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DIVISION OF SOCIAL JUSTICE
CHARITIES BUREAU

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September 27, 2016

BY ELECTRONIC MAIL AND
CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Ms. Sheri A. Dillon, Esq.
Partner
Morgan Lewis
2020 K St. NW
Washington, DC 20006

Dear Ms. Dillon:

As you know, the Office of the New York State Attorney General's ("OAG") Charities Bureau is responsible for regulating New York State charitable organizations, ensuring their compliance with governing rules and law, and representing the interests of the class of charitable beneficiaries.

Charitable Solicitation

The Charities Bureau is conducting an investigation into compliance by The Donald J. Trump Foundation ("The Trump Foundation"), a New York not-for-profit corporation, with legal requirements governing the solicitation of donations, the administration of charitable assets, and the management and oversight of the not-for-profit entity, including the requirement that no part of the assets, income or profits of a charitable organization be used for the benefit of directors or officers of the organization.

Section 8-1.4 of the Estates, Powers and Trusts Law (the "EPTL") requires charitable organizations that are incorporated or conduct certain activity in New York State to register with the Attorney General's Office pursuant to the EPTL. The Trump Foundation is currently registered pursuant to the EPTL.

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September 27, 2016

Separately, Article 7-A of the Executive Law (“Article 7-A”) requires charitable organizations that solicit contributions from individuals and entities in New York State to register with the Charities Bureau pursuant to Article 7-A, and to provide certain records annually, including, under certain circumstances, an annual audit. The Trump Foundation is not registered pursuant to Article 7-A.

Pursuant to its obligations under the EPTL, the Trump Foundation annually files a Schedule of Contributors, which is known as Schedule B of the IRS Form 990-PF, with the Charities Bureau. The Foundation’s Schedule Bs list numerous individuals and entities that have contributed to the Foundation. A list of contributors identified on the Foundation’s 2009-2014 Schedule Bs (the “Contributors”) is enclosed, as are copies of the 2009-2014 Schedule Bs.

We request that within 14 days of the date of this letter you provide us with all documents concerning the solicitation of donations – direct or indirect, express or implied – from the Contributors, including copies of checks of each of the Contributors’ donations and communications between The Trump Foundation, The Trump Organization, its affiliates, officers, directors or employees, or associates of Mr. Trump, on the one hand, and, on the other, each of the Contributors. We also request a copy of each acknowledgement by The Trump Foundation of each contribution by each identified donor. If the acknowledgement provides an estimate of the value of goods or services, if any, that were provided in return for the contribution, please also provide documents sufficient to determine the basis for the good faith estimate.

Private Benefit

The Charities Bureau is also investigating The Trump Foundation’s compliance with laws prohibiting charities from conferring private benefits. Section 102 of the Not-for-Profit Corporation Law (the “N-PCL”) defines a not-for-profit corporation as a corporation that is organized “exclusively for a purpose or purposes, not for a pecuniary profit or financial gain,” and “no part of the assets, income or profit of which is distributable to, or enures to the benefit of, its members, directors or officers except to the extent permitted under this statute.” N-PCL § 102(a)(5). The critical characteristic distinguishing a not-for-profit corporation from a business entity is this prohibition against private benefit. To be recognized by the IRS as a tax-exempt corporation under § 501(c)(3) of the Internal Revenue Code, an organization must satisfy the IRS that none of the organization’s net earnings may inure to the benefit of any private shareholder or individual. I.R.C. § 501(c)(3); Treas. Reg. § 1.501(c)(3).

The Charities Bureau is investigating whether The Trump Foundation complied with these rules, and whether the officers and directors of The Trump Foundation complied with their responsibilities under the Not-For-Profit Corporation Law.

We therefore request that within 14 days of the date of this letter, you provide us with all records or documentation or information related to the following transactions. These records should include any solicitations to The Trump Foundation by the recipient organization, each acknowledgement document from the recipient organization to any person, documents

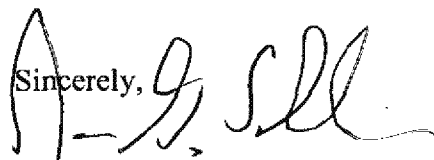
September 27, 2016

showing the identity of each authorizing official within The Trump Foundation for each listed donation, documents showing whether the board of directors or any director approved the transaction, minutes of any board or committee meeting approving the transaction, and any conflict of interest disclosure or abstention with respect to each such transaction by any board member, officer, or director.

1. The Foundation's 2007 \$20,000 donation to Children's Place at Home Safe, including the location or locations of the Foundation's auction prize;
2. The Foundation's 2007 \$100,000 donation to Fisher House, including agreements reached in accordance with ¶ 5 of the Joint Motion to Approve Settlement Agreement, Continue and Abate Matter While Settlement Terms Are Completed, resolving Mar-A-Lago Club L.L.C., L.C. v. Town of Palm Beach, 9:07-cv-80050 (S.D. Fla.);
3. The Foundation's 2008 \$107,500 donation to the Gucci Foundation, including documents related to the disposition of the Foundation's auction prize;
4. The Foundation's 2012 \$158,000 donation to the Martin B. Greenberg Foundation, including documents related to the obligation incurred by the Trump National Golf Club under a settlement resolving *Martin Greenberg v. Alonzo Mourning Charities, Inc., et al.*, Index No. 650351/2011 (Sup. Ct., N.Y. County)
5. The Foundation's 2013 \$5,000 donation to the DC Preservation League, including documents related to Sponsorship benefits such as ad space in the League's fundraising programs; and
6. The Foundation's 2014 \$10,000 donation to the Unicorn Children's Foundation, including the location or locations of the Foundation's auction prize.

In addition, we request that you identify any donation by the Foundation to a charitable organization from the end of FY 2010 to the present, not listed above, that may have bestowed a benefit on a member, director, or officer of the Foundation, or any business entity affiliated with these individuals.

If you have any questions about these requests, please contact me at the phone number above or by email to James.Sheehan@ag.ny.gov. Please send the records to Jacqueline.Sanchez@ag.ny.gov, or to the attention of Jacqueline Sanchez, Charities Bureau, 3rd Floor, New York State Attorney General's Office, 120 Broadway, New York, NY 10271.

Sincerely, 

James G. Sheehan