he was elected. Indeed, throughout the entire investigation – up until a few months before the OAG brought suit against TEI, Mr. Trump and Trump Org. – Mr. Schneiderman, personally, and senior members of his campaign fundraising team, actively and aggressively targeted the Trump Parties for campaign contributions and other special favors. Specifically, among other requests, Mr. Schneiderman and leaders of his campaign fundraising team actively solicited Mr. Trump, Trump Org. executives Ivanka Trump and Michael Cohen for:

- financial support in the form of contributions to Mr. Schneiderman's reelection campaign, as well as contributions to other causes and political candidates Mr. Schneiderman either supports or is affiliated with;
- political endorsements, including successfully prevailing upon Ms. Trump and her husband, Jared Kushner, to host a meet-and-greet breakfast to introduce Mr. Schneiderman to Ms. Trump and Mr. Kushner's personal friends, colleagues and other young, successful and wealthy business people, whom Mr. Schneiderman deemed the "the next generation of influential New Yorkers"; and
- the aid of their influence and celebrity status to secure other favors and preferential treatment in furtherance of Mr. Schneiderman's political aspirations.

While enthusiastically soliciting campaign contributions and other support and special favors, Mr. Schneiderman, on his own initiative, repeatedly approached members of Trump Org. at different fundraising and social events to assure them, unsolicited, that the investigation into TEI was not something they needed to worry about and that it would eventually go away on its own.

Nevertheless, on Saturday, August 24, 2013, weeks after settlement negotiations between TEI and the OAG had broken down, Mr. Schneiderman, apparently focused on the publicity that would come from a lawsuit against Mr. Trump, filed a provably false, unsubstantiated, materially misleading, legally deficient and, indeed, time-barred, lawsuit<sup>1</sup> against TEI, Mr. Trump, Trump Org.

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<sup>1</sup> A copy of the Petition is attached as **Exhibit 1**. True and accurate copies of the accompanying Affidavit of Donald J. Trump, sworn to Dec. 2, 1013, the Affidavit of Ivanka M.

and others, seeking restitution of over \$40 million not just for New Yorkers, but for every person who ever participated in TEI's programs anywhere in the country. In fact, the Petition is so demonstrably false and legally unsupportable, that only one explanation is plausible: the lawsuit is nothing but a shakedown of a politically attractive target.

Fixated on the press angle, concurrently – if not immediately before the filing of the Petition – Mr. Schneiderman commenced a defamatory, unstatesmanlike and, ultimately, jury-pool-poisoning media campaign to publicize the lawsuit, appearing on the cable talk and news shows broadcast of virtually every major national network. To insure maximum attention, before appearing on the talk show circuit, Mr. Schneiderman aggressively publicized his television appearances via his official Twitter account and even leaked the impending filing of the Petition to producers at Good Morning America who immediately contacted the Trump Parties for comment.

During these multiple television appearances, Mr. Schneiderman not only framed the provably false allegations of the Petition as incontrovertible facts, but made inflammatory and derogatory comments regarding Mr. Trump and Trump Org., generating press coverage. Among other comments, Mr. Schneiderman:

- called TEI a “scam from top to bottom”;

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Trump, sworn to December 2, 2013, and the Affidavit of Michael Cohen, sworn to Dec. 2, 2013, are attached hereto as Exhibits 2, 3 and 4, respectively.

- referred to TEI's operations as a "classic bait and switch";
- called TEI a "phony university with phony instructors"; and
- likened Mr. Trump to Bernie Madoff by comparing TEI students to "investors with Madoff."

When Mr. Schneiderman recklessly made these defamatory remarks, not only had Mr. Trump, Trump Org., TEI and the other respondents not had an opportunity to formally respond to the lawsuit, they had not even been served with the papers.

Mr. Schneiderman's conduct gives rise to multiple, flagrant violations of the New York Public Officers Law – and, as demonstrated below, Mr. Schneiderman knew full well he was violating the Public Officers Law. Indeed, Mr. Schneiderman's conduct represents precisely the type of behavior that undermines public confidence in government, a value the Commission was established to protect. Of course, of the four statewide elected officials in New York, the one who should be the most knowledgeable of the law is the Attorney General. For all of these reasons, the Trump Parties respectfully assert that a full and impartial investigation into Mr. Schneiderman's conduct is warranted.

## JURISDICTION OF THE COMMISSION

The New York State Joint Commission on Public Ethics was established in 2011<sup>2</sup> for the purpose of restoring and maintaining public faith in government and its elected officials. Established as part of the Public Integrity Reform Act of 2011, the Commission has oversight over both the Executive and Legislative Branches and is charged with investigating possible violations of Public Officers Law Section 74 on the part of the four statewide elected officials (*i.e.*, Governor, Lieutenant Governor, Comptroller and Attorney General) as well as candidates for statewide elected office. *See* Exec. Law §94(13)(a).

Public Officers Law Section 74 prohibits a state officer or statewide elected official from possessing interests or engaging in activities that are in conflict with the proper discharge of his or her duties in the public interest. *See* Pub. Off. Law §74(2). Section 74 dictates “standards of conduct which address actual as well as apparent conflicts of interest” on the part of state officers and statewide elected officials. *See* N.Y. Ethics Comm’n Adv. Op. 98-12 (Oct. 20, 1998), at p. 1. Among other prohibited conduct, Section 74 provides:

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<sup>2</sup> Pursuant to the Public Employee Ethics Reform Act of 2007, the New York State Ethics Commission merged with the New York Temporary State Commission on Lobbying to form a new entity, the Joint Commission on Public Integrity. Under the Public Integrity Reform Act of 2011, the Joint Commission on Public Integrity was replaced by the Joint Commission on Public Ethics. The Public Integrity Reform Act of 2011 explicitly provides that the advisory opinions issued by the New York State Ethics Commission and the Joint Commission on Public Integrity are not revoked or rescinded. *See* Exec. Law §94(1).

No officer or employee of a state agency...should use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself or herself or others....

*Id.* at §74(3)(d).

An officer or employee of a state agency...should not by his conduct give reasonable basis for the impression that any person can improperly influence him or unduly enjoy his favor in the performance of his official duties, or that he is affected by the kinship, rank, position or influence of any party or person.

*Id.* at §74(3)(f).

An officer or employee of a state agency...should endeavor to pursue a course of conduct which will not raise suspicion among the public that he is likely to be engaged in acts that are in violation of his trust.

*Id.* at §74(3)(h). According to an official Advisory Opinion, “these provisions address not only actual conflicts of interests, but also conduct that gives the impression that a conflict exists. The law is intended to enhance the public’s trust and confidence in the government through the prevention of corruption, favoritism, undue influence and abuse of official position.” *See* Ad. Op. 98-12, at p. 2.

Upon receipt of a sworn complaint, the Commission is authorized to conduct a full investigation to determine whether “substantial basis exists to conclude that a violation of law has occurred.” *Id.* In discharging its mandate, the Commission is granted broad authority to subpoena witnesses and compel their attendance,



administer oaths or affirmations and demand the production of books and records relevant or material to its investigation. *See* Exec. Law. §94(17)(c).

Upon a finding that a state official has knowingly and intentionally violated Section 74, in addition to any other penalty provided by law, the offending officer may be fined, suspended or removed from public office. *See* Pub. Off. Law §74(4). Moreover, where the Commission determines that a state officer has used or attempt to use his official position to secure unwarranted privileges or exemptions for himself or others in violation of Section 74(3)(d), the Commission is authorized to assess certain civil penalties. *Id.* at §74(4).

## **FACTUAL BACKGROUND**

### **I. THE INVESTIGATION**

#### **A. The Subpoena**

Shortly after Mr. Schneiderman assumed office on January 1, 2011, the OAG commenced an investigation into for-profit universities and trade schools operating in New York State, focusing primarily on educational institutions that had received some form of state or federal financial aid, grants or subsidies for itself or its students. (*See* Ex. 2, at ¶8; Ex. 4, at ¶3.) Though neither TEI nor its students had ever received any government assistance, on or about May 17, 2011, the OAG issued a subpoena *duces tecum* to TEI, seeking production of a broad range of documents and information pertaining to the business and real estate

related seminars and programs TEI offered before closing its operations in 2010. (See Ex. 2, at ¶¶9-10; Ex. 4, at ¶4.)

Within literally minutes of receiving the subpoena, Trump Org. received a call from New York Times reporter Michael Barbaro, seeking comment from the Trump Parties regarding the detailed allegations set forth in the subpoena for an article he was set to publish. (See Ex. 4, at ¶6.) Thereafter, the Trump Parties received similar inquiries from reporters from numerous other media outlets, each of whom had detailed knowledge of the OAG's investigation and many of whom readily admitted they had been contacted by and had already spoken with the OAG concerning the investigation and were given a copy of the subpoena. (*Id.*, see also Ex. 2, at ¶11.)

#### **B. TEI's Subpoena Compliance**

Between May 2011 and August 2013, TEI cooperated fully with the OAG's investigation, granting the OAG virtually unfettered access to hundreds of thousands of documents, providing detailed responses to the OAG's repeated requests for information and producing multiple TEI representatives, including the former president and controller, to give sworn testimony at depositions conducted by the OAG at its offices. (See Ex. 2, at ¶12; Ex. 4, at ¶7.)

Nonetheless, in or about mid-November 2011, a dispute arose between TEI and the OAG relating principally to TEI's assertion of attorney-client privilege

with respect to a limited group of documents and correspondence. Over the next several months, TEI tried to work with the OAG to resolve their differences, but every time it appeared that progress was being made, TEI would not hear back from the OAG for weeks and even months at a time. (*See* Ex. 4, at ¶8.)

### C. The 2012 Petition

On April 27, 2012, the issue finally came to a head when Mr. Schneiderman, in his first public filing against TEI, caused the OAG to commence a special proceeding in New York County Supreme Court, seeking an order compelling TEI to turn over the documents that were the subject of the parties' dispute (the "2012 Petition").<sup>3</sup> (*See* Ex. 4, at ¶10.) Among other documents, the OAG was particularly interested in seeing the emails of Trump Org. executive and lawyer, Michael Cohen. Once again, however, instead of notifying TEI of the filing, TEI and the Trump Parties first learned of the lawsuit from the editor of The Real Deal newspaper, who confirmed he had received an advance copy of the lawsuit from the OAG. (*See* Ex. 4, at ¶11.)

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<sup>3</sup> A true and accurate copy of the OAG's proposed Order to Show Cause setting forth the relief sought by the OAG in the 2012 Petition and the accompanying Affirmation of Assistant Attorney General Melvin L. Goldberg are attached hereto as **Exhibit 5 and 6**, respectively. Neither TEI nor the Trump Parties were ever served with the 2012 Petition and the OAG made absolutely no effort to seek judicial intervention with respect to the 2012 Petition. In fact, the OAG never even presented its proposed Order to Show Cause to the court for signature. (*See* Ex. 5, at p. 3.)

The Real Deal never ran a story on the 2012 Petition, and the OAG never served or pursued it. Yet, it was not until June 17, 2013, that the OAG requested that the court discontinue the 2012 Petition.<sup>4</sup> On June 18, 2013, the court issued an order withdrawing the 2012 Petition.<sup>5</sup> (See Ex. 4, at ¶12.) Thus, during virtually the entire time that Mr. Schneiderman was actively soliciting campaign contributions, political endorsements and other special favors from the Trump Parties — all detailed below — the Trump Parties and their affiliates (including TEI) were not only under investigation by the OAG, but were also respondents in a lawsuit filed by the OAG.

There is no doubt that Mr. Schneiderman knew his solicitations of Trump Org. executives violated the Public Officers Law. In an August 27, 2013 interview on HuffPost LIVE by Ahmed Shihab-Eldin, in response to a direct question about Mr. Trump's charges of illegal solicitations by the New York Attorney General, Mr. Schneiderman said:

He supported someone who was running against me when I first ran in 2010 and then after I'd won the democratic primary, he gave me one contribution, and that was it. I mean, we didn't --I didn't solicit contributions from him because it turned out once I took office, he

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<sup>4</sup> A true and accurate copy of the OAG's June 17, 2013 facsimile to the court is attached hereto as **Exhibit 7**.

<sup>5</sup> A true and accurate copy of the court's June 18, 2013 Order marked "FILED" by the New York County Clerk on June 26, 2013 is attached hereto as **Exhibit 8**.

actually had a conflict with the office. So I --that was the end of that part of the relationship.<sup>6</sup>

But this Complaint proves beyond any doubt that Mr. Schneiderman did not stop. Mr. Schneiderman personally pushed Trump Org. executives relentlessly throughout the investigation – in 2011, 2012 and into 2013 – for donations, endorsements and special favors. And got them.

## II. MR. SCHNEIDERMAN'S IMPROPER EFFORTS TO SECURE FINANCIAL SUPPORT AND POLITICAL ENDORSEMENTS FROM THE TRUMP PARTIES

### A. Mr. Schneiderman's Pre-Election Efforts to Secure Mr. Trump's Financial Support

As discussed above, while Mr. Schneiderman was campaigning in 2010, he personally came to visit Mr. Trump, unannounced, at Trump Org.'s offices at least two times when his campaign was struggling, each time to solicit contributions and request assistance directly from Mr. Trump. (*See* Ex. 2, at ¶3.) Additionally, Mr. Trump received numerous phone calls from representatives of Mr. Schneiderman's campaign seeking his financial support. *Id.* Though it is no secret that Mr. Schneiderman and Mr. Trump diverge considerably in their political views, on October 12, 2010, Mr. Trump gave Mr. Schneiderman a \$12,500 campaign

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<sup>6</sup> *See* Ahmed Shihab-Eldin, HuffPost LIVE, *Eric Schneiderman LIVE*, video available at: <http://live.huffingtonpost.com/r/segment/trump-university-eric-schneiderman/521b81382b8c2a6d8c000849> (last accessed Dec. 2, 2013).

For the Commission's convenience, a digital copy of the Trump Parties' submission with embedded links to the video clips referenced in this Complaint is submitted herewith.

contribution <sup>7</sup> and, at Mr. Schneiderman's request, began introducing Mr. Schneiderman to numerous other wealthy New Yorkers so that Mr. (See Ex. 2, at ¶¶4-5.) Schneiderman could solicit additional contributions. But it was never enough. Mr. Schneiderman always wanted more and acted as if Mr. Trump was not doing his part. (*Id.*, at ¶5.)

Only two weeks later, on October 21 and October 25, 2010, Mr. Schneiderman accepted a total of \$15,000 in campaign contributions from attorneys Patrick Daniels and Michael Dowd, both founding partners with Robbins, Geller, Rudman and Dowd LLP, the very same law firm representing former students in an ongoing frivolous class action lawsuit against TEI in the United States District Court for the Southern District of California.<sup>8</sup> (See Ex 2, at ¶¶6-7.) A mere six months later, Mr. Schneiderman launched an investigation into

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<sup>7</sup> A true and correct copy of Mr. Trump's 2010 campaign contribution check for \$12,500 is attached hereto as **Exhibit 9**; see also Ex. 2 at ¶4. After Mr. Schneiderman won the election, on or about November 9, 2010, Mr. Trump received a letter from Mr. Schneiderman thanking him for his generous contribution, which contained a handwritten note from Mr. Schneiderman saying "Thanks!" and underscoring the concluding sentence of the letter, which read "I couldn't have done this without you." A true and correct copy of Mr. Schneiderman's letter is attached hereto as **Exhibit 10**.

<sup>8</sup> True and accurate copies of Mr. Schneiderman's campaign finance records reflecting Mr. Daniels' October 21, 2010 contribution in the amount of \$10,000 and Mr. Dowd's October 25, 2010 contribution in the amount of \$5,000 are attached hereto as **Exhibit 11**; see also Ex. 2, at ¶¶6-7. TEI and the Trump Parties continue to vigorously defend the California action and, based on the proceedings to date, remains confident that they will prevail in the matter.

TEI, focusing his inquiry on many of the very same issues that were already being litigated in the California action, a very odd coincidence to the say the least.<sup>9</sup>

**B. Mr. Schneiderman Aggressively Pursues and Requests Financial Support, Political Endorsements and Favors from Ms. Trump and her husband, Mr. Kushner**

Mr. Schneiderman also aggressively pursued and, indeed, targeted Ms. Trump, an executive at Trump Org. and known celebrity in her own right, and her husband, Jared Kushner, a successful real estate developer, businessman and owner of the *New York Observer*, with the goal of extracting significant political contributions, public endorsements and exposure to other influential New Yorkers. (See Ex. 3, at ¶4.) Further, during many of these targeted solicitations, Mr. Schneiderman, on his own initiative, brought up the subject of his office's inquiry into TEI's business practices and assured Ms. Trump and others that they should not be concerned since the investigation was "going nowhere." Here are just a few examples.

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<sup>9</sup> This was not the first time Mr. Schneiderman accepted campaign contributions from a law firm with a significant stake in a matter before the OAG. According to an October 4, 2013 editorial from the Wall Street Journal entitled "*Looting J.P. Morgan, Again*" (**Exhibit 12**), over the last few years Mr. Schneiderman has accepted well in excess of \$500,000 in campaign contributions from leading members of the plaintiffs' bar, many of whom stand to gain considerably from a number of Mr. Schneiderman's prosecutions. See *Looting J.P. Morgan, Again*, WALL ST. J., Oct. 3, 2013, at A22; see also Charles Gasparino, *Democratic Hit Man*, Op-Ed., N.Y. Post, June 24, 2013, <http://nypost.com/2013/06/24/democratic-hit-man/>. (**Exhibit 13**) (chronicling Mr. Schneiderman's ongoing targeting of conservative businessman, such as Hank Greenberg and Jamie Dimon, while allowing influential democrats, such as John Corzine and others to escape prosecution.)

1. **The Trump International Hotel & Tower Breakfast**

Similarly, in or about May 2011, Mr. Schneiderman, again, had his former transition committee leader reach out to Ms. Trump to ask if she and her husband, Jared Kushner, could introduce him to some of the couple's young, wealthy and accomplished friends and colleagues. (*See* Ex. 3, at ¶4.) In this regard, Mr. Schneiderman's representative advised Ms. Trump that Mr. Schneiderman was interested in establishing relationships with the "next generation of influential New Yorkers," in the hopes of gaining their respect, thereby assuring their financial support of his future political aspirations. (*Id.*)

In response, on June 20, 2011, Ms. Trump and Mr. Kushner hosted a "meet and greet" breakfast for Mr. Schneiderman at the restaurant, Jean-Georges, in Trump International Hotel & Tower, overlooking Central Park. At the breakfast, Mr. Schneiderman was introduced to and had the opportunity to speak with approximately 15-20 of Ms. Trump's and Mr. Kushner's most accomplished friends and colleagues (*See* Ex. 3, at ¶5.)

Following the breakfast, Mr. Schneiderman sent Ms. Trump and Mr. Kushner a handwritten letter on official OAG letterhead thanking them for the breakfast.<sup>10</sup> Seemingly uncomfortable with having asked Ms. Trump and Mr. Kushner for favors during the pendency of the OAG's investigation into TEI, Mr.

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<sup>10</sup> A true and accurate copy of Mr. Schneiderman's letter is attached hereto as **Exhibit 14**; *see also* Ex. 3, at ¶6. (Emphasis supplied.)



Schneiderman, in a thank you letter to Ms. Trump and Mr. Kushner, appeared, once again, to try and downplay the OAG inquiry, implicitly suggesting (in the highlighted language) that the investigation into TEI was not “important”:

Jared and Ivanka,

Much thanks for the great breakfast. I love meeting new people, and that was a great group.

Good luck with your next big adventure. *It is much more important than any of the rest of the stuff we deal with!*

- Eric

## 2. The Kamala Harris Fundraiser

In September 2011, the former head of Mr. Schneiderman’s transition committee reached out to Ms. Trump to say that Mr. Schneiderman would “greatly appreciate it” if Ms. Trump, a recognized and respected celebrity, would attend, as Mr. Schneiderman’s guest, an upcoming fundraiser which he was hosting to welcome newly elected California Attorney General Kamala D. Harris to office. Additionally, Mr. Schneiderman’s representatives also asked Ms. Trump if her father, Mr. Trump, would make a \$5,000 contribution to Ms. Harris reelection campaign fund.<sup>11</sup>

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<sup>11</sup> True and accurate copies of the Kamala Harris fundraiser solicitation and Mr. Trump’s \$5,000 contribution check to Ms. Harris’ reelection campaign are attached hereto as Exhibits 15 and 16, respectively; see also Ex. 2 at ¶¶14-15; Ex. 3, at ¶7-8.

Because the Trump Parties believed that TEI had engaged in no wrongdoing and were led, by the Attorney General, himself, to believe that the investigation was dead, Mr. Trump made the \$5,000 contribution Mr. Schneiderman had requested and, on September 22, 2011, Ms. Trump attended the event, an intimate gathering of New York business people, as one of only a small handful of Mr. Schneiderman's guests. (*See* Ex. 2, at ¶¶14-15; Ex. 3, at ¶8.)

### 3. Dinner at Lure

Not long after the Kamala Harris event, Ms. Trump was again contacted by Mr. Schneiderman's former transition committee leader about setting up another dinner between Mr. Schneiderman, Ms. Trump and Mr. Kushner. On January 12, 2012, Mr. Schneiderman met Ms. Trump and Mr. Kushner for dinner at Lure Fishbar on Mercer Street in Manhattan. At the request of the Attorney General, Ms. Trump also invited Marc Lasry, billionaire and co-founder of Avenue Capital Group, and introduced him to Mr. Schneiderman. (*See* Ex. 3, at ¶9.)

### 4. The Wedding at Cipriani

Mr. Schneiderman's improper conduct, however, was just beginning. At a June 30, 2012 wedding Mr. Schneiderman and Ms. Trump both attended at Cipriani Wall Street, Mr. Schneiderman approached Ms. Trump and, after some small talk, struck up a conversation about his office's investigation into TEI. Mr. Schneiderman, completely unsolicited, commented that:

- his office was “highly bureaucratic”;
- one of the “most difficult” aspects of being the attorney general is managing the “hundreds of attorneys” on his staff;
- the OAG’s investigation into TEI was “very weak”, a “non-event” and was “going nowhere”;
- the Trump Parties need not worry since he had “no intention of moving forward” with the lawsuit;
- TEI should be “patient” and “let things play out”; and
- he simply needed time to “go through the motions” to satisfy many of the long time staff members in his office.

(See Ex. 3, at ¶¶10-11.)

#### 5. **The Four Seasons Meeting**

After speaking at the wedding, Mr. Schneiderman repeatedly called Ms. Trump and Mr. Kushner in search of dates and times when they could all get together again. After many failed attempts, on October 15, 2012, Ms. Trump and Mr. Kushner met Mr. Schneiderman for drinks at The Bar at the Four Seasons Hotel in Manhattan. (See Ex. 3, at ¶13.)

During the that meeting, which lasted approximately two hours, Mr. Schneiderman talked openly with Ms. Trump about his aspirations for higher office and his frustration with what he thought was a lack of leadership from government leaders. Mr. Schneiderman also talked extensively about what he

believed was the importance of friendship and loyalty, qualities that Mr. Schneiderman commented were “so rare in politics.” (*Id.*, at ¶14.)<sup>12</sup>

C. **Mr. Schneiderman Approaches Trump Org. Executive Michael Cohen To Ask for Campaign-Related Favors and Contributions**

Mr. Schneiderman’s request for political favors and support was not limited solely to Mr. Trump and Ms. Trump. For example, at an April 17, 2013 reelection fundraiser for Mr. Schneiderman during a Nets basketball game at the Barclay Center, hosted Brad Gerstman and David Schwartz of Gotham Government Relations & Communications, Mr. Schneiderman was introduced to Trump Org. executive Michael Cohen, who had contributed \$1,000 to attend.<sup>13</sup>

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<sup>12</sup> Throughout 2012, Ms. Trump received numerous calls directly from Mr. Schneiderman’s former transition leader and his political fundraising consultant, Celeste Wolter of Bedford Grove LLC, requesting that Ms. Trump and Mr. Kushner both attend and contribute to various political fundraisers for Mr. Schneiderman. (*See* Ex. 3, at ¶15.) For example, Mr. Schneiderman’s political advisors let Ms. Trump know that Mr. Schneiderman would “really appreciate it” if she and Mr. Kushner would attend and contribute to a September 12, 2012 fundraiser dinner hosted by the American Friends of the Yitzhak Rabin Center at the Plaza Hotel where, Mr. Schneiderman, an honoree, would be presented with the Yitzhak Rabin Leadership Award. (*Id.*, at ¶12.) A true and accurate copy of the Yitzhak Rabin solicitation is annexed hereto as **Exhibit 17**. Similarly, Mr. Schneiderman’s head fundraiser repeatedly contacted Ms. Trump to request that she consider “attending and supporting” Mr. Schneiderman’s birthday celebration/fundraiser at Carmine’s Theatre District on December 3, 2012. (*Id.*, at ¶16.) A true and accurate copy of a November 16, 2012 email from Ms. Wolter to Ms. Trump along with the attached Birthday fundraiser solicitation is attached hereto as **Exhibit 18**. Not wanting to disappoint Mr. Schneiderman, Ms. Trump agreed to honor these requests the best she could, attending the Rabin dinner honoring Mr. Schneiderman and contributing the requested \$500 to Mr. Schneiderman’s reelection campaign in honor of his birthday. A true and accurate copy of Ms. Trump’s \$500 contribution check to Mr. Schneiderman’s reelection campaign is attached hereto as **Exhibit 19**; *see also* Ex. 3, at ¶¶12, 15-16.

<sup>13</sup> True and accurate copies of solicitation materials for Mr. Schneiderman’s April 17, 2013 fundraiser and Mr. Cohen’s \$1,000 contribution check in support thereof are attached hereto as **Exhibits 20 and 21**, respectively; *see also* Ex. 4, at ¶ 14.

At that event, Mr. Schneiderman, without provocation, brought up the subject of the OAG's inquiry into TEI and assured Mr. Cohen that:

- the investigation was going nowhere;
- the Trump Parties should "be patient" and "let it ride"; and
- no lawsuit would eventuate.

(See Ex. 4 at ¶15.)

Although Mr. Cohen reminded Mr. Schneiderman that he is a Trump Org. executive and Special Counsel to Mr. Trump, Mr. Schneiderman, together with his fundraising consultant, Celeste Wolter, then proceeded, without hesitation, to ask Mr. Cohen if he would be willing to use his significant Trump Org. and personal contacts to persuade players on the New York Giants and the New York Jets with whom Mr. Cohen is friendly, along with other celebrities and athletes whom Mr. Cohen knows, to attend Mr. Schneiderman's fundraising events in the future. (See Ex. 4, at ¶¶15-16.)

By email dated April 29, 2013, Ms. Wolter followed up with Mr. Cohen, again requesting that he "get us some talent for [Mr. Schneiderman's] spring event on May 21<sup>st</sup> (or in the near future)." With the request, Ms. Wolter attached a fundraising solicitation for Mr. Schneiderman's "Spring Gala" on May 21, 2013

seeking campaign contributions in a minimum amount of \$1,000.<sup>14</sup> During the entire time Ms. Wolter made these requests, the OAG and Mr. Schneiderman were either investigating TEI or negotiating a potential settlement between the parties.

On July 20, 2013, approximately one month prior to the commencement of his baseless lawsuit, Mr. Schneiderman sent Mr. Cohen a letter thanking him for his \$1,000 campaign contribution.<sup>15</sup>

### III. **THE OAG'S MERITLESS PETITION AND MR. SCHNEIDERMAN'S SUBSEQUENT DEFAMATORY MEDIA BLITZ**

#### A. **The OAG's Meritless Petition**

After Mr. Schneiderman's efforts to extract an unwarranted settlement were rebuffed by Mr. Trump, on August 24, 2013 – a Saturday – Mr. Schneiderman caused the OAG to file a verified petition (the "Petition") against TEI, the Trump Parties, various affiliates (collectively, the "Trump Respondents") and former TEI CEO Michael Sexton, with the New York County Supreme Court.

The filing came as quite a surprise to the Trump Respondents, not simply because Mr. Schneiderman had repeatedly informed the Trump Parties that the investigation was "going nowhere," but because TEI had closed its operations, ceased advertising and stopped enrolling new students more than three years

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<sup>14</sup> A true and accurate copy of Ms. Wolter's April 29, 2013 email to Mr. Cohen and the attached Spring Gala solicitation are attached hereto as **Exhibit 22**; *see also* Ex. 4 at ¶¶ 16-19.

<sup>15</sup> A true and accurate copy of Mr. Schneiderman's July 20, 2013 letter to Mr. Cohen is attached hereto as **Exhibit 23**; *see also* Ex. 4 at ¶ 20.

earlier. Indeed, the Petition contains not one allegation of wrongdoing after May, 2010 - leaving the claims alleged in the Petition barred by the controlling statute of limitations. *See* CPLR §214(2). Moreover, TEI had previously provided the OAG with more than 10,000 handwritten surveys from former TEI students, 98 percent of whom had given TEI's programs and curriculum the highest degree of praise.

Worse, in the face of more than 10,000 positive surveys, Mr. Schneiderman largely based the Petition on demonstrably false affidavits and complaints from a grand total of 69 former TEI students, the vast majority of whom Mr. Schneiderman's office had apparently contacted with the promise of financial recovery. Among other glaring deficiencies, the affidavits, all of which were written by or under Mr. Schneiderman's direct supervision, provide no supporting documentation and contain many false and misleading statements.

To pick just one example, Mr. Schneiderman submits a one-page, form affidavit from Deo Munter attaching an April 3, 2010 complaint filed where Mr. Munter resides – with the Arizona Attorney General – in which Mr. Munter claims he was denied a refund. That statement, however, is simply false – on October 25, 2010, Mr. Munter was issued a full refund of the amount he had paid TEI.<sup>16</sup> While

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<sup>16</sup> True and accurate copies of TEI's October 25, 2010 refund check to Mr. Munter in the amount of \$34,995 and the Confidential Agreement and Release executed by Mr. Munter and TEI on October 18, 2010, along with Mr. Munter's July 3, 2013 affidavit in support of the Petition and are collectively attached hereto as **Exhibit 24**.

Mr. Schneiderman's office of more than 650 attorneys could have easily verified the accuracy of Mr. Munter's statement, the truth clearly did not fit within the story Mr. Schneiderman was seeking to convey in the Petition or to the press.

Finally, in his rush to vilify TEI and the Trump Parties, Mr. Schneiderman completely ignored the New York State Department of Education's decision not to take action against TEI and bypassed the administrative hearing procedures required under such circumstances pursuant to the New York State Education Law.<sup>17</sup> In consequence, the Trump Respondents have moved to dismiss the Petition.<sup>18</sup>

**B. Mr. Schneiderman's Defamatory Media Blitz**

In an attempt to further his political ambitions, Mr. Schneiderman also leaked news of the Petition to national media outlets even before filing it with the Court. On the morning of August 23, 2013, the day before the Petition was filed, Gerry Wagschal, a producer for ABC's Good Morning America who had detailed knowledge of the allegations of the then-unfiled Petition, emailed Rhona Graff, Mr. Trump's Executive Assistant, requesting an interview with Mr. Trump

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<sup>17</sup> A true and accurate copy of the Affidavit of Kathy A. Ahearn, sworn to October 28, 2013, is annexed hereto as **Exhibit 25**. Ms. Ahearn's affidavit was filed with the Court in support of the Trump Respondents' October 31, 2013 motion to dismiss the Petition in its entirety.

<sup>18</sup> A true and accurate copy of the Trump Respondents' October 31, 2013 Memorandum of Law in support of their motion to dismiss the Petition is attached hereto as **Exhibit 26**.



regarding the Petition:

Dear Ms. Rhona Graff:

My name is Gerry Wagschal and I am a producer for ABC News in New York. I am currently producing a report for ABC's Good Morning America regarding a petition that is going to be filed in court shortly by the NY Attorney General's office against The Trump Entrepreneur Initiative LLC and including the Trump Organization Inc. The suit alleges deceptive acts and practices and false advertising in connection with the operation of the Trump Entrepreneurship Institute [sic]. We would very much like to interview Mr. Donald Trump to hear his side of the story regarding this upcoming petition and its allegations.<sup>19</sup>

Thereafter, the Trump Parties were bombarded with similar inquiries from other media outlets. (*See* Ex. 4, at ¶22; *see also* Ex. 2, at ¶19.)

On Sunday, August 25, 2013, the day after the Petition was filed, Mr. Schneiderman issued a press release on the OAG's website, framing the allegations of the Petition as cold hard facts and its ultimate success a foregone conclusion, thereby severely prejudicing any potential jury pool. That same day, Mr. Schneiderman used his official OAG Twitter account to publicly vilify Mr. Trump regarding the OAG's Petition against the Trump Respondents, using social media to recklessly influence his followers<sup>20</sup>:

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<sup>19</sup> A true and accurate copy of Mr. Wagschal's August 23, 2013 email is attached hereto as **Exhibit 27**; *see also* Ex. 4, at 21.

<sup>20</sup> True and accurate copies of screenshots of Mr. Schneiderman's tweets are attached hereto as **Exhibit 28**; *see also* Ex. 2, at ¶20.

My office filed suit against Trump & #TrumpUniversity for operating w/o license, deceiving consumers, via @nytimes: nyti.ms/1c6oXz0 (Aug. 25, 2013 8:04 AM)

\* \* \*

Over 5K people who paid #Trump to teach them his tactics got a lesson in bait-and-switch, via @nydailynews: nydn.us/15litKA (Aug. 25, 2013 8:15 AM)

\* \* \*

Trump used his celebrity, personally appearing in commercials making false promises to convince #NY'ers to pay for lessons they never got. (Aug. 25, 2013 8:32 AM)

\* \* \*

#TrumpUniversity students told they would be taught by experts but teachers weren't even licensed in#NY, via @NewDay <http://bit.ly/18fF9cY> (Aug. 26, 2013 8:57AM)  
(Aug. 26, 2013 8:57AM)

Mr. Schneiderman also used his official Twitter account to shamelessly promote his numerous television and radio appearances, both before and after those appearances:

I was on @NewDay w/ @ChrisCuomo re suit against Trump for violations of NY law in management of #TrumpUniversity [bit.ly/18fF9cY](http://bit.ly/18fF9cY)  
(Aug. 26, 2013 8:40 AM)

I was also on @SqauwkStreet this morning talking about our #TrumpUniversity lawsuit. Check it out, via CNBC: [video.cnbc.com/gallery/?video=3000194078](http://video.cnbc.com/gallery/?video=3000194078)  
(Aug. 26, 2013 10:11 AM)

On #PoliticsNation: with our #TrumpU suit, we're sending a message that no matter how famous you are, there's one set of rules for everyone.

(Aug. 26, 2013 3:56 PM)

Beginning on Monday morning, August 26, Mr. Schneiderman appeared on numerous national news shows, using the lawsuit as a platform to personally attack Mr. Trump. Among the shows Mr. Schneiderman appeared on were CNBC Squawk Street, Politics Nation with Rev. Al Sharpton, Good Morning America, The Today Show, CNN New Day and HuffPost LIVE. (*See* Ex.2, ¶21.)

On CNBC Squawk Street, when asked about Mr. Schneiderman's solicitation of campaign contributions while the OAG's investigation was ongoing, Mr. Schneiderman downplayed his clear conflict of interest in going to the office of the subject of an active OAG investigation to request campaign contributions:

Prosecutors are used to people who refuse to deal with the allegations of a complaint, making wild accusations to distract from it. Mr. Trump supported someone against me in 2010, after I won the Democratic primary, **he gave me one check and that was it. This is all stuff to distract from the merits of the case...We have general solicitations for campaign contributions that go out all the time. I wasn't asking him for contributions.** This has nothing to do with the merits of the case. You can't defraud 5,000 people out of \$40 million and then distract things by saying things...this is a conspiracy between me and President Obama or I was soliciting money from people who had some affiliation with him. The documentary evidence is overwhelming. He committed fraud on an ongoing basis. He fleeced people who couldn't afford the money out of \$40 million.<sup>21</sup>

<sup>21</sup> Domenic Chu, Squawk on The Street via CNBC, *Trump Lawsuit Tit for Tat*, video available at <http://www.cnbc.com/id/100991789> (last accessed Dec. 2, 2013).

On the evening of August 26<sup>th</sup>, in an appearance on Politics Nation with Rev. Al Sharpton, in response to a question regarding TEI's 98 percent approval rating, Mr. Schneiderman misleadingly stated:

Yeah, this issue was addressed, not me talking, but was addressed by the Court of Appeals for the Ninth Circuit. They had people fill questionnaires out in front of the teachers attending a motivational speech at the seminar. And actually, we have records of them berating students to give them higher ratings. So the Ninth Circuit in considering this claim that Trump was asserting they said victims of fraud often praise their victimizers until the moment their money is gone and compare this to Bernie Madoff. His customers all praised him because they were getting such great returns until they realized it was a scam. Same thing with Donald Trump.<sup>22</sup>

On Good Morning America, Mr. Schneiderman reiterated his comparison of Mr. Trump to Bernie Madoff:

If you talk to any of the investors with Madoff before they learned that their money was gone, they thought he was the greatest thing that ever happened to them. The same thing with Mr. Trump.<sup>23</sup>

On August 27, 2013, when Today Show host Savannah Guthrie asked Mr. Schneiderman about whether the allegations of the Petition would be difficult to prove, Mr. Schneiderman responded:

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<sup>22</sup> See Rev. Al Sharpton, Politics Nation, *NY Atty Gen calls Trump University 'a Scam,'* MSNBC, video available at <http://www.nbcnews.com/id/45755884/vp/52851156#52851156> (last accessed Dec. 2, 2013).

<sup>23</sup> Linzie Janis, ABC News via Good Morning America, *Donald Trump Hits Back on Investment School \$40M Suit*, video available at <http://abcnews.go.com/Business/york-attorney-general-sues-donald-trump-claims-trump/story?id=20066607> (last accessed Dec. 2, 2013).

No, I think the documents we submitted so far probably entitle us to a judgment. I think he's going to want to fight it out in the press and he's a guy that doesn't seem to understand the concept of a bad headline.<sup>24</sup>

Similarly, on CNN New Day, when asked whether the OAG was still interested in settlement, Mr. Schneiderman reiterated that the success of the Petition was a foregone conclusion:

We are always open to discussion. This is a pretty straightforward case. The documents we have submitted already I think pretty much entitle us to a judgment.<sup>25</sup>

In short, Mr. Schneiderman, in his media blitz: intentionally misled the public by suggesting that his solicitations of Trump Org. executives were inadvertent mass mailings or as he put it "general solicitations" that had ended when the investigation began, when he knew perfectly well that the solicitations were strategic, highly targeted and personal solicitations that continued throughout the entire two-year investigation; leveled the most inflammatory slanders against Mr. Trump imaginable, comparing him to Bernie Madoff; repeatedly stated that the

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<sup>24</sup> Savannah Guthrie, Today News, *NY Attorney General: Trump was 'Luring' Students into Trump U*, video available at <http://www.today.com/news/ny-attorney-general-trump-was-luring-students-trump-u-8C11010437> (last accessed Dec. 2, 2013).

<sup>25</sup> Alison Kosik, CNN New Day, *Donald Trump Sued over 'University'*, video available at: [http://www.cnn.com/video/?/video/bestoftv/2013/08/26/exp-newday-kosik-trump-sued.cnn&ieref=videosearch&video\\_referrer=http%3A%2F%2Fwww.cnn.com%2Fsearch%2F%3Fquery%3Dtrump%26primaryType%3Dvideo%26sortBy%3Ddate%26intl%3Dfalse#/video/bestoftv/2013/08/26/exp-newday-kosik-trump-sued.cnn](http://www.cnn.com/video/?/video/bestoftv/2013/08/26/exp-newday-kosik-trump-sued.cnn&ieref=videosearch&video_referrer=http%3A%2F%2Fwww.cnn.com%2Fsearch%2F%3Fquery%3Dtrump%26primaryType%3Dvideo%26sortBy%3Ddate%26intl%3Dfalse#/video/bestoftv/2013/08/26/exp-newday-kosik-trump-sued.cnn) (last accessed Dec. 2, 2013).

demonstrably false allegations contained in the Petition were proven facts; and overtly suggested that Mr. Trump should settle to avoid more “bad headlines.”

Mr. Schneiderman’s personal, persistent and targeted solicitation of financial support and political endorsements from the Trump Parties prior to the filing of the meritless Petition and his instigation of a national media frenzy immediately following compel only one conclusion: Mr. Schneiderman has flagrantly abused his public office in an attempt to increase his political capital by publicly vilifying Mr. Trump, a well-known and hugely successful and outspoken person, in the name of ‘vigorous prosecution,’ and in the hopes of generating enormous publicity and extorting an unwarranted settlement in furtherance of his political aspirations. Indeed, as has been widely reported, Mr. Schneiderman makes no attempt to hide his penchant for political shakedowns.<sup>26</sup> As one journalist astutely observed of Mr. Schneiderman’s media blitz after the Petition was filed:

Either Trump and family and friends ponied up more appropriate bucks to Schneiderman – or a massive and prolonged Trump-dumping publicity binge lay ahead. With Schneiderman using his office both to punish Trump for not sufficiently tending to Schneiderman’s career – and using Trump to make Schneiderman seem as if he were some sort of fearless legal giant killer devoted to protecting the little guy.<sup>27</sup>

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<sup>26</sup> See, e.g., *Eric Schneiderman’s shakedown racket*, Op-Ed., N.Y. POST (Nov. 22, 2013 2:30am), <http://nypost.com/2013/11/22/eric-schneidermans-shakedown-racket/>; (**Exhibit 29**); Jack Shafer, *Jack Shafer’s latest column is his absolute BEST! Ever!*, REUTERS (Sept. 24, 2013 6:06pm), <http://www.reuters.com/article/2013/09/24/shafer-reviews-idUSL2N0HK2CY20130924> (**Exhibit 30**); Jeffrey Lord, *Shakedown Schneiderman*, AMERICAN SPECTATOR (Nov. 5, 2013, 6:11 a.m.), <http://spectator.org/articles/56339/shakedown-schneiderman> (**Exhibit 31**)

<sup>27</sup> See Ex. 31, at p. 4.

## **MR. SCHNEIDERMAN'S MISCONDUCT GIVES RISE TO MULTIPLE VIOLATIONS OF THE PUBLIC OFFICERS LAW**

### **I. Mr. Schneiderman was Required to Recuse Himself at the Outset of the OAG's Investigation**

After Mr. Schneiderman made multiple, in-person solicitations to Mr. Trump while running for office, Mr. Trump, on October 11, 2010, generously contributed \$12,500 to Mr. Schneiderman's campaign. Accordingly, once the OAG commenced its investigation into TEI, Mr. Schneiderman was required to immediately recuse himself given the clear conflict of interest. As the Commission has directed:

If a State employee has appropriate solicited a political contribution (other than by a mass mailing) from a person or entity and subsequently the person or entity has a matter before him or the unit or units he supervises, he must recuse himself from the matter. Any agency employees who would ordinarily report to him must report to a different supervisor. This recusal requirement is imposed for a reasonable period of time based upon the circumstances.

*See* N.Y. Ethics Comm'n Adv. Op. 98-12 (Oct. 29, 1998), at p. 4. While one year was determined to be the appropriate recusal period for an employee supervising several units, it was expressly recognized that the time period may vary based upon the official's level of responsibility or the level of the contribution. *Id.*

TEI was served with the Subpoena on May 17, 2011, a mere seven months after the date of Mr. Trump's contribution to Mr. Schneiderman's campaign.

Indeed, it is reasonable to assume that the OAG's investigation commenced weeks or perhaps months before the OAG issued the subpoena. Regardless, Mr. Schneiderman not only failed to recuse himself at any time during the two-year pendency of the OAG's investigation, but has gone to great lengths to ensure that he personally prosecuted the Petition and is seen by the public as the "face" behind the Petition.

II. **Mr. Schneiderman Willfully Violated the Public Officers Law by Soliciting Trump Org. Executives Throughout the Two-Year Investigation; at a Minimum, Mr. Schneiderman's Conduct Creates the Appearance of Impropriety and Undue Influence**

The Commission has delineated certain "disqualified sources" from which it is not acceptable for an officer of a state agency to solicit funds or other favors in a variety of contexts. *See, e.g.*, N.Y. Ethics Comm'n Adv. Op. 97-28 (Dec. 17, 1997), at p. 3. Such disqualified sources include:

[A]ny individual or business entity (1) which currently has matters before him or before the units he supervises, (2) which he has substantial reason to believe will have matters before him or such units in the foreseeable future, or (3) which had matters before him or such units in the past twelve months.

*See* N.Y. Ethics Comm'n Adv. Op. 98-12 (Oct. 29, 1998), at p. 1. Where the officer in question is a "supervisor of a unit or units," this prohibition is extended to "any person or entity that has a matter or matters pending before the unit or units



for which he is responsible,” in that such matters are “at least, indirectly before him, and his personal involvement is always a possibility.” *Id.* at p. 4.

A State official’s solicitation of financial support and preferential treatment from disqualified sources “create[s] an implication of the use of the relationship developed in his public position for political purposes,” in that “there is a risk that a contribution in such circumstances could be perceived as a reward for his political activities.” *See Adv. Op. 98-12*, at p. 3 (*citing Adv. Op. 97-28*). Thus, the Commission has recognized, albeit in a different context, that contributions exceeding \$75 from such disqualified sources are *per se* improper and that an officer soliciting funds or favors from persons or entities that are the subject of open pending investigations in cases in which he is involved constitute a “clear violation of Section 74.” *See Adv. Op. 98-12*, at p. 2.

Here, Mr. Schneiderman has knowingly and willfully<sup>28</sup> violated Section 74(3)(5), in that he has “secured unwarranted privileges” by seeking and obtaining special favors and money from Mr. Trump and numerous Trump Org. representatives, including Executive Vice President of Acquisitions and Development Ivanka Trump and Executive Vice President and Special Counsel Michael Cohen.

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<sup>28</sup> *See* Ahmed Shihab-Eldin, HuffPost LIVE, *Eric Schneiderman LIVE*, video available at: <http://live.huffingtonpost.com/r/segment/trump-university-eric-schneiderman/521b81382b8c2a6d8c000849> (last accessed Dec. 2, 2013).

Notably, it is of no moment that in some instances, Mr. Schneiderman sought financial support or endorsements on behalf of persons or organizations other than himself, his reelection campaign or his own political ambitions. Public Officers Law Section 74(3)(d) explicitly prohibits a public official from using his office or his influence to “secure unwarranted privileges or exemptions for...others.” *Id.* (Emphasis supplied.) Thus, courts have recognized that a public official’s use of his office or influence to secure financial benefits for his “pet causes” is nonetheless a clear violation of Section 74. *See, e.g., N.Y. State Asphalt Payment Assoc., Inc. v. White*, 138 Misc.2d 836, 840 (Sup. Ct. Albany Cnty. Feb. 29, 1988).

Similarly, Mr. Schneiderman’s solicitation of unwarranted privileges is not somehow shielded because it was done indirectly through his former transition advisor or his fundraising consultant. *Rubinfeld v. N.Y. State Ethics Comm’n*, 43 A.D.3d 1195, 1197, 841 N.Y.S.2d 397, 401 (3d Dep’t 2007) (state employee’s indirect solicitation through his supervisor of gala ticket valued at \$150 constituted a knowing and intentional violation of Public Officers former Law §73(14), warranting imposition of \$2,000 fine.).

Additionally, in violation of Sections 74(3)(f) and (h), by his improper conduct, Mr. Schneiderman has created a “reasonable basis for the impression” that he can be “improperly influenced [...] in the performance of his official

duties,” and has “pursued a course of conduct which will raise suspicion among the public that [he] is likely to be engaged in acts that are in violation of [his] trust.” Because Mr. Trump, Ms. Trump and Ms. Cohen firmly believed that there was “no case” against TEI, they had no reason to doubt Mr. Schneiderman’s repeated assurances that the OAG’s investigation was a non-adversarial, routine fact-finding mission that would never culminate in a lawsuit or other official action by OAG. Accordingly, they agreed to Mr. Schneiderman’s repeated, personalized and pushy requests for financial support and political endorsements without the slightest hesitation. Nevertheless, as the Commission has observed, facts such as those here presented “create[s] an implication of the use of the relationship developed in his public position for political purposes,” in that “there is a risk that a contribution in such circumstances could be perceived as a reward for his political activities.” *See* Adv. Op. 98-12, at p. 4.

III. **Mr. Schneiderman’s Defamatory Media Campaign Violates Rule 3.6 (a) of the New York Code of Professional Conduct**

Mr. Schneiderman’s public promotion of the Petition immediately preceding its filing and subsequent thereto also clearly violates New York’s Code of Professional Conduct. Specifically, Rule 3.6(a) provides, in pertinent part:

A lawyer who is participating in a...civil matter shall not make an extrajudicial statement that the lawyer knows or reasonably should know will be disseminated by means of public communication and

will have a substantial likelihood of materially prejudicing an adjudicative proceeding in the matter.

Under Rule 3.6(b), a statement is likely to “prejudice materially an adjudicative proceeding” when it pertains to “a civil matter triable to a jury” and the statement relates to “the character, credibility, [or] reputation of party.” Here, immediately after filing the Petition, Mr. Schneiderman commenced an unstatesmanlike and defamatory media campaign in the vain hope that the adverse publicity would force Mr. Trump to agree to a quick settlement. *See, e.g.*, Ex. \_\_\_. Specifically, Mr. Schneiderman tweeted on his official Twitter account that Mr. Trump “used his celebrity, personally appearing in commercials making false promises to convince [New Yorkers] to pay for lessons they never got,” and that TEI students who paid Mr. Trump “to teach them his tactics got a lesson in bait-and-switch.” (*See* Ex. 32.) Finally, Mr. Schneiderman likened Mr. Trump to Bernie Madoff. These statements clearly are addressed to Mr. Trump’s character and credibility, and thus are likely to materially prejudice adjudication of the Petition by tainting the pool of potential jurors.<sup>29</sup>

In addition, Mr. Schneiderman explicitly stated in numerous interviews that the documents and affidavits he had submitted entitled the OAG to immediate

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<sup>29</sup> Just as the Second Circuit Court of Appeals recently removed District Judge Shira A. Scheindlin from the stop-and-frisk cases for having compromised the “impartiality surrounding this litigation,” the Commission should find similar fault with Mr. Schneiderman’s conduct. Indeed, there can be little doubt that Judge Scheindlin’s conduct was far less offensive than Mr. Schneiderman’s.

judgment, thus intimating that TEI's guilt was a forgone conclusion. This too has great potential to prejudice the pool of potential jurors.

Courts have long-recognized the far-reaching effects of similar instances of public prosecutorial misconduct and have not hesitated to order extreme remedial measures. *See, e.g., U.S. v. Bowen*, No. 10-cr-00204-KDE-SS, -- F. Supp.2d --- (2013), 2013 WL 5233325, at \* 17 (E.D. La. Sept. 17, 2013) ("When a prosecutor steps over the boundaries of proper conduct and into unethical territory, the government has a duty to own up to it and to give assurances that it will not happen again.") (*citing Berger v. U.S.*, 295 U.S. 78, 55 S. Ct. 629 (1935)); *see also Irvin v. Dowd*, 366 U.S. 717, 727, 81 S. Ct. 1639, 1645 (1961) ("The influence that lurks in an opinion once formed is so persistent that it unconsciously fights detachment from the mental processes of the average man."); *People v. Boss*, 261 A.D.2d 1, 3-4, 701 N.Y.S.2d 342, 43-44 (1<sup>st</sup> Dep't 1999) ("[T]he case has been deluged by a tidal wave of prejudicial publicity to such an extent that even an attempt to select an unbiased jury would be fruitless.")

### **CONCLUSION**

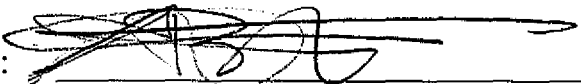
Mr. Schneiderman willfully, flagrantly and repeatedly violated the Public Officers Law and the Code of Ethics. He proudly proclaimed that there is "one set of rules for everyone."

But that is not quite right: attorneys and in particular elected public officials are subject to a higher standard. If there is any statewide elected official who should know that, it is Mr. Schneiderman and, as he acknowledged in a media interview, he does. Mr. Schneiderman's media blitz was clearly designed to bring such collateral damage to Mr. Trump's reputation that he would succumb and settle so that Mr. Schneiderman's false allegations were never tested in a court of law and he could claim another "payday" from a politically attractive target. Based on the evidence herewith submitted, it is respectfully requested that the Commission, consistent with its bipartisan mandate, promptly open an investigation into Mr. Schneiderman's handling of the TEI case.

Dated: New York, New York  
December 2, 2013

Respectfully submitted,

MEISTER SEELIG & FEIN, LLP

By: 

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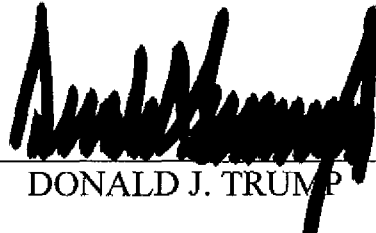
*Attorneys for Complainants*

VERIFICATION

STATE OF NEW YORK     )  
  ) ss.:  
COUNTY OF NEW YORK    )

**DONALD J. TRUMP**, being duly sworn, deposes and says:

I am a complainant herein as well as the President of complainant The Trump Organization. I have read the foregoing Complaint against New York State Attorney General Eric T. Schneiderman in its entirety and know the contents thereof; the same is true to my own knowledge, except as to matters therein stated to be alleged upon information and belief and, as to those matters, I believe them to be true.

  
\_\_\_\_\_  
DONALD J. TRUMP

Sworn to me this 2<sup>nd</sup>  
day of December, 2013

  
\_\_\_\_\_  
Notary Public

ALAN GARTEN  
Notary Public, State of New York  
No. 02GA6021578  
Qualified in Nassau County  
Commission Expires on March 15, 2015

# EXHIBIT 1



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

-----X  
THE PEOPLE OF THE STATE OF NEW YORK,  
by ERIC T. SCHNEIDERMAN, Attorney General of the  
State of New York,

Petitioner,

**VERIFIED PETITION**

-against-

Index No. \_\_\_\_\_  
IAS Part \_\_\_\_\_  
Assigned to Justice \_\_\_\_\_

THE TRUMP ENTREPRENEUR INITIATIVE LLC f/k/a  
TRUMP UNIVERSITY LLC, DJT ENTREPRENEUR  
MEMBER LLC f/k/a DJT UNIVERSITY MEMBER LLC,  
DJT ENTREPRENEUR MANAGING MEMBER LLC f/k/a  
DJT UNIVERSITY MANAGING MEMBER LLC, THE  
TRUMP ORGANIZATION, INC., TRUMP ORGANIZATION  
LLC, DONALD J. TRUMP, and MICHAEL SEXTON,

Respondents.

----- X

The People of the State of New York, by their attorney, ERIC T. SCHNEIDERMAN,  
Attorney General of the State of New York, respectfully allege, upon information and belief:

**INTRODUCTION**

1. From 2005 through 2011, respondents operated an unlicensed, illegal educational institution from their headquarters in New York City, which purported to teach students Donald Trump’s real estate strategies and techniques. Until May 2010, respondents operated their program illegally as “Trump University,” because they were not chartered as a university as required by New York law and were even notified by the New York State Education Department (“NYSED”) as early as 2005 that their use of the word “university” violated New York law.

2. Respondents engaged in a widespread marketing campaign for Trump University both in New York and across the country to lure prospective students to a free 90-minute seminar

that served as a sales pitch for a three-day seminar costing \$1495<sup>1</sup> — but this three-day seminar was itself an upsell to increasingly costly “Trump Elite” packages starting at around \$10,000 and ending with what was supposed to be a year-long personal mentorship programs at a cost of \$35,000. To induce students to enroll in their paid courses, respondents engaged in numerous deceptive practices. Respondents repeatedly claimed that prospective students would be taught by successful real estate “experts” who were “handpicked” by Donald Trump. In fact, respondents lacked substantiation for the claims that their instructors and mentors were successful real estate entrepreneurs. Not a single one was “handpicked” by Donald Trump. Many came to Trump University from jobs having little to do with real estate investments, and some came to Trump University shortly after their real estate investing caused them to go into bankruptcy. Respondents also assured prospective students that they would recoup the cost of the courses in a few months, with “insider” access to special financing and close mentoring by Trump instructors who would coach students through their first real estate deal. Relying on these representations, individuals spent thousands of dollars of their savings or took on thousands of dollars in debt — while Trump University brought in over \$40 million in revenue.

3. Trump University’s day-to-day operations were directly managed by Donald Trump’s closely-held holding company, The Trump Organization, and almost none of the formalities of a separate corporate existence were observed by Trump University or the limited liability companies through which Donald Trump purported to hold his stake in it. Trump University could not even issue its own checks, and it never held a board meeting. Meanwhile, both Michael Sexton and Donald Trump were personally and knowingly involved with the operations of Trump University, with Sexton taking an active role in the company’s conduct and

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<sup>1</sup> This program went by a variety of names at different times, including “Fast Track to Foreclosure Investing,” the “Profit from Real Estate Investing,” “The Apprenticeship Program,” and the “Real Estate Investor Blueprint” program.

Trump personally approving each of the misleading advertisements it published — all the while ignoring the repeated warnings of NYSED, as far back as 2005, that Trump University was operating without a license in violation of New York law, thus evading a comprehensive regulatory system designed to prevent exactly the sort of deceptive practices at issue here.

4. Through their deceptive and unlawful practices, respondents intentionally misled over 5000 individuals nationwide, including over 600 New Yorkers, into paying as much as \$35,000 each to participate in live seminars and mentorship programs with the promise of learning Donald Trump’s real estate investing techniques.

### **PARTIES AND JURISDICTION**

5. Petitioner is the People of the State of New York, by their attorney, Eric T. Schneiderman, Attorney General of the State of New York.

6. Petitioner brings the above-captioned special proceeding pursuant to Executive Law § 63(12), Education Law §§ 224 and 5001-5010, and General Business Law §§ 349 and 350 to enjoin respondents from engaging in deceptive acts and practices and false advertising in connection with the operation of Trump University (later known as Trump Entrepreneurship Institute), an unlicensed educational institution that fraudulently induced students to enroll in seminars on real estate investing. Executive Law § 63(12) empowers the Attorney General to seek injunctive relief, restitution, disgorgement, damages, and costs when any person or business entity has engaged in or otherwise demonstrated repeated or persistent fraudulent or illegal acts in the transaction of business. GBL § 349(a) prohibits deceptive acts or practices in the conduct of any business, trade, or commerce, or in the furnishing of any service, in New York. GBL § 349(b) authorizes the Attorney General to seek injunctive relief and restitution whenever he believes that any person or entity has engaged in or is about to engage in any deceptive acts or

practices. GBL § 350-d empowers the Attorney General to seek penalties when any person or entity has engaged in deceptive business practices or false advertising in violation of GBL Article 22-A. Education Law § 5003(5) empowers the Attorney General to bring any appropriate action or proceeding in any court of competent jurisdiction to recover a fine or otherwise enforce any provision of Article 101 of the Education Law.

7. Respondent The Trump Entrepreneur Initiative LLC (“Trump University”) is a New York limited liability company with its principal place of business at 40 Wall Street, 32nd Floor, New York, New York. The company was originally created pursuant to the laws of the State of New York under the name Trump University LLC on October 25, 2004. Its name was changed to The Trump Entrepreneur Initiative LLC pursuant to a Certificate of Amendment filed with the New York Secretary of State on May 20, 2010.

8. Respondent DJT Entrepreneur Member LLC is a New York limited liability company. It does not list a principal place of business with the New York Secretary of State. The company was originally created pursuant to the laws of the State of New York under the name DJT University Member LLC on October 25, 2004. Its name was changed to DJT Entrepreneur Member LLC pursuant to a Certificate of Amendment filed with the New York Secretary of State on May 20, 2010.

9. Respondent DJT Entrepreneur Managing Member LLC is a New York limited liability company. It does not list a principal place of business with the New York Secretary of State. The company was originally created pursuant to the laws of the State of New York under the name DJT University Managing Member LLC on October 25, 2004. Its name was changed to DJT Entrepreneur Managing Member LLC pursuant to a Certificate of Amendment filed with the New York Secretary of State on May 20, 2010.

10. Respondent The Trump Organization, Inc. is a New York corporation with a principal place of business of 725 Fifth Avenue, 26th Floor, New York, New York.

11. Respondent Trump Organization LLC is a New York limited liability company with a principal place of business of 725 Fifth Avenue, New York, New York.

12. Respondent Donald J. Trump is the Chief Executive Officer of The Trump Organization, Inc. and Trump Organization LLC and the Chairman of Trump University. He is a New York citizen who resides at 725 Fifth Avenue, New York, New York.

13. Respondent Michael Sexton is the former President of Trump University. He is a New York citizen who resides at 31 Rye Road, Rye, New York.

14. Respondents waived service of the notice required by Executive Law § 63(12) and General Business Law § 350-d.

## **FACTS**

### **Violations of New York State Education Law**

15. In 2004, Donald Trump, Michael Sexton, and Jonathan Spitalny formed Trump University LLC as a New York limited liability company. The original business plan focused primarily on long-distance learning through Internet-based webinars on a broad array of business topics, though they were “experimenting” with a variety of formats, including some live programs.

16. In 2005, NYSED became aware that Trump University was operating an unlicensed educational institution in New York, purportedly to teach students how to do real estate and other business deals.

17. NYSED wrote to Trump University, and to Donald Trump and Michael Sexton personally, several times starting in 2005, notifying Trump University and Trump that they were

in violation of New York law. NYSED officials also contacted Trump University in person, by phone, and by email.

18. In these communications, NYSED informed Trump University, Donald Trump, and Michael Sexton that

- (a) Trump University was violating New York Education Law by calling itself a “University” when in fact it was not chartered as such, and that
- (b) Trump University needed to be licensed by NYSED if it wanted to offer student instruction or training in New York.

19. In June 2005, respondents, through Sexton, communicated in a series of e-mails with Joseph Frey, then the Assistant Commissioner of the Office of Quality Assurance of the Office of Higher Education at NYSED. Frey told Sexton that Trump University would not be subject to the New York Education Law licensure requirement if did not have a physical presence in New York State, predicated on two conditions: (a) Trump University needed to have its place of business and its corporate organization outside New York, and (b) it could not run live programs or other live training in New York. Sexton responded that Trump University would abide by those conditions by creating a new LLC in Delaware and merging the New York LLC into the Delaware entity. Sexton further stated that Trump University would refrain from holding live programs in New York.

20. Yet Trump University did **not** abide by these conditions.

21. First, although the Trump Organization created a new Delaware LLC, the New York and Delaware entities never merged, and Trump University continued communicating to both government entities and to students that its principal place of business was 40 Wall Street in New York, throughout the entire period of its operation.

22. Second, Trump University held at least fifty live programs in New York between 2006 and 2011.

23. In fact, the business decision to expand Trump University's live programming occurred only six months after Sexton's agreement with Frey, in late 2005 or early 2006. At that time, Trump University shifted its business model to focus mostly on live programs and instruction, both in New York and nationally. Although respondents first relied on a third-party licensee to run live seminars, by 2007, Trump University began operating its own live programming and instruction, produced and executed in-house.

24. Ultimately, for more than five years, respondents failed to take any steps to rectify the legal violations raised by NYSED.

25. It was not until May 2010 that Trump University finally dropped "University" from its name.

26. By ignoring NYSED and continuing to use the "Trump University" name from 2005 to 2010, respondents also repeatedly deceived students into thinking that they were attending a legally chartered "university." Students relied on those misrepresentations, inducing them to pay for Trump University's programs.

27. Indeed, the very fact that Trump University LLC was organized and based in New York misled students into believing that Trump University was obeying New York laws requiring the licensure, regulation, and chartering of all universities and other educational institutions operating in New York state.

28. Trump University repeatedly reinforced the misperception that it was a real "university" by employing many of the signs, symbols, terminology, and other indicia of colleges and universities.

29. Instructors routinely referred to themselves as “faculty” and to the Trump University program participants as “students” and then “graduates” after completing a course and going through “graduation.”

30. The Trump University program was regularly called a “curriculum,” and students’ payments were repeatedly referred to as “tuition.”

31. Some instructors claimed that a Trump degree “is a bit of a college degree” and that Trump University offered “graduate programs, post graduate programs, [and] doctorate programs.”

32. Trump University used a university-like seal on many of its materials and issued diploma-like Certificates of Accomplishment to students for courses they completed. Instructors repeatedly lured students into enrolling in Trump University programs with the promise of these imitation “certificates” bearing Donald Trump’s signature.

33. By circumventing the licensure regime, Trump University, as a “private career school,” repeatedly violated an array of Education Law regulations and regular reviews by NYSED, including, for example: (a) all school directors and teachers must be individually licensed by NYSED; (b) all school sales agents working on commission must be individually certified by NYSED; (c) NYSED has authority to monitor schools’ advertising to ensure it is not false, misleading, deceptive, or fraudulent, and is consistent with Article 22-A of the General Business Law; and (d) each school is required to pay tuition assessments, in part to fund a “tuition reimbursement account” managed by NYSED, for the payment of refunds to students.

34. To the present day Trump University has **never** obtained or even applied for the proper licensure to operate as an educational institution in New York State. Neither Trump University nor any of its employees or representatives ever apply for any other licenses,



certifications, or approvals from NYSED for its teachers, directors, or sales agents. Trump University never submitted any materials to NYSED for approval in compliance with the Education Law. In addition, Trump University never paid any tuition assessments to NYSED to fund reimbursements to students.

### **Trump University's Advertisements**

35. From the beginning of its operations, Trump University engaged in extensive advertising and marketing campaigns via, *inter alia*, publishing advertisements in newspapers, sending print and electronic mail to prospective students, and running advertisements on radio and television.

36. These advertisements invited prospective students to attend free seminars where they would learn Donald Trump's techniques for investing in real estate from Donald Trump's "handpicked experts." Such advertisements were published repeatedly in the New York City area in publications such as the New York Post, Newsday, New York Metro, AM New York, the Newark Star-Ledger, and the Bergen County Record. Similar advertisements were also published in most major metropolitan areas nationwide.

37. For example, one typical Trump University advertisement read:

Learn from Donald Trump's handpicked expert how you can profit from the largest real estate liquidation in history. Attend our FREE Investor workshop!

He's the most celebrated entrepreneur on earth. He's earned more in a day than most people do in a lifetime. He's living a life many men and women only dream about. And now he's ready to share -- with Americans like you -- the Trump process for investing in today's once-in-a-lifetime real estate market.

Come to this FREE Introductory class and you'll learn from Donald Trump's handpicked instructor a systematic method for investing in real estate that anyone can use effectively. You'll learn foreclosure investing from the inside out. You'll learn how to finance your deals using other people's money. You'll learn how to overcome your fear of getting started.

.....

"I can turn anyone into a successful real estate investor, including you."  
- Donald Trump

38. Another advertisement stated:

"Are YOU the next DONALD TRUMP?" "Come Prove it to me!"

.....

My team of real estate experts is coming to your area in the next few days to conduct my Intro Apprenticeship Workshop.

.....

Attend my Intro Apprenticeship Workshop and learn how to:

Use short sales to CONTROL property

Buy FORECLOSED properties from banks at deep discounts

Increase your financial POWER with leverage

Negotiate PROFITABLE deals that meet your goals

Develop CONFIDENCE to succeed in real estate

My Intro Apprenticeship Workshop is FREE!

[signed: Donald J. Trump.]

39. Trump University also sent prospective students in New York and elsewhere direct mail solicitations from their headquarters at 40 Wall Street inviting them to attend a free Trump University class. At least forty-one such solicitations in 2009 alone contained the misrepresentation that Trump University's instructors were "handpicked" by Donald Trump.

40. One such solicitation, signed by Donald Trump, invited prospective students to “come to my free class” where “[i]n just 90 minutes, my hand-picked instructors will share my techniques, which took my entire career to develop.” The letter advised: “Then just copy exactly what I’ve done and get rich.” In other solicitations, bearing Donald Trump’s signature and sent from 40 Wall Street, New York, New York, Donald Trump asserted that “I’m sharing my proprietary ‘Blueprint For Real Estate Success’” and invited prospective students to attend a “FREE Trump Training Workshop” in their area to be led by “[m]y hand-picked instructors.”

41. Many of the solicitation letters also included a logo at the top that read “TRUMP” and “From the Office of Donald J. Trump” and often included at the bottom the address “40 Wall Street, 32nd Floor - New York, NY 10005.”

42. Envelopes had similar branding and information, with the return address noted as “TRUMP, From the Office of Donald J. Trump, 40 Wall Street, 32nd Floor, New York, NY 10005,” under which was written “Are YOU my next Apprentice?” followed by Donald Trump’s name and signature.

43. Trump University made similar claims on its website, trumpuniversity.com, as well as when individuals called Trump University. The website described Trump University’s mentorships as an “opportunity to hit the streets with an experienced real estate investor” and “expert” who was “hand-selected by Donald J. Trump” and would help the student through a series of detailed steps in researching and executing real estate investments.

44. Additionally, Trump University customer service representatives were instructed to tell callers that Trump University’s free seminar “will be led by [Donald Trump’s] handpicked team of real estate experts.”

45. In actuality, as described below, much of what Trump University asserted in these advertisements and promotions was not true.

46. Instead, the free seminars were the first step in a bait and switch to induce prospective students to enroll in increasingly expensive seminars starting with the three-day \$1495 seminar and ultimately one of respondents' advanced seminars such as the "Gold Elite" program costing \$35,000.

**Trump University's Free Seminar: A Sales Pitch for Trump University's 3-day \$1495 Seminar**

47. At the "free" 90-minute introductory seminars to which Trump University advertisements and solicitations invited prospective students, Trump University instructors engaged in a methodical, systematic series of misrepresentations designed to convince students to sign up for the Trump University three-day seminar at a cost of \$1495.

***Claims about Students' Likelihood of Success after Attending the Three-Day Seminar***

48. The instructors convinced prospective students to purchase the three-day seminar by misrepresenting their likelihood of success in real estate investing after attending the seminar, the time it would take to achieve that success, and the time they would need to spend on investing in order to be successful.

49. These claims of success stand in stark contrast to the statements Trump University instructors subsequently made at the three-day seminars — telling participants that they were unlikely to succeed after just the three-day seminar, that they needed mentoring in order to succeed and that it was extremely unlikely that any of the participants would meet with such quick success.

50. In fact, as discussed below, Trump University students who worked to apply what they had learned met with frustration and often ended up worse off financially than they had been before.

51. Former president Michael Sexton admitted in his sworn subpoenaed testimony that “[t]here wasn’t anything sophisticated about” the three-day seminar and that instead it was “really an opportunity for an individual to make the decision[:] is real estate investing something that I am actually going to pursue[?]” rather than actually teaching them what they needed to know to get started.

### *Claims That Trump University Speakers Were “Handpicked” by Donald Trump*

52. In Trump University’s advertisements and solicitations and later in its instructional materials and communications to students attending its seminars, respondents routinely reiterated the false claim that Donald Trump “handpicked” Trump University’s instructors.

53. First, an introductory video featuring Donald Trump, persuading prospective students to sign up for Trump University, was typically played at each of Trump University’s free seminars, and it was also featured in a set of Trump University compact discs that contained an audio recording of a three-day seminar.

54. In the video, Donald Trump himself tells prospective students: “Honestly, if you don’t learn from [the instructors], if you don’t learn from me, if you don’t learn from the people that we’re going to be putting forward, and **these are all people that are handpicked by me**, then you’re just not going to make it in terms of the world of success.”

55. Trump University instructors repeatedly represented that they had been chosen personally by Donald Trump to be instructors and that they had other personal connections to or relationships with Donald Trump, such as being “Donald Trump’s personal real estate coaches.”

56. In fact, none of the speakers were handpicked by Donald Trump or had ever been one of his “personal real estate coaches.”

57. The representations that Trump University’s instructors were “handpicked” by Donald Trump inspired confidence in the seminars and induced students to purchase them.

***Representations that Donald Trump Would Appear at the Three-Day Seminar***

58. Trump University speakers repeatedly insinuated that Donald Trump would appear at the three-day seminar, claiming that he “is going to be in town” or “often drops by” and “might show up” or had just left, or baited students with the promise of a “surprise” or a “special guest speaker.”

59. As students later discovered, these claims were untrue. Rather than being photographed with Donald Trump, they were offered the chance to have photos taken with a life-size photo of Donald Trump.

***Claims that Trump University Taught Donald Trump’s Own Strategies and Techniques for Investing in Real Estate***

60. As touted in respondents’ advertisements, Trump University instructors repeatedly represented that its seminars would teach students Donald Trump’s personal strategies and techniques for real estate investing.

61. In fact, no specific Donald Trump techniques or strategies were taught during the seminars. Donald Trump “never” reviewed any of Trump University’s curricula or programming materials, nor did he review any of the content for the free seminars or the three-day seminars.

62. Instead, the contents and materials presented by Trump University were developed in large part by a third-party company that creates and develops materials for an array of motivational speakers and seminar and timeshare rental companies. In addition to being heavily involved in creating and editing much of Trump University's curricula and materials (including, *inter alia*, slides for seminars), this third-party company reviewed and provided feedback on transcripts of Trump University presentations and worked on training and coaching the Trump University instructors.

63. Trump University instructors also drafted, edited, or contributed to the materials and curricula developed and used by Trump University.

64. Trump University's repeated claims that the seminar material consisted of Donald Trump's own personal strategies were part of a deliberate effort to appropriate generic material common to motivational seminars on real estate and to characterize this material as being Donald Trump's own proprietary information. The ultimate goal was to lure students with Donald Trump's fame and celebrity status.

65. Trump University's seminars carried this celebrity branding even further, playing the theme song from Donald Trump's popular reality television shows *The Apprentice* and *The Celebrity Apprentice* — "For the Love of Money," by the O'Jays — at the beginning and end of the presentation, and encouraging students to have their photographs taken with the life-size photo of Donald Trump. Moreover, as noted above, an introductory video featuring Donald Trump persuading students to sign up for Trump University was typically played at each of Trump University's free seminars.

66. As a result of this marketing strategy, including Trump University's implied and express associations with Donald Trump and the impression that Donald Trump was directly

involved with the creation and review of the “techniques” and “strategies” it presented, students purchased costly Trump University classes.

***Misrepresentations as to What Would Be Included in the Three-Day Seminar***

67. In addition to touting the role of Donald Trump in the three-day seminars, respondents made a number of false claims regarding the content of the seminars.

68. Comprehensiveness of the Three-Day Seminar – Trump University speakers represented that the three-day seminar would teach students “everything you need to know” about investing in real estate and would “be the last real estate education you will ever need for the rest of your life.”

69. In fact, as described below, these representations were false.

70. Access to “Private” or “Hard Money” Lenders and Financing – Trump University speakers claimed that students who participated in the three-day program would obtain insider access to financing for their real estate deals.

71. In particular, instructors represented that the three-day seminar would provide special instruction to students on how to obtain alternative “private” or “hard money” sources of financing, rather than traditional loans from banks.

72. Some Trump University presentations claimed that they had a “list” of “hard money lenders” in the locality where the presentation was held, as well as nationally, and that they would personally help students access these sources of alternative financing.

73. In fact, there is no evidence that the three-day seminars contained substantive instruction on “how to raise private money,” and the supposedly special “database” of lenders turned out to be a list photocopied from an issue of *Scotsman Guide*, a commercially available magazine.



74. Instead, once they were at the three-day program, students were told they would need to purchase and attend additional programs such as the “Creative Financing Retreat” in order to learn more about hard money lenders, paying an additional \$5000 (or up to \$35,000 as part of the Gold Elite package).

75. Ultimately, as described in further detail below, Trump University repeatedly failed to provide the promised access to “hard money” or private financing or lenders — even to students who paid \$35,000 or more for the Trump Gold Elite packages.

76. Year-Long “Apprenticeship Support” Program – Trump University also claimed that students who purchased the three-day seminar would receive a more extensive, twelve-month-long “Apprenticeship Support” program, during which Trump University representatives would be available via a toll-free telephone “hotline” to answer students’ questions about real estate investing.

77. These claims were also false.

78. Trump University did not have a “hotline” for students with substantive questions about real estate.

79. Instructors generally did not make themselves available to anyone who did not sign up for the Trump Elite programs — and often, not even then.

80. Moreover, students attending the three-day seminar discovered that if they declined to purchase the more expensive Trump Elite programs, they were ignored by Trump University staff for the rest of the seminar and even told they could go home as early as the end of the second day.

81. Improvement of Credit Scores – Trump University further claimed that the three-day seminar would help students improve their credit scores and terms.

82. Instead, instructors at the three-day seminars encouraged students to contact their banks to request increases of the borrowing limits on their credit cards. Trump University students later discovered that requesting increases in borrowing limits typically lowers a student's FICO score rather than increasing it.

83. In fact, as discussed further below, the actual reason Trump University asked students to request higher credit limits was so that the students could afford to pay for the more expensive Trump Elite programs.

#### ***Claims that Donald Trump Was Not Profiting from Trump University***

84. Trump University also claimed that Donald Trump was not profiting from Trump University and founded it solely for philanthropic purposes. According to Trump University speakers, students' payments for the three-day seminar would not go to Donald Trump.

85. In fact, Donald Trump netted about \$5 million in profit from Trump University. Notwithstanding this fact, instructors claimed that the costs of Trump University programs were designed to ensure that students would feel invested in them. Similarly false claims were made again when instructors regarding the Trump Elite programs.

#### **Trump University's Three-Day Program: a Sales Pitch for Their "Elite" Programs**

86. When students reached Trump University's three-day seminar, they learned that contrary to what they had been promised at the free seminars, they were **not** going to learn everything they needed to know to start investing. Instead they were told that they had to purchase additional programs to get the help they would supposedly need to succeed — and that they would fail if they did not continue at Trump University.

87. Thus, rather than a comprehensive program that would teach them everything they needed to know about investing in real estate (as they had been promised at the free seminars), the three-day seminar included an extended sales pitch for the Trump Elite mentorship programs.

88. This bait and switch was laid out in the Trump University Playbook (“Playbook”), which provided step-by-step directions to Trump University instructors on what to tell students during the seminars. Speakers were instructed to tell three-day seminar students: “We need longer than three days!” Speakers were also told not to “let [the students] think three days will be enough to make them successful.” The Playbook further noted that “[i]f all Trump U team members are following these procedures it will greatly improve our chances to sell elite packages. Even one coordinator giving them the impression three days is enough that can hurt sales.”

89. The Playbook makes clear that the purpose of the three-day seminars was to upsell the expensive Elite programs. Trump University representatives were instructed to identify “buyers” by reviewing profile sheets filled out by the students listing their liquid assets to determine who could pay for the costly programs. Trump University instructors and staff were given detailed guidance as to how to build rapport and approach consumers one-on-one to encourage further purchases. Trump University representatives were explicitly instructed to push the highest priced Elite programs. Even when students hesitated to purchase the expensive programs, Trump representatives were provided stock responses to encourage purchases, including encouraging students to go into debt to pay for the Elite programs.

90. Many students were upset by such 180-degree turns in Trump University’s message, believing they had paid \$1495 each for a comprehensive three-day training program but then concluding that they had paid to attend a “sales pitch.”

91. Trump University speakers and representatives also claimed that the stated prices of the Trump Elite programs were only available on the day of the offer and would increase thereafter. This was a deliberate high-pressure sales tactic to push students into purchasing the Trump Elite programs without having a chance to consider them carefully.

92. Moreover, Trump University's speakers, mentors, and sales representatives had a strong incentive to sell as many of the Trump Elite packages as they could, as nearly all of them were independent contractors who were compensated solely on the basis of commissions on the sales generated at their seminars.

93. Ultimately, the promises made by Trump University regarding what would happen at the three-day seminar were false — with no instructors “handpicked” by Donald Trump, no appearance by Donald Trump, none of Donald Trump's own personal investing techniques, no special access to “hard money” lenders, and no “hotline” for students to call with substantive real estate questions.

#### **The “Trump Elite” Programs’ Promised Mentorships**

94. To induce students to enroll in Trump University's Elite programs costing students \$10,000 to \$35,000, Trump University speakers repeatedly touted the mentorship program as providing comprehensive one-on-one training during which students would have personal assistance every step of the way until they executed their first real estate investment deals — an enticing but empty promise that cost students tens of thousands of dollars but gave them little in return.

95. Trump University instructors represented that Trump mentors would provide intensive follow-up guidance for at least six to twelve months, would be mentors “for life,” would

help students negotiate price and terms on any properties they found and would respond to communications within twenty-four hours.

96. For example, one mentor described a Trump University mentor as someone “who will actually come out and will do real estate with you. He will hold your hand and will walk you right through everything. The analysis, the properties...”

97. Students were told that mentors would effectively “do a deal” for those students who purchased an Elite package and would review prospective real estate transactions with the students.

98. Students relied on these representations to buy the Trump Elite packages. Specifically, students were lured by instructors’ promises to mentor them personally and promises to provide intensive personal guidance and mentorship for up to a year.

99. In fact, students who enrolled in the Elite programs did not receive the individual attention promised. After the initial in-field component of the Trump Elite program, lasting three days, many mentors simply disappeared — failing even to return telephone calls and e-mails from students with questions about prospective real estate deals.

100. Some students discovered that they could barely reach their mentors, receiving only a few short phone calls and little to no follow-up assistance, and what advice the mentors did dispense was often unhelpful and unprofessional.

### ***Promised Access to “Private” or “Hard Money” Lenders and Financing***

101. Trump University also induced students into purchasing the Trump Elite programs by again dangling the possibility that they would provide special instruction and access with regard to “private” or “hard money” lenders, with instructors often promising that they

themselves were hard money lenders or personally had expertise with or access to such sources of financing.

102. Students at the three-day seminar relied on these representations about access to financing and were thus convinced to purchase the Trump Elite programs.

103. However, despite students' requests and diligent work at attempting to invest in real estate, the promised access to lenders and financing never materialized.

### ***Representations Urging Students to Increase their Credit Limits***

104. As noted above, Trump University speakers at three-day seminars urged students to call their credit card companies during a break in the sessions, requesting increases to their credit limits.

105. Speakers often claimed that the reason for this request was to obtain additional capital for real estate transactions and property improvements for “flipping” houses and apartments, but in reality the purpose was so that students could use the additional credit to purchase the expensive Trump Elite programs.

106. Trump University even provided handouts with scripted talking points for students to use in their phone calls with credit card companies, explicitly encouraging people to falsify their current income, “add[ing] projected income from our future real estate venture[s],” and to deceive credit card companies by declaring income streams from corporate entities that had not been created, with the script telling students: “If they ask you to prove income, inform them that it will be too much trouble to put all the paperwork together.”

107. As previously noted, Trump University's misrepresentations regarding credit limits had the effect of damaging students' credit scores, directly contrary to claims made at the free seminars that Trump University would help increase students' credit scores.

***False Promises Regarding Students' Likelihood of Success from the Trump Elite Programs***

108. Finally, Trump University made deceptive promises about the likelihood and speed of success that would be experienced by Trump Elite students.

109. Trump University instructors assured students would quickly recoup their “investments” in the Trump Elite programs, needing only to expend the effort and time necessary to do the work their mentors prescribed.

110. Trump University speakers and mentors further represented that they would personally work with students until they recouped their “investments” in the Trump Elite programs.

111. Students relied on these and other similar misrepresentations when signing up for the Trump Elite programs, believing that they would recoup the costs of the programs — typically \$25,000 or \$35,000 — in as little as sixty days.

112. In fact, Trump University students repeatedly failed to recoup what they paid to Trump University and in many instances the students would never see or hear from those particular speakers or mentors ever again.

113. Trump University and Michael Sexton were aware of students' difficulties in obtaining the services promised as part of the Trump Elite mentorships, but failed to fix the known problems with the mentorships.

114. After completion of the three-day seminar, or the initial in-field component of a mentorship, the speaker or mentor often asked each student to complete a evaluation of the seminar or mentorship. Some students provided positive evaluations — before ultimately learning that the representations and promises made by Trump University would not materialize. Trump University instructors also asked that seminar students complete evaluations in order to

receive their Certificates of Completion for the course and “pleaded for a favorable rating so that ‘Mr. Trump would invite [them] back to do other retreats.’” In other cases mentors compelled students to complete the non-anonymous evaluations in their presence, filled out the forms themselves or pressured students into giving higher scores or completing the evaluations before they had an opportunity to see if Trump University’s promises would be fulfilled.

**Trump University’s Failure to Vet the Instructors and Mentors They Touted as Successful Real Estate Investors**

115. In addition to misrepresenting the nature and quality of their mentorships, Trump University touted its instructors and mentors as successful real estate investors and experts despite receiving substantial evidence to the contrary, and took almost no substantive steps to verify the qualifications and credentials its instructors and mentors claimed to possess.

116. Indeed, it was not until late 2009 — over two years after Trump University began expanding its live courses and mentorships — before they even attempted to gather any supporting documentation from its instructors and mentors to prove that they had the claimed expertise. Rather, they relied on cursory, self-reported statements such as resumes and short application forms.

117. Even with this cursory review, Trump University became aware of evidence strongly at odds with candidates’ claims of qualifications and past success, and yet Trump University retained the candidates anyway. When candidates’ stated credentials were reviewed by an outside firm that conducted basic background checks on prospective instructors and mentors, the checks repeatedly found discrepancies or reported that they were “[u]nable to verify” candidates’ claimed qualifications, and candidates claiming to be “self-employed” were unable to prove any income or proof that they were “employed” at all.



118. In addition, many candidates came directly to Trump University from other seminar companies — where they had worked as motivational speakers or sales representatives — or employment having little if anything to do with real estate investment.

119. Trump University was also aware that some of its instructors and mentors who had been investing in real estate had filed for Chapter 7 bankruptcy protection shortly before coming to work at Trump University, belying any claims of success as real estate investors.

120. Despite having been presented with information that candidates' claims were unverified or unsubstantiated, Trump University retained these individuals as seminar instructors, or as mentors to Trump Elite students.

### **Refund Practices**

121. Trump University repeatedly failed to make refunds to students who did not receive the services promised, or in accordance with the three-day cooling-off period required by the Federal Trade Commission (“FTC”), 16 C.F.R. § 429 (the “FTC Rule”).

122. The FTC Rule provides a three-day right of cancellation for consumers who are solicited to purchase goods or services at a place other than the seller's place of business — for example, those made at hotels and other temporary locations, such as Trump University's sales, which occurred predominantly at the seminar locations in hotel ballrooms and convention center meeting halls.

123. After students purchased the Trump Elite programs, Trump University representatives repeatedly refused to honor students' timely requests to rescind — claiming that Trump University did not permit any refunds with regard to the mentorship programs, or that the rescission period was only 24 hours.

124. Respondents also refused to honor a timely request for rescission by reiterating explicit promises of personal assistance, but then renege on those promises after the three-day cooling-off period had expired and then ignoring demands for a refund.

125. Even in instances when Trump University did honor timely requests for rescission under the FTC Rule, it was often after a student's repeated requests over a period of weeks or months.

126. Trump University also routinely refused to provide refunds to students who complained of mentorships that were inadequate or incomplete.

127. Instead, typically Trump University was only willing to provide students with additional phone calls with a different mentor.

128. Often, it was only after a student made repeated attempts to contact Trump University, or contacted or threatened to contact his or her state attorney general, the BBB, or NYSED, that Trump University would finally provide a refund to the student.

### **Students' Lack of Promised Success and Financial Injury**

129. Despite the hard work they expended attempting to invest in real estate, numerous Trump University students did not realize the successes that had been promised to them by their instructors and mentors — and in many instances ended up worse off than they had been before enrolling in any of Trump University's programs.

130. Trump University repeatedly told students they would quickly recoup the cost of expensive Trump University programs through successful real estate deals. Many students relied on explicit representations that they would make their money back in thirty or sixty days or on the first deal. Some students took on upwards of \$20,000 in credit card debt, often at the suggestion of Trump University speakers, that they are still paying off. One student lost her life savings, and

another had to downsize from a house to a studio apartment, as a result of their investments in the costly mentorship programs.

131. Trump University repeatedly failed to deliver what was promised — promises such as adequate training, available and knowledgeable mentors, and access to hard money lenders. And despite their expensive investments, students regularly failed to conclude even a single real estate transaction, let alone recoup the cost of the Trump University programs.

### **Liability of Donald Trump, Michael Sexton and the Trump Organization for the Acts and Practices of Trump University**

#### ***Donald Trump***

132. Donald Trump, both personally and through The Trump Organization, controlled many critical aspects of Trump University on a day-to-day basis — including the purse strings, the advertisements, legal and regulatory matters, and a host of other functions.

133. Donald Trump participated directly in the creation of Trump University and its operation. In fact, in a private action against Trump University in federal court, Trump has conceded that he had “significant involvement with both the operation and overall business strategy of Trump University,” including “attending frequent meetings” with Michael Sexton “to discuss Trump University’s operations.”

134. Donald Trump holds his stake in Trump University through two closely held corporations, DJT University Member LLC and DJT University Managing Member LLC, together giving him control of 92% of the equity in Trump University.

135. Donald Trump invested all of the initial capital into Trump University: \$1.8 million at first, with later contributions bringing the total to around \$2 million.

136. Donald Trump was designated as Trump University’s Chairman, a position he still holds today.

137. As described above, Donald Trump’s photographs, signature, and quotes were prominently displayed on all of Trump University’s newspaper advertisements and direct mail solicitations, the latter of which was typically styled as a letter from Donald Trump, with a logo at the top that just read “TRUMP” and “From the Office of Donald J. Trump” rather than “Trump University.” Examples of statements directly from Donald Trump contained in advertisements and solicitations bearing Donald Trump’s signature include:

- “I can turn anyone into a successful real estate investor, including you.”
- “Are you the next DONALD TRUMP? Come Prove it to me!”
- “I want to give you the benefit of my experience – to show you what to do and *not do* in this fast-changing market.”
- “Come to my **free** class. In just 90 minutes, my hand-picked instructors will share my techniques, which took my entire career to develop. Then, just copy exactly what I've done and get rich.”
- “That’s why I’m sharing my proprietary ‘Blueprint For Real Estate Success’ . . . knowledge that can **empower you to be the one who wins in this downturn.**”
- “My hand-picked instructors and mentors will show you how to use real estate strategies. . . With our simple instructions and practices exercises—and ongoing support from your own Trump Team of Experts—you’ll have what you need to succeed!”

138. Donald Trump personally reviewed and approved each Trump University advertisement.

139. Donald Trump also personally participated in meetings to discuss Trump University’s marketing materials.

140. Donald Trump also personally appeared in an introductory video that was shown to students at Trump University’s free seminars.

141. Donald Trump is the putative co-author of several of the books provided to Trump University students — including *Trump 101* and *Wealth Building 101* — both of which

prominently profess Trump's desire to be an educator and his involvement with Trump University. And in the forward to Trump University Commercial Real Estate Investing 101, Donald Trump wrote that he "made sure that the curriculum is built on a rock-solid foundation of proven methods for building your business."

142. As noted above, Donald Trump was aware as early as 2005 that Trump University was operating without a license and that its use of the word "University" in its name violated New York Education Law. Indeed, the 2005 letter from NYSED regarding these violations was personally addressed to Donald Trump.

143. The sole signatories of the bank accounts of Trump University are Donald Trump himself, his three adult children, and Allen Weisselberg, Trump Organization's chief financial officer. None of these signatories were ever employees of Trump University LLC.

144. Indeed, when capital distributions were made to Donald Trump, first recompensing him for his initial capital contribution and then paying him up to \$5 million in profits, the checks were written to "Donald J. Trump" personally, rather than to the legal entities through which Donald Trump purportedly holds his stake, DJT University Member LLC and DJT University Managing Member LLC. Donald Trump was also the signatory on these checks. In fact, Trump University never made any payments to DJT University Member LLC and DJT University Managing Member LLC. After their initial creation in 2004, those corporate entities — which were the actual members of Trump University LLC and thus the rightful recipients of any capital distributions from it — were almost completely disregarded.

***Michael Sexton***

145. Respondent Michael Sexton actively participated in and had actual knowledge of many of the fraudulent and illegal acts of Trump University.

146. Sexton was President of Trump University from its inception in 2004 until late in 2010. He was one of the four members of Trump University LLC, with a 4.5% equity interest. He was involved in the creation of Trump University, including bringing the idea to Donald Trump in 2004 and meeting with him and Trump Organization employees to discuss its formation and the terms of the Trump University LLC agreement.

147. As President, he oversaw all of its operations, including, but not limited to, its finances, curriculum development, the scheduling and execution of its seminars and mentorship programs, and its reporting to employees of The Trump Organization and Donald Trump.

148. Moreover, as early as 2005, Sexton was aware that Trump University lacked proper licensing and was illegally referring to itself as a University, but despite promises to Joseph Frey at NYSED, Sexton ultimately took no action to rectify these persistent violations of New York law for nearly five years — and never rectified Trump University’s evasion of New York licensure and regulatory laws.

### ***The Trump Organization***

149. Trump Organization also directed and controlled the acts and practices of Trump University and had knowledge of its fraudulent and illegal conduct.

150. Indeed, the Trump University LLC corporate form was regularly ignored. There were never any meetings of the members, no votes ever taken, and no minutes of meetings ever prepared.

151. Major corporate decisions were routinely made for Trump University LLC by individuals at Trump Organization who were not officers, directors, or employees of the company or of its members, such as the decisions to change Trump University’s business model in 2005, or to wind down its operations in 2010 due to poor revenue performance.

152. Requests from Trump University management for additional capital were made directly to Jeff McConney, the Controller of the Trump Organization.

153. The Trump Organization controlled Trump University's bank accounts and expenditures. In order for Trump University LLC vendors to be paid, Trump University checks had to be sent from Trump University LLC at 40 Wall Street to Trump Organization Chief Financial Officer Allen Weisselberg at the Trump Tower on Fifth Avenue, for his review and signature.

154. Furthermore, for more than a year after the bank accounts were opened, Trump University Controller Steven Matejek could not even see the balances in the accounts until monthly statements arrived. This practice was only changed after Matejek made repeated requests that he be authorized to receive online access to the account information.

155. The Trump Organization also prohibited Trump University from having any corporate credit cards for routine expenses. Instead, Trump Organization employees instructed Trump University to put all such charges on a personal credit card, sometimes resulting in hundreds of thousands of dollars in charges in a single month. Payment of Trump University employees' credit card bills then had to be sent to Trump Organization for review and approval.

156. Further, Trump University provided at least monthly financial reports to Trump Organization containing numbers as well as narrative descriptions of whether financial metric targets for Trump University LLC were being met and, if not, the reasons why. Moreover, Trump University was required to make such regular financial reports to The Trump Organization, including quarterly and annual reports, and was reprimanded when such reports were tardy.

157. When Trump University began experiencing financial difficulties in late 2009 and into 2010, The Trump Organization allowed Trump University to remain in its office space at 40 Wall Street without paying any rent.

158. The Trump Organization also directly administered many of the other business functions of Trump University, often in minute detail, including its insurance policies, 401k retirement accounts, Internet domain names, e-mail addresses and systems, information technology “help desk” support for individual Trump University employees, and purchasing and maintaining individual licenses and contracts for Blackberry devices for Trump University employees.

159. In fact, Trump University’s instructors and speakers routinely told audiences that they and their colleagues were appearing “on behalf of the Trump [O]rganization,” or that they were “hand selected by the Trump Organization,” and that students would be taught by, work with, and receive “support from the Trump [O]rganization.”

160. The in-house lawyers at The Trump Organization also made decisions for Trump University when legal and regulatory issues arose such as the decision to cease operations in Texas after the Texas Attorney General commenced an investigation into Trump University.

161. Likewise, it was The Trump Organization that finally decided in 2010 to stop using the word “University” in its name.

**FIRST CAUSE OF ACTION**  
**VIOLATIONS OF EXECUTIVE LAW § 63(12)**  
**FRAUD**

162. Executive Law § 63(12) authorizes the Attorney General to bring a special proceeding when any person or entity engages in repeated fraudulent acts in the operation of a business.



163. Fraud under Executive Law § 63(12) is broadly defined to include “any device, scheme or artifice to defraud and any deception, misrepresentation, concealment, suppression, false pretense, false promise or unconscionable contractual provisions.”

164. By reason of the conduct alleged above, respondents have engaged in repeated and persistent fraudulent conduct in violation of Executive Law § 63(12).

**SECOND CAUSE OF ACTION**  
**VIOLATIONS OF EXECUTIVE LAW § 63(12)**  
**VIOLATIONS OF GBL § 349**

165. Executive Law § 63(12) authorizes the Attorney General to bring a special proceeding to enjoin repeated illegal acts or persistent illegality in the carrying on, conducting, or transaction of business.

166. GBL § 349 prohibits deceptive acts and practices in the conduct of any business, trade, or commerce in the state of New York.

167. Respondents’ acts and practices, described above, are deceptive in violation of GBL § 349.

168. By their actions in violation of GBL § 349, respondents have engaged in repeated and persistent illegal conduct in violation of Executive Law § 63(12).

**THIRD CAUSE OF ACTION**  
**VIOLATIONS OF EXECUTIVE LAW § 63(12)**  
**VIOLATIONS OF GBL § 350**

169. Executive Law § 63(12) authorizes the Attorney General to bring a special proceeding to enjoin repeated illegal acts or persistent illegality in the carrying on, conducting, or transaction of business.

170. GBL § 350 prohibits false advertising in the conduct of any business, trade, or commerce in the state of New York.

171. Respondents' acts and practices, described above, are in violation of GBL § 350.

172. By their actions in violation of GBL § 350, respondents have engaged in repeated and persistent illegal conduct in violation of Executive Law § 63(12).

**FOURTH CAUSE OF ACTION**  
**VIOLATIONS OF EXECUTIVE LAW § 63(12)**  
**VIOLATIONS OF EDUCATION LAW § 224**

173. Executive Law § 63(12) authorizes the Attorney General to bring a special proceeding to enjoin repeated illegal acts or persistent illegality in the carrying on, conducting, or transaction of business.

174. Education Law § 224 prohibits conferral of a degree, or the use, advertisement, or transaction of business under the name "university" without possessing a special charter from the legislature or the regents of the State of New York.

175. Respondents' repeated and persistent use of the name "university" without possessing a special charter from the legislature or the regents of the State of New York violates Education Law § 224.

176. By their actions in violation of Education Law § 224, respondents have engaged in repeated and persistent illegal conduct in violation of Executive Law § 63(12).

**FIFTH CAUSE OF ACTION**  
**VIOLATIONS OF EXECUTIVE LAW § 63(12)**  
**VIOLATIONS OF EDUCATION LAW ARTICLE 101, §§ 5001-5010, AND PART 126 OF**  
**TITLE 8 OF THE NEW YORK CODES, RULES, AND REGULATIONS**

177. Executive Law § 63(12) authorizes the Attorney General to bring a special proceeding to enjoin repeated illegal acts or persistent illegality in the carrying on, conducting, or transaction of business.

178. Article 101 of the Education Law provides:

No private school which charges tuition or fees related to instruction . . . shall be operated by any person or persons, firm, corporation, or private organization for the purpose of teaching or giving instruction in any subject or subjects, unless it is licensed by the department.

N.Y. Educ. Law §5001(1).

179. Private schools licensed in accordance with Education Law § 5001(1) must comply with the requirements of Article 101 and regulations promulgated thereunder at Part 126 of Title 8 of the New York Codes, Rules, and Regulations, including:

- Prohibitions against false, misleading, deceptive, or fraudulent advertising consistent with Article 22-A of the General Business Law, N.Y. Educ. Law § 5002(7);
- A requirement that any individual paid to solicit or enroll any students unless the individual is a “salaried employee of the school” and has “secured a private school agent’s certificate” from NYSED, N.Y. Educ. Law § 5004(1)(a), with additional regulations of the timing of commission paid to such private school agents, *see id.* at § 5004(1)(c);
- Full refunds for students withdrawing within the first week of instruction, with partial refunds required up through the first four weeks of instruction, N.Y. Educ. Law § 5002(3)(b)(1), and all refunds paid within 45 days, *id.* at 5002(3)(g);
- Individual licensure of each teacher by NYSED, requiring, *inter alia*, at least a high-school diploma and at least two years’ practical experience in the subject matter taught, N.Y. Educ. Law § 5002(6); 8 NYCRR § 126.6(f);
- A director individually licensed by NYSED, with at least five years’ experience in the subject matter taught, teaching the subject matter, or in administration or supervision, N.Y. Educ. Law § 5002(6); 8 NYCRR § 126.6(d); and
- Funding of a “tuition reimbursement account” from which student refunds may be paid by NYSED if the school fails to honor a refund request, *see id.* at § 5007, including full refunds for all students when a school has closed or ceased operation, *id.* at § 5007(5)(b).

180. As set forth above, respondents have repeatedly and persistently violated Education Law Article 101, §§ 5001-5010, and regulations promulgated thereunder, by operating

an unlicensed private school and failing to comply with the legal requirements imposed on licensed private schools.

181. By their actions in violation of Education Law Article 101, §§ 5001-5010, and regulations promulgated thereunder, respondents have engaged in repeated and persistent illegal conduct in violation of Executive Law § 63(12).

**SIXTH CAUSE OF ACTION**  
**VIOLATIONS OF EXECUTIVE LAW § 63(12)**  
**VIOLATIONS OF 16 C.F.R. § 429**

182. Executive Law § 63(12) authorizes the Attorney General to bring a special proceeding to enjoin repeated illegal acts or persistent illegality in the carrying on, conducting, or transaction of business.

183. Section 429 of Title 16 of the Code of Federal Regulations provides that it is an unfair or deceptive act or practice for a seller to fail to furnish the buyer with a contract that discloses the right to cancel the transaction within three business days and fails to inform the buyer orally of the buyer's right to cancel for sales at a place other than the seller's place of business, including those made at hotels and other temporary locations. *See* 16 C.F.R. § 429.0(a), 429.1.

184. Section 429 also provides that sellers must honor any notice of cancellation made within three business days and refund all payments made within ten business days of receipt of such notice. *See* 16 C.F.R. § 429.1(g).

185. As set forth above, respondents have repeatedly and persistently violated 16 C.F.R. § 429 by failing to honor notices of cancellation made within three business days and to refund all payments made within ten business days of receipt of such notice.

186. By their actions in violation of 16 C.F.R. § 429, respondents have engaged in repeated and persistent illegal conduct in violation of Executive Law § 63(12).

**PRAYER FOR RELIEF**

**WHEREFORE**, petitioner requests an order and judgment pursuant to Executive Law § 63(12) and GBL §§ 349, 350, and 350-d, Education Law §§ 224 and 5001-5010, and 16 C.F.R. § 429:

1. Permanently enjoining respondents from violating Executive Law § 63(12), GBL §§ 349 and 350, Education Law §§ 224 and 5001-5010, and 16 C.F.R. § 429, and from engaging in the fraudulent, deceptive, and illegal acts and practices alleged in the Verified Petition;
2. Directing respondents to render an accounting to the Office of the Attorney General of the name and address of each former customer of respondents, and the amount of money received from each such former customer;
3. Directing respondents to make full monetary restitution and pay damages to all injured persons or entities;
4. Directing respondents to produce an accounting of profits and to disgorge all profits resulting from the fraudulent and illegal practices alleged herein;
5. Directing respondents to pay a civil penalty to the State of New York of up to \$5,000.00 for each violation of GBL Article 22-A, pursuant to GBL § 350-d;
6. Awarding petitioner additional costs of \$2,000.00 against each respondent pursuant to CPLR § 8303(a)(6); and


7. Granting such other and further relief as the Court deems just and proper.

Dated: New York, New York  
August 24, 2013

Respectfully submitted,

ERIC T. SCHNEIDERMAN  
Attorney General of the State of New York  
Attorney for Petitioner

By:



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TRISTAN C. SNELL  
Assistant Attorney General  
Bureau of Consumer Frauds and Protection  
120 Broadway  
New York, NY 10271  
(212) 416-8294

Of Counsel:

JANE M. AZIA  
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Bureau of Consumer Frauds and Protection

LAURA A. LEVINE  
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MELVIN L. GOLDBERG  
Assistant Attorney General  
Bureau of Consumer Frauds and Protection



# EXHIBIT 2



**BEFORE THE NEW YORK STATE JOINT  
COMMISSION ON PUBLIC ETHICS**

DONALD J. TRUMP and THE TRUMP  
ORGANIZATION

Complainants,

-v-

ERIC T. SCHNEIDERMAN, Attorney General of  
the State of New York,

Respondent.

**AFFIDAVIT OF  
DONALD J. TRUMP**

**STATE OF NEW YORK** )

) ss.

**COUNTY OF NEW YORK** )

**DONALD J. TRUMP**, being duly sworn, deposes and says:

1. I am an individual Complainant in this matter as well as the Chairman and President of The Trump Organization (“Trump Org.”).

2. I submit this affidavit, based upon personal knowledge, unless otherwise stated, in support of the accompanying Complaint requesting that the New York State Joint Commission on Public Ethics (the “Commission”) commence an investigation into alleged misconduct by New York State Attorney General Eric T. Schneiderman (“Mr. Schneiderman”).

3. While Mr. Schneiderman was campaigning in 2010, he personally came to visit me, unannounced, at my office on at least two occasions. At that time, Mr. Schneiderman’s campaign was struggling and the purpose of each visit

was to solicit campaign contributions and other assistance from Trump Org. and I. I also received numerous phone calls from Mr. Schneiderman and his representatives seeking financial support for his campaign.

4. On October 12, 2010, in response to a request made by Mr. Schneiderman during one of his visits to my office, I gave Mr. Schneiderman a \$12,500 campaign contribution. (Cmplt. Ex. 9.).

5. At Mr. Schneiderman's specific request, I also introduced him to a number of wealthy New Yorkers so that he could solicit additional campaign contributions. But for Mr. Schneiderman, it was never enough. Even though his election was not of particular importance to me, Mr. Schneiderman always wanted more and acted as if I was not doing my part to assist him in his election campaign.

6. Only two weeks after my contributing to Mr. Schneiderman's campaign, on October 25, 2010, Mr. Schneiderman, according to public records, accepted \$15,000 in campaign contributions from attorneys Patrick Daniels and Michael Dowd, both founding partners with the law firm of Robbins, Geller, Rudman and Dowd LLP. (Cmplt. Ex. 11)

7. These contributions were particularly significant in that, at the time they were made, the Robbins Geller firm was already representing former students of Trump Org.'s affiliate, Trump Entrepreneurial Initiative LLC f/k/a Trump

University LLC (“TEI”), in a frivolous lawsuit against TEI in the United States District Court for the Southern District of California.

8. Shortly after taking office on January 1, 2011, and a mere six months after accepting my campaign contribution, Mr. Schneiderman and the Office of the Attorney General (“OAG”) launched an investigation into TEI by serving, on May 17, 2011, a subpoena demanding the production of thousands of documents from TEI. Notably, in the subpoena, the OAG focused their inquiry on virtually the exact same issues that were already being litigated in the California action filed by the Robbins Geller firm. Prior to receiving the subpoena, the OAG had never given any indication that it was even considering investigating TEI.

9. The OAG’s investigation of TEI was part of a larger investigation into for-profit universities and trade schools operating in New York State and focused primarily on educational institutions that had received some form of state or federal financial aid, grants or subsidies for themselves or their students.

10. Though TEI, almost immediately after receiving the subpoena, explained to the OAG that neither it nor its students had ever received any type of aid or other government assistance and that TEI was no longer operating, TEI, for reasons which would only later become obvious, continued to be a target of the OAG’s probe.

11. Literally within minutes of receiving the subpoena, I was bombarded with inquiries from numerous reporters from various media outlets, many of whom said that they had been contacted by and had already spoken with the OAG concerning the investigation and had been given advance copies of the subpoena.

12. In the months that followed, I instructed TEI to cooperate fully with the investigation, granting the OAG virtually unfettered access to thousands of TEI's documents, including more than 10,000 handwritten surveys from former TEI students, 98 percent of whom had given TEI's programs and curriculum the highest degree of praise. TEI also willingly provided detailed responses to the OAG's repeated requests for information and produced multiple TEI representatives, including its former president and controller, to give sworn testimony at depositions conducted by the OAG at its offices.

13. Throughout TEI's cooperation with the OAG's investigation as well as during subsequent settlement discussions between TEI and representatives from the OAG, Mr. Schneiderman, both directly and through his former transition committee leader, totally unsolicited, personally assured me and other Trump Org. executives, including my daughter Ivanka M. Trump, that the OAG's investigation into TEI was weak, that it was "going nowhere," and that it would never result in a lawsuit.

14. Approximately four months later, Mr. Schneiderman's former transition committee leader asked my daughter Ivanka if she would arrange for me to make a contribution to a fundraising event sponsored by Mr. Schneiderman for newly elected California Attorney General Kamala Harris. (Cmplt. Ex. 15.)

15. In response, I made a \$5,000 contribution to Ms. Harris' campaign – the highest level of sponsorship listed in the invitation – and Ivanka attended the event together with some of Trump Org.'s other top executives. (Cmplt. Ex. 16.)

16. Given Mr. Schneiderman's persistent, unsolicited and unqualified reassurances that the investigation would never eventuate in a lawsuit, and my sincere belief that there was no wrongdoing on the part of TEI, I did not perceive any issue with trying to assist Mr. Schneiderman whenever I or other Trump Org. executives were able.

17. Nonetheless, after I rejected Mr. Schneiderman's efforts to extract a wholly unwarranted settlement, on August 24, 2013 – a Saturday – Mr. Schneiderman caused the OAG to file a petition (the "Petition") against TEI, Trump Org., former TEI CEO Michael Sexton and others, even naming me personally despite the fact that my involvement with TEI was solely in a corporate capacity. (Cmplt. Ex. 1.)

18. Mr. Schneiderman's filing came as quite a surprise, not simply because Mr. Schneiderman had repeatedly stated that the investigation was going

nowhere, but because both the OAG and Mr. Schneiderman were well aware that TEI had closed its operations, ceased advertising and stopped enrolling new students more than three years earlier.

19. However, before Trump Org., myself or any of the other parties had even been served with the Petition, Mr. Schneiderman commenced an unprofessional, unethical and libelous jury pool poisoning media blitz, appearing on a vast multitude of nationally broadcast television shows and in other media outlets to purposely defame me and my company. Additionally, Mr. Schneiderman proceeded to use his official OAG Twitter account to not only publicly vilify me, but to promote his upcoming televisions appearances where he would be discussing the merits of the case, all in an unprincipled attempt to influence his constituents, the public and even potential jurors. (Cmplt. Ex. 28.)

20. Among other baseless and inflammatory insults, Mr. Schneiderman stated that I “used [my] celebrity, personally appearing in commercials making false promises to convince [New Yorkers] to pay for lessons they never got,” and that “over [5,000] people who paid [me] to teach them [my] tactics got a lesson in bait-and-switch.” (*Id.*)

21. As set forth in detail in the accompanying Complaint, beginning on the morning of August 26, 2013, Mr. Schneiderman appeared on numerous national news shows, including CNBC Squawk Street, Politics Nation with Rev.

Al Sharpton, Good Morning America, The Today Show, CNN New Day and HuffPost LIVE using the Petition as a platform to personally attack me.

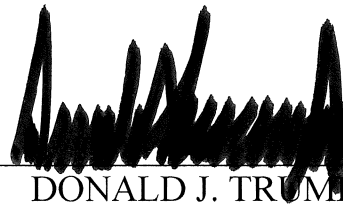
22. During his unstatesmanlike and unethical media blitz, Mr. Schneiderman referred to TEI as a “scam from top to bottom,” a “classic bait and switch” and a “phony university with phony instructors.” He even compared TEI students to “investors with Madoff.”

23. Mr. Schneiderman’s personal, persistent and targeted solicitation of financial support, political endorsements and other related favors from Trump Org. executives and I prior to the filing of the meritless Petition and during the pendency of the OAG’s investigation into TEI and settlement discussions between TEI and the OAG, Mr. Schneiderman’s persistent, unsolicited and unqualified reassurances that the investigation would never eventuate in a lawsuit, and his instigation of a national media frenzy immediately following its filing, can lead to only one conclusion: Mr. Schneiderman has flagrantly and deliberately abused his public office in an attempt to increase his political capital by publicly vilifying my character, all in an effort to generate enormous publicity to extort a totally unwarranted settlement in furtherance of his own political aspirations.

24. Indeed, as has been widely reported, Mr. Schneiderman makes no attempt to hide his penchant for political shakedowns. (*See, e.g.*, Cmplt., Exs. 29-31.)

25. Mr. Schneiderman lambasted me in the media, saying there was “one set of rules” for everyone. But that is not exactly true: elected public officials are held to a higher standard. Mr. Schneiderman has debased and dishonored the venerable Office of the Attorney General of the State of New York in the eyes of the public by repeatedly, willfully and flagrantly refusing to meet that codified standard.

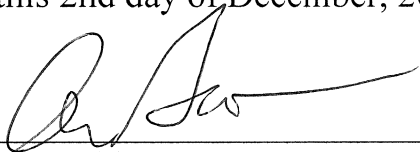
26. For all of these reasons, I respectfully request that the Commission, consistent with its bipartisan mandate, promptly open an investigation into Mr. Schneiderman’s misconduct during the course of the TEI investigation.



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DONALD J. TRUMP

Subscribed and sworn to before  
me this 2nd day of December, 2013



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Notary Public

ALAN GARTEN  
Notary Public, State of New York  
No. 02GA6021578  
Qualified in Nassau County  
Commission Expires on March 15, 2015



# EXHIBIT 3

BEFORE THE NEW YORK STATE JOINT  
COMMISSION ON PUBLIC ETHICS

DONALD J. TRUMP and THE TRUMP  
ORGANIZATION

Complainants,

-v-

ERIC T. SCHNEIDERMAN, Attorney General  
of the State of New York,

Respondent.

**AFFIDAVIT OF  
IVANKA M. TRUMP**

**STATE OF NEW YORK** )

) ss.

**COUNTY OF NEW YORK** )

**IVANKA M. TRUMP**, being duly sworn, deposes and says:

1. I am the Executive Vice President of Development & Acquisitions of The Trump Organization (“Trump Org.”), one of the Complainants in this matter.

2. I submit this affidavit, based upon personal knowledge, in support of Complainants’ request that the New York State Joint Commission on Public Ethics commence an investigation into alleged misconduct by New York State Attorney General Eric T. Schneiderman (“Mr. Schneiderman”).

3. During an investigation by the Office of the Attorney General (“OAG”) into Trump Education Initiative LLC f/k/a Trump University LLC (“TEI”), Mr. Schneiderman not only solicited donations, favors and other forms of political support from myself, my father (complainant, Donald J. Trump) and other

executives of Trump Org., but also made repeated, unsolicited and unqualified statements to me personally to the effect that the investigation was insignificant and that his office was merely going through the motions. I had no reason not to believe him because the investigation had revealed no wrongdoing on the part of TEI.

4. Specifically, in or about May 2011, the very same month Mr. Schneiderman launched his investigation into TEI, Mr. Schneiderman had his former transition committee leader reach out to my husband, Jared Kushner, and I, requesting that we introduce Mr. Schneiderman to some of our young, wealthy and accomplished friends and colleagues. Mr. Schneiderman's representative told us that Mr. Schneiderman was interested in establishing relationships with the "next generation of influential New Yorkers" in the hopes of gaining their respect, thereby assuring their financial support of his future political aspirations.

5. I agreed to oblige Mr. Schneiderman's request and, on June 20, 2011, my husband and I hosted a meet-and-greet breakfast for Mr. Schneiderman at Jean Georges in the Trump International Hotel & Tower. At the breakfast, Mr. Schneiderman was introduced to and had the opportunity to speak with approximately 15-20 of our most accomplished friends and colleagues.

6. After the successful breakfast, Mr. Schneiderman sent us a handwritten thank you note on official OAG letterhead. (Cmplt. Ex. 14.) In the

letter Mr. Schneiderman wished us “good luck” with our “next big adventure,” and stated that it was “much more important than any of the rest of the stuff we deal with!” -- which I took to be a reference to the OAG’s investigation into TEI.

7. In September 2011, Mr. Schneiderman’s former transition committee leader again contacted me and said that Mr. Schneiderman would “greatly appreciate” if I attended a fundraising event for newly elected California Attorney General Kamala D. Harris as Mr. Schneiderman’s guest. He also asked that we make a substantial contribution to Ms. Harris’ re-election campaign. (Cmplt. Ex. 15.)

8. In response, my father made a \$5,000 contribution to Ms. Harris’ campaign and I attended the fundraiser. (Cmplt. Ex. 16.) At the event, an intimate gathering of New York business people, I was one of only a small handful of Mr. Schneiderman’s personal guests.

9. Shortly after the fundraiser, Mr. Schneiderman’s former transition committee leader once again contacted me to arrange a dinner meeting with Mr. Schneiderman. On January 12, 2012, my husband and I met Mr. Schneiderman for dinner at Lure Fishbar in Manhattan. Marc Lasry, billionaire and co-founder of Avenue Capital Group, and his wife, also joined us for dinner that evening.

10. On June 30, 2012, Mr. Schneiderman approached me at a wedding we were both attending at Cipriani Wall Street. Mr. Schneiderman, unsolicited, again

brought up his office's investigation of TEI. This time, Mr. Schneiderman was far more outspoken than he had ever been before, volunteering that the OAG's investigation was "very weak" and stating that it was a "non-event" which was "going nowhere." Without me even inquiring, he assured me that he had "no intention of moving forward" with a lawsuit and that TEI should just "be patient" and "let things play out."

11. Mr. Schneiderman went on to volunteer that his office was "highly bureaucratic," and that one of the "most difficult" aspects of being Attorney General was managing the "hundreds of attorneys" on his staff. He asked that we give him time to "go through the motions," to satisfy the long-time staff members of his office.

12. In early July 2012, Mr. Schneiderman's former transition leader again called me directly and told me that Mr. Schneiderman would "really appreciate it" if my husband and I would attend and contribute to a September 12, 2012 fundraiser dinner hosted by the American Friends of the Yitzhak Rabin Center at the Plaza Hotel. (Cmplt. Ex. 17.) Mr. Schneiderman was to be an honoree at that event and was being presented with the Yitzhak Rabin Leadership Award. Not wanting to disappoint Mr. Schneiderman, I purchased a ticket and attended this event.

13. During the Summer of 2012, Mr. Schneiderman's staff repeatedly called my assistant and tried to set up a date on which my husband and I could get together with Mr. Schneiderman. After many failed attempts, on October 15, 2012, we met Mr. Schneiderman for drinks at The Bar at the Four Seasons Hotel in Manhattan.

14. During that meeting, which lasted approximately two hours, Mr. Schneiderman talked openly with me about his aspirations for higher office and his frustration with what he thought was a lack of leadership from government leaders. Mr. Schneiderman also talked extensively about what he believed to be the importance of friendship and loyalty, qualities that he commented were "so rare in politics."

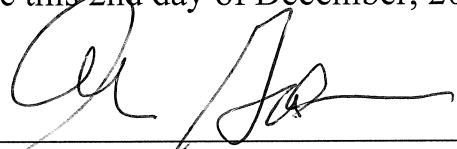
15. Throughout 2012, I received numerous calls and emails directly from both Mr. Schneiderman's former transition leader and his political fundraising consultant, Celeste Wolter of Bedford Grove LLC, requesting that my husband and I attend and contribute to various political fundraisers for Mr. Schneiderman.

16. For example, in November 2012, Mr. Schneiderman's fundraising consultant repeated contacted me, requesting that I consider "attending and supporting" Mr. Schneiderman's birthday celebration/fundraiser at Carmine's Theatre District on December 3, 2012. (Cmplt. Ex. 18.)

17. Again not wanting to disappoint Mr. Schneiderman, I personally contributed \$500 to Mr. Schneiderman's reelection campaign in honor of his birthday. (Cmplt. Ex. 19.)

  
\_\_\_\_\_  
IVANKA M. TRUMP

Subscribed and sworn to before  
me this 2nd day of December, 2013

  
\_\_\_\_\_  
Notary Public

ALAN GARTEN  
Notary Public, State of New York  
No. 02GA6021578  
Qualified in Nassau County  
Commission Expires on March 15, 2015

# EXHIBIT 4



**BEFORE THE NEW YORK STATE JOINT  
COMMISSION ON PUBLIC ETHICS**

DONALD J. TRUMP and THE TRUMP  
ORGANIZATION,

Complainants,

-v-

ERIC T. SCHNEIDERMAN,

Respondent.

**AFFIDAVIT OF  
MICHAEL D. COHEN**

**STATE OF NEW YORK** )

) ss.

**COUNTY OF NEW YORK** )

**MICHAEL D. COHEN**, being duly sworn, deposes and says:

1. I am an Executive Vice President of The Trump Organization (“Trump Org.”) and Special Counsel to Donald J. Trump (“Mr. Trump,” and together with Trump Org., the “Trump Parties”).

2. I submit this affidavit, based upon personal knowledge unless otherwise stated, in support of the accompanying Complaint of the Trump Parties requesting that the New York State Joint Commission on Public Ethics (the “Commission”) commence an investigation into alleged misconduct of New York State Attorney General Eric T. Schneiderman (“Mr. Schneiderman”).

3. Shortly after Mr. Schneiderman assumed office on January 1, 2011, upon information and belief, the OAG commenced an investigation into for-profit

universities and trade schools operating in New York State, focusing primarily on educational institutions that had received some form of state or federal financial aid, grants or subsidies for itself or its students. Among the institutions being investigated was Trump Org.'s affiliate, Trump Entrepreneurial Initiative LLC f/k/a Trump University LLC ("TEI").

4. Though neither TEI nor its students had ever received any government assistance, on or about May 17, 2011, the OAG issued a subpoena *duces tecum* to TEI, seeking production of a broad range of documents and information pertaining to the business and real estate related seminars and programs TEI offered before shuttering its operations in 2010.

5. I personally, along with other Trump Org. personnel, was assigned to this matter to ensure TEI's full compliance with the subpoena.

6. Within literally minutes of receiving the subpoena, Trump Org. received a call from New York Times reporter Michael Barbaro seeking comment from the Trump Parties regarding the detailed allegations set forth in the subpoena for an article he was set to publish. Thereafter, the Trump Parties received similar inquiries from reporters from numerous other media outlets, each of whom had detailed knowledge of the OAG's investigation and many of whom readily admitted they had been contacted by and had already spoken with the OAG concerning the investigation and were given a copy of the subpoena.

7. Between May 2011 and August 2013, TEI cooperated fully with the OAG's investigation, granting the OAG virtually unfettered access to hundreds of thousands of documents, providing detailed responses to the OAG's repeated requests for information and producing multiple TEI representatives, including the former president and controller, to give sworn testimony at depositions conducted by the OAG at its offices.

8. Nonetheless, in or about mid-November 2011, a dispute arose between TEI and the OAG relating principally to TEI's assertion of attorney-client privilege with respect to a limited group of documents and correspondence, and in particular, emails to which I was party as counsel to Trump Org. and Mr. Trump.

9. Over the next several months, TEI and the OAG tried to work together to resolve their differences, but every time it appeared that progress was being made, TEI would not hear back from the OAG for weeks and even months at a time.

10. On April 27, 2012, the issue finally came to a head when Mr. Schneiderman, in his first public filing against TEI, caused the OAG to commence a special proceeding in New York County Supreme Court, seeking an order compelling TEI to turn over the documents that were the subject of the parties' dispute (the "2012 Petition"). (Cmplt. Exs. 5-6.)

11. Once again, however, instead of notifying TEI of the filing, TEI and the Trump Parties first learned of the 2012 Petition from the editor of The Real Deal newspaper, who confirmed he had received an advance copy of the lawsuit from the OAG.

12. It was not until June 17, 2013, that the OAG requested that the court discontinue the 2012 Petition. (Cmplt. Ex. 7.) On June 18, 2013, the court issued an order withdrawing the 2012 Petition. (Cmplt. Ex. 8.) Thus, during virtually the entire time that Mr. Schneiderman was actively soliciting campaign contributions, political endorsements and other special favors from Mr. Trump and Trump Org. executive Ivanka Trump, the Trump Parties and their affiliates (including TEI) were not only under investigation by the OAG, but were also defendants in a lawsuit filed by the OAG.

13. Though I was not aware of it at the time because Mr. Schneiderman and the OAG never served the 2012 Petition, my emails and other correspondence with TEI were of particular interest to the OAG in its investigation of TEI. (*See* April 27, 2012 Affirmation of Assistant Attorney General Melvin L. Goldberg submitted in support of the 2012 Petition (Cmplt. Ex. 6) at ¶¶26, 28, 36-38.) Specifically, in the 2012 Petition the OAG asserted, without any basis, that my communications with TEI were not privileged, falsely alleging that I was acting in a business or management role rather than as an attorney. (*Id.* at ¶37.)

14. I spoke with Mr. Schneiderman at an April 17, 2013 fundraiser for his reelection campaign, which took place during a Nets basketball game at the Barclay Center. I contributed \$1,000 to Mr. Schneiderman's reelection campaign in order to attend that event, which was hosted by Brad Gerstman and David Schwartz of Gotham Government Relations & Communications (a firm which happens to be Trump Org.'s outside public relations consultants as well). (Cmplt. Exs. 20-21.)

15. At that fundraiser, Mr. Schneiderman, without provocation, brought up the OAG's inquiry into TEI. Because it struck me as highly improper for Mr. Schneiderman to discuss an ongoing OAG investigation with an in-house attorney for the target of the investigation, I felt compelled to remind him that I am a Trump Org. Executive Vice President and Special Counsel to Mr. Trump. Mr. Schneiderman acknowledged that he was aware of my position and nevertheless repeatedly assured me that the investigation was going nowhere, that the Trump Parties should "be patient," and "let it ride," and that no lawsuit would eventuate.

16. Mr. Schneiderman and his fundraising consultant, Celeste Wolter, then proceeded to ask me if I would be willing to use my Trump Org. and personal contacts to persuade certain celebrities and professional athletes to attend Mr. Schneiderman's fundraising events in the future. For example, Mr. Schneiderman and Ms. Wolter requested that I ask players on the New York Giants and the New

York Jets with whom I am friendly to attend some of Mr. Schneiderman's reelection fundraisers in the future.

17. Mr. Schneiderman and Ms. Wolter explained that Mr. Schneiderman's fundraisers were time consuming and costly to organize and if professional athletes, celebrities or other high-profile individuals were associated with the events, they would draw more attention from a greater number of potential contributors. Mr. Schneiderman and Ms. Walter believed that a celebrity presence at Mr. Schneiderman's fundraisers would generate enthusiasm among those attending and would breathe life into otherwise mundane political fundraising events.

18. Ms. Wolter followed up this request in an email on April 29, 2013, again asking that I get them "some talent for [Mr. Schneiderman's] spring event on May 21<sup>st</sup> (or in the near future)." (Cmplt. Ex. 22.) With this request, Ms. Wolter attached a fundraising solicitation for Mr. Schneiderman's "Spring Gala" on May 21, 2013 seeking campaign contributions in a minimum amount of \$1,000. (*Id.*)

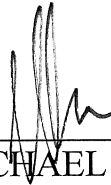
19. At the same time that Mr. Schneiderman and Ms. Wolter were aggressively seeking these favors, Mr. Schneiderman and the OAG were actively investigating TEI and negotiating a potential settlement between the parties. Additionally, although I was unaware of it at the time, the 2012 Petition, which

specifically sought disclosure of my privileged communications with TEI, remained of record during these solicitations.

20. On July 20, 2013, approximately one month prior to the commencement of his baseless lawsuit, Mr. Schneiderman sent me a letter thanking me for my \$1,000 campaign contribution. (Cmplt. Ex. 23.)

21. On Friday, August 23, 2013, the day before the Petition was filed, Rhona Graff, Mr. Trump's Executive Assistant, received an email from Gerry Wagshal, a producer for Good Morning America, requesting an interview with Mr. Trump regarding the allegations of the Petition. (Cmplt. Ex. 27.) I later spoke with Mr. Wagshal and expressed surprise at his detailed knowledge of the Petition, which had not yet been filed with the Court or served on TEI. I told Mr. Wagshal that I felt it would be inappropriate to comment on the substantive allegations of the Petition prior to being served and he agreed.

22. That same day, among numerous other reporters, I received a call from New York Times reporter Michael Barbaro, who asked me whether I wanted to participate in a televised discussion about the Petition against TEI. Because TEI had yet to be served with the Petition, once again I declined to appear.



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MICHAEL D. COHEN

Sworn to before me this  
2<sup>nd</sup> day of December, 2013



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Notary Public

ALAN GARTEN  
Notary Public, State of New York  
No. 02GA6021578  
Qualified in Nassau County  
Commission Expires on March 15, 2015



# EXHIBIT 5

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At an Individual Assignment System Part \_\_\_\_\_  
of the Supreme Court of The State of New York,  
60 Centre Street, City and State of New York  
on the \_\_\_\_\_ day of April, 2012

**PRESENT:** The Hon. \_\_\_\_\_  
Justice of the Supreme Court

In the Matter of

**ERIC T. SCHNEIDERMAN, ATTORNEY  
GENERAL OF THE STATE OF NEW YORK**  
of the State of New York,

**Petitioner**

For an order pursuant to CPLR § 2308(b)  
to compel compliance with a subpoena  
issued by the Attorney General,

**-against-**

**TRUMP UNIVERSITY, LLC d/b/a  
THE TRUMP ENTREPRENEUR INITIATIVE,  
TRUMP UNIVERSITY, AND  
THE TRUMP INSTITUTE.**

**Respondent**

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Index No. \_\_\_\_\_/12

**ORDER TO SHOW CAUSE**

**FILED**  
**COUNTY CLERK**  
**NEW YORK COUNTY**  
APR 27 2012  
Unsigned Order to  
Show Cause

On reading and filing the attached Affirmation of Assistant Attorney General Melvin L. Goldberg, sworn to on April 27, 2012 and the exhibits attached thereto, and on motion of Eric T. Schneiderman, Attorney General of the State of New York, attorney for the Petitioner, the People of the State of New York, it is

**ORDERED** that Respondent in the above-entitled proceeding appear and show cause before IAS Part \_\_\_\_\_, of the Supreme Court, New York County, at the Courthouse thereof located at 60 Centre Street, Room \_\_\_\_\_ in New York, New York 10007, on the \_\_\_\_\_ day of May, 2012 at \_\_\_\_\_ a.m., or as soon thereafter as counsel can be heard, why an order should not

be made, pursuant to New York Executive Law Section 63 (12) and General Business Law Section 349:

- (i) compelling Trump University, LLC d/b/a The Trump Entrepreneur Initiative, The Trump University, and The Trump Institute (herein collectively referred to as the "Respondent") to comply with the subpoena served on it on May 17, 2011 by producing within ten (10) business days:
  - a) transcripts and recordings of seminars;
  - b) compliance reports prepared by Trump to provide feedback and suggested improvements to seminar instructors (each containing a summary or highlights of a Trump seminar, often quoting or referencing specific portions of the seminar); and
  - c) documents showing the communications between the Trump Organization (the primary holding company for Donald Trump's business interests) and Trump Entrepreneur Initiative/University/Institute;
- (ii) assessing \$50.00 (fifty dollars) in costs and \$50.00 (fifty dollars) as penalty for Respondent's refusal to produce requested documents by the return date of the subpoena, and by later dates initially agreed to by the parties, pursuant to CPLR 2308(b); and
- (iii) granting such other and further relief as the Court may deem just and proper.

SUFFICIENT CAUSE to me appearing therefore,

**ORDERED** that service of a copy of this Order, and the papers on which it was granted, upon Respondent, on or before the \_\_\_\_\_ day of May, 2012, shall constitute good and sufficient service thereof, and that answering papers, if any, be served on the Petitioner on or before the return date and time.

ENTER:

\_\_\_\_\_  
J.S.C.

Dated: New York, New York  
April 27, 2012

# EXHIBIT 6

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

-----X  
PEOPLE OF THE STATE OF NEW YORK, by  
ERIC T. SCHNEIDERMAN, Attorney General  
of the State of New York,

Petitioner,

For an order pursuant to CPLR § 2308(b)  
to compel compliance with a subpoena  
issued by the Attorney General,

-against-

TRUMP UNIVERSITY, LLC d/b/a  
TRUMP ENTREPRENEUR INITIATIVE,  
TRUMP UNIVERSITY, AND  
TRUMP INSTITUTE,

Respondent.  
-----X

**AFFIRMATION**

Index No.

RJI No.

Name of Assigned Judge

**FILED**

**APR 27 2012**

**COUNTY CLERK'S OFFICE  
NEW YORK**

MELVIN L. GOLDBERG, an attorney duly admitted to practice in the courts of the State  
of New York, affirms the following under penalty of perjury:

1. I am an Assistant Attorney General in the office of Attorney General ERIC T.  
SCHNEIDERMAN, Attorney General of the State of New York, and am assigned to the  
Consumer Frauds and Protection Bureau. I make this affirmation in support of the application  
for an order compelling compliance with the subpoena duces tecum issued by the Attorney  
General, pursuant to Executive Law § 63(12) and General Business Law Article 22-A, in  
connection with an investigation into the business practices of Trump University, LLC d/b/a  
Trump Entrepreneur Initiative, Trump University, and Trump Institute (collectively referred to as

“Trump” or “Respondent”). A copy of the subpoena and affirmation of service are attached as Exhibit A. No prior application has been made to compel compliance with the subpoena.

2. I am familiar with the facts and circumstances set forth in this affirmation, which are based upon information contained in the files of the Consumer Frauds and Protection Bureau of the Office of the Attorney General and its investigation of Trump.

3. Section 63(12) of the Executive Law and Article 22-A of the General Business Law authorize the Attorney General to obtain, *inter alia*, injunctive relief and restitution for fraudulent and illegal conduct. In connection with any proposed proceeding under these statutes, the Attorney General is specifically authorized to take proof, to make a determination of the relevant facts, and to issue subpoenas in accordance with the Civil Practice Law and Rules.

4. This inquiry into Trump’s business practices is in accord with the Attorney General’s statutorily authorized interest in protecting consumers in the State of New York. This investigation is part of the Attorney General’s efforts to ensure that for-profit schools in New York do not take advantage of people seeking to better themselves through education.

### **BASIS OF THIS INVESTIGATION**

#### **Trump’s Illegal Operation of an Unlicensed “University”**

5. In early 2011, the Attorney General began an investigation into Respondent’s practices after receiving consumer complaints and information from the New York State Department of Education (“DOE”) indicating that Trump was engaging in deceptive and unlawful practices in connection with its real estate investment and wealth creation training programs.

6. From 2005 until sometime in 2010, Respondent operated illegally as an unlicensed educational institution under the names of Trump University, Trump Entrepreneur

Initiative, and Trump Institute. It offered real estate investment and wealth creation courses in New York State, as well as throughout the United States and Canada.

7. DOE notified Trump in 2005 and again in 2009 and 2010, that pursuant to New York Education Law § 5001 it must obtain a license to operate as an educational institution in New York State. Copies of letters sent to Trump by the State Education Department dated June 7, 2005 and March 30, 2010 are attached as Exhibit B and C, respectively.

8. Trump ignored these letters and continued conducting seminars in New York without a license.

9. In addition, Trump's use of the name "Trump University" in connection with its real estate investment courses violated New York Education Law § 224(1) which prohibits the use of the word "university" by entities not authorized as a university by the New York Board of Regents, which Trump is not. See Ex. C (letters from DOE to Donald Trump as chairman of Trump University, dated March 30, 2010 and May 27, 2005).

**Deceptive Business Practices and False Advertising in the Operation of Trump's Seminars**

10. Trump widely advertised its real estate investment courses in newspapers such as the New York Post, Newsday, and New York Metro, as well as in direct mail letters and e-mails and on its website.

11. These advertisements, which prominently featured the picture, words, and signature of Donald J. Trump, the co-founder and principal owner of Trump University, LLC, invited consumers to attend a "free" Trump seminar in order to learn Donald Trump's real estate and other financial techniques from instructors "hand-picked" by Mr. Trump himself. For example, a typical advertisement published in the New York Post stated:



Learn from Donald Trump's handpicked expert how you can profit from the largest real estate liquidation in history. Attend our FREE Investor workshop!

He's the most celebrated entrepreneur on earth. He's earned more in a day than most people do in a lifetime. He's living a life many men and women only dream about. And now he's ready to share -- with Americans like you -- the Trump process for investing in today's once-in-a-lifetime real estate market.

Come to the FREE Introductory class and you'll learn from Donald Trump's handpicked instructor a systematic method for investing in real estate that anyone can use effectively. You'll learn foreclosure investing from the inside out. You'll learn how to finance your deals using other people's money. You'll learn how to overcome your fear of getting started.

"I can turn anyone into a successful real estate investor, including you."  
Donald Trump

A copy of the advertisement appearing in the New York Post on May 22, 2009 is annexed as Exhibit D.

12. Trump's advertisements appear to be part of an elaborate bait and switch to get consumers to enroll in costly Trump programs. Respondent invited consumers to attend its "free" real estate seminars in New York representing that consumers would learn Mr. Trump's real estate and financial techniques. At the "free" seminar, Respondent pressured consumers to purchase a 3-day seminar for \$1,495 by representing that the 3-day seminar would give students everything they needed to be successful real estate investors. At the \$1,495 seminars consumers were told that to succeed as real estate investors, they needed a mentor and additional courses, costing between \$10,000 for the Bronze package and \$35,000 for the Gold Elite program. Approximately a thousand New Yorkers were 'switched' into the \$1,495 program, and of these around a hundred were then 'switched' into to the exorbitantly priced Bronze, Silver, and Gold Elite programs. Whatever the course, Respondent represented that consumers would make back the cost of the course in their first deals, in a matter of months, and that Mr. Trump's "hand-picked" experts would work with them every step of the way.

13. Based on complaints and evidence received by OAG as well as interviews with over 100 consumers who purchased these Trump courses, it appears that Trump's representations were false. There is substantial evidence that Trump's claims regarding the experience and selection process of its instructors, as well as the source of its "curriculum," contained gross misrepresentations.

14. It also appears that the vast majority of customers, even after taking the courses, did not succeed in purchasing income-generating properties or closing other successful real estate deals. Very few consumers were able to consummate any deals at all, and only a handful managed to recoup the cost of the Trump courses, despite Trump's repeated claims that customers would make back their "investments" in a matter of months. To the contrary, the lion's share of Trump customers reported being deeply dissatisfied with the quality of services they received. Many of the customers felt that, notwithstanding their hard work and motivation, they were tricked and duped into paying for instruction that was promised but never delivered.

15. For example, the following are representative complaints received by OAG.

- After paying Trump University \$995 for a 3 day seminar in New York City to teach him how to be a successful real estate investor, Consumer R filed a complaint with the OAG alleging that "instead I spent a weekend with them trying to sell me a mentor and more classes for \$35,000. I've been trying to get my money back unsuccessfully."
- Consumer M filed a complaint with the OAG alleging that she attended a "free" Trump Institute seminar in New York City where she was told there that she needed courses and a mentor to be a successful real estate investor. She spent over \$7,600 for three courses at Trump Institute in New York City only to then be told that that she still needed to pay an additional \$4,000 for a mentor. After spending much of her savings to pay for the program, she found that she "did not get the support I needed or the training I needed to actually get into real estate investing." The one real estate investment she bought failed to bring in sufficient income and ultimately was foreclosed. She has never been able to get a refund.

See Exhibits E and F.

16. Thus, it appears that respondent may have engaged in false advertising and deceptive business practices in violation of Executive Law § 63(12) and GBL §§ 349 and 350 by misrepresenting the nature and quality of its programs and the success consumers would achieve as a result.

17. It also appears that Trump has violated Education Law § 5001 by offering educational classes in New York without a license and Education Law § 224 by using the name Trump "University" and thereby engaged in repeated illegal conduct in violation of Executive Law § 63(12).

### **THE SUBPOENA**

#### **Trump's Initial Failure to Produce Certain Categories of Documents**

18. As part of its investigation into Trump's business practices related to its real estate programs, on May 17, 2011, OAG served Trump with a subpoena duces tecum pursuant to Executive Law § 63(12) and GBL § 349.

19. The subpoena directed the production of all documents relating to the operation of Trump, including documents relating to organizational structure, marketing, scripts, training, employees, program evaluations, consumers enrolled, complaints and other investigations and lawsuits. The subpoena defined documents to include "every writing of whatever nature, whether an original, a draft, or a copy, however produced or reproduced, and each and every tangible thing from which information can be processed or transcribed, such as tape or other electronic data communications" including e-mails. The subpoena directed production by May 31, 2011.

20. Following discussions with Trump's counsel in early June 2011, including detailed discussions and negotiation about the search terms to be used for e-mail production,

petitioner agreed to extend the return date until June 30, 2011 for hard copy documents, with the e-mail production to be provided on a rolling basis to start shortly thereafter. Respondent then made a limited first production on June 30, 2011 and produced additional documents in July, August, September, November and a listing and spreadsheet of Trump consumers in January and February 2012.

21. After reviewing the materials produced, it became apparent that there were certain categories of documents for which OAG had received very limited or no production. These included:

- a) transcripts and recordings of seminars, of which respondent has produced only a handful of transcripts and no recordings;
- b) compliance reports prepared by Trump to provide feedback and suggested improvements to seminar instructors (each containing a summary or highlights of a Trump seminar, often quoting or referencing specific portions of the seminar), only ten of which had been produced; and
- c) documents showing the communications between the Trump Organization (the primary holding company for Donald Trump's business interests) and Trump Entrepreneur Initiative/University/Institute, none of which had been produced.

22. Since October, I have had numerous telephone conversations and written communications with Trump's counsel requesting a full production of these documents. See Ex. G (email dated Nov. 18, 2011); Ex. H (email dated Dec. 9, 2011); Ex. I (letter dated Dec. 16, 2011); Ex. J (letter dated Dec. 22, 2011); Ex. K (letter dated Dec. 29, 2011); and Ex. L (letter dated Jan. 6, 2012).

23. Despite these repeated requests, Trump failed to produce the documents in question or to substantiate any claim of privilege — including, *inter alia*, producing a privilege log as required by the subpoena.

24. First, Trump has failed to produce all transcripts and recordings of its seminars, stating only that, as of January 6, 2012, it would do so “in the near future.” Ex. L (Letter from Avi Schick to Melvin Goldberg (Jan. 6, 2012)). Nearly four months later, Trump has yet to produce any additional transcripts, and it has never produced a single recording. These transcripts and recordings contain a record of the exact words spoken to customers by Trump speakers. As such, they are highly relevant to OAG’s review of Trump’s business practices and its representations to customers, and they clearly bear a reasonable relation to OAG’s investigation.

25. Second, although Trump had produced ten compliance reports in its September 2011 productions, it refused to produce the remaining compliance reports on the grounds that these reports “are likely protected by the attorney-client privilege.” Ex. J (Letter from Avi Schick to Melvin Goldberg (Dec. 22, 2011)). Trump also refused to provide a privilege log detailing and substantiating any of its assertions of privilege, despite the subpoena’s requirement that a log be provided at the time of production. See ¶ 39, infra. Instead, Trump’s counsel indicated that — despite being served the subpoena in May 2011 — it was still “investigating” the privilege issues and “will advise [OAG] when our privilege analysis is complete.” Ex. L (Letter from Avi Schick to Melvin Goldberg (Jan. 6, 2011)). However, these compliance reports bear a reasonable relation to OAG’s investigation for at least three reasons. First, they reveal Trump’s knowledge of the deficiencies in the seminars and the representations made to customers. Second, the reports — as well as the e-mails containing those reports — contain quotes and/or summaries from the transcripts of the seminars and the representations therein. See, e.g., Ex. P.<sup>1</sup> Third, these reports are potentially the **only** sources of that information, given

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<sup>1</sup> Rather than attach these documents as exhibits, OAG will make them available for inspection

that the full transcripts may have been destroyed within 30 days of their creation, consistent with Trump's Document Retention Policy for Transcripts and Recordings (see Ex. R), or perhaps never created in the first place.

26. Lastly, Trump refused to produce any communications between Trump and the Trump Organization — including, in particular, communications with Michael Cohen, the executive vice president of the Trump Organization, as well as documents that identify the names and titles of those individuals at Trump Organization other than Michael Cohen who routinely communicated with Trump. Such communications may reveal the degree to which Trump Organization and individuals at Trump Organization participated in or knew of unlawful conduct with respect to Trump and may also shed additional light on unlawful conduct committed by Trump. In particular, Mr. Cohen is identified in a number of e-mails produced by Trump as the person at the Trump Organization who is handling the payment of vendors of Trump University and Trump Entrepreneur Initiative. See Ex. M. Trump refused to produce any documents relating to Cohen on the ground that Cohen also happens to be an attorney. Although required to do so under the subpoena, Trump's counsel has refused to produce a privilege log related to this assertion of privilege, stating that he "did not see why we should be required to prepare a privilege log at this time" and that he would not produce a privilege log until the end of the entire production. Ex. J. Trump's counsel also refused to provide documents identifying other individuals at Trump Organization who played a role in the operation of Trump on the grounds that OAG's inquiry into these communications is not a "legitimate inquiry into potential wrongdoing." Id.

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at the Court's request, as a courtesy given Trump's claims that the documents are privileged.

### Trump's February 13, 2012 Letter Refusing to Produce Documents

27. On January 17, 2012, eight months after service of the subpoena on Trump and after numerous requests and efforts to establish a reasonable production schedule, OAG sent Trump a letter providing one last chance to produce the outstanding documents. OAG's letter stated that if the documents were not produced by January 30, 2012, along with a privilege log identifying any document withheld on the ground of privilege or other legal doctrine and explaining the legal and factual basis for withholding them by that date, OAG would proceed with a motion to compel. A copy of that letter is attached as Exhibit N.

28. In response to OAG's January 17, 2012 letter, Trump produced neither the documents in question nor a privilege log. Instead, as my office was readying its motion, Trump produced a letter, dated February 13, 2012, attached here as Exhibit O, in which it asserts for the first time — after over **four months of delay** — that all the compliance reports are privileged under the attorney client and/or work product privileges, that the compliance reports Trump had already produced should be returned, that the “vast majority” of communications between Trump and Michael Cohen and other named in-house attorneys at the Trump Organization are privileged, and that the “limited number of non-privileged documents” will be produced “in the near future.” Despite its prior representation in its January 6, 2012 letter that it would produce all transcripts and recordings of Trump presentations “in the near future” (Ex. L), the February 13 letter does not include these documents or even mention their production.

29. Annexed to its February 13, 2012 letter is an affidavit by the former Trump President, Michael Sexton, in which he states that the compliance reports, which were prepared by non-attorneys, were prepared under the direction of its outside counsel, Peter Hoppenfeld, for

his use in providing legal advice to Trump. See Affidavit of Michael Sexton, dated February 9, 2012, annexed to Exhibit O.

**Factual and Legal Errors in Trump's Claim of Privilege over Compliance Reports**

30. In fact, however, Sexton's affidavit contains a glaring factual error. Of the ten compliance reports produced by Trump's counsel (see Ex. P at TRUMP 00143346-00143355),<sup>2</sup> five were prepared in June 2010, **after** the time when Mr. Hoppenfeld ceased working for Trump. According to Mr. Hoppenfeld, with whom I had telephone conversations on February 15, 2012 and again on February 17, 2012, in conjunction with a subpoena served on him by OAG, he had stopped working for Trump sometime before late April 2010. Nor were these compliance reports subsequently sent to Mr. Hoppenfeld after he left Trump's employ. Thus, contrary to Mr. Sexton's blanket assertion, these reports were plainly **not** prepared for Mr. Hoppenfeld's use to provide legal advice to Trump. Trump may wish to cloak these compliance reports in the attorney-client privilege or attorney work product doctrine, but in either case, contrary to Mr. Sexton's affidavit, Mr. Hoppenfeld could not possibly have been the "attorney" in question.

31. Any compliance reports prepared while Mr. Hoppenfeld was still employed by Trump — including the five reports produced by Trump, concerning Trump seminars held in January 2010 (see Ex. P at TRUMP 00164788-00164790, 00164811-00164817, 00164873-00164877) — are also not privileged because they elicited business advice rather than legal advice. In fact, they were nothing more than routine compliance reports done in the normal course of running a business to ensure compliance with applicable laws. It is clear from Trump's internal procedures that the compliance reports were prepared for Mr. Hoppenfeld so that he

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<sup>2</sup> OAG will make these documents available for inspection at the Court's request, as a courtesy given Trump's claims that the documents are privileged.



could render business advice directly to Trump speakers and instructors. According to the Trump University Compliance Policy & Procedure, attached as Exhibit Q, the compliance reports were only sent to Mr. Hoppenfeld **after** they had been sent to Mr. Sexton and other non-lawyers at Trump. Each report included a summary of a given Trump presentation — identified by the name of the individual speaker or instructor, the date, and the location of the presentation — along with comments on the presentation and how it could be improved. Mr. Hoppenfeld was directed to review the report as soon as he received it and then immediately discuss any issues with the individual speaker or instructor, before the speaker's next presentation, often within just a few days' time.

32. Mr. Hoppenfeld's role with respect to the compliance reports was not to provide legal advice regarding Trump's potential exposure to liability arising from past conduct but rather to implement improvements in the seminars and to ensure future compliance with applicable law — both of which are business functions.

33. That the compliance reports were created and designed to generate business advice is also apparent from the fact that they were first reviewed by **non-attorneys** such as Mr. Sexton before being forwarded to Mr. Hoppenfeld.

**Trump's Waiver of Privilege over Inadvertently Produced Compliance Reports after Four-Month Delay in Requesting Their Return**

34. Moreover, any possible privilege over Trump's compliance reports has now been waived by its production of ten compliance reports and its four-month delay in requesting their return. Trump first produced the initial group of compliance reports in September 2011. Beginning in October 2011, OAG has had numerous communications with counsel for Trump regarding the compliance reports — including inquiries by OAG as to whether Trump planned to produce additional compliance reports and whether Trump intended to assert a privilege with

respect to the compliance reports, including those already produced. Rather than promptly investigating the circumstances under which these reports were prepared, or requesting they be returned until a privilege determination could be made, Trump's attorneys instead waited **four months** — until February 13, 2012 — before finally requesting their return.

35. Moreover, in the event that it is determined that the compliance reports are protected by the attorney-client privilege, at the very least, Trump should be compelled to produce the documents with the purportedly privileged material redacted. As noted above, the compliance reports contain summaries of Trump presentations to consumers, as well as the opinions of non-lawyers regarding those summaries and their compliance with applicable law. This factual content is unquestionably relevant to OAG's investigation and unprivileged. As such, it must be produced, and any purportedly privileged material may be redacted.

#### **Lack of Privilege over Communications between Trump and Trump Organization**

36. As to the communications between Trump and the Trump Organization, these documents also clearly bear a reasonable relation to OAG's investigation and are not subject to any valid claim of privilege, and as such, they must be produced.

37. Evidence in OAG's possession shows that Cohen's communications with Trump related to his management of the Trump business, including receiving and paying Trump invoices. Such decisions are business decisions, unrelated to the role of an attorney providing legal counsel, and communications between Trump and Michael Cohen are not privileged simply because Cohen happens to be an attorney. For example:

- In an e-mail exchange between two Trump executives, Michael Sexton and Michael Bloom, regarding an outstanding vendor invoice, Sexton wrote "Michael Cohen from Trump will be handling all payables going forward." Ex. S.
- In an e-mail to a third-party vendor, Bloom passed on this information: "Your receivables are now being handled by The Trump Organization and here is your

primary contact going forward on the Finance side.” Bloom then included Cohen’s name and contact information. Similarly, in an e-mail to a different third-party vendor, Bloom wrote, “your outstanding invoices will be handled directly by the Trump Organization,” listing Cohen as the “primary contact.” Ex. S.

- Another Trump executive, Steven Matejek, also e-mailed a third-party vendor concerning an outstanding invoice: “Please contact Michael Cohen as he is the best person now who can help you settle this balance.” Ex. S.

38. Moreover, additional e-mails from Trump provide strong evidence that the Trump Organization directly managed every single one of Trump’s payments to independent contractors and other third parties:

- In an e-mail exchange between Michael Bloom and Steven Matejek regarding an outstanding vendor invoice, Matejek (who served as the comptroller for Trump) explained how Trump’s payments were processed: “That [invoice] was approved for payment, we are looking to cut that check Monday. **Checks then always go to Trump Org for final review and signature, they get returned to us and promptly mailed.**” Ex. M.
- In an e-mail exchange between Trump executive Paul Quintal, Steven Matejek, and a third-party vendor, Quintal explained: “**The check is being processed through the Trump Org.** I was informed it is in the system and we are pushing to expedite this.” The vendor responded, “I’m a bit confused. You said you were waiting for the Trump Or. [sic] Aren’t you a independent company? [sic]” Quintal then replied, “We are not ‘a independent company’ . . .” Ex. M.

It is thus very clear that all communications between Trump and the Trump Organization are directly relevant to OAG’s investigation of Trump and that Michael Cohen’s admission to the bar is not a sufficient basis upon which to withhold such communications.

#### **Trump’s Failure to Provide Privilege Log as Required by Subpoena**

39. Finally, as noted above, despite OAG’s repeated requests and the explicit instructions of the subpoena, Trump has failed to produce a privilege log of documents it has withheld. The subpoena provided: “If any Document requested is withheld on ground of privilege or other legal doctrine, then you should submit, **with the Documents produced**, a

statement in writing under oath, stating: (a) the type of the Document; (b) the date of the Document; (c) the author and recipient of the Document; (d) the general subject matter of the Document; and (e) the legal ground for withholding the Document.” Ex. A at A.8 on page 3 (emphasis added).

40. Yet in response to OAG’s request in a telephone conversation that Trump comply with the subpoena’s requirement of a privilege log, counsel for Trump announced dismissively that he “did not see why [they] should be required to prepare a privilege log at this time” and declared that he would produce a privilege log only at the very end of Trump’s production. Ex. J (Letter from Avi Schick to Melvin Goldberg (Dec. 22, 2011)).


### CONCLUSION

41. In conclusion, there is more than an ample basis for this subpoena, and it should be enforced in full. The Attorney General issued the subpoena after receiving information from DOE that Trump was violating the Education Law, as well as complaints from consumers alleging that they had been defrauded by Trump. The subpoena was issued to promote a vital public purpose and the information sought is directly relevant and material to the matters under investigation.

42. By failing to fully comply with the subpoena — and failing to offer any substantiation for its lack of compliance — Trump has wrongfully withheld documents that are necessary to the Attorney General’s investigation. Trump’s refusal to produce the subpoenaed information is undermining the Attorney General’s statutory enforcement authority and suggests that Trump has something to hide.

43. Accordingly, petitioner respectfully requests that the Court enter an order directing Trump to comply with the subpoena duces tecum heretofore issued, pursuant to CPLR § 2308(b), and granting petitioner such other and further relief as the Court deems just and proper.

Dated: April 27, 2012  
New York, NY

  
MELVIN L. GOLDBERG  
Assistant Attorney General  
Bureau of Consumer Frauds and Protection  
120 Broadway, Room 3B22  
New York, NY 10271

# EXHIBIT 7



STATE OF NEW YORK  
OFFICE OF THE ATTORNEY GENERAL  
ERIC T. SCHNEIDERMAN

# FACSIMILE TRANSMISSION

DATE 6-17-2013 NUMBER OF PAGES 6  
(INCLUDING THIS PAGE)

TO Mike Casper

FAX NO. (212) 401-9191

FROM Mel Goldberg

REMARKS

Mr. Casper,

**FILED** As we discussed, this OSC  
was withdrawn. Let me know if  
JUN 26 2013 you need anything else.

NEW YORK  
COUNTY CLERK'S OFFICE

*Mel Goldberg*  
(212) 416-8296

IF THERE IS A PROBLEM WITH THIS TRANSMISSION, PLEASE CONTACT

NAME \_\_\_\_\_ OFFICE \_\_\_\_\_

TELEPHONE NO. ( ) \_\_\_\_\_ FAX NO. ( ) \_\_\_\_\_

## CONFIDENTIAL

The information contained in this facsimile is privileged and confidential information intended only for the use of the individual or entity named above. If the reader of this message is not the intended recipient, or the employee or agent responsible to deliver it to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this is strictly prohibited.

IF YOU HAVE RECEIVED THIS COMMUNICATION IN ERROR,  
PLEASE IMMEDIATELY NOTIFY THE SENDER BY TELEPHONE. THANK YOU.

THE CAPITOL, ALBANY, NY 12224-0341

ORIGINAL

At an Individual Assignment System Part \_\_\_\_\_  
of the Supreme Court of The State of New York,  
60 Centre Street, City and State of New York  
on the \_\_\_\_ day of April, 2012

PRESENT: The Hon. \_\_\_\_\_  
Justice of the Supreme Court

In the Matter of

ERIC T. SCHNEIDERMAN, ATTORNEY  
GENERAL OF THE STATE OF NEW YORK  
of the State of New York,

**NO**  
Petitioner

For an order pursuant to CPLR § 2308(b)  
to compel compliance with a subpoena  
issued by the Attorney General,

-against-

TRUMP UNIVERSITY, LLC d/b/a  
THE TRUMP ENTREPRENEUR INITIATIVE,  
TRUMP UNIVERSITY, AND  
THE TRUMP INSTITUTE.

Respondent

010313

006234

Index No. 400965/12  
ORDER TO SHOW CAUSE

**FILED**

APR 27 2012  
NEW YORK  
COUNTY CLERK'S OFFICE

On reading and filing the attached Affirmation of Assistant Attorney General Melvin L. Goldberg, sworn to on April 27, 2012 and the exhibits attached thereto, and on motion of Eric T. Schneiderman, Attorney General of the State of New York, attorney for the Petitioner, the People of the State of New York, it is

**ORDERED** that Respondent in the above-entitled proceeding appear and show cause at the IAS Part \_\_\_\_\_, of the Supreme Court, New York County, at the Courthouse thereof 60 Centre Street, Room \_\_\_\_\_ in New York, New York 10007, on the \_\_\_\_ day of \_\_\_\_\_ a.m., or as soon thereafter as counsel can be heard.



be made, pursuant to New York Executive Law Section 63 (12) and General Business Law

Section 349:

- (i) compelling Trump University, LLC d/b/a The Trump Entrepreneur Initiative, The Trump University, and The Trump Institute (herein collectively referred to as the "Respondent") to comply with the subpoena served on it on May 17, 2011 by producing within ten (10) business days:
  - a) transcripts and recordings of seminars;
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  - c) documents showing the communications between the Trump Organization (the primary holding company for Donald Trump's business interests) and Trump Entrepreneur Initiative/University/Institute;
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- (iii) granting such other and further relief as the Court may deem just and proper.

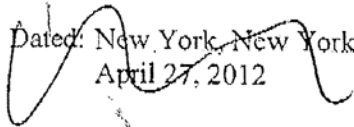
SUFFICIENT CAUSE to me appearing therefore,

**ORDERED** that service of a copy of this Order, and the papers on which it was granted, upon Respondent, on or before the \_\_\_\_\_ day of May, 2012, shall constitute good and sufficient service thereof, and that answering papers, if any, be served on the Petitioner on or before the return date and time.

ENTER:

Index 400965-12

\_\_\_\_\_  
J.S.C.

  
Dated: New York, New York  
April 27, 2012

Supreme **SUPREME COURT** COUNTY OF **New York**

Index No: **EX 105/2012** Date Index Issued: **04/27/2012**

**4-27-12**  
Judge Assigned: **JAFFE**  
RJL Date:

CAPTION: Enter the complete case caption. Do not use a title or subtitle. If more space is required, attach a caption addendum.

**ERIC T. SCHNEIDERMAN, ATTORNEY  
GENERAL OF THE STATE OF NEW YORK,**

**006234**

For an order pursuant to CPLR 2308(b) to compel compliance with a subpoena issued by the Attorney General,

**010313**

Plaintiff(s)/Petitioner(s)  
-against-  
**TRUMP UNIVERSITY, LLC d/b/a  
THE TRUMP ENTREPRENEUR INITIATIVE,  
TRUMP UNIVERSITY, AND  
THE TRUMP INSTITUTE.**

**NO FILE**  
APR 27 2012  
NEW YORK  
COUNTY CLERK'S OFFICE

NATURE OF ACTION OR PROCEEDING: Select ONE box only, and specify where indicated. Defendant(s)/Respondent(s)

**MATRIMONIAL**  
 Contested  
 Uncontested  
NOTE: For all Matrimonial actions where the parties have children under the age of 18, complete and attach the **MATRIMONIAL RJI Addendum.**

**COMMERCIAL**  
 Business Entity (including corporations, partnerships, LLCs, etc.)  
 Contract  
 Insurance (where Insurer is a party, except arbitration)  
 UCC (including sales, negotiable instruments)  
 Other Commercial: \_\_\_\_\_ (specify)

**TORTS:**  
 Asbestos  
 Breast Implant  
 Environmental: \_\_\_\_\_ (specify)  
 Medical, Dental, or Podiatric Malpractice  
 Motor Vehicle  
 Products Liability: \_\_\_\_\_ (specify)  
 Other Negligence: \_\_\_\_\_ (specify)  
 Other Professional Malpractice: \_\_\_\_\_ (specify)  
 Other Tort: \_\_\_\_\_ (specify)

NOTE: For Commercial Division assignment requests [22 NYCRR § 202.70(d)], complete and attach the **COMMERCIAL DIV RJI Addendum.**

**REAL PROPERTY:** How many properties does the application include?  
 Condemnation  
 Foreclosure  
Property Address: \_\_\_\_\_  
Street Address City State Zip  
NOTE: For Foreclosure actions involving a one- to four-family, owner-occupied, residential property, or an owner-occupied condominium, complete and attach the **FORECLOSURE RJI Addendum.**  
 Tax Certiorari - Section: \_\_\_\_\_ Block: \_\_\_\_\_ Lot: \_\_\_\_\_  
 Other Real Property: \_\_\_\_\_ (specify)

**OTHER MATTERS**  
 Certificate of Incorporation/Dissolution [see NOTE under Commercial]  
 Emergency Medical Treatment  
 Habeas Corpus  
 Local Court Appeal  
 Mechanic's Lien  
 Name Change  
 Pistol Permit Revocation Hearing  
 Sale or Finance of Religious/Not-for-Profit Property  
 Other: \_\_\_\_\_ (specify)

**SPECIAL PROCEEDINGS**  
 CPLR Article 75 (Arbitration) [see NOTE under Commercial]  
 CPLR Article 78 (Body or Officer)  
 Election Law  
 MHL Article 9.60 (Kendra's Law)  
 MHL Article 10 (Sex Offender Confinement-Initial) **CD**  
 MHL Article 10 (Sex Offender Confinement-Review) **OSR**  
 MHL Article 81 (Guardianship)  
 Other Mental Hygiene: \_\_\_\_\_ (specify)  
 Other Special Proceeding: **Compel Compliance with Exec Law 63(12) Subpoena** (specify)

STATUS OF ACTION OR PROCEEDING: Answer YES or NO to EVERY question AND enter additional information where indicated.

Has a summons and complaint or summons only been filed?  
Is this action/proceeding being filed post-judgment?  
YES NO  
  If yes, date filed: \_\_\_\_\_  
  If yes, judgment date: \_\_\_\_\_

- Note of Issue and/or Certificate of Readiness
- Notice of Medical, Dental, or Podiatric Malpractice      Date Issue Joined: \_\_\_\_\_
- Notice of Motion      Relief Sought: \_\_\_\_\_      Return Date: \_\_\_\_\_
- Notice of Petition      Relief Sought: \_\_\_\_\_      Return Date: \_\_\_\_\_
- Order to Show Cause      Relief Sought: Hearing      Return Date: \_\_\_\_\_
- Other Ex Parte Application:      Relief Sought: \_\_\_\_\_
- Poor Person Application
- Request for Preliminary Conference
- Residential Mortgage Foreclosure Settlement Conference
- Writ of Habeas Corpus
- Other (specify): \_\_\_\_\_

RELATED CASES		Mentioned in Action of Instant Case or Related Criminal and/or Family Court Cases		
Case Title	Index/Case No.	Court	Judge (if assigned)	Relationship to Instant Case

PARTIES		Mentioned in Action of Instant Case or Related Criminal and/or Family Court Cases		
Un-Rep	Parties:	Attorney:	Issue Joined (Y/N)	Insured Carrier(s)
<input type="checkbox"/>	<b>ERIC T. SCHNEIDERMAN, ATTORNEY</b> <small>Last Name</small> <b>GENERAL OF THE STATE OF NEW YORK</b> <small>First Name</small> <small>Primary Role:</small> Petitioner <small>Secondary Role (if any):</small>	<b>Goldberg</b> <small>Last Name</small> State of New York, Office of the Attorney General <small>Firm Name</small> 120 Broadway, Rm 3822      New York      New York      10271-0332 <small>Street Address</small> <small>City</small> <small>State</small> <small>Zip</small> +1 (212) 416-0256      +1 (212) 416-6003      Melvin.Goldberg@ag.ny.gov <small>Phone</small> <small>FAX</small> <small>e-mail</small>	<input type="radio"/> YES <input checked="" type="radio"/> NO	
<input type="checkbox"/>	<small>Last Name</small> <b>TRUMP UNIVERSITY, LLC d/b/a</b> <small>First Name</small> <b>THE TRUMP ENTREPRENEUR INITIATIVE</b> <small>Primary Role:</small> Respondent <small>Secondary Role (if any):</small>	<b>Schick</b> <small>Last Name</small> SNR Denton <small>Firm Name</small> 1221 Avenue of the Americas      New York      New York      10020-1009 <small>Street Address</small> <small>City</small> <small>State</small> <small>Zip</small> +1 (212) 399-8456      +1 (212) 768-6800      avi.schick@snrdenton.com <small>Phone</small> <small>Fax</small> <small>e-mail</small>	<input type="radio"/> YES <input checked="" type="radio"/> NO	
<input type="checkbox"/>	<small>Last Name</small> <small>First Name</small> <small>Primary Role:</small> <small>Secondary Role (if any):</small>	<small>Last Name</small> <small>First Name</small> <small>Firm Name</small> <small>Street Address</small> <small>City</small> <small>State</small> <small>Zip</small> <small>Phone</small> <small>FAX</small> <small>e-mail</small>	<input type="radio"/> YES <input type="radio"/> NO	
<input type="checkbox"/>	<small>Last Name</small> <small>First Name</small> <small>Primary Role:</small> <small>Secondary Role (if any):</small>	<small>Last Name</small> <small>First Name</small> <small>Firm Name</small> <small>Street Address</small> <small>City</small> <small>State</small> <small>Zip</small> <small>Phone</small> <small>Fax</small> <small>e-mail</small>	<input type="radio"/> YES <input type="radio"/> NO	

I AFFIRM UNDER THE PENALTY OF PERJURY THAT, TO MY KNOWLEDGE, OTHER THAN AS NOTED ABOVE, THERE ARE AND HAVE BEEN NO RELATED ACTIONS OR PROCEEDINGS, NOR HAS A REQUEST FOR JUDICIAL INTERVENTION PREVIOUSLY BEEN FILED IN THIS ACTION OR PROCEEDING.

Date: 04/27/2012

*Melvin L. Goldberg*  
 \_\_\_\_\_  
 SIGNATURE

1020204  
 ATTORNEY REGISTRATION NUMBER

Melvin L. Goldberg  
 PRINT OR TYPE NAME



STATE OF NEW YORK  
OFFICE OF THE ATTORNEY GENERAL

12400965

~~12400965~~

ERIC T. SCHNEIDERMAN  
ATTORNEY GENERAL

DIVISION OF ECONOMIC JUSTICE  
CONSUMER FRAUDS & PROTECTION BUREAU

FILED  
APR 27 2012  
COUNTY CLERK'S OFFICE  
NEW YORK

April 27, 2012

Honorable Norman Goodman  
New York County Clerk  
60 Centre Street  
New York, New York 10007

People of the State of New York v. Trump  
Re: Waiver of fees for copies of court documents, Index No. \_\_\_\_\_

Dear Sir or Madam:

Please perform the following task for the bearer of this letter, without fees, for use by the Attorney General's office in the above entitled matter, pursuant to Section 161 of the Executive Law of the State of New York:

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> PROVIDE INDEX NUMBER | <input type="checkbox"/> FILE REQUEST FOR JUDICIAL INTERVENTION |
| <input type="checkbox"/> CERTIFY COPIES OF JUDGMENT      | <input type="checkbox"/> PROVIDE TRANSCRIPT OF JUDGMENT         |
| <input type="checkbox"/> FILE STIPULATION                | <input type="checkbox"/> FILE TRANSCRIPT OF JUDGMENT            |
| <input type="checkbox"/> FILE NOTE OF APPEAL             | <input type="checkbox"/> FILE MOTION                            |
| <input type="checkbox"/> FILE NOTICE OF ISSUE            |   |
| <input type="checkbox"/> OTHER: SPECIFY _____            |   |

Respectfully yours,

Melvin L. Goldberg  
Assistant Attorney General

# EXHIBIT 8

SUPREME COURT OF THE STATE OF NEW YORK  
NEW YORK COUNTY

*Handwritten mark*

6/13/13  
A  
B

PRESENT: BARBARA JAFFE  
J.S.C. Justice

PART 12

Schneiderman, Eric T  
-v-  
Trump University, LLC

INDEX NO. 400965/2013  
MOTION DATE \_\_\_\_\_  
MOTION SEQ. NO. 001

The following papers, numbered 1 to \_\_\_\_\_, were read on this motion to/for \_\_\_\_\_  
Notice of Motion/Order to Show Cause — Affidavits — Exhibits \_\_\_\_\_ [No(s)] \_\_\_\_\_  
Answering Affidavits — Exhibits \_\_\_\_\_ [No(s)] \_\_\_\_\_  
Replying Affidavits \_\_\_\_\_ [No(s)] \_\_\_\_\_

Upon the foregoing papers, it is ordered that this motion is

*Order to Show Cause*

*No Action Taken*

*See annexed facsimile*

*Transmission*  
**FILED**

RECEIVED  
JUN 20 2013  
IAS MOTION SUPPORT OFFICE  
NYS SUPREME COURT-CIVIL

JUN 26 2013

NEW YORK  
COUNTY CLERK'S OFFICE

Dated: JUN 18 2013

*[Signature]*  
J.S.C.  
**BARBARA JAFFE**

- 1. CHECK ONE: .....  CASE DISPOSED  NON-FINAL DISPOSITION
- 2. CHECK AS APPROPRIATE: ..... MOTION IS:  GRANTED  DENIED  GRANTED IN PART  OTHER
- 3. CHECK IF APPROPRIATE: .....  SETTLE ORDER  SUBMIT ORDER
- DO NOT POST  FIDUCIARY APPOINTMENT  REFERENCE

MOTION/CASE IS RESPECTFULLY REFERRED TO JUSTICE FOR THE FOLLOWING REASON(S):

# EXHIBIT 9





# EXHIBIT 10

# SCHNEIDERMAN

Attorney General ★ 2010

November 8, 2010

Dear Donald,

We did it. We overcame the odds and ran a positive campaign built on a message of fighting corruption, and delivering justice and real reform to New York State. None of this would have been possible without your tremendous support, and I cannot thank you enough.

I am so humbled to be New York's next Attorney General.

My opponent, Dan Donovan ran a great race and congratulated me very graciously. I look forward to working with him, and with all my colleagues in government, to deliver on the promise of this incredible campaign.

Over the past seven months, we spoke about New York's need for an Attorney General who will stand up for the people, and ensure that all New Yorkers -- no matter who they are -- have equal justice and full protection under the law.

We won because we took this message straight to neighborhoods and our communities across the State. With one of the broadest, most diverse coalitions in recent memory: we knocked on doors, made phone calls, talked to friends and family, and joined together to speak out about our agenda for keeping our streets safe, standing up to Wall Street crimes and rooting out corruption in our state government. Your support made it all possible.

We proved the critics wrong -- not only by winning in New York City, but winning counties all across New York State. We finished strong across the State, from Westchester to Onondaga and Monroe Counties, and won a huge swath of the mid-Hudson valley.

Thank you again for your support. I look forward to serving as your lawyer for the next four years. I couldn't have done this without you.

Sincerely,



Eric Schneiderman

Thanks!

131 Varick Street, #924 • New York, NY 10013  
Ph: 212-242-5301 • Fax: 212-242-5303  
friends@schneiderman.org

*Paid for and authorized by Schneiderman for Attorney General*



# EXHIBIT 11

Contributor	Amt	Contr. Date	Recipient	Report	Sched	Office	Dist
DANIELS, PATRICK 655 WEST BROADWAY SAN DIEGO, CA 92101	10,000.00	21- OCT- 10	<a href="#"><u>SCHNEIDERMAN FOR ATTORNEY GENERAL, INC.</u></a>	2010 27 Post General	A	Attorney General	N/A
DOWD, MICHAEL 2678 WEST CANYON AVE SAN DIEGO, CA 92123	5,000.00	25- OCT- 10	<a href="#"><u>SCHNEIDERMAN FOR ATTORNEY GENERAL, INC.</u></a>	2010 27 Post General	A	Attorney General	N/A

# EXHIBIT 12

REVIEW & OUTLOOK

Looting J.P. Morgan, Again

We reported last week on government lawyers plundering J.P. Morgan Chase as payback for CEO Jamie Dimon's questioning of Beltway wisdom. This week we learn that while the bank has been trying to settle the dubious mortgage claims, a settlement is being held up because the Justice Department and

New York Attorney General Eric Schneiderman are insisting on a Morgan admission of wrongdoing. The plaintiffs bar will be ecstatic.

Mr. Schneiderman's great contribution to this legal circus has been to sue Morgan for alleged offenses perpetrated by Bear Stearns before the government persuaded Morgan to buy it in the heat of the 2008 panic. So Mr. Schneiderman and Justice are ensuring that no good banking deed goes unpunished.

The demand for an admission of wrongdoing has become a totem on the political left, which wants bankers and their shareholders hung from the public square. But its only practical impact will be to assist the plaintiffs bar in their own private lawsuits. An admission is golden evidence in a civil trial and is likely to raise Morgan's cost of settling by billions of dollars.

In Mr. Schneiderman's case, this is a two-way street. In his Bear suit he copied and pasted some of the work done by private litigators to make his own government case. He can also count on part of any tort-bar windfall to make its way back to his campaign coffers.

Donors to Mr. Schneiderman include Kessler Topaz Meltzer & Check, with its robust shareholder class-action practice. The firm

Prosecutors want an admission of wrongdoing to help the tort bar.

has contributed at least \$65,500, and its former longtime partner Andrew Barroway chipped in at least another \$15,000 to Schneiderman campaigns, according to the website of the New York State Board of Elections. Tort specialist Joe Belluck has given more than \$50,000. Medical malpractice firm Duffy and Duffy has donated more than \$47,000.

The AG picked up at least another \$32,500 from Duffy's competitors at Kramer, Dillof, who also specialize in suing doctors. Counting contributions from their wives, plaintiff lawyers Arthur Luxenberg and Perry Weitz have each kicked in \$125,000. Mr. and Mrs. Weitz were also on the guest list at a 2011 White House dinner, perhaps because they've given more than \$700,000 to Democratic campaigns at the federal level, according to OpenSecrets.org.

The leading Schneiderman contributor in 2013 is Texas plaintiff lawyer John Mostyn, who sent in \$60,800 in January. President of the Texas Trial Lawyers Association, Mr. Mostyn specializes in extracting money from insurers after natural disasters, especially hurricanes. Readers might recall that New York was hit by Hurricane Sandy last year, so there are many ways that Mr. Schneiderman's office can assist Mr. Mostyn's lawsuits.

It's bad enough that prosecutors are punishing Mr. Dimon and his bank for doing the government the favor of buying Bear Stearns. But the insistence on an admission of wrongdoing underscores even more the political nature of this bank robbery.

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# EXHIBIT 13



Charges fly over  
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Commission

OPINION

## Democratic hit man

By [Charles Gasparino](#)

June 24, 2013 | 4:00am



Double standard: Attorney General Eric Schneiderman continues a weak case against righty Hank Greenberg, but ignores lefty Jon Corzine.

Photo: Getty

State Attorney General Eric Schneiderman would like you to believe that, after layer upon layer of post-financial crisis reforms, the banking sector is still an out-of-control mess and the average citizen is in desperate need of a crusader like himself to keep these legions of bad guys under control.

The absurdity of the argument only lends credibility to the claim being advanced by some people on Wall Street, and increasingly in Washington, that *Schneiderman* should be investigated, for leading possibly the most politicized law-enforcement outfit in the country.

Sources say the “investigate Schneiderman” movement is gaining traction among congressional Republicans, particularly in the House Financial Services Committee. One obvious reason: Schneiderman, a Democrat, seems to spare no expense in attacking critics of President Obama but hasn’t lifted an investigative finger when it comes to the sleaze involving fat cats in his own party.

The implosion of NY-based MF Global, where more than \$1 billion in client money went missing after a series of risky bets, seems tailor-made for Schneiderman — but the firm was run by longtime Democrat and Obama fund-raiser Jon Corzine.

Critics suggest that Schneiderman’s reward for looking the other way on MF Global came when Obama appointed him to head a much-hyped task force to investigate mortgage-foreclosure fraud.

Meanwhile, the AG’s been happy to go after Wall Street conservatives like former AIG chief Hank Greenberg or execs like JP Morgan’s Jamie Dimon, who merely disagrees with Obama’s economic policies.

To be sure, banks have been complaining about the New York AG’s office ever since Eliot Spitzer figured out how to use the state’s Martin Act to pursue Wall Street misbehavior and advance his political career.

As Spitzer read it, the Martin Act gives the AG enormous powers to bring serious criminal charges without having to build as strong a case as required under federal law. His high-profile investigations into big firms like Merrill Lynch, as well as financial titans like Greenberg and NYSE chief Dick Grasso, won Spitzer first the nickname “The Sheriff of Wall Street” and then the New York governorship (before he was forced out of office after his hooker problem went public).

Many of Spitzer’s cases were indeed dubious. His charges against Grasso (that he improperly collected \$140 million in pay) were thrown out of court. And nearly all of his charges against Greenberg were also tossed — but only years after the persecution forced Greenberg, one of the best risk managers in finance, out as AIG chief. Under Spitzer-approved management, the firm’s wild risk taking emerged as a key element in the 2008 financial meltdown.

Yet Spitzer had his moments. He built a first-rate case against Wall Street firms for hyping stock recommendations on companies that kicked back investment-banking fees, and he drew attention to sleaze in the mutual-fund business.

It’s hard to give any such credit to Schneiderman. He’s a former state senator and lawyer with an alarmingly paper-thin résumé, which makes his current crusades against the big banks and certain financial executives all the more dubious.

In one of his “big” Wall Street cases, he continues to pursue the remaining, legally dubious, charges against Greenberg, some eight years after they were filed. Apparently, he sees a clear need to protect New Yorkers from the 88-year-old former AIG chief.

Likewise, Schneiderman believes the big bank JP Morgan needs to be held accountable for some sleaze during the financial crisis. Hmm. The case involves sleaze at Bear Stearns — the firm that the feds muscled Morgan into buying to help keep the financial system afloat in the 2008 crisis.

Sources tell me Greenberg’s been prodding Republicans in Congress to investigate Schneiderman’s activities — both his continual overstepping of his jurisdiction on issues that are supposed to be regulated by the feds and his nakedly political selection of cases.

Greenberg’s attorney, David Boies (another Democrat) tells me that Schneiderman’s case is nothing more than a “symbolic vendetta” and a “waste of taxpayer resources.” Schneiderman’s office maintains that the AG is merely “exercising his authority under New York law to hold people accountable for their actions.”

Yes, particularly if they’re Republicans or critics of his man in the White House.

*Charles Gasparino is a Fox Business Network senior correspondent.*

#### Hollywood values

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# EXHIBIT 14

REDACTED



STATE OF NEW YORK  
OFFICE OF THE ATTORNEY GENERAL  
120 BROADWAY  
NEW YORK, NY 10271

ERIC T. SCHNEIDERMAN  
ATTORNEY GENERAL

(212) 416-8050

Jared and Ivanka,

much Thanks for the great breakfast.

I love meeting new people, and that  
was a great group.

Good luck with your next big adventure.

It is much more important than  
any of the rest of the stuff we deal with!

- Eric

# EXHIBIT 15



Please join us for a breakfast reception supporting

**CALIFORNIA ATTORNEY GENERAL  
KAMALA D. HARRIS**

*Special Guest Speaker  
Attorney General Eric Schneiderman*

**Thursday, September 22  
8:00 am**

**SNR Denton  
1221 Avenue of the Americas, 24<sup>th</sup> Floor  
New York, NY**

**\$1,000  
Donor**

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**\$5,000  
Host**

Paid for by Re-Elect California Attorney General Kamala D. Harris 2014

P.O. Box 78793; San Francisco, CA 94107

The following information is required by California State laws for all contributions. The maximum contribution is \$6,500 per person/per election cycle.

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If Self-Employed, name of business: \_\_\_\_\_

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**Make check payable to "Re-Elect Attorney General Kamala D. Harris 2014". Amount: \$ \_\_\_\_\_**

CREDIT CARD PAYMENT INFORMATION:

If making a credit card contribution with this form, please complete below:

Name as it appears on the Credit Card: \_\_\_\_\_

Billing – Street Address: \_\_\_\_\_

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**Amount (\$):** \_\_\_\_\_ **Signature:** \_\_\_\_\_

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<input type="checkbox"/> Mastercard
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**MAIL TO: RE-ELECT CALIFORNIA ATTORNEY GENERAL D. KAMALA HARRIS 2014  
FPPC #1336303 | P.O. Box 78793; San Francisco, CA 94107**

Contributions to these committees are not deductible for federal income tax purposes. The California Political Reform Act (Prop. 34) places limits on contributions (including loans) to candidates for state office, and imposes certain prohibitions. This request does not seek a contribution in excess of applicable limits or from prohibited sources. An individual, union, political action committee, association, committee, partnership, business or corporation may contribute a maximum of \$6,500 to the committee per election. A registered Small Contributor Committee may contribute a maximum of \$13,000 to the committee per election. Printed in House with volunteer labor.

# EXHIBIT 16





# EXHIBIT 17

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AD SPECIFICATIONS:

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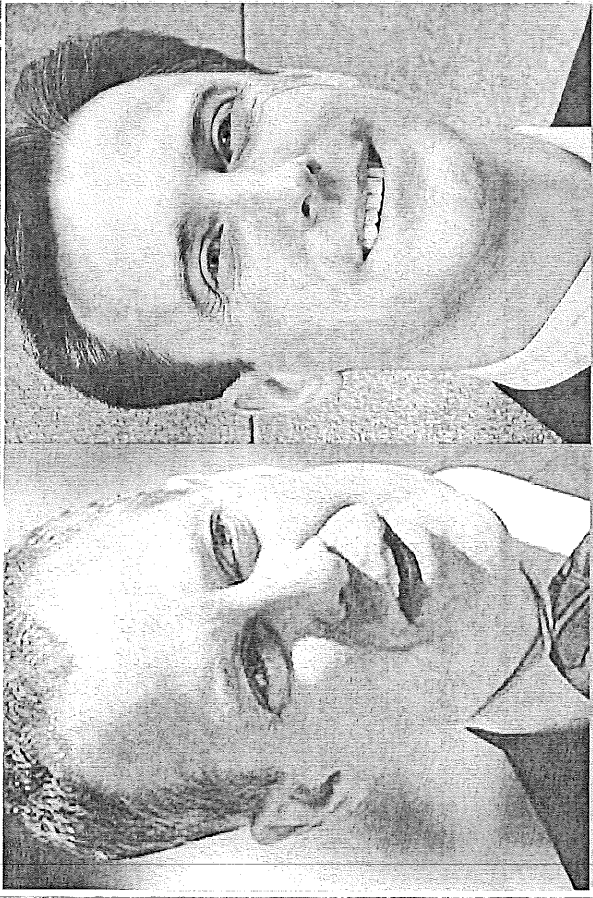
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E-mail to: [RabinDinnerNY@friendsofrabin.org](mailto:RabinDinnerNY@friendsofrabin.org)

FOR FURTHER INFORMATION AND MAJOR SPONSORSHIP OPPORTUNITIES PLEASE CONTACT JEANNIE GERZON AT 212-616-6161

JOURNAL AD DEADLINE:  
AUGUST 22, 2012

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HONORS



ERIC T.  
SCHNEIDERMAN  
NEW YORK STATE  
ATTORNEY GENERAL

PETER WARD  
PRESIDENT,  
NEW YORK HOTEL  
TRADES COUNCIL

YITZHAK RABIN LEADERSHIP  
AND PUBLIC SERVICE AWARD

SEPTEMBER 12, 2012  
THE PLAZA HOTEL

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Dinner seating for 6 guests, full page ad in commemorative journal
- \$7,500 BLUE PAGE SUPPORTER:**  
Dinner seating for 4 guests, full page ad in commemorative journal
- \$5,000 WHITE PAGE SUPPORTER:**  
Dinner seating for 2 guests, full page ad in commemorative journal
- \$3,500 HALF PAGE SUPPORTER:**  
Dinner seating for 1 guest, half page ad in commemorative journal
- \$1,500 QUARTER PAGE SUPPORTER:**  
Quarter page ad in commemorative journal

**\$1,000 DINNER RESERVATION (PER PERSON)**

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A TAX-DEDUCTIBLE DONATION OF \$ \_\_\_\_\_

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\*DONATIONS OF \$15,000 AND ABOVE - DONOR NAMES WILL BE LISTED AS PART OF  
THE HOST COMMITTEE ON THE DINNER PROGRAM\*

I WOULD LIKE TO RESERVE \_\_\_\_\_ INDIVIDUAL SEATS FOR A  
TOTAL OF \$ \_\_\_\_\_

FOR FURTHER INFORMATION AND  
MAJOR SPONSORSHIP OPPORTUNITIES PLEASE CONTACT  
JEANNIE GERZON AT 212-616-6161

Please note that your charitable contribution is a tax-deductible less the \$250 per person  
estimated value of the goods and services provided.

## PAYMENT OPTIONS

AMERICAN EXPRESS       VISA       MASTERCARD

CARD NUMBER: \_\_\_\_\_ EXP DATE: \_\_\_\_\_

NAME (PLEASE PRINT): \_\_\_\_\_

UNION/ORGANIZATION: \_\_\_\_\_

CONTACT NAME & PHONE \_\_\_\_\_

(IF DIFFERENT FROM ABOVE): \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

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

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

PHONE \_\_\_\_\_ FAX \_\_\_\_\_

E-MAIL \_\_\_\_\_

All the above required for credit card payment

PLEASE MAKE CHECKS PAYABLE TO:

The American Friends of the Yitzhak Rabin Center (AFYRC)

MAIL TO: AFYRC, 866 Second Avenue, 10th Floor, New York, NY 10017

PLEASE LIST DINNER GUESTS HERE

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

THE AMERICAN FRIENDS OF THE YITZHAK RABIN CENTER IS  
AN IRS REGISTERED 501(C)(3) NON-PROFIT ORGANIZATION  
(ID: 13-3962392).

**DINNER RESERVATIONS DEADLINE:  
SEPTEMBER 5, 2012**



THE AMERICAN FRIENDS OF THE  
YITZHAK RABIN CENTER  
HONORS



ERIC T.  
SCHNEIDERMAN  
NEW YORK STATE  
ATTORNEY GENERAL

PETER WARD  
PRESIDENT,  
NEW YORK HOTEL  
TRADES COUNCIL

YITZHAK RABIN LEADERSHIP  
AND PUBLIC SERVICE AWARD

SEPTEMBER 12, 2012  
THE PLAZA HOTEL

**ERIC T. SCHNEIDERMAN**  
NEW YORK STATE ATTORNEY GENERAL

Eric T. Schneiderman was elected the 65th Attorney General of New York State in 2010. As the State's highest ranking law enforcement officer, Schneiderman has worked on areas including public integrity, economic justice, social justice and environmental protection.

On behalf of everyday New Yorkers, Eric has stood up to powerful interests. He has fought for a comprehensive investigation of misconduct in the mortgage market and a fair settlement for homeowners. He supports holding banks accountable for their role in the foreclosure crisis, providing meaningful relief to homeowners and investors, and allowing a full airing of the facts to prevent abuses of this scale from happening again.

Before becoming A.G., Schneiderman served in the state Senate where he passed sweeping ethics reforms, led the effort to reform the draconian Rockefeller drug laws, and enacted the toughest law in the nation to root out fraud against taxpayers.

**PETER WARD**  
PRESIDENT, NEW YORK HOTEL TRADES COUNCIL

Peter Ward is the President of New York Hotel Trades Council, AFL-CIO, an affiliation of eight unions representing more than 30,000 hotel employees. He is the Chief Executive Officer of Local 6, the largest local union in the Trades Council, and the Recording Secretary of UNITE HERE.

Peter has served on the Boards of several labor-business coalitions designed to help maintain tourism as a productive economic engine for New York. He is active in community and civic affairs, and has often been recognized for his efforts on behalf of others. He has been a co-chair of Labor Luncheons for the Boy Scouts of America, has been recognized by the Center Against Domestic Violence for his work on behalf of battered women, and received the New York City Central Labor Council's top award for contributions to the labor movement.

**DALIA RABIN**  
CHAIR, THE YITZHAK RABIN CENTER

Dalia has served as Chair of the Yitzhak Rabin Center since 2002. Elected to the Knesset in 1999, she served as its Deputy Chair. During her tenure as a member of parliament, Ms. Rabin served as Chair of the Ethics Committee; member of the Constitution, Law and Justice Committee; the Committee for the Advancement of the Status of Women; the State Control Committee; and the Committee for the Advancement of the Status of the Child. In 2001, she was appointed Deputy Minister of Defense. Prior to her election to the Knesset, Ms. Rabin was the legal advisor to the trade unions of the Histadrut Labor Federation of Unions. She also served for fourteen years in Israel's Public Prosecutor's central region specializing in labor law. Ms. Rabin earned a law degree from Tel Aviv University.

YITZHAK RABIN LEADERSHIP AND PUBLIC SERVICE AWARD

WEDNESDAY, SEPTEMBER 12, 2012

THE PLAZA HOTEL

768 5TH AVENUE

NEW YORK, NY 10019

6:00PM RECEPTION

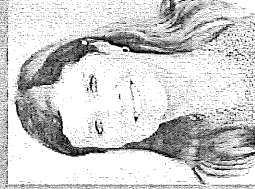
7:00PM DINNER

INTRODUCTION



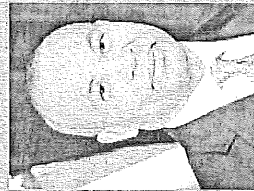
CHELSEA CLINTON

REMARKS



DALIA RABIN

AWARD PRESENTATIONS



DEVAL PATRICK  
GOVERNOR OF MASSACHUSETTS



JOHN WILHELM  
PRESIDENT OF UNITEHERE!

EVENT CO-CHAIRS

VINCENT PITTA

AVI SCHICK

JOHN WILHELM





מרכז יצחק רבין  
The Yitzhak Rabin Center

# THE AMERICAN FRIENDS OF THE YITZHAK RABIN CENTER BOARD OF DIRECTORS

## OFFICERS

- Stuart W. Davidson, *Chair*
- James R. Tanenbaum, *President*
- Amb. Ned L. Siegel, *Vice President*
- Barbara J. Easterling, *Treasurer*
- Jim Gerstein, *Secretary*
- Diane Bernstein, *Chair Emeritus*

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- Etta Brandman
- Martin Bresler
- Sara Ehrman
- Hon. Jay Footlik
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- Alan Solow
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Jeannie Gerzon  
*National Director*

Vicki Miles Weiner  
*Director of Operations*

THE YITZHAK RABIN CENTER  
TEL AVIV, ISRAEL

The Center is Israel's national institute to commemorate the life of Yitzhak Rabin, Prime Minister, Minister of Defense and Nobel Peace Prize recipient, who was assassinated in 1995. It includes Rabin's official archives, an educational center and at its heart, The Israeli Museum. The Museum chronicles the modern history of Israel and the life of Yitzhak Rabin, which was inextricably tied to the development of the state. The Museum experience, along with the Center's educational programming, stimulates dialogue, promotes tolerance and instills democratic values among diverse groups in Israeli society.

The American Friends of the Yitzhak Rabin Center is an IRS registered 501/c/3 non-profit organization (ID: 13-3962392). All proceeds benefit the Yitzhak Rabin Center in Tel Aviv, Israel.

# EXHIBIT 18



REDACTED

**From:** Celeste Wolter <[cwolter@bedfordgrovelc.com](mailto:cwolter@bedfordgrovelc.com)>  
**Date:** Friday, November 16, 2012 2:00 PM  
**To:** Ivanka Trump REDACTED  
**Subject:** FW: December 3 Birthday Celebration for Attorney General Eric Schneiderman

Ivanka,

I am following up on my phone call to your office this afternoon regarding the *Attorney General's birthday party on December 3<sup>rd</sup>*. We hope you will consider attending and supporting this event, and we would love to have you there. The information and link are below and the invitation is attached.

I look forward to hearing back from you and hope to see you on December 3rd.

Best,

Celeste Wolter

347-527-3368

<http://tiny.cc/birthday12>

ATTORNEY GENERAL  
Eric Schneiderman

I'm writing to let you know about Attorney General Eric Schneiderman's upcoming Birthday Celebration, which will be on Monday, December 3, 2012, from 5:30pm to 7:30pm at Carmine's Theater District. There will also be a VIP reception at 5:00pm. The invitation is below and you can RSVP and contribute [here](#).

With nearly two years in office as attorney general, Eric has proven himself a steadfast champion of progressive causes, and he has gained widespread recognition for the far-ranging reform efforts he has pursued. Among his many accomplishments in office, he recently achieved a key legislative victory when the state legislature unanimously passed a bill to overhaul the state's prescription-tracking system, which will make it more difficult for addicts and others to stockpile narcotics. Last year, he filed a legal challenge to the discriminatory Defense of Marriage Act (DOMA) and successfully defended New York's marriage equality statute in court to ensure that all New York couples receive equal protection under the law. He is also leading the fight for New Yorkers' health, safety, and environmental protection by challenging the Indian Point nuclear power plant's practices related to high-level radioactive waste storage, earthquake preparedness, and fire safety. And at the beginning of this year, his leading role in the nationwide investigation of misconduct in the mortgage industry led President Obama to appoint him co-chair of the Residential Mortgage-Backed Securities Working Group.

We hope you'll be able to join us and show your support for Eric's leadership and for his hard work on behalf of all New Yorkers. Please let me know whether you can make it, and I hope to see you on December 3! Thank you in advance for your support, and have a great afternoon.

Celeste Wolter  
Schneiderman 2014  
(646) 701-7039

**YOU ARE CORDIALLY INVITED TO A BIRTHDAY CELEBRATION FOR  
NEW YORK STATE ATTORNEY GENERAL ERIC SCHNEIDERMAN**



**MONDAY, DECEMBER 3, 2012 | 5:30PM TO 7:30PM | VIP RECEPTION AT 5:00PM**

**CARMINE'S THEATER DISTRICT | 200 WEST 44TH STREET | AT TIMES SQUARE**

**RSVP TO CELESTE WOLTER AT (646) 701-7039 OR [CWOLTER@BEDFORDGROVELLC.COM](mailto:CWOLTER@BEDFORDGROVELLC.COM)**

**CONTRIBUTE**   **VOLUNTEER**

Paid for by Schneiderman 2014

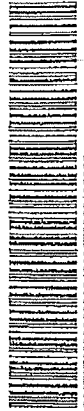
# EXHIBIT 19

00093

This page displays checks that have posted to your account during this statement period. The front and back of the check has been imaged and is the LEGAL COPY of your check. You can use it the same way you would use the original check.

Up to 2 items are shown on this page

Check images are also available to view online



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\*021000021\*  
01/31/2013  
003190595719

This is a LEGAL COPY of your check. You can use it the same way you would use the original check.

IRD  
802  
721  
3213

REDACTED

THIS CHECK IS PRINTED ON CHEMICAL REACTIVE PAPER WHICH CONTAINS A WATERMARK AND HAS MICRO PRINTING IN THE SIGNATURE LINE.

IVANKA TRUMP  
725 FIFTH AVE  
NEW YORK, NY 10022

JP MORGAN CHASE BANK  
41 MADISON AVENUE  
NEW YORK, NY 10017

1-21210

NO. 002749

CHECK DATE 11/27/12

CHECK AMOUNT \*\*\*\$500.00\*\*

NOT FOR Federal election

PAY \*\*FIVE HUNDRED DOLLARS AND NO CENTS\*\*\*\*\*

TO THE ORDER OF SCHNBIDERMAN 2014

*[Signature]*

#002949# #021000021# REDACTED

↑ Do not endorse or write below this line. ↓

#021000021# 01-14-13  
REDACTED

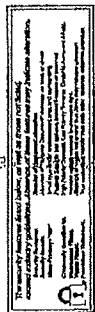
\*021000021> 01-14-13  
REDACTED

ENDORSE HERE  
X FOR DEPOSIT ONLY  
SCHNBIDERMAN 2014  
REDACTED

DO NOT WRITE, STAMP OR SIGNATURE ON THIS LINE  
RESERVED FOR FINANCIAL INSTITUTION USE

REDACTED

JP MORGAN BANK 011402 003002



# EXHIBIT 20

Michael Cohen

---

**From:** Sam Maracic <smaracic@gerstmanschwarz.com>  
**Sent:** Wednesday, April 17, 2013 9:58 AM  
**Cc:** Brad Gerstman  
**Subject:** Final Reminder: Reception in honor of Attorney General Eric T. Schneiderman at the Barclay's center

Hello,

This is a final reminder in regard to the reception being held for Attorney General Eric T. Schneiderman tomorrow, Wednesday, April 17<sup>th</sup> at the Barclay's center.

Tickets will be held by will call at the Calvin Klein VIP entrance along Atlantic Avenue, on the left hand side of the building beginning at 7 pm. When you enter please give your name to the will call desk for Suite A24 under Bradley Gerstman.

If you plan on driving in there are parking garages surrounding the arena. By clicking on the link below you can reserve a space prior to the event. They do suggest doing this because spaces tend to fill quickly.

<http://www.barclayscenter.com/arena/parking>

Again, the previously sent invitation is pasted below. Please feel free to reach out should you have any questions.

ATTORNEY GENERAL

**Eric Schneiderman**

**BRAD GERSTMAN AND DAVID SCHWARTZ**

INVITE YOU TO A RECEPTION  
IN HONOR OF

**ATTORNEY GENERAL  
ERIC T. SCHNEIDERMAN**

*A TRUSTED FRIEND AND PROVEN LEADER*

**WEDNESDAY, APRIL 17<sup>TH</sup>, 2013**

7:00PM-9:00PM

COCKTAIL AND A GAME

AT

*BARCLAY'S CENTER  
620 ATLANTIC AVENUE  
SUITE A-24  
BROOKLYN, NY*

RECEPTION: \$5000 \$2,500 \$1,000 (TICKET)

FOR DETAILS OR TO RSVP PLEASE CONTACT CELESTE WOLTER  
(646) 701 - 7039 OR [CWOLTER@BEDFORDGROVELL.COM](mailto:CWOLTER@BEDFORDGROVELL.COM)

*Samantha Maracic*

Gotham Government Relations & Communications

1044 Northern Boulevard, Suite 305

Roslyn, NY 11576

T:516-880-8170

F:516-880-8171

[www.gothamgr.com](http://www.gothamgr.com)



# EXHIBIT 21

013

MICHAEL COHEN OR  
LAURA COHEN

2638  
07/16

REDACTED

4-17-13 Date

Pay to the Order of SCHIFFENBERG 2014

\$ 1,000.00

One Thousand Dollars and 00/100

Dollars 00/100

Capital One Bank

Capital One N.A.

For \_\_\_\_\_



⑆0214079120⑆

REDACTED

SB

#2638

07/16

\$1,000.00

# EXHIBIT 22

## Michael Cohen

---

**From:** Celeste Wolter <cwolter@bedfordgrovelc.com>  
**Sent:** Monday, April 29, 2013 12:58 PM  
**To:** Michael Cohen  
**Subject:** Attorney General Eric Schneiderman  
**Attachments:** Schneiderman Spring Gala 2013.png; Schneiderman Spring Gala RSVP form.pdf

Hi Michael,

I hope you are well.

It was nice speaking with you at Brad Gerstman and David Schwartz's event for Attorney General Eric Schneiderman's. I wanted to reach out to regarding your offer to get us some talent for his spring event on May 21<sup>st</sup> (or in the near future). I have attached a copy of the invitation for you to review as well as a link to Eric's bio that you could send along. He has been very active on the gun issue which might be helpful in recruiting people to get involved.

<http://www.ericshneiderman.com/>

Let me know if you need any more information from me. I look forward to hearing back from you.

Best,

Celeste Wolter Sempere  
Bedford Grove LLC  
349 5th Avenue, 3rd Floor  
New York, NY 10016  
Work: 646-701-7039  
Cell: 347-527-3368  
Fax: 866-532-0379  
[cwolter@bedfordgrovelc.com](mailto:cwolter@bedfordgrovelc.com)

# A Spring Gala in Support of Attorney General Eric Schneiderman

Tuesday, May 21, 2013 • Cocktail Reception from 5:30pm to 7:30pm • VIP Reception at 5:00pm  
TAO Restaurant • 42 East 58th Street • Manhattan • Between Madison and Park

**Join the Event Committee** **YES**, I/we would like to join the Event Committee at the following level:

- Chair:** Pledge to contribute/raise \$25,000 (4 passes to VIP Reception • 12 passes to general reception)
- Vice Chair:** Pledge to contribute/raise \$10,000 (2 passes to VIP Reception • 12 passes to general reception)
- Patron:** Pledge to contribute/raise \$5,000 (6 passes to general reception)
- Sponsor:** Pledge to contribute/raise \$2,500 (3 passes to general reception)

**Make a Contribution** **YES**, I/we would like to support the attorney general's campaign.

I/we will attend the reception and have enclosed my/our contribution(s) of:

\$25,000    \$10,000    \$5,000    \$2,500    \$1,000

Other: \$ \_\_\_\_\_ (minimum \$1,000 per person)

I/we cannot attend, but have enclosed my/our contribution(s) of \$ \_\_\_\_\_.

Name(s) of attendee(s): \_\_\_\_\_

Name(s) of Event Committee Member(s) who invited you, if any: \_\_\_\_\_

**For compliance with New York State Election Law and campaign guidelines, please complete the following.**

Name: \_\_\_\_\_ Residential Phone: \_\_\_\_\_

Employer: \_\_\_\_\_ Business Phone: \_\_\_\_\_

Title/Occupation: \_\_\_\_\_ Primary Fax: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, State, Zip: \_\_\_\_\_ E-mail: \_\_\_\_\_

**For Contributors Only. Each contribution must be accompanied by a completed and signed contribution form.**

### Contributions by check

Please make checks payable to SCHNEIDERMAN 2014  
and mail with this form to:

118A Fulton Street, Suite 250  
New York, NY 10038-2712

### Contributions by credit card

Credit card contributions may be faxed to (866) 532-0379.

Card Number: \_\_\_\_\_

Amount: \$ \_\_\_\_\_ Type: \_\_\_\_\_ Expiration Date: \_\_\_\_\_

**The account being used to make this contribution is registered to and managed by a/an:**

- Individual
- Partnership
- Sole Proprietorship
- Corporation
- PAC or Labor Union
- LLC
- Candidate Committee
- Party Committee

Contributing entity's name: \_\_\_\_\_

### Required Disclosure Statement for Schneiderman 2014:

To the best of my knowledge neither I personally nor any entity which I own or control has any matter presently pending with the NYS Attorney General's office or has had any matter resolved within the last 90 days. This does not extend to attorneys or lobbyists representing persons or entities with matters before the NYS Attorney General's office. I am not a foreign national who lacks permanent residence in the United States. This contribution is from my own funds or from funds of the contributing entity indicated above.

**Signature Required:** \_\_\_\_\_ **Date:** \_\_\_\_\_

In accordance with New York State law, Schneiderman 2014 will accept no more than \$60,800 for the 2014 election cycle (\$19,700 for the primary/\$41,100 for the general) from individuals, unions, political action committees, and trade associations, partnerships, limited liability partnerships (LLPs), and limited liability companies (LLCs). Partnerships (including LLPs) that make contributions in excess of \$2,500 will be required to specifically identify the partners responsible for the contribution. Total contributions from a corporation may not exceed \$5,000 per calendar year, and total contributions from an individual may not exceed \$150,000 per calendar year, aggregate to all New York state and local candidates and committees. It is strictly prohibited to reimburse another individual's or entity's contribution. All contributors must be either US citizens, US entities, or permanent resident aliens (green card holders). Contributions are not deductible for income tax purposes.

If you have any questions, please contact Michael Giaccio at (646) 701-7059 or [mgiaccio@bedfordgrovelc.com](mailto:mgiaccio@bedfordgrovelc.com).

# EXHIBIT 23



ATTORNEY GENERAL  
Eric Schneiderman

July 20, 2013

Michael Cohen  
502 Park Ave Apt 10A  
New York, NY 10022-1108

Dear Michael,

Thank you for your generous contribution to my campaign committee. I am proud to say that we were able to raise over six million dollars since I was elected – and do some very important work in the Office of the Attorney General. None of this would have been possible without your help.

Just this year, we implemented a model agreement with gun show operators that will ensure universal background checks at over 99% of New York's gun shows, and that we hope will become a national model for closing this dangerous loophole in our gun laws. We also brought transparency to the political process by implementing regulations requiring tax exempt groups that participate in electioneering to disclose their donors and expenditures. And we successfully defended our state's marriage equality law, while also leading the national effort among state attorneys general to strike down the discriminatory Defense of Marriage Act.

These are just a few examples of what we have been able to accomplish with your support. I am honored to serve as your Attorney General and I look forward to the work we will be able to do going forward to ensure equal justice for all New Yorkers.

Thank you again. I greatly value your friendship and continued support.

Sincerely,



Eric T. Schneiderman

Attorney General

# EXHIBIT 24



TRUMP UNIVERSITY LLC  
40 Wall Street, 32nd Floor  
New York, NY 10005  
(212) 248-1800

CAPITAL ONE BANK  
NEW YORK, NY 10018  
50-791/214

11657

10/25/2010

© 2005 INTUIT INC. # 542 1-888-486-0810

PAY TO THE ORDER OF DEO MUNTER

\$\*\*34,995.00

Thirty-Four Thousand Nine Hundred Ninety-Five and 00/100

DOLLARS

DEO MUNTER  
REDACTED

VOID AFTER 90 DAYS

MEMO

⑈011657⑈ ⑆021407912⑆ REDACTED

TRUMP UNIVERSITY LLC  
DEO MUNTER  
Accounts Receivable

10/25/2010

11657  
34,995.00

Capital One - Operatin

34,995.00

TRUMP UNIVERSITY LLC  
DEO MUNTER  
Accounts Receivable

10/25/2010

11657  
34,995.00

PAYMENT  
RECORD

Capital One - Operatin

34,995.00



[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**DEO MUNTER**

By: Deo E Munter  
Name: DEO E MUNTER  
Title: NA

**TRUMP UNIVERSITY LLC**

By: [Signature]  
Name: Michael D. Cohen  
Title: EVP

**TRUMP ENTREPRENEURSHIP INITIATIVE LLC**

By: [Signature]  
Name: Michael D. Cohen  
Title: EVP

Affidavit

STATE OF Arizona )  
COUNTY OF Maricopa ) ss.:

DOE MOUNTER, residing at 5137E CASPER ST MESA AZ  
(Name) (Address) 85205  
states that this is a true and accurate copy of the complaint I filed against Trump

University. The complaint accurately describes the circumstances surrounding my  
dealings with Trump University. Any copies of correspondence and/or other documents  
attached to the complaint are true and correct copies. After the date of this complaint,

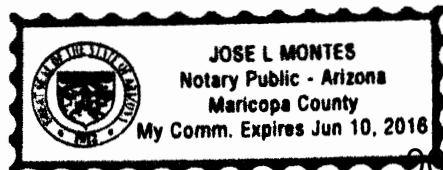
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DoE MOUNTER  
(Signature)

7-2-13  
(Date)

Subscribed and sworn to before me this 2 day of July, 2013

[Signature]  
Notary Public



10-7103

**From:** <nobody@pubsrv10.azag.gov>  
**To:** <online.complaints@azag.gov>  
**Date:** 4/3/2010 3:15 PM  
**Subject:** Online Consumer Complaint

Below is the result of your feedback form. It was submitted by  
( ) on Saturday, April 03, 2010 at 15:15:21

---

subject: Online Consumer Complaint

01age: 60andOver

02contact\_yesno: Yes

03media\_yesno: Yes

04govt\_yesno: Yes

05military: Veteran

06HowHeard: Media: Newspaper/Radio/TV

07OtherHowHeard:

08Cust\_First\_Name: Deo

09Cust\_Last\_Name: Munter

10Cust\_Address: 44 S Hawes Rd C21

11Cust\_City: Mesa

12Cust\_State: Az

13Cust\_Zip: 85208

85205

14Cust\_HomePhone\_Area: 480

15Cust\_HomePhone: 357-4062

16Cust\_WorkPhone\_Area: 480

17Cust\_WorkPhone: 510-4111

18Cust\_FAX\_Area: 480

19Cust\_FAX: 357-4062

20Cust\_Email: deomunter@yahoo.com

21PV\_Name: Trump University

22PV\_Address: 30 east 33rd st. 12th floor

Moved to 5137 E CASARST  
MESA AZ 85205

S

000100



23PV\_City: New York City

24PV\_State: New York

25PV\_Zip: 10016

26PV\_Phone\_Area: 212

27PV\_Phone: 533-6200

28PV\_2ndPhone\_Area: 646

29PV\_2ndPhone: 810-2119

30PV\_Email: jschauer@trumpuniversity.com

31PV\_Website: NA

32Circumstances: I went to a seminar on real estate investing. I signed a contract with

them to learn to invest in and turn troubled properties for profit. I was asked to pay them \$35,000 which I paid them by credit card. The contract read that we had three days in which we could opt out of the contract

which I did on the third day, because the stress of it caused me to have

a mini stroke or T.I.A. I called Jason Schauer ( who was supposed to be my contact ) at 646-810-2119. I told him I was unable to continue with the program. He told me he would wave the three day until I would have

time to see my doctors and see if I may be able to continue. After I saw

my doctors, which took me approximately two weeks. I called him and told him I wanted to cancel. I then sent a e-mail to James Harris who was

to be my mentor on the last of May which was in side of 30 days

I then heard from Jason Schauer and he kept telling me that he was

working on it. I sent numerous e-mails to him and he kept telling the

same thing. I have several copies of the e-mails where he kept stalling me. At first I called him on the telephone so I don't have any copies.

Deo Munter PS the money that I paid was for future seminars that were

Upcoming and I didn't go to any of them.

33complain\_yesno: Yes

34ComplaintResponse: They just kept on telling me everything was

being done to return my money. But I now am

convinced that they were stalling for time.

35warranty\_yesno: Yes

36sign\_yesno: Yes

37Trans\_Date\_Month: April 0

38Trans\_Date\_Day: 26 0

39Trans\_Date\_Year: 2009

40Trans\_Place: Phoenix at seminar

41Damages: \$34,495 +\$1495+int

42SalesPerson: They didn't sign it.

43Witness: Barbara Williams

44ad\_yesno: Yes

45Advertised: Ad in News paper

46attorney\_yesno: Yes

47Attorney: Allyson Dellecchio with the firm of Tarascio&

Winship.

137 N.Country Club Drive

Mesa, Az. 85201

Phone877-512-5872 ---480-649-2905

48action\_yesno: Yes

49Agencies:

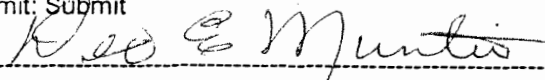
50Comments: I would like to recover the years interest as well as the

\$1495 I spent for attending their seminar.

51Name: Deo Edward Munter

52Date: April 3, 2010

submit: Submit

  
-----

Dea Muntev

NOTICE OF CANCELLATION

Date: \_\_\_\_\_

YOU MAY CANCEL THIS TRANSACTION, WITHOUT ANY PENALTY OR OBLIGATION WITHIN THREE BUSINESS DAYS FROM THE ABOVE DATE.

IF YOU CANCEL, ANY PROPERTY TRADED IN, ANY PAYMENTS MADE BY YOU UNDER THE CONTRACT OF SALE, AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU WILL BE RETURNED WITHIN TEN BUSINESS DAYS FOLLOWING RECEIPT BY THE MERCHANT OF YOUR CANCELLATION NOTICE, AND ANY SECURITY INTEREST ARISING OUT OF THE TRANSACTION WILL BE CANCELLED.

IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO THE MERCHANT AT YOUR RESIDENCE, IN SUBSTANTIALLY AS GOOD CONDITION AS WHEN RECEIVED, ANY GOODS DELIVERED TO YOU UNDER THIS CONTRACT OR SALE; OR YOU MAY IF YOU WISH COMPLY WITH THE INSTRUCTIONS OF THE MERCHANT REGARDING THE RETURN SHIPMENT OF THE GOODS AT THE MERCHANT'S EXPENSE AND RISK.

IF YOU DO NOT AGREE TO RETURN THE GOODS TO THE MERCHANT, OR IF THE MERCHANT DOES NOT PICK THEM UP WITHIN TWENTY DAYS OF THE DATE OF YOUR NOTICE OF CANCELLATION, YOU MAY RETAIN OR DISPOSE OF THE GOODS WITHOUT ANY FURTHER OBLIGATION.

TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE OR ANY OTHER WRITTEN NOTICE, OR FAX 212-937-3830 . OR SEND A TELEGRAM, TO TRUMP U. 40 WALL STREET, NEW YORK, NY 10005 NOT LATER THAN MIDNIGHT OF 4/29/09.

I HEREBY CANCEL THIS TRANSACTION.

DATE: \_\_\_\_\_

\_\_\_\_\_  
Buyer's Signature

Print Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Telephone: \_\_\_\_\_

# EXHIBIT 25



1989 to join the Office of Counsel (“OC”) at the New York State Education Department (“SED”) as an Assistant Counsel in charge of litigation. SED and its Board of Regents (the “Regents”) are charged under Article XI, §2 of the NY State Constitution and Education Law §§201 and 214 with, among other things, the oversight of public and private higher education in the State of New York (“NY”). This includes the licensing and regulation of for-profit, or proprietary, business schools under Article 101 of the Education Law (Education Law §5000 *et seq.*) and Commissioner’s regulations at 8 NYCRR Part 126. As Assistant Counsel, I worked closely with SED’s Office of Higher Education and, in particular, with the Bureau of Proprietary School Supervision (“BPSS”), the office with oversight responsibility for proprietary schools in NY. In fact, I was specifically assigned to BPSS, and I personally provided its staff with daily advice and counsel and handled many enforcement cases against proprietary schools under Education Law §§224 and Article 101.

3. Upon my promotion to Deputy Counsel at SED in 1991, I continued to work with BPSS staff on proprietary school matters. Two years later, in 1993, the Regents and the Commissioner of Education (the “Commissioner”) appointed me Counsel and Deputy Commissioner for Legal Affairs, a position I held for 16 years, through 2009. As General Counsel, I oversaw all of the legal work of SED, including enforcement actions against proprietary schools. I also served as the primary contact person between SED and the OAG on matters of mutual interest, including the prosecution of cases against proprietary schools. During my tenure as Counsel, I worked closely with five different Attorneys General and their staffs (Robert Abrams, Oliver Koppel, Dennis Vacco, Eliot Spitzer and Andrew Cuomo). Accordingly, I am intimately familiar with the statutes, enforcement practices and procedures at issue in this case.

4. I have reviewed the verified petition (“Petition”), the memorandum of law, the affidavit of Assistant Attorney General (“AAG”) Tristan C. Snell and the affidavit of BPSS Director Carol Yates (“Yates Affidavit”), submitted in support of the Petition. In those documents, the OAG essentially makes four claims: (1) that Respondents violated Education Law §224 by initially calling the Trump Entrepreneurial Initiative, LLC (the “school”), “Trump‘University’”; (2) that Respondents violated Article 101, Education Law §5000 *et seq.* by operating an unlicensed school that did not meet State standards; (3) that Respondents engaged in fraudulent and deceptive practices under General Business Law (“GBL”) §349; and (4) that Respondents engaged in false advertising under GBL §350.

5. Based on that review and my 21 years of experience at the OAG and SED, it is my view that the Education Law claims asserted by the Petitioner are not only time barred under applicable statutes of limitation, but are without a sufficient basis in either law or fact to support the extraordinary relief that Petitioner demands. Additionally, the OAG has usurped the role of SED and the Commissioner by bypassing the procedure established in Article 101 for disciplining proprietary schools. By failing to wait until the proper administrative procedures have been exhausted, the OAG has denied the Respondents their right to due process.

**Not Only Does SED’s Conduct Demonstrate That Respondents’ Alleged Use Of The Word “University” Was A Relatively De Minimus Violation, But the OAG Waited More Than 8 Years Before Commencing The Proceeding.**

6. Petitioner’s first Education Law cause of action (the Fourth Cause of Action in the Petition) alleges a violation of Education Law §224. Education Law §224 prohibits an institution from using the word “university” in its name unless it meets certain State-established criteria. Petitioner alleges that Respondents started using the word “university” beginning in

2005. Assuming, for the sake of argument, that Respondents improperly called the school a “university”, that mistake was rectified in May 2010, over three years ago, when the name of the school was legally changed to “Trump Entrepreneurial Initiative, LLC”. Even Petitioner admits that Respondents have not called the school a “university” in years. ***Based upon my past experience as General Counsel at SED, I cannot recall an enforcement action ever being brought by SED or the OAG to stop the use of the term “university” (i) more than three years after the school itself stopped using the title and (ii) more than eight years after use of the title allegedly began.*** Perhaps that is because the applicable three-year statute of limitations would have barred such an action. (See, Respondents’ Memorandum of Law, Point I). More likely, it was because an enforcement action was superfluous where, as here, the institution had already quit the offending activity.

7. Moreover, the relief that SED would typically seek for improper use of the “university” moniker would simply be to require the institution to “cease and desist” its use. This would be accomplished by SED’s issuance of a “cease and desist” order to the institution. SED would then continue to monitor the situation to insure that the objectionable practice had stopped. If the conduct was not discontinued, another directive would issue.

8. I cannot recall a single instance during my 16-year tenure as General Counsel where an institution was fined, asked to pay restitution to students or assessed a civil penalty simply for identifying itself as a “university” without SED approval. To the contrary, there were ***several*** instances in which an institution used the term “university” absent approval, and were subsequently approved and permitted to use the term in their title after meeting certain requirements. A recent such example (in 2012) is the case of Olivet University, where a San Francisco based institution used the term “university” in its name, was told to cease and desist,



and was subsequently granted permission to operate by the Regents in NY. In short, the improper use of the term “university” was simply not an automatic disqualifying event that forever barred licensure, nor did it typically warrant the recovery of a significant financial penalty like the one being sought by the OAG here.

9. The *de minimus* nature of the §224 violation is also demonstrated by SED’s tepid response to the Trump “University” name. According to the affidavit of Carol Yates, BPSS Director, in May 2005 SED Assistant Commissioner Joseph Frey wrote to Donald Trump and expressed his “concerns” that the school “appeared” to be in violation of §224. ***But SED never even issued a formal cease and desist directive.*** Instead, Mr. Frey referred Mr. Trump to instructions on how the school could obtain a license from SED. Mr. Frey and school President Michael Sexton (“Mr. Sexton”) then began a series of communications over the next two-plus months about the licensure procedure. At no time during these communications did SED begin to investigate the school, threaten to shut it down, direct Respondents to communicate with students who might be misled by the name, fine the school, or indicate that its alleged infraction was so serious that it would prevent future licensing in NY.

10. Indeed, SED apparently viewed the alleged use of the “university” label as so minor, that ***almost four years passed before it contacted the Respondents again.*** In my experience, had SED viewed Respondents’ actions as significant violations of law, it would have begun a wider investigation or ordered the school shuttered. The fact that four years passed between SED’s first inquiries to the school (May 2005) and the State’s next contact with the school (March 2009), demonstrates that the alleged violation of §224 was minor in the view of SED officials.

11. This four-year gap also tells me that during this time - while the school operated in plain sight of State officials - the State received a total of *zero student complaints* about the school. It was BPSS' practice to follow-up on all student complaints received and act as appropriate. Had SED received complaints between 2005 and 2009, it would have contacted or visited the school. SED did not contact the school again, however, until March 2009 (Yates Affidavit at Para. 15), and did so only because it finally received a single student complaint. The absence of complaints over this time, in my experience, likely suggests that the quality of teaching and curriculum were high, and thus students were satisfied with the instruction they were receiving. *The absence of complaints against a school offering courses in real estate is particularly significant, given that, at the time, the world was experiencing what was widely acknowledged to be the worst financial and real estate collapse since the Great Depression.*

12. It is also significant that, when SED finally did contact the school in March 2009, it again did not begin a formal investigation, issue charges against the school, seek to impose a fine or close it down, but asked only that it stop using the term "university", consider issuing refunds *to the only 2 students who had registered complaints* with SED, and begin the process to become licensed. As noted above, the school then changed its name in May 2010 to Trump Entrepreneurial Initiative, LLC, *with SED's approval.*

13. As stated in the Yates Affidavit, the parties continued to communicate throughout August and September 2010, and agreed to meet so that BPSS could "assist" the school with "beginning the process of applying for a license." (Yates Affidavit, Para. 28). In October 2010, however, Respondents advised SED that it had stopped enrolling students, and thus SED's offer to meet was respectfully declined. The critical point here, however, is that SED apparently believed that the appropriate path for the school was licensure, and not fines, disgorgement of

profits, or the other extraordinary relief the Petitioner now seeks, *years after the school has ceased operation.*

14. Petitioners also argue that the use of the term “university” also amounted to a “deceptive practice” and/or “false advertising” under General Business Law §§349 and 350, because students purportedly relied on the “meaning” of “university” when they enrolled. However, to my knowledge, there is not a commonly understood definition of the word “university” upon which students would have reasonably based their decision to enroll. In fact, the “reasonable student” would not likely know the technical legal differences among the terms “post-secondary school”, “college”, “university”, “higher education institution”, “not-for-profit school”, “proprietary school”, “proprietary college”, etc. The use of the term “university” simply does not carry with it the power to deceive that Petitioner suggests. In my experience, it would have been far more confusing to the average student had the school held itself out as “approved by the State of New York”, “licensed by the State Education Department”, “accredited by the Board of Regents”, “approved to issue diplomas”, or made similar false representations. At no time, however, did the school make any of those claims, nor does Petitioner even allege that it did. In fact, the school actually provided students an FAQ that made the nature of the school quite clear to the reader. A copy of that FAQ is attached as Exhibit A. It contains a plainly worded description of the school, and states, among other things, that “The Trump Entrepreneurial Initiative does not offer credits or degrees.”

**Petitioner's Claim That Respondents Operated An Unlicensed School Is Similarly Time Barred And, Like The "University" Claim, Seeks To Deprive Respondents Of Their Statutory Right To A Hearing Under Education Law.**

15. The second Education Law cause of action (Fifth Cause of Action in the Petition) asserts that Respondents violated Article 101 (Education Law §5000 *et seq.*) and 8 NYCRR Part 126 by operating an unlicensed proprietary school and failing to meet State standards for licensed proprietary schools as far back as 2005. Again, the timing of this action, the nature of the claims, and the magnitude of the relief sought by Petitioner OAG, when viewed together, is, in my experience, unprecedented.

16. First, I cannot recall an instance where SED sought to prosecute a claim for unlicensed operation of a proprietary school eight years after the alleged violation and literally years after the school had ceased operation. What would be the point? For example, Petitioner alleges violations of §§5001(1) (operating without a license), 5001(4)(e) (failure to submit financial statements and audited reports, 5002(4) (teaching unapproved curriculum), 5002(6) (employing an unlicensed director) and 5004(1)(c) (use of unlicensed agents). But, as noted above, the school stopped accepting students shortly after changing its name in May 2010, and has not operated without a license, used unlicensed agents, failed to submit to SED audited financial statements, etc., since that time. While Education Law §5003(5) authorizes the OAG to "enforce any provision of this article", there is simply no provision to "enforce" now because the school stopped operating in 2010.

17. Assuming that enforcement is still appropriate eight years after the alleged wrongdoing purportedly started and more than three years after it indisputably stopped, the OAG has not followed the statutory due process *requirements* in the law. Education Law §5003

establishes a procedure for the State to follow to discipline schools under Article 101. Section 5003 vests exclusive authority in the Commissioner of Education to impose discipline against a proprietary school for violations of Education Law §5000 *et seq.*, ***for good cause shown after a hearing based upon written notice and charges to the school.*** The school has the right to interpose an answer, and “present evidence and argument on the issues involved in the hearing including the right of cross examination” at the hearing (Education Law §5003(2)(b)). The school also has the right to appear with counsel. An impartial hearing officer appointed by the Commissioner presides, and issues a recommended result to the Commissioner, who then makes the final determination in writing. The school has the right to appeal the Commissioner’s determination to a court of law pursuant to CPLR Article 78.

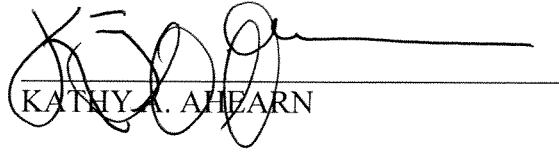
18. In this case, the State never followed the process prescribed in Article 101. Respondents ***have never been afforded notice of charges, the right to a hearing before an impartial hearing officer, or the right to present their defense before an objective fact finder and the Commissioner of Education.*** The Yates Affidavit never references an investigation of the school. Nothing in the State’s papers suggest that SED ever examined the school’s curriculum, reviewed its catalogue, reviewed its advertising, reviewed the credentials of its professors, examined the bona fides of its agents, etc., to determine if the standards in Education Law §5002 were actually violated. Consequently, SED did not issue charges, offer the school a hearing or allow the school to defend the allegations before an impartial hearing officer. The OAG instead rushed to summary judgment under Article 4, seeking extraordinary relief based on allegations that have never been asserted or established by the agency - SED -charged with enforcing Article 101.

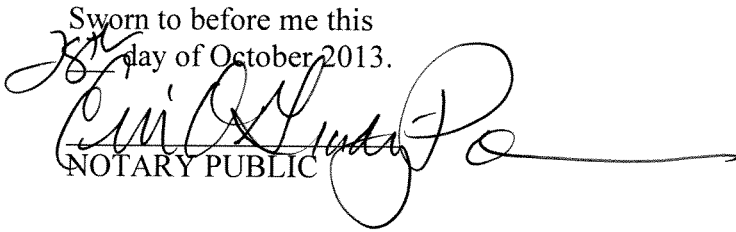
19. The Article 4 process used by the OAG here is unusual, and appears to conflict not only with the statutory scheme described above, but with the past custom and practice of SED. I respectfully direct the Court's attention to Education Law §5003(5), entitled "Enforcement Proceedings", upon which the OAG relies as the source of his authority to assert the Education Law causes of action herein. It states that the OAG may bring an "appropriate action or proceeding in any court of competent jurisdiction to recover a fine or otherwise enforce any provision of this article." To the best of my knowledge, this provision contemplates action by the OAG to recover fines that have been imposed and/or enforce provisions of Article 101 *only after a full due process hearing before an impartial hearing officer and a written decision by the Commissioner wherein he concludes that a school has violated the law.* At that point, the OAG, at his own initiative or at SED's request, may bring a proceeding to "enforce" the provisions of Article 101 that were violated and/ or "recover a fine" which the Commissioner imposed under §5003(6) as a consequence of the hearing.

### **Conclusion**

20. Based on the foregoing, it is my view that the Education Law claims asserted by the Petitioner are (i) as a threshold matter, time barred under the applicable statute of limitation in as much as they were filed eight years after the alleged wrongdoing commenced and more than three years after it ended; (ii) being improperly pursued insofar as the OAG filed this proceeding without Respondents first being afforded their statutory right to an administrative hearing as provided under Article 101 of the Education Law; and (iii) without a sufficient basis in either law or fact to support the extraordinary relief that Petitioner demands.

21. For all of these reasons, it is my view that the Petition should be dismissed.

  
KATHY A. AHEARN

Sworn to before me this  
28<sup>th</sup> day of October 2013.  
  
NOTARY PUBLIC

**ERIN M. O'GRADY-PARENT**  
Notary Public, State of New York  
No. 020G4962846  
Qualified in Saratoga County  
Commission Expires Feb. 26, 2014

# EXHIBIT 27



# REDACTED

-----Original Message-----

From: Wagschal, Gerry [mailto:Gerry.Wagschal@abc.com]

Sent: Friday, August 23, 2013 8:58 AM

To: Rhona Graff

Subject: The People of State of New York vs. The Trump Entrepreneur Initiative...

Dear Ms. Rhona Graff:

My name is Gerry Wagschal and I am a producer for ABC News in New York. I am currently producing a report for ABC's Good Morning America regarding a petition that is going to be filed in court shortly by the NY Attorney General's office against The Trump Entrepreneur Initiative LLC and including The Trump Organization Inc. The suit alleges deceptive acts and practices and false advertising in connection with the operation of the Trump Entrepreneurship Institute. We would very much like to interview Mr. Donald Trump to hear his side of the story regarding this upcoming petition and its allegations.

I can be reached today on my cell phone at 9179692596. Thank you.

Gerry Wagschal

Gerry Wagschal, Producer, ABC News Office 212 456 3948

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# EXHIBIT 28



**Eric Schneiderman** @AGSchneiderman

25 Aug

Over 5K people who paid #Trump \$40M to teach them his tactics got a lesson in bait-and-switch, via @nydailynews: [nydn.us/15litKA](http://nydn.us/15litKA)

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New York Daily News

### New York Attorney General Eric Schneiderman files Donald Trump...

Attorney General Eric Schneiderman is taking on Donald Trump in a new \$40 million lawsuit. Schneiderman's office accuses Trump of defrauding more than 5,000 people nationwide through his "Trump...



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**Eric Schneiderman** @AGSchneiderman

25 Aug

Trump used his celebrity, personally appearing in commercials making false promises to convince #NY'ers to pay for lessons they never got

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**Eric Schneiderman** @AGSchneiderman

25 Aug

Trump used his celebrity, personally appearing in commercials making false promises to convince #NY'ers to pay for lessons they never got

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**Eric Schneiderman** @AGSchneiderman

26 Aug

ICYMI I was on @NewDay w/ @ChrisCuomo re suit against Trump for violations of NY law in management of #TrumpUnivesity  
[bit.ly/18fF9cY](https://bit.ly/18fF9cY)

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### Prosecutor: Trump lawsuit no stunt - CNN.com Video

New York Attorney General Eric Schneiderman refutes Trump's claims that the lawsuit is a stunt.

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**Eric Schneiderman** @AGSchneiderman

26 Aug

ICYMI I was on @NewDay w/ @ChrisCuomo re suit against Trump for violations of NY law in management of #TrumpUnivesity  
[bit.ly/18fF9cY](http://bit.ly/18fF9cY)

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### Prosecutor: Trump lawsuit no stunt - CNN.com Video

New York Attorney General Eric Schneiderman refutes Trump's claims that the lawsuit is a stunt.

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**Eric Schneiderman** @AGSchneiderman

26 Aug

I was also on @SquawkStreet this morning talking about our #TrumpUniversity lawsuit. Check it out, via @cnbc: [video.cnbc.com/gallery/?video...](https://video.cnbc.com/gallery/?video...)

Hide summary

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### **NY AG files \$40 fraud lawsuit against Trump**

This was a classic bait and switch, says New York Attorney General Eric Schneiderman, discussing what prompted him to bring suit against Donald Trump's "for-profit" university.

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**Eric Schneiderman** @AGSchneiderman

26 Aug

Tonight I'm on @PoliticsNation & @allinwithchris talking our work to hold Trump accountable for fraud at #TrumpUniversity. Tune in to @msnbc

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**Eric Schneiderman** @AGSchneiderman

26 Aug

On #PoliticsNation: With our #TrumpU suit, we're sending a message that no matter how famous you are, there's one set of rules for everyone

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# EXHIBIT 29

Charges fly over  
Moreland  
Commission

OPINION **EDITORIAL**

## Eric Schneiderman's shakedown racket

By Post Editorial Board  
November 22, 2013 | 2:30am



New York State Attorney General Eric Schneiderman.

“There are more big paydays to come.”

These words come from New York Attorney General Eric Schneiderman this week as he celebrates the shakedown of a successful American financial institution.

By shakedown, we mean the \$13 billion JP Morgan Chase agreed to pay in a deal with the Justice Department to settle claims stemming from the sale of mortgage-backed securities. Under the terms of this agreement, JP Morgan will pay \$613 million into the coffers of New York state, the bulk of which will be spent as Schneiderman directs on programs to help homeowners.

On top of this, JP Morgan will also shell out \$387 million to low-income homeowners hit by Superstorm Sandy. The state's legal reasoning is apparently that our banks must also be held liable for the weather.

We note that just a day after Schneiderman hailed the looting of JP Morgan, he announced a \$20,000 settlement with an owner of four gas stations in Westchester accused of gouging customers after Sandy. Apparently the attorney general is not a man who sees the irony: If it's dishonest for a gas station to take advantage of people hit by a natural disaster, is it any less dishonest to get

money from a bank by putting the gun of litigation to its head and shouting "settle"?

What worries us is that JP Morgan seems to be the beginning of a new era of plunder-by-attorney general. The operative phrases here are Schneiderman's references to "more big paydays to come" and "more banks to follow." Sadly this promise is one we expect Schneiderman to keep.

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## WHAT DO YOU THINK OF THE JPMORGAN DEAL?

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**thek** 7 days ago  
we now live in a tinpot dictatorship. the leader changes laws he doesn't like by fiat rather than by proposing amendments to legislation, the junta in power uses the the tax collector to harrass political opponents, when the rules of the legislature don' suit it, the junta simply changes them, and the "law enforcement' arm of the regime finances policies it can't finance through the legislature by threatening businesses into paying protection money. saddest of all, it happens not with a bang but with a whimper, as our fellow citizens happily agree to trade pieces of their freedom for the promise that they will be allowed to take what others have earned.

1 Like Reply

**Think4Yourself**

5 days ago

# EXHIBIT 30

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## COLUMN-"Jack Shafer's latest column is his absolute BEST! Ever!"

Tue, Sep 24 2013

By Jack Shafer

Sept 24 (Reuters) - New York Attorney General Eric T. Schneiderman made Page One news yesterday, Sept. 23, in the New York Times with his announcement that he had shaken down \$350,000 from 19 companies he had accused of violating "laws against false advertising" and which "engaged in illegal and deceptive business practices."

Schneiderman didn't call the \$350,000 collected a "shakedown" in his press release. Rather, he called it an "agreement" with 19 New York firms in exchange for their promise to stop flooding such websites as Yelp, Google Local, and Citysearch with fake online consumer reviews. The fake reviews, written for pay by freelancers both here and abroad, were purchased for as little as \$1 a pop, and sang the praises of a charter bus company, a teeth-whitening emporium, a strip club, and a hair-removal service, among other companies. Both "reputation management" companies procuring the fake reviews and companies that purchased the fake reviews entered into the agreement with the attorney general.

That the reader reviews appearing in Yelp and Citysearch pages might be as loaded as a pair of dice at a floating craps game will not astonish anybody who has ever read those pages. On more than one occasion, I have struggled to find a single trustworthy review beneath a restaurant or services listing. The positive reviews always read too positive, as if composed by somebody with a neurotransmitter imbalance, and too many of the negative reviews seem animated by some vile but unnamed transgression committed by the proprietor. Had the attorney general's investigators desired to perform a useful public service, they would have found the honest reviews on consumer referral sites and marked those pages with a yellow highlighter.

Of course, honest Yelp reviews can be as potentially dangerous to the well-being of consumers as dishonest ones produced for pay. Let's say some tongueless fool fancies himself a connoisseur of Mexican food, starts contributing his rave views of this cantina and that taqueria to Yelp, and readers start following his advice. Perhaps I go too far to describe an incorrect opinion stated forcefully a fraud, but surely the consumer damage done by the misinformed online reviewers equals or surpasses the consumer damage done by the paid writers of fake reviews. Where is the New York attorney general when you need him to exterminate that class of fraud?

If Attorney General Schneiderman were serious about stamping out the "large-scale, intentional deceit across the Internet" that he claims to be investigating, he'd look into the "sponsored content" racket (aka, "native advertising"), in which online publishers accept money from advertising clients (Logitech, Scientology, Coca-Cola, Dell, et al.) to dress up advertising messages in the cloth and stitching of editorial content. These pages are easily larger-scale and more intentionally deceitful than any of the scams described in Schneiderman's press release.

Casting his net further, Schneiderman could consider checking in with the authors of book reviews, movie reviews, restaurant reviews, and product reviews, and the editors who pay them. Editors have been known to exert influence to coax a positive or negative review out of a writer, or to throttle back negativity. Also deserving space on his investigative agenda is the dust-jacket blurb, the most deceitful practice in publishing in which book authors and editors solicit positive endorsements from other authors (and notables) for display on their book cover. In many cases, the blurbs are payback for some favor the book author has performed in the past or an exercise in "logrolling," that is, a debt incurred by the author that can only be repaid by scribbling an equally sparkling blurb for the blurber's next book.

Schneiderman mustn't neglect the product endorsement industry. Do those celebrity endorsers really love the product or service as much as they say they do? Or are celebrity endorsers just saying those nice things for the money, like Yelp's paid reviewers working in Bangladesh, the Philippines, and Eastern Europe, whom the attorney general's squad uncovered in their sleuthing? Or what about the political endorsements vanquished candidates toss at their former opponents, especially after a bitter squabble of a campaign? Are these endorsements, which often come with a promise by the victor to help the loser retire his campaign debts, not deceitful, dishonest, and fraudulent, too?

It's ridiculous to think the office of the New York attorney general - or the entire People's Liberation Army surfing the Web 24 hours a day - can possibly police the billions of user reviews running on Yelp and other similar sites. What burns the AG, I think, is the delightful excess of speech produced by the Web, which makes pitiful his modern exercises in enforcement. Back in the old days, a fraudulent advertising statement placed on a billboard or printed in a newspaper was easily tracked

down and detained. But the Web makes a mockery of a cop who wishes to walk the Yelp beat.

The crime of fake reviews on Yelp - if you want to consider it a crime - does less long-term damage to consumers than it does to Yelp, whose reputation declines almost every time I read the reviews on one of its pages. Fake reviews on Yelp, properly considered, are Yelp's problem, not the state of New York's. Let the Yelp people clean up the sewer. And the attorney general? Aren't there any genuine crimes in the state for him to investigate?

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# EXHIBIT 31



Political Hay

# Shakedown Schneiderman

Donald Trump battles the politics of extortion.

By Jeffrey Lord – 11.5.13



*“He’s a businessman. I’ll make him an offer he can’t refuse”* -- **Vito Corleone in The Godfather**

Donald Trump.

Eric Schneiderman.

Al Sharpton and Jon Corzine.

President Obama and Obamacare.

It is a huge mistake to see the attack on Donald Trump by New York Attorney General Eric Schneiderman, a \$40 million lawsuit over Trump University, as an isolated, Trump-centric event.

But let’s begin with Donald Trump. Who last week filed 150-plus pages of court documents requesting a complete dismissal of the lawsuit, itemizing in devastating detail the bogus nature of Schneiderman’s case. Labeling the lawsuit as “nothing more than a baseless attempt to garner publicity and further his

own political ambitions,” Trump also announced he would be filing an ethics complaint against Schneiderman with the New York Joint Commission on Public Ethics.

Let's begin specifically by thinking of Donald Trump's multi-billion dollar, resoundingly successful company -- The Trump Organization -- as Khartoum the race horse.

Khartoum the race horse?

You remember Khartoum the race horse. The scene is immortalized in the Oscar-winning film *The Godfather*.

The rich and famous Hollywood producer Jack Woltz, owner of the \$600,000 Secretariat-like race horse Khartoum, refuses to put Mafia Don Vito Corleone's favored godson Johnny Fontane in a movie. One fine morning, Woltz awakens, horrified, to find the severed head of his beloved race horse -- whom he has lovingly described beforehand as “the greatest racehorse in the world” -- in his blood-soaked bed. As seen [here](#) in the legendary scene from the film version of Mario Puzo's bestselling novel. Message delivered, Don Corleone's god son Johnny Fontane gets his movie part from the thoroughly terrified movie producer.

Now.

Think of Eric Schneiderman, the Attorney General of New York, supposed progressive “[icon of the left](#)” and a wannabe governor -- as a dime store Godfather. Vicious, but Vito Corleone without the gravitas.

The role of Johnny Fontane, the god son who wants the movie part? That would be played by Mr. Schneiderman's cherished political career. A career that depends on getting as much money, connections, and favorable publicity as possible to push him into the governor's office as the Next Great Progressive Hope in the manner of two of his attorney general-predecessors, the infamous Eliot (Client Number 9) Spitzer and Andrew Cuomo.

The AG's career also depends on Schneiderman keeping his coattails free of corruption charges, which thus far has been dicey. A federal sentencing memorandum on Schneiderman's ex-State Senate colleague Shirley Huntley prompted Huntley's attorney, according to the *New York Daily News*, to [allege](#) her client had information “about corruption involving Eric Schneiderman.”

This doesn't even count the murmurs from Schneiderman's political base of New York's hard left that he is, among other things, a “water boy” and “transactional.”

What does any of this have to do with Donald Trump?

And what does any of this have to do with Al Sharpton? With ex-New Jersey Governor, Goldman Sachs boss and Democrat fundraiser/financier Jon Corzine?

Not to mention President Obama and Obamacare?

It all comes clear as one reads through the recent comprehensive court filings -- over 150 pages -- by Donald Trump in response to the lawsuit filed by the man we call here “Shakedown Schneiderman.” Schneiderman's nickname won by virtue of a hard-earned reputation for shaking down targets for either money or publicity to advance his gubernatorial yearnings. As seen here in this Reuter's [story](#) of another Schneiderman lawsuit that has nothing to do with Donald Trump.

The core of Shakedown Schneiderman's Don Corelone-style method of operation is captured by the famous line from the Don himself. As Puzo immortalized the line in *The Godfather*, the Don would get Johnny Fontane the desired movie part in unique fashion, saying of producer Woltz: "He's a businessman. I'll make him an offer he can't refuse."

The offer, of course, was Khartoum's severed head. The blunt message? Next time it would be Woltz's head.

What was Scheiderman's "offer he can't refuse" to businessman Donald Trump?

In Schneiderman's own words to Trump's counsel, as documented in the Trump filing, Donald Trump would be forced to settle the lawsuit Schneiderman was threatening because Trump would not "want all of the bad press."

As in: Nice business ya got there Mr. Trump. Be a shame if anything happened to it.

To underline his threat to Trump, Trump's family and business associates, Shakedown Schneiderman first "leaked the issuance of a subpoena" to the *New York Times* -- the Trump associates getting a call from the *Times* literally within minutes of receiving the subpoena. Then, filing his lawsuit on a Saturday afternoon -- which would put Schneiderman in the Sunday papers -- Shakedown (in the words of the Trump filing) "went on a nationwide media blitz." The purpose of which was, as the filing puts it, "to publically [sic] discuss the merits of his case."

Which is to say, Schneiderman's version of making an offer Donald Trump could not refuse was to appear on NBC's *Today Show*, CNBC's *Squawk on the Street*, MSNBC's *Politics Nation with Al Sharpton*, Fox News' *Fox and Friends*, CNN's *New Day*, the CBS *Evening News* and ABC's *Good Morning America (GMA)*. Every minute of every one of these Schneiderman appearances -- in a national media heretofore uncaring about a mere state attorney general -- devoted to giving Donald Trump a black eye.

As it were, Schneiderman had just delivered a severed horse head to Donald Trump.

Notably, Trump first learned of the Schneiderman lawsuit not because his lawyers were formally and properly notified but from "a producer at GMA." All these Schneiderman appearances were, in 21st century media-blitz style, actively promoted by Schneiderman on "Twitter and other social media" - - a decidedly unethical practice in the legal world, not to mention for a New York state attorney general.

And in the run-up to all of this? Just as Don Corleone was asking for that movie part for his godson Johnny from Hollywood producer Jack Woltz?

What do you think did Eric Schneiderman wanted from Donald Trump?

Why, the obvious. Money, of course. Campaign contributions. Connections.

That's right. In the run-up to this lawsuit Shakedown Schneiderman was busy trying to shakedown not only Donald Trump but "members of the Trump family, their attorneys and representaives" for cold hard cash and more, specifically "soliciting campaign contributions, political support and other personal favors" for himself. In the words of the Trump filing, Shakedown "repeatedly solicited campaign contributions and sought other favors from members of the Trump family and its representatives during the pendency of the two-year investigation" into the Trump Entrepreneurial Initiative (TEI), formerly known as Trump University. Telling them as he requested that campaign cash, political support and "other personal favors" that the case against TEI was "weak," that he had "no intention of moving forward," that TEI should be "patient" and "let things play out" and that he, Schneiderman, would

“never file the lawsuit.” Indeed, Schneiderman looked Ivanka Trump right straight in the eye -- at a campaign fundraiser, of course -- and flatly stated “this case is going nowhere.”

These “blatant improprieties” are to be the subject of Trump’s forthcoming complaint on Schneiderman to the Public Ethics commission. So too is Schneiderman’s spectacularly brazen comment to Trump’s lawyer that the filing of a lawsuit against Donald Trump would “increase his [Schneiderman’s] political capital.”

The filing points out that when Schneiderman was asked about soliciting Trump family and business associate campaign cash, Shakedown “did not expressly deny the allegations, but instead stated that ‘prosecutors are used to people making wild accusations.’”

Or, as Bill Clinton might say, “it depends on what the definition of is, is.”

Schneiderman also said that he was merely “going through the motions” to, in the words of the filing, “satisfy the lower members of his staff.” We’ll come back to that Schneiderman jewel in a minute.

And if Trump and family and friends didn’t comply to Shakedown’s satisfaction?

They would get the severed-horse-head-in-the-bed treatment.

In this case appearing as a Schneiderman media blitz on every major American television network, cable and broadcast, whether said network was liberal, conservative, or just breathing. And don’t forget all those social media twittering and Facebooking away 24/7, along with those old fashioned print presses.

Print presses running headlines like these:

- *USA Today*: “**N.Y. AG sues Trump, 'Trump University,' claims fraud**”
- *New York Daily News*: “**New York Attorney General Eric Schneiderman files Donald Trump 'University' \$40 million fraud suit**”
- *New York Times*: “**Trump University Made False Claims, Lawsuit Says**”
- *Chicago Tribune*: “**NY attorney general sues Donald Trump investment school**”

And just recently, as Trump fought back, the *New York Daily News* again:

- **More victims of alleged Trump University scam come forward supporting suit against The Donald**

“More victims” defined as a laughably paltry 100 people. Responded Trump lawyer Jeffrey Goldman in the *Daily News*: “If someone told you that something you were happy with four years ago you could now possibly get money back, wouldn't your perception change? Goldman said. “Where were they during the three years of the investigation?” Goldman added that the Schneiderman charges were “intellectually dishonest, factually inaccurate, intentionally or recklessly deceptive and misleading, and legally unsupportable.”

All of these appearances and stories -- every last one of them -- designed to intimidate Donald Trump into giving Shakedown what he wanted. Either Trump and family and friends ponied up more appropriate bucks to Schneiderman -- or a massive and prolonged Trump-dumping publicity binge lay ahead. With Schneiderman using his office both to punish Trump for not sufficiently tending to Schneiderman’s career -- and using Trump to make Schneiderman seem as if he were some sort of fearless legal giant-killer devoted to protecting the little guy.

Schneiderman's problem? Trump had no intention whatsoever of being pushed around. He was damned well *not* going to "settle" this bogus lawsuit. He would, as it were, have his own legal team wrap up the severed horse head and deliver it right back to Schneiderman. Launching not only his own detailed legal response but taking Shakedown directly to the state's ethics commission.

The Trump legal response details Schneiderman as so hell-bent on his desperate "no holds barred quest to make a name for himself and propel his own political ambitions" by scoring headlines designed to intimidate Trump that the AG ignored the fact the three-year statute of limitations on the charges presented had expired. Expired by "not one, not two, but as many as five years... and eight years after the causes of action at issue... first arose." But there's no legal window on publicity -- so Schneiderman, greedy for the publicity of a tangle with The Donald, eagerly went ahead anyway.

There was the insistence that Trump had violated state law by using the name "university." An astonished former 16-year Counsel and Deputy Commissioner of the New York State Education Department (SED) has filed an affidavit in support of Trump saying she couldn't "recall a single instance during my 16-year tenure as General Counsel" where someone "was fined, asked to pay restitution to students or assessed a civil penalty for identifying itself as a 'university.'" No attention is paid to the fact that when Trump's colleagues were notified of this they quickly agreed to change the name of the venture to the Trump Entrepreneurial Initiative. Last but not least was the hilarious notion that out of the 10,000 students who voluntarily -- say again *voluntarily* -- filled out student surveys on their experience, "as many as 98% of the students who took TEI courses were overwhelmingly satisfied with their experience." The Trump filings present one example after another of the handwritten evaluations of various seminars. Among the accolades comments that "the seminars have exceeded all my expectations," "you are a great group of instructors," "I just want to keep coming back," "it was excellent, high energy, very informative," "a standard of excellence." And on... and on and on.

The Trump lawyers than proceed to go through those students who have "complained" -- listing them by name and methodically demonstrating the complaints "are all deliberately vague" and "so rife with deliberate omissions and misstatements" that the Court should disregard them entirely. Trump is prepared to submit "approximately 10 bankers' boxes of evidence" to back up this particular point. To show in meticulous detail that there is zero "evidence of a pattern and practice of deceptive and fraudulent conduct."

To the point?

The obvious question: Why in the world would billionaire Donald Trump, of all people, ever think of going to all this trouble to scam \$35,000 a pop from students? It makes no sense. There is no reason. No possible motive. What there is here is an attempt to juice a political career by a prosecutor using Mafia tactics.

So. Let's see how Shakedown plays his game, shall we? Because there is more to this story -- much more.

Remember this line from the filing? The direct quote from Schneiderman that he was merely "going through the motions" in considering whether to file the lawsuit? In the words of the filing, Schneiderman admitted he was going after Donald Trump to "satisfy the lower members of his staff."

Hello? The "lower members of his staff"?

Who are these people? The filing doesn't say.

But it is more than worth noting that the routine news stories out of Albany on Schneiderman and his staff -- stories that have nothing to do with Trump -- paint a picture of a the state's chief legal officer

staffing the Office of the Attorney General with far left political activists.

To be specific:

- **Micha Lasher:** Schneiderman's chief of staff, Lasher is not a lawyer but rather a longtime Democratic operative who once worked years ago on Schneiderman's state senate campaign. Lasher was, says the *New York Times*, "a founding partner of the political consulting firm SKDKnickerbocker." What the *Times* does not say is that the managing directors of the firm Lasher founded include former Obama White House Communications Director Anita Dunn and Schneiderman's ex-wife Jennifer Cunningham, described as "the most powerful woman in Albany" by virtue of her lobbyist status and close relationship with Governor Andrew Cuomo.
- **Neal Kwatra:** Now departed as Schneiderman's chief of staff, Kwatra, like Lasher, is not a lawyer but a political operative whom *New York* magazine described as someone who "sees life as a campaign." That would be a political campaign. Kwatra's background for his central role in the AG's office was as a union organizer, *Campaign and Elections* depicting Kwatra as "a slick and aggressive young operative, he's widely credited for turning the small union into a power player at both the city and state levels."
- **Melissa DeRosa:** DeRosa, who recently departed the Schneiderman office where she was deputy chief of staff and later acting chief of staff (she now works for Cuomo) has, according to the *Albany Times-Union*, "served as New York State Director of Organizing for America, President Obama's national political action organization. While at OFA, Ms. DeRosa developed and oversaw the grassroots strategy to lobby New York's Congressional Delegation to vote in favor of the Affordable Care Act."
- **Damien LaVera:** A "senior adviser and chief spokesman" for Schneiderman in the attorney general's office, LaVera has worked previously for the Obama Energy Department (where he defended the Obama/Solyndra crony-capitalism deal) and former Vermont Governor Howard Dean at the Democratic National Committee.

In other words, while the Trump filing does not identify "the lower members" of Schneiderman's staff that Schneiderman is said to have fingered as being responsible for pushing the Trump lawsuit, it is crystal clear that the Attorney General's staff has been and is now staffed with far-left political activists who could easily have every political reason to target Donald Trump -- a famous Obama critic and Republican. When the Trump court papers speak of the Schneiderman lawsuit as "nothing more than the AG seeking to use the significant publicity from a lawsuit against famed real estate developer and business mogul Donald J. Trump, also a Republican antagonist, to propel him toward next year's election for Governor or Attorney General," it is important to note that Schneiderman has made it a point to staff his office with political operatives. Just as Vito Corleone employed Luca Brasi as his personal enforcer (it was Luca, in a later *Godfather* sequel, who is revealed as dispatching the racehorse Khartoum and personally delivering the severed horse's head to Jack Woltz's bed), Eric Schneiderman employs political enforcers.

Let's move on to Al Sharpton. That would be the Reverend Al Sharpton to you, the host of MSNBC's *Politics Nation* to the universe of which the Reverend Al is allegedly the center at a salary of some \$600,000 smackers.

Did you notice that one Schneiderman Trump-bashing media appearance was on MSNBC's *Politics Nation with Al Sharpton*? Where Schneiderman repeatedly and cozily addresses the host as "Rev" and talks about "one set of rules for everyone"? As in -- bold print for emphasis provided:

“Glad to be here, **Rev,**” or “I mean, **you’ve known me for a long time, Rev,**” or “This [suing Trump] is not the kind of thing that I shy away from. In fact, **it’s important to send a message that no matter how powerful you are, no matter how famous you are, there is one set of rules for everyone.**”

Interesting. Particularly when you realize that there was this story in the *Village Voice* by Wayne Barrett back in September of 2010 when Schneiderman was running for attorney general. The story in this famously liberal paper was headlined:

### **Al Sharpton and the 'Times' Endorse Eric Schneiderman: You Gotta Be Kidding**

Wrote Barrett:

Here's what astonished me. Schneiderman could have just said "Thank you, Rev."

Instead, obsequious Eric said how great it was to get "the Good Housekeeping seal of approval from the man from the House of Justice," which is what Sharpton calls his National Action Network (NAN) headquarters in Harlem.

Schneiderman cited Sharpton's pursuit of justice and said he would "seek to follow that model as AG," adding: "The House of Justice will have an annex in Albany for the first time in the history of the state."

Got that? The last sentence? Shakedown gushes that Sharpton's "*House of Justice will have an annex in Albany for the first time in the history of the state.*" Here's a video version if you prefer.

As Mr. Barrett pointed out, Sharpton was prominently listed by the State of New York's Department of Taxation and Finance in September 2009 as a tax "scofflaw." Sharpton's name popping up as number 177 on a list of 400 personal and corporate income tax scofflaws. In fact, reported the *Albany Times Union*:

As for Sharpton, the civil rights activist weighed in at No. 177 on the list for his new warrant of \$103,156. But if you add in outstanding 2008 warrants of \$492,612 and \$392,057, his debt is much larger.

This, mind you, barely a year before Sharpton received his lavish praise from Eric Schneiderman as the New York State tax scofflaw provided his endorsement with much fanfare -- as that video clearly shows.

Here's the *Village Voice* on Schneiderman's performance as he got that Sharpton endorsement, again with bold print for emphasis:

**It was craven excess, an unconscious declaration of how transactional Schneiderman actually sees the office he seeks. No one really expects a Sharpton cubicle in Schneiderman's office, but the AG-to-be was declaring that an organization that the current officeholder, Andrew Cuomo, investigated just two years ago would have an inside track with Schneiderman because its leader was helping to make him AG. The Federal Election Commission recently levied its largest fine ever on Sharpton's presidential campaign -- \$285,000 -- and one reason was that the House of Justice's NAN, and other Sharpton entities, had illegally covered \$387,192 of Sharpton's campaign expenses.** Sharpton went nuts when federal subpoenas were served on his ex-chief of staff and many others in the NAN posse. Federal prosecutors wound up indicting no one but forced Sharpton to agree to a payout plan on his taxes. **NAN is one hell of a strange annex for a top law enforcement officer.**



Strange indeed. Very strange that Schneiderman would be well aware of Sharpton's problems and the actions of Andrew Cuomo when Cuomo was attorney general. The *New York Post* (here) had listed the following about Sharpton's problems with New York taxes and the fact that Cuomo had not only begun files on Sharpton but turned them over to the feds:

- The \$1.9 million in payroll taxes and penalties that NAN owed as of 2006.
- The \$175,962 in state taxes that Sharpton's profit-making company owes.
- The \$1.3 million in federal and local taxes that Sharpton owes personally.
- The rev's 2004 presidential campaign, in which federal matching funds -- tax dollars -- financed Sharpton's stays in swanky hotels.

Unless, of course, one realizes that Shakedown Schneiderman is "transactional" (*Village Voice*) and has a penchant for the "shakedown" (Reuters). There's nothing more "transactional" than getting a big endorsement from his friend the "Rev" — Schneiderman's benefactor the Rev a star not just on MSNBC who gets his figurative "annex" to the attorney general's office and quickly supplies Schneiderman with national air time to trash Trump on the Rev's very own MSNBC show. The NY tax scofflaw list? What's that to Schneiderman? He checked with the Sharpton annex to the Office of the Attorney General. The Rev isn't the problem. So it must be Donald Trump who is the problem.

Notice anything here?

Just like his refusal to investigate ex-New Jersey Governor, Goldman Sachs poohbah and Democrat fundraiser extraordinaire Jon Corzine for Corzine's role in the spectacular crash of MF Global, there's not a peep from Schneiderman about Sharpton.

In the case of Corzine, the *New York Post* reported that "critics suggest that Schneiderman's reward for looking the other way on MF Global came when Obama appointed him to head a much-hyped task force to investigate mortgage-foreclosure fraud." Which means that since Schneiderman looked the other way on Corzine's loss of a billion dollars in MF Global investor money -- he was rewarded. By...yes, indeed... the President of the United States.

In the case of Sharpton? There was the all-important, very public Sharpton endorsement for Schneiderman and the Schneiderman line that "*The House of Justice will have an annex in Albany for the first time in the history of the state.*"

But Trump was less than enthusiastic. So....in a "transactional" bid for more "political capital"...here comes Schneiderman's shakedown.

Which is to say, Donald Trump was targeted for political extortion.

So.

What are we really seeing here?

Recall in the first term of the Obama White House when then-White House Communications Director Anita Dunn -- now the managing director of the Schneiderman chief of staff's old consulting firm -- waged a campaign to "delegitimize" Fox News? When a furious effort was made to remove Rush Limbaugh from the air in the Sandra Fluke episode? Recall the IRS going out of its way to use IRS power to wreck the Tea Party?

Now it's Donald Trump's turn.

It is a fool's errand to think of Eric Schneiderman as a lone actor. Over the course of the Obama presidency the American Left has deliberately, brazenly, and repeatedly used the iron fist of government or the government's political comrades to try and silence or intimidate its critics. Whether the target is Donald Trump today or Rupert Murdoch, Roger Ailes, Rush Limbaugh, or the Tea Party yesterday the goal is always the same. In some cases even the people doing the targeting are the same. All of them at work to break up the "old order" of America's founding principles of freedom, liberty, free markets, and a free press. This is what lies at the root of the Obamacare chaos descending on millions of Americans, stripping them of their insurance in the name of "social justice" and "fairness." It is all of a piece. And make no mistake that down the road, whenever what happens with Donald Trump has receded into the political rear view mirror, someone out there will be next.

But the story today is Donald Trump.

And when all is said and done, after all the posturing of Eric Schneiderman and his political cronies running the New York Office of the Attorney General, the barefaced reality of the Schneiderman shakedown lawsuit against Donald Trump is that it is about nothing more complex than the basest of motives camouflaged with the ethics of a Mafia Don:

Common theft.

Extortion.

Who will investigate that?

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## Dan Borbet

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Service type: FedEx Standard Overnight  
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