

# EXHIBIT A

Michael Sexton

Art Cohen, et al. vs. Donald J. Trump

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

ART COHEN, Individually )  
and on Behalf of All )  
Others Similarly ) No. 3:13-cv-02519-GPC-WVG  
Situating, )  
 ) CLASS ACTION  
Plaintiff, )  
 )  
VS. )  
 )  
DONALD J. TRUMP, )  
 )  
Defendant. )

VIDEOTAPED DEPOSITION OF  
MICHAEL W. SEXTON  
Friday, May 15, 2015  
New York, New York

Reported By:  
Rich Germosen, CCR, CRCR, CRR, RMR  
NCRA & NJ Certified Realtime Reporter  
NCRA Realtime Systems Administrator  
Job No.: 10015779

**Michael Sexton**

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1 Delaware, was examined and testified as follows:

2 EXAMINATION BY MR. FORGE:

3 Q. Good morning, Mr. Sexton.

4 A. Good morning.

5 Q. Mr. Sexton, where do you work?

6 A. I work for my company, Grow & Co.

7 Q. And where is that located?

8 A. It's in Port Chester, New York.

9 Q. What type of business is Grow & Co.  
10 involved in?

11 A. It's a consultancy.

12 Q. What types of consultant work do you  
13 do?

14 A. Marketing, sales, product  
15 development.

16 Q. Can you give me an example of some of  
17 the clients you have?

18 A. Disney, Opera Solutions. We've  
19 worked with TD Ameritrade.

20 Q. What type of services do you provide  
21 for Disney?

22 MS. STAGG: Objection to the extent  
23 it calls for confidential information of the client,  
24 and if, in fact, there is a confidentiality  
25 agreement, I'd instruct you not to answer.

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1           A.           It's a technology driven health care  
2 recruiting company.

3           **Q.           What was your title there?**

4           A.           Partner.

5           **Q.           How many other partners were there?**

6           A.           Two.

7           **Q.           Who were they?**

8           A.           David and Richard Kaskel.

9           **Q.           Are they brothers?**

10          A.           They are.

11          **Q.           Were either one of them involved with  
12 the idea or the concept of working with Donald Trump  
13 in some sort of educational field?**

14                       MS. STAGG: Objection. Vague.

15          A.           Richard Kaskel was.

16          **Q.           What was his role in developing that  
17 potential business?**

18          A.           Minimal.

19          **Q.           What was it?**

20          A.           The concept was created by myself,  
21 but Richard provided feedback.

22          **Q.           When you say the concept was created  
23 by you, what do you mean by that?**

24          A.           The concept for Trump University.

25          **Q.           What was that concept?**

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1           A.           The concept was for a e-learning  
2 company that married cutting edge instructional  
3 design and delivery with leading subject matter  
4 experts.

5           **Q.           Did someone bring that idea to you or**  
6 **did you have that idea on your own?**

7           A.           It was my concept.

8           **Q.           Was it inspired by The Apprentice**  
9 **show?**

10                           MS. STAGG: Objection. Vague.

11           A.           The idea of attaching the Trump brand  
12 to it was very much inspired by The Apprentice show.

13           **Q.           Did you share your idea with**  
14 **Mr. Kaskel?**

15           A.           Yes, I did.

16           **Q.           Why?**

17           A.           He was my partner.

18           **Q.           And so you shared it with him as**  
19 **something that Katon Direct could develop?**

20           A.           Correct.

21           **Q.           So what was the next step in the**  
22 **process once you shared your idea with him?**

23           A.           We wrote up a -- I wrote up a more  
24 detailed description of what that entity might look  
25 like.

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1 face to face in the process of developing Trump  
2 University?

3 MS. STAGG: Objection. Vague.

4 A. My recollection is he was absolutely  
5 at a meeting with Mr. Trump, but prior to that I  
6 have no recollection.

7 Q. So he was your contact to get to  
8 Donald Trump; correct?

9 A. That's correct.

10 Q. And you and Mr. Kaskel and  
11 Mr. Spitalny did meet with Donald Trump; correct?

12 A. That's correct.

13 Q. Approximately when was that?

14 A. 2004.

15 Q. At that point you were looking to  
16 raise money from Donald Trump; correct?

17 A. That's not correct.

18 Q. At that point you were looking to  
19 license the name; correct?

20 A. Correct.

21 Q. And you were looking to get investors  
22 for the concept; correct?

23 A. Correct.

24 Q. So what you wanted from Mr. Trump was  
25 permission to use his name; right?

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1 A. Correct.

2 Q. Did you make any sort of offer for  
3 what you were going to pay to use his name?

4 MS. STAGG: Objection. Vague as to  
5 time.

6 A. I don't know what you mean by pay.

7 Q. Okay. You were making some sort of  
8 pitch to him to license his name; correct?

9 A. Correct.

10 Q. Did the pitch include any sort of  
11 benefits from Mr. Trump in exchange for you using  
12 his name?

13 A. I imagine it did.

14 Q. Do you recall --

15 A. I do not recall.

16 Q. Now, soon after that meeting  
17 Mr. Trump came back to you with a different  
18 proposal; correct?

19 A. No.

20 Q. Did someone on behalf of Mr. Trump  
21 come back to you with a different proposal?

22 MS. STAGG: Objection. Lacks  
23 foundation.

24 A. The issue is soon. You know, the  
25 next step in the process is we went on and wrote a

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1 business plan based on his early reaction.

2 Q. His early reaction was what?

3 A. Very positive.

4 Q. And what do you mean by that?

5 A. I mean, he said, Go ahead and write a  
6 business plan. I'm excited about this idea.

7 Q. For the licensing?

8 A. For the licensing.

9 Q. And then what happened?

10 A. And then we wrote the business plan.

11 Q. And did you complete an agreement to  
12 license Mr. Trump's name?

13 A. We worked with one of the attorneys  
14 at the Trump organization on a contract to license  
15 the Trump name.

16 Q. That would be Jason Greenblatt?

17 A. That's correct.

18 Q. Did you finalize that contract?

19 A. It was never executed.

20 Q. The business plan, the detailed  
21 business plan to which you referred, who wrote that?

22 A. I did with help from David Highbloom.

23 Q. Do you know if you've produced that  
24 in this case?

25 A. I don't have it. I have not produced

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1 it.

2 Q. Did you present it to Mr. Trump or to  
3 his people?

4 A. To his people, yes.

5 Q. Would that have been Jason  
6 Greenblatt?

7 A. I don't recall who specifically we  
8 gave it to.

9 Q. How did David Highbloom get in the  
10 mix?

11 A. He was a friend -- a friend of mine.  
12 Was introduced to me through that mutual  
13 acquaintance.

14 Q. Mr. Spitalny?

15 A. No.

16 Q. Who was the mutual acquaintance?

17 A. Eric Weinberg.

18 Q. So how long after you presented the  
19 business plan was it when Mr. Trump or one of his  
20 representatives came back to you with a  
21 counterproposal?

22 MS. STAGG: Objection. Lacks  
23 foundation.

24 A. I don't recall the time lapse between  
25 those two events.

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1 Q. What's your best estimate?

2 A. I would guess -- I can't speculate.  
3 Not terribly long.

4 Q. Was it more than two months?

5 A. No.

6 Q. Okay. So some time less than two  
7 months later was it Mr. Trump who came back and told  
8 you what his proposal was or one of his  
9 representatives?

10 A. We had a meeting with Mr. Trump and  
11 Richard Kaskel and Jonathan Spitalny and myself and  
12 we -- at the conclusion of that meeting Richard  
13 Kaskel and I left and were asked to hang around and  
14 behind closed doors that's when my understanding is  
15 Mr. Trump proposed to put the money in himself and  
16 change the terms of the contract that we had been  
17 working on.

18 Q. So was there anybody at that meeting  
19 other than you, Mr. Kaskel, Mr. Spitalny and  
20 Mr. Trump?

21 A. I don't recall.

22 Q. And you said that was your  
23 understanding that that decision was made behind  
24 closed doors. Who actually presented that decision  
25 to you?

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1 A. Jonathan Spitalny.

2 Q. He came to whatever breakout room  
3 where you and Richard were and explained to you that  
4 Mr. Trump had decided that he would own the  
5 business?

6 MS. STAGG: Objection. Lacks  
7 foundation.

8 A. Well, he described the deal points  
9 that he and Mr. Trump had discussed.

10 Q. And those deal points would be that  
11 Mr. Trump would provide the money?

12 A. That was one of them, yes.

13 Q. And that Mr. Trump would own over  
14 90 percent of the entity?

15 MS. STAGG: Objection. Lacks  
16 foundation.

17 A. I think at the time it was exactly  
18 90 percent of the original.

19 Q. What would the breakout be for who  
20 would own the remaining portions and what portions  
21 would they be?

22 A. At that time originally it was  
23 5 percent to myself, 4 percent to Jonathan Spitalny  
24 and 1 percent to Richard Kaskel.

25 Q. At a later date those percentages

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1 changed slightly; is that right?

2 A. They did.

3 Q. Who told you -- did you make that  
4 decision?

5 A. I did not.

6 Q. Who did make that decision?

7 MS. STAGG: Objection. Calls for  
8 speculation. Lacks foundation.

9 A. To the best of my knowledge Mr. Trump  
10 did.

11 Q. As you understood it what was your  
12 understanding of what Mr. Trump had decided the  
13 percentages would be?

14 A. He had docked Jonathan and I each  
15 half a percent.

16 Q. Was there -- who informed you of that  
17 decision?

18 A. I don't recall.

19 Q. Did anyone give you an explanation?

20 A. There was an explanation at the time.

21 Q. What was it?

22 A. I don't recall the specifics, but it  
23 had something to do with our desire to have set  
24 aside -- an equity set aside for future management  
25 team members.

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1 Q. So that -- that half percent from  
2 each of you and Mr. Spitalny, that was set aside for  
3 some future potential distribution to the members?

4 A. To -- not to members. To future  
5 employees of the company.

6 Q. I see. Did Mr. Kaskel get his  
7 1 percent?

8 A. He did not.

9 Q. Do you know why?

10 A. Mr. Trump didn't like him.

11 Q. Did Mr. Trump ever express to you why  
12 he didn't like him?

13 A. No.

14 Q. Did anyone ever express to you why  
15 they thought Mr. Trump didn't like him?

16 A. I don't recall.

17 Q. So what happened to his 1 percent?

18 A. Well, he never got it.

19 Q. I mean, what happened to the  
20 1 percent that had been reserved for him?

21 A. I assume it reverted to Mr. Trump.

22 Q. Was it -- did you have any sort of  
23 vote in whether Mr. Kaskel was in or out?

24 MS. STAGG: Objection. Vague.

25 A. I did not.

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1 Q. Did you encourage Mr. Trump in any  
2 way to leave Mr. Kaskel out of this deal?

3 A. I did not.

4 Q. To your knowledge did Mr. Spitalny  
5 encourage Mr. Trump to leave Mr. Kaskel out?

6 A. To my knowledge, no.

7 Q. So as far as you understood it this  
8 was strictly Mr. Trump's decision?

9 A. As far as I understand.

10 Q. And you and Mr. Spitalny accepted it?

11 A. We did.

12 Q. Did you have to make any -- I'm not  
13 going to ask you the amount, but did you have to  
14 make any initial capital contribution?

15 MS. STAGG: I'm going to object and  
16 to the extent it calls for financial information  
17 that is barred by the Court's order on finances  
18 relating to capital contributions and distributions  
19 and instruct you not to answer.

20 (Direction not to answer the  
21 question.)

22 Q. As far as you understood it all of --  
23 I'm not going to ask you for the amount, but all of  
24 the capital for Trump University came from Donald  
25 Trump; correct?

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1 MS. STAGG: Objection. Violates the  
2 Court's order and I instruct you not to answer.

3 (Direction not to answer the  
4 question.)

5 MR. FORGE: I'm going to mark this  
6 as -- I think we're on 125.

7 (Whereupon, multipage document  
8 entitled Limited Liability Company Operating  
9 Agreement of Trump University LLC, bearing Bates  
10 stamps TU01603 through 1631, is received and marked  
11 as Sexton Exhibit 125 for Identification.)

12 MS. STAGG: Your guess is as good as  
13 mine.

14 COURT REPORTER: Number 125.

15 MR. FORGE: Thank you.

16 BY MR. FORGE:

17 Q. Mr. Sexton, take your time looking  
18 over exhibit 125.

19 A. (Reviews.)

20 Q. Whenever you've had enough time I  
21 just want you to confirm for me if it appears to be  
22 a true and correct copy of the operating agreement  
23 that you entered into for Trump University.

24 A. It does.

25 Q. Did you have any side understandings

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1 with respect to operations of Trump University that  
2 are not set forth in that operating agreement?

3 MS. STAGG: Objection. Vague. Lacks  
4 foundation. Calls for a legal conclusion.

5 A. No.

6 Q. In terms of the respective members'  
7 power and control over Trump University, did you  
8 have any understandings contrary to the terms of  
9 this operating agreement?

10 MS. STAGG: Objection. Calls for a  
11 legal conclusion. Vague and ambiguous. Lacks  
12 foundation.

13 A. No.

14 Q. I'm going to show you what was --

15 MR. FORGE: I think we'll renumber  
16 it. I think it was previously marked in a prior  
17 deposition, but we're going to renumber it 126.

18 (Whereupon, multipage document  
19 entitled Employment Agreement, bearing Bates stamps  
20 TU129757 through 129771, is received and marked as  
21 Sexton Exhibit 126 for Identification.)

22 COURT REPORTER: Number 126.

23 THE WITNESS: Thank you.

24 MR. FORGE: Thanks.

25

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1 University?

2 A. I did.

3 Q. And from that point forward it was  
4 strictly distributions?

5 A. No.

6 Q. Okay. Did you have signing authority  
7 for the Trump University bank accounts?

8 A. I did not.

9 Q. Did Mr. Spitalny have signing  
10 authority for Trump University bank accounts?

11 A. Not to the best of my knowledge.

12 Q. As far as you understood it was  
13 Donald Trump the only member of Trump University who  
14 had signing authority for the bank accounts at Trump  
15 University?

16 A. I don't recall -- he did.

17 Q. Is there anybody -- as you understood  
18 it, is there anybody other than Donald Trump who was  
19 a member of or worked for Trump University who had  
20 signing authority for Trump University's bank  
21 accounts?

22 A. You're saying members -- member of  
23 the LLC?

24 Q. Member of the LLC or an employee.

25 A. Not to the best of my knowledge.

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1 Q. So to the best of your knowledge was  
2 Donald Trump the only individual who was either  
3 employed by Trump University or an owner of Trump  
4 University who could sign checks on behalf of Trump  
5 University?

6 MS. STAGG: Objection. Lacks  
7 foundation.

8 A. I believe so.

9 Q. Did you understand that at some point  
10 Donald Trump's children had signature authority for  
11 Trump University's bank accounts?

12 MS. STAGG: Objection. Lacks  
13 foundation.

14 A. Not that I'm aware of.

15 MR. FORGE: This will be 127.

16 MS. STAGG: Thanks.

17 (Whereupon, one-page document, copy  
18 of check, not Bates stamped, is received and marked  
19 as Sexton Exhibit 127 for Identification.)

20 COURT REPORTER: Number 127.

21 THE WITNESS: Thank you.

22 BY MR. FORGE:

23 Q. Mr. Sexton, looking at exhibit 127,  
24 does that appear to be a true and accurate copy of a  
25 check from Trump University to Donald Trump?

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1 Trump University live event program some of the  
2 elements of Trump Institute's live event program?

3 A. Not particularly that I can recall.

4 Q. Well, for example, Trump Institute  
5 used a free preview to sell its pay live events;  
6 correct?

7 A. That's correct.

8 Q. And you emulated that; correct?

9 MS. STAGG: Objection. Vague.

10 Q. You being Trump University; correct?

11 MS. STAGG: Objection. Vague. Lacks  
12 foundation.

13 A. We didn't emulate Trump Institute.  
14 That was a standard format that had been around for  
15 decades that we adopted.

16 Q. Did you use Trump Institute's  
17 materials from their free previews?

18 A. No.

19 Q. Did you contract with instructors to  
20 create your own curricula for live events?

21 A. We created our own materials  
22 eventually based on a number of different inputs,  
23 some which may have been instructor materials.

24 Q. And these are new instructors that  
25 you contracted with to create these materials;

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1 MS. STAGG: Do you have an extra one?

2 THE WITNESS: Yeah.

3 MS. STAGG: Thank you.

4 BY MR. FORGE:

5 Q. And, Mr. Sexton, you see that exhibit  
6 138 is an e-mail from you to Rhona Graff dated  
7 February 19, 2008 which attaches several documents?

8 Does this appear to be a true and  
9 accurate copy of an e-mail that you sent on or about  
10 that date? And while you're reading that, just for  
11 the record, the first page is TU102909. The last  
12 page is 922.

13 A. Yep.

14 Q. And, Mr. Sexton, the preview  
15 materials, did you write those?

16 A. They evolved over time. I know what  
17 I believe to have been the latest version, I believe  
18 David Highbloom and I created the overall framework  
19 for the presentation.

20 Q. You don't have a background in real  
21 estate, do you, sir?

22 A. I do not, no.

23 Q. And the time you were doing that you  
24 weren't involved in the real estate market in any  
25 way, were you?

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1 A. No, I was not.

2 Q. You have no education in real estate?

3 A. I do not.

4 Q. No experience investing in real  
5 estate?

6 A. Other than --

7 Q. Other than buying and selling --

8 A. No.

9 Q. -- for profit?

10 A. No.

11 Q. Did you understand that David  
12 Highbloom was any sort of real estate expert?

13 A. I don't believe so, no.

14 MR. FORGE: Can we take just a short  
15 break, please?

16 MS. STAGG: Sure.

17 THE VIDEOGRAPHER: We're going off  
18 the record at 11:55 a.m.

19 (Whereupon, a recess is taken.)

20 THE VIDEOGRAPHER: Stand by, please.

21 We're back on the record at 12 noon.

22 BY MR. FORGE:

23 Q. Mr. Sexton, you said that you and  
24 Mr. Highbloom created the framework for the  
25 presentation materials; correct?

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1 sessions?

2 Answer: I don't believe so.

3 MS. STAGG: That's fine.

4 Q. Turning now to exhibit 138, you're  
5 attaching a direct mail piece. DJT stands for  
6 Donald J. Trump; correct?

7 A. That's correct.

8 Q. And it says in here that: DJT  
9 approved the print ad and the direct mail piece;  
10 correct?

11 A. That's correct.

12 Q. That was your standard protocol, that  
13 you would get Mr. Trump's approval before issuing  
14 any direct mail pieces or ads with his name,  
15 signature, quotes; correct?

16 MS. STAGG: Objection. Lacks  
17 foundation.

18 Go ahead.

19 A. That's correct.

20 Q. Now, turning to the second to last  
21 page which is TU102921 and this is the print ad or  
22 the direct mail piece? I believe if you look at the  
23 next page it might inform -- the next page, if you  
24 look at the top it says: New York Post WK9 at the  
25 very top.

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1 Q. It was not Donald Trump's handpicked  
2 instructor; correct? It might have been Michael  
3 Sexton's handpicked instructor; right? That's what  
4 you said; right?

5 MS. STAGG: Objection.  
6 Argumentative.

7 A. That wouldn't have been such good  
8 copy.

9 Were these Donald Trump's handpicked  
10 instructor --

11 MR. FORGE: Did you get that when the  
12 witness said that wouldn't have been such good copy?  
13 He said that wouldn't have been such good copy.

14 COURT REPORTER: He probably said it  
15 while she was objecting. So I need one at a time,  
16 please. I didn't hear it.

17 MR. FORGE: Okay.

18 BY MR. FORGE:

19 Q. You said that, right, Mr. Sexton?  
20 Michael Sexton's handpicked instructors, you said  
21 that wouldn't have been such good copy; correct?

22 A. I made that joke, yes.

23 Q. Well, it's not just a joke. I mean,  
24 it's true. It wouldn't have been very good ad copy;  
25 correct?

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1 MS. STAGG: Objection.

2 Argumentative.

3 A. I don't believe so, no.

4 Q. Okay. You don't believe it would  
5 have been?

6 A. I do not believe it would have been,  
7 no.

8 Q. It wouldn't have been good ad copy to  
9 have it say: David Highbloom's handpicked  
10 instructor; correct?

11 A. It would not have been in my  
12 subjective opinion good copy, no.

13 Q. It wouldn't have been good ad copy to  
14 have it say: April Neumann's handpicked instructor;  
15 correct?

16 MS. STAGG: Objection.

17 Argumentative. Lacks foundation.

18 A. In my opinion that would not have  
19 been good copy, that's correct.

20 Q. You see the first paragraph here it  
21 says: He's the most celebrated entrepreneur on  
22 earth. The he you agree with me, that pronoun  
23 refers to Donald Trump; correct?

24 A. Yes, I agree with that.

25 Q. And then the final sentence says:

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1 order for you to give it to him?

2 A. I don't understand the question.

3 Q. Did Mr. Trump -- if Mr. Trump had  
4 asked you to provide him with any scripts that were  
5 being circulated, would you have done so?

6 A. Of course.

7 Q. If he had asked you to provide him  
8 with any of the recordings of the presentations,  
9 would you have done so?

10 A. Yes.

11 Q. If he'd asked you to provide him with  
12 any of the transcripts of the presentations, would  
13 you have done so?

14 A. Yes.

15 Q. If he'd asked you to familiarize him  
16 with the compensation methodologies for the  
17 instructors, would you have told him?

18 A. Yes.

19 Q. If he had asked you about the status  
20 of Trump University's New York LLC would you have  
21 told him?

22 A. Yes.

23 Q. Is there any information about Trump  
24 University that you wouldn't have readily provided  
25 to Mr. Trump if he had just simply asked?

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1 A. No.

2 Q. That includes any student complaints?

3 A. Yes.

4 MR. FORGE: Good night, everyone.

5 MS. STAGG: Do you have access to the  
6 stip? We can go off the record.

7 THE VIDEOGRAPHER: This concludes the  
8 testimony of Michael W. Sexton. We're going off the  
9 record at 5:40 p.m. This also concludes media four.

10 (Whereupon, a recess is taken.)

11 MS. STAGG: Go back on the record.

12 I will propose a stip for handling so  
13 we're back on the record.

14 The stipulation I propose for the  
15 handling of the original transcript is that the  
16 court reporter is relieved of whatever duties or  
17 obligations he has. Once he has sent me the  
18 original transcript for Mr. Sexton, I will provide  
19 it to Mr. Sexton for his review. Any changes and  
20 signing under penalty of perjury within 30 days of  
21 my receipt of the transcript. I will notify counsel  
22 of the fact of or lack of signing within that time  
23 period and any changes that Mr. Sexton might make to  
24 his deposition testimony. I will maintain custody  
25 of the original transcript and if for any reason the

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# EXHIBIT B

LIMITED LIABILITY COMPANY  
OPERATING AGREEMENT  
OF  
TRUMP UNIVERSITY LLC

OPERATING AGREEMENT of TRUMP UNIVERSITY LLC ("Company"), dated as of October 27, 2004, by and among DJT University Managing Member LLC ("Manager"), a New York limited liability company, DJT University Member LLC ("DJT Member"), a New York limited liability company, Jonathan Spitalny ("Spitalny"), an individual, and Michael Sexton ("Sexton"), an individual, as members (Manager, DJT Member, Spitalny and Sexton being sometimes referred to herein individually as a "Member and collectively as the "Members").

The parties to this Agreement desire to form a limited liability company under the laws of the State of New York for the purposes and on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members hereby agree as follows:

ARTICLE ONE

Definitions

The defined terms used in this Agreement shall, unless the context otherwise requires, have the meanings specified in this Article One.

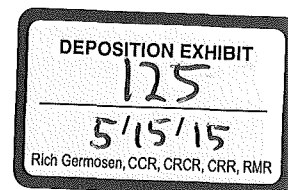
"Act" shall mean the New York Limited Liability Company Law, as amended from time to time (or any corresponding provisions of any succeeding law).

"Affiliate" of a Person shall mean (i) any other Person that, directly or indirectly through one or more intermediaries, controls, is controlled by or is under common control with such Person and, (ii) any other Person owning or controlling fifty-one percent (51%) or more of the outstanding voting securities of such Person. For purposes of this definition, the terms "control," "controlling" or "controlled by" mean the power to direct the business and affairs of a Person, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" shall mean this Operating Agreement, as amended, modified, supplemented or restated from time to time.

"Business Plan" shall have the meaning set forth in the Sexton Employment

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Agreement.

**"Capital Account"** shall have the meaning set forth in Section 5.2.

**"Capital Contribution"** shall mean the total amount of cash or property (whether tangible or intangible, and in every case calculated at fair market value as of the time of contribution) contributed to the capital of the Company by all the Members or any one Member, or the predecessor holders of the Membership Interest (or any portion thereof) of such Members or Member, as the context may require, pursuant to this Agreement, including, without limitation, the Initial Capital Contribution.

**"Certificate"** shall mean the Company's Articles of Organization as filed with the Department of State of New York, as amended, modified, supplemented or restated from time to time.

**"Code"** shall mean the Internal Revenue Code of 1986, as amended from time to time (or any corresponding provisions of any succeeding law).

**"Company"** shall have the meaning set forth in the preamble.

**"Confidential Information"** shall have the meaning set forth in Section 3.5.

**"Contributing Member"** shall have the meaning set forth in Section 5.1.4.

**"Contribution Notice"** shall mean written notice from a Contributing Member to the Non-Contributing Member of the amount of the Further Contribution and the date on which it was made.

**"DJT Member"** shall have the meaning set forth on page 1 hereof.

**"Drag-Along Notice"** shall have the meaning set forth in Section 8.4.2.

**"Drag-Along Right"** shall have the meaning set forth in Section 8.4.2.

**"Election Notice"** shall have the meaning set forth in Section 8.3.2.

**"Further Contribution"** shall have the meaning set forth in Section 5.1.4.

**"Further Contribution Date"** shall have the meaning set forth in Section 5.1.4.

**"Initial Capital Contribution"** shall have the meaning set forth in Section 5.1.1.

**"Interest Rate"** shall mean a rate per annum equal to the lesser of (i) the prime rate (or, if a prime rate is no longer announced, the base rate or other comparable rate)

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("Prime Rate") of interest from time to time announced by Citibank, N.A., plus five percent (5%) or (ii) the highest interest rate permitted from time to time to be charged by law. If such bank has more than one Prime Rate from time to time in effect, the highest prime rate shall be deemed the prime rate under this Agreement. If such bank no longer quotes a prime rate, the Manager shall reasonably determine a comparable index.

**"Internal Rate of Return"** shall mean the annual discount rate, compounded daily, that results in a net present value equal to zero (0) when the discount rate is applied to all amounts contributed or deemed contributed by each of Manager and DJT Member to the capital of the Company and all distributions made by the Company to each of Manager and DJT Member.

**"Manager"** shall have the meaning set forth in on page 1 hereof.

**"Member"** shall mean the Persons set forth on Schedule A annexed hereto, and any other Person who becomes a Member pursuant to the terms of this Agreement.

**"Member Loan"** shall have the meaning set forth in Section 5.1.4.

**"Membership Interest"** means a Member's entire interest in the Company, including the Percentage Interest held by such Member and any right of such Member to the return of Capital Contributions and, with respect to the Membership Interests held by Manager, the right to give or withhold approval or consent, in accordance with the terms of this Agreement and the Act.

**"Net Income"** or **"Net Loss"** shall mean, with respect to each fiscal year or other period, an amount equal to the Company's taxable income or tax loss, as the case may be, for such year or period determined in accordance with Code Section 703(a) (for this purpose, all items of income, gain, loss or deduction required to be separately stated pursuant to Code Section 703(a)(1) shall be included in such taxable income or loss), together with the following adjustments:

(i) any income of the Company that is exempt from federal income tax and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition shall be added to such taxable income or tax loss;

(ii) any expenditures of the Company described in Code Section 705(a)(2)(B) or treated as Code Section 705(a)(2)(B) expenditures pursuant to Regulation §1.704-1(b)(2)(iv)(i) and not otherwise taken into account in computing Net Income or Net Loss pursuant to this definition shall be subtracted from such taxable income or tax loss in the year paid;

(iii) in the event the value of any Company property is adjusted pursuant to Section 5.2.3, the amount of such adjustment shall be taken into account as a gain or loss on the disposition of such property for purposes of computing Net Income and Net Loss; and

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(iv) notwithstanding any other provision of this definition of Net Income and Net Loss, any items comprising the Company's Net Income or Net Loss that are allocated pursuant to Section 7.2 shall not be taken into account in computing Net Income or Net Loss.

5.1.4. "Non-Contributing Member" shall have the meaning set forth in Section

"Non-Selling Members shall have the meaning set forth in Section 8.3.1.

"Operating Budget" shall have the meaning set forth in Sexton Employment Agreement.

"Organization" means a Person other than a natural person, including corporations (both non-profit and other corporations), partnerships (limited, general and limited liability), and limited liability companies.

"Percentage Interest" shall mean, for each Member, the percentage interest of such Member as set forth on Schedule A, as amended, modified, supplemented or restated from time to time.

"Person" shall mean any individual, partnership, corporation, limited liability company, unincorporated organization or association, trust or other entity.

"Purchaser" shall have the meaning set forth in Section 8.3.1.

"Regulations" shall mean the Income Tax Regulations promulgated under the Code, as such regulations may be amended from time to time (including the corresponding provisions of any succeeding regulations).

"Regulatory Allocations" shall have the meaning set forth in Section 7.2.5.

"Repayment Period" shall have the meaning set forth in Section 5.1.4.

"Selling Member" shall have the meaning set forth in Section 8.3.1.

"Selling Member Interest" shall have the meaning set forth in Section 8.3.1.

"Sexton" shall have the meaning set forth on page 1 hereof.

4.1.2. "Sexton Employment Agreement" shall have the meaning set forth in Section

"Sexton Forfeited Interest" shall have the meaning set forth in Section 8.8.

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"Spitalny" shall have the meaning set forth on page 1 hereof.

"Tax Matters Partner" or "TMP" shall have the meaning set forth in Section 10.6.

"Transfer" shall mean any sale, transfer, gift, assignment, other disposition, pledge or grant of a security interest, by operation of law or otherwise, in or of an interest in the Company or in or of rights under this Agreement, excluding, however, any grant of such a security interest in favor of the Company.

"Unrepaid Amount" shall have the meaning set forth in Section 5.1.4.

## ARTICLE TWO

### Organization

#### 2.1 Formation.

2.1.1 The Members do hereby form a limited liability company pursuant to the provisions of the Act and this Agreement. The Manager shall cause the execution, delivery and filing of the Certificate and shall cause the execution, delivery and filing of any amendments thereto or restatements thereof, and any other certificates, notices, statements or other instruments (and any amendments thereto or restatements thereof) necessary or advisable for the formation of the Company or the operation of the Company in all jurisdictions where the Company may elect to do business.

2.1.2 Upon execution of this Agreement, those Persons listed on Schedule A shall be Members.

2.1.3 The name, notice address, Capital Contribution and Percentage Interest of each Member shall be listed on Schedule A attached hereto. The Manager shall update Schedule A from time to time as necessary. Any amendment to or revision of Schedule A made in accordance with this Agreement shall not be deemed an amendment to this Agreement. Any reference in this Agreement to Schedule A shall be deemed to be a reference to Schedule A as amended and in effect from time to time.

2.1.4. Each Member represents, warrants and covenants to the other Members during the term of this Agreement, that:

(a) If such Member is an Organization, such Member is duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation, and has the power to own its properties and to carry on its business and activities as presently conducted;



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(b) such Member has full right, power, legal capacity and authority to enter into and fully perform the terms of this Agreement;

(c) the execution and delivery, and the performance of the terms, of this Agreement by such Member does not and shall not conflict with or result in any violation of, or constitute a default under, any provision of any agreement, contract, document, arrangement or understanding (written or oral) to which such Member may be a party or by which such Member may be bound, or any writ, judgment, order, decree or other governmental authorization or approval that may be applicable to such Member;

(d) such Member's obligations set forth herein are legal, valid and binding obligations, enforceable in accordance with their terms; and

(e) such Member is acquiring such Member's interest in the Company for such Member's own account as an investment and without an intent to distribute such interest.

2.2 **Name.** The name of the limited liability company formed hereby is **TRUMP UNIVERSITY LLC**. Promptly following the execution of this Agreement, the Company will enter into a License Agreement with Donald J. Trump which sets forth, among other things, the rights of the Company for the use of the name "Trump" as part of the name of the Company, in the form and on the terms satisfactory to the Manager.

2.3 **Purposes.** The purpose for which the Company is formed is to provide education-related and educational products and services to individuals and businesses. The Company may engage in any activities that are directly or indirectly related or incidental to the accomplishment of the foregoing purposes.

2.4 **Principal Office.** The location of the principal office of the Company shall be 399 Pine Road, Briarcliff Manor, New York 10510 or such other location as the Manager may from time to time designate. The Manager shall give each Member at least ten (10) days' prior notice of any change in the location of the Company's principal office.

2.5 **Duration.** The term of the Company shall commence on the date that the Certificate is filed with the Department of State and shall continue in full force and effect until terminated in accordance with the provisions of this Agreement.

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## ARTICLE THREE

### Membership

3.1 **Members Shall Not Manage or Control.** Except as otherwise set forth in this Agreement and the Sexton Employment Agreement, no Member who is not also the Manager shall (a) participate in the management of or have any control over the Company, (b) transact business for the Company, or (iii) have the power to sign, act for or bind the Company, all of such powers being vested solely and exclusively in the Manager in accordance with and subject to the terms of Article Four.

3.2 **Admission of Additional Members.** Subject to the provisions in Article Eight, no additional Member shall be admitted to the Company without the prior approval of the Manager.

3.3 **Membership Interests.** Each Member hereby agrees that his interest in the Company shall be personal property for all purposes.

3.4 **Initial Percentage Interests.** Effective as of the date hereof, the Members shall have the Percentage Interests set forth on Schedule A. Notwithstanding the foregoing (or anything in this Agreement to the contrary), Sexton acknowledges and agrees that his Percentage Interest shall be subject to the provisions of the "Sexton Employment Agreement" (as herein defined), including, but not limited to, the provisions of Section 12 thereof and Section 8.8 hereof.

### 3.5 **Confidentiality; Non-Competition**

3.5.1 (a) Each Member acknowledges that the business of the Company and its continued success depend upon the use and protection of a large body of confidential and proprietary information, and that he or it holds a position of trust and confidence by virtue of which he or it necessarily possesses, has had access to and, as a consequence of his or its signing this Agreement, will continue to possess and have access to, highly valuable, confidential and proprietary information of the Company not known to the public in general, which if used or disclosed in violation of this Agreement would cause the Company substantial loss and damages that could not be readily calculated and for which no remedy at law would be adequate. All of such confidential and proprietary information now existing or to be developed in the future will be referred to in this Agreement as "**Confidential Information.**" This includes, without limitation, the Company's existing and potential services, products and inventions, trade secrets, software, source codes, systems, business methods and other intellectual property; confidential reports; product price lists and terms; customer and prospective customer lists; financial information (including the revenues, costs or profits associated with any products); development, transition and transformation plans; strategic, acquisition, marketing and expansion plans, including plans regarding planned and potential acquisitions and sales; financial and business plans,

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procedures, and manuals; employee lists; numbers and location of sales representatives; new and existing programs and services (and those under development); costs of providing service, support and equipment and equipment maintenance costs. Confidential Information shall not include any information that has become generally known to and available for use by the public other than as a result of a Member's acts or omissions or the acts or omissions of anyone acting in concert, directly or indirectly, with a Member.

(b) Disclosure of any Confidential Information by a Member shall not be prohibited if such disclosure is directly pursuant to a valid and existing order of a court or other governmental body or agency within the United States; provided, however, that (i) the Member shall first have given prompt notice to the Company of any such possible or prospective order (or proceeding pursuant to which any such order may result) and (ii) the Member shall afford the Company a reasonable opportunity to prevent or limit any such disclosure and shall cooperate with efforts to prevent such disclosure.

(c) Each Member will, at all times following the date hereof, protect as confidential and not use any Confidential Information known to such Member or at any time in the Member's possession or control, in a manner detrimental to the interests of the Company. In addition, the Member will not disclose to any unauthorized person or use, directly or indirectly, for his or its own account any of such Confidential Information without the Company's prior written consent. Each Member, promptly upon its withdrawal from the Company as a Member, shall deliver to the Company, at the Company's request, all memoranda, notes, plans, records, reports and other documents (and copies thereof) containing or otherwise relating to any of the Confidential Information and other property of the Company which he or it may then possess or have under his or its control.

(d) Each Member will fully comply with any agreement reasonably required by any of the Company business partners, customers, suppliers or contractors with respect to the protection of the confidential and proprietary information of such entities.

(e) Each Member shall have the right to disclose Confidential Information to its employees, accountants and attorneys whose responsibilities require access to Confidential Information.

3.5.2 (a) During such time as a Person is a Member, such Person, and in the case of Manager and DJT Member, Donald J. Trump, shall not participate as a consultant, principal, stockholder, member, partner, officer, director or employee, in any business which shall be competitive, anywhere in the world, with the business of the Company. Notwithstanding the foregoing, with respect to Manager and DJT Member (and Donald J. Trump), the following activities shall not constitute a breach of this Section 3.5.2(a): investments in public companies which, directly or indirectly, provide business and/or real estate education, speeches made by Donald J. Trump (in whatever forum), donations to universities, and including "Trump" in the name of a Columbia University or University of Pennsylvania building or business school, authoring books, participating in

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radio shows, and activities relating to the reality television series currently known as "The Apprentice" or any spin-off therefrom or related show.

(b) Without limiting Section 3.5.2(a), with respect to Sexton, the terms of Section 9 of the Sexton Employment Agreement are incorporated herein as if fully stated herein.

(c) [INTENTIONALLY DELETED]

(d) For a period of (i) one (1) year after a Person shall no longer be a Member, such Member shall not (x) hire or attempt to hire any of the then employees of the Company or any person who was employed by the Company at any time during the period of two (2) years immediately preceding the date such Person is no longer a Member, or (y) attempt to engage in the management of any person who is then managed by the Company or who was managed by the Company at any time during the period of two (2) years immediately preceding the date such Person is no longer a Member.

3.5.4 In the event of a breach or threatened breach of this Section 3.5, the Members agree that monetary damages may not adequately protect the interests of the Company and its Members and, therefore, in addition to such other rights and remedies to which it may be entitled, the Company shall be entitled to injunctive relief, without the necessity of posting bond or establishing that monetary damages would not, in fact, provide an adequate remedy. In the event of a conflict in any of the terms, covenants and agreements of this Section 3.5 and any of the terms, covenants and agreements of the Sexton Employment Agreement the terms which impose the greater restrictions on Sexton shall govern.

3.5.5 If any portion of the covenants set forth in Section 3.5 are held to be invalid, unreasonable, arbitrary or against public policy, then such portion of said covenants shall be considered divisible both as to time and geographical area and further that if any court of competent jurisdiction determines either the specific time period or specific geographic area applicable thereto to be invalid, unreasonable, arbitrary or against public policy, such other lesser time period or geographic area which is determined to be reasonable, non-arbitrary and not against public policy may be enforced against the Members.

3.6 **Members Not Liable for Company Losses.** Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Member of the Company shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Member (or acting as Manager) of the Company.

3.7 **Indemnification of the Members.** The Members and his/her/its partners, members, officers, shareholders, employees and agents shall not be liable,

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responsible or accountable in damages or otherwise to the Company or to any other Member for (a) any act performed within the scope of the authority conferred by this Agreement, except for acts involving the gross negligence or willful misconduct of such Member; (b) the Member's performance of, or failure to perform, any act based upon his/her/its reasonable reliance on the advice of legal counsel or accountants selected, engaged or retained in good faith and with reasonable prudence, or (c) the negligence, dishonesty or bad faith of any agent, consultant or broker of the Company selected, engaged or retained in good faith and with reasonable prudence. The Company shall indemnify, save harmless and pay all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, reasonable attorneys' fees, costs of investigation, fines, judgments and amounts paid in settlement) actually incurred by a Member or such other Person in connection with any action, suit or proceeding by virtue of his/her/its status as a Member or with respect to any action or omission taken or suffered, other than liabilities and losses resulting from the gross negligence or willful misconduct of such Member or such other Person. The indemnification provided by this Section 3.7 shall be recoverable only out of the assets of the Company, and no member shall have any personal liability thereof.

3.8 **Member's Payments.** Except for (i) reimbursement of expenses provided for in the then applicable Operating Budget of the Company; (ii) payments to Sexton pursuant to the Sexton Employment Agreement, (iii) interest or earnings on the Capital Contributions of Manager and DJT Member, as provided in this Agreement, and (iv) as provided in Article Five of this Agreement, no salary, fees or other compensation shall be paid to any of the Members.

## ARTICLE FOUR

### Management

4.1 **The Manager.** Except as otherwise provided in this Agreement or the Act, the business, day-to-day operations and affairs of the Company shall be managed by the Manager. The Manager shall hold office until his/her earlier resignation. The Manager may resign at any time upon notice to the Company.

4.1.1 Except as expressly limited by this Agreement or the Act, the Manager shall have the right and power to manage the day-to-day business of the Company and to do, on behalf of the Company, all things which, in the judgment of the Manager, are necessary or appropriate to carry out the Company's purposes.

4.1.2 The Manager shall have the power and authority to delegate authority to Persons believed by the Manager to be qualified. Any such delegation may be rescinded at any time by the Manager. In this capacity, the Manager may appoint and rescind the appointment of such officers of the Company as he/she, in his/her sole discretion, deems necessary or appropriate. Subject to the direction and control of the Manager, Sexton shall serve as President of the Company pursuant to an employment agreement (the "Sexton

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Employment Agreement”) between the Company and Sexton. Notwithstanding anything to the contrary contained in the Sexton Employment Agreement, for tax purposes only, any salary or other compensation payable to Sexton thereunder may, at the Manager’s sole discretion, be treated as a guaranteed payment to Sexton as a Member, because he is a Member of the Company (which membership interest shall be subject to Section 12 of the Sexton Employment Agreement).

4.1.3 The Manager shall not be liable or accountable in damages or otherwise to the Company or the other Members for any failure to take any action or the taking of any action within the scope of authority conferred on him/her by this Agreement. The Manager shall not be liable to the other Members because any taxing authorities disallow or adjust any deductions or credits in the Company’s income tax returns or for the return of all or any portion of the Capital Contributions of the Members. Nothing in this Section 4.1.3 shall be deemed to make the Manager liable, responsible or accountable to Persons other than the Company or the Members.

4.1.4 The Company shall indemnify, save harmless and pay all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses and disbursements of any kind or nature whatsoever (including, without limitation, reasonable attorneys’ fees, costs of investigation, fines, judgments and amounts paid in settlement) incurred by the Manager, his/her heirs or his/her legal representatives in connection with any action, suit or proceeding by virtue of any act performed or omitted to be performed by the Manager arising from or relating to any acts of the Manager. The indemnification provided by this Section 4.1.4 shall be recoverable only out of the assets of the Company, and no Member shall have any personal liability on account thereof.

4.1.5 [INTENTIONALLY DELETED]

4.1.6 Sexton shall prepare and deliver to the Manager, in the time and manner set forth in the Sexton Employment Agreement, the Operating Budget and Business Plan. The proposed Operating Budget and Business Plan shall be subject to the approval of the Manager and shall be deemed to be the Operating Budget and Business Plan respectively, for the purposes of this Agreement, and to be “in effect”, only if and after they receive the approval of the Manager.

4.2 Right to Rely on Manager. Provided that such certificate is consistent with the Certificate, any Person dealing with the Company may rely (without duty of further inquiry) upon a certificate signed by the Manager as to:

4.2.1 The identity of any Member;

4.2.2 The existence or nonexistence of any fact or facts which constitutes a condition precedent to acts by the Manager or which are in any other manner germane to the affairs of the Company;

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4.2.3 The Persons who are authorized to execute and deliver any instrument or document of the Company; or

4.2.4 Any other matter whatsoever involving the Company or any Member.

4.3 Matters Requiring Approval of Members; Limitations on Manager

4.3.1 Notwithstanding anything herein to the contrary, the following acts by the Company shall require the approval of the Members:

(a) the merger or consolidation of the Company with or into any other Person, except that the Company may merge with any wholly-owned subsidiary;

(b) the sale of all or substantially all of the assets of the Company in a single transaction or in a series of related transactions;

(c) the institution of proceedings to adjudicate the Company a bankrupt, or consent to the filing of a bankruptcy proceeding against the Company, or the filing of a petition or answer or consent seeking reorganization of the Company under the federal bankruptcy laws or any other similar applicable federal or state law, or the consent to the filing of any such petition against the Company, or the consent to the appointment of a receiver, liquidator, trustee or assignee in bankruptcy or insolvency of the Company or the Company's assets, or the making of an assignment for the benefit of creditors of the Company, or the admission of the Company's inability to pay its debts generally as they become due;

(e) the taking of any action which would waive the limited liability of the Company or the Members or otherwise intentionally subject the Members to liability for obligations of the Company.

4.3.2 Without limiting the Manager's rights hereunder, the Manager shall have the right to appoint the accountants and legal counsel of the Company.

4.4 Approval by the Members; Meetings. In connection with any provision herein which calls for the approval of the Members, such approval shall require the approval of those Members holding a majority of the Percentage Interests held by all Members and may be obtained (i) at a meeting of the Members pursuant to Sections 4.4.1, 4.4.2, 4.4.3 and 4.4.4 or (ii) in writing, pursuant to the provisions of Section 4.4.5.

4.4.1 Notice of Meetings of Members. A meeting shall properly be called hereunder only when the Manager or a Member provides notice to all of the Members at least ten (10) days prior to the convening of such meeting. Each Member may waive such notice in writing, either before or after such meeting, whereupon such Member shall be deemed present at the meeting to which such waiver applies for the purpose of determining if a quorum is present at such meeting. The presence in person or by proxy of a Member at a

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meeting shall constitute the waiver by such Member of notice of such meeting.

4.4.2 **Quorum.** The presence of the Manager shall constitute a quorum.

4.4.3 [INTENTIONALLY DELETED]

4.4.4 **Use of Conference Telephone and Similar Equipment.** One or more Members may participate in a meeting of the Members by means of conference telephone or similar communications equipment by which all Members participating in the meeting can hear each other. Participation by a Member in a meeting pursuant to this Section 4.4.4 shall constitute the presence at such meeting of such Member.

4.4.5 **Action by Written Consent of the Members.** Whenever by any provisions of the Act, the Certificate or this Agreement, the vote of Members at a meeting thereof is required or permitted to be taken in connection with any Company action, the meeting and vote of Members may be dispensed with, if the Members whose approval would have been required at a meeting at which all Members entitled to vote upon the action were present shall consent in writing to such Company action being taken.

## ARTICLE FIVE

### Capital; Capital Accounts; Member Loans

#### 5.1 **Capital Contributions.**

5.1.1 Contemporaneously with the execution of this Agreement, each Member has contributed to the capital of the Company, in cash, the amounts set forth on Schedule A (the "Initial Capital Contribution") and each Member's Capital Account shall be credited by the amount of such Initial Capital Contribution.

5.1.2 [INTENTIONALLY DELETED]

5.1.3 To the extent consistent with the Operating Budget then in effect, at such time as the Initial Capital Contribution shall have been utilized, the Manager may call for additional capital from the Members by giving each Member notice not less than ten (10) days prior to the due date of such Capital Contribution, setting forth the aggregate amount of the capital so called and the portion thereof for which each Member is responsible (determined by multiplying the aggregate amount of such Capital Contribution by a fraction, the numerator of which is each Member's respective Percentage Interest and the denominator of which is the Aggregate Percentage Interests of all Members).

5.1.4. The following shall apply if a Member fails to make a Capital Contribution:

5.1.4.1 If any Member (hereinafter called a "Non Contributing Member")



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declines or fails to make its share of a Capital Contribution within the time specified in any notice therefor, and the other Member (the "Contributing Member") shall have made its share, the Contributing Member shall have the right, but not the obligation, to make a payment to the Company in the amount of the Further Contribution (as defined below), which payment shall be deemed to constitute a non-recourse loan by the Contributing Member to the Non-Contributing Member and a Capital Contribution by the Non-Contributing Member, in the amount which the Non-Contributing Member failed or elected not to contribute (such amount being hereinafter called the "Further Contribution"), by giving a Contribution Notice within ten (10) days after making such Further Contribution and specifying the date upon which such Further Contribution was made (the "Further Contribution Date"). The Non-Contributing Member shall have a period (the "Repayment Period") of ninety (90) days following the Further Contribution Date to repay to the Contributing Member the Further Contribution, together with interest thereon at the Interest Rate, which interest shall be payable monthly but to the extent accrued and unpaid, shall compound monthly. If, and to the extent that, as of the end of the Repayment Period, the Non-Contributing Member shall have failed to repay the Further Contribution, together with interest accrued thereon (said unrepaid amount, including interest, being hereinafter called the "Unrepaid Amount"), (x) the Capital Contribution deemed made by the Non-Contributing Member shall be deemed to have been returned to the Non-Contributing Member and (y) the non-recourse loan to the Non-Contributing Member shall be deemed to have been repaid by the Non-Contributing Member, and unless the Contributing Member shall have made the election described in Section 5.1.4.2, then (i) the Contributing Member shall be deemed to have made a Capital Contribution in the amount of the Unrepaid Amount as of the date the Contributing Member shall make the Further Contribution, (ii) the Capital Account of such Contributing Member shall be re-calculated, as of the date the Contributing Member shall make the Further Contribution, to take into account the Further Contribution so made, and (iii) the Percentage Interest of each Contributing Member and of each Non-Contributing Member shall be re-calculated by dividing (x) the sum of all Capital Contributions made by such Member including the Further Contribution, if any, made by the Contributing Member(s) by (y) the sum of all Capital Contributions made by all of the Members including the Further Contributions made by all Members.

5.1.4.2 If any Member shall have declined or failed to make its full share of a Capital Contribution, the Contributing Member may elect to treat any Unrepaid Amount, and the portion of its share of the Capital Contribution which exceeds that made (or deemed to have been made) by the Non-Contributing Member, if any, as a non-recourse loan to the Company (a "Member Loan") rather than as a Capital Contribution as contemplated by Section 5.1.4.1. In the event of such election, the Percentage Interests of the Members shall not change. The Contributing Member shall exercise any such election by giving written notice to the Company and to the Non-Contributing Member(s) within ten (10) days after the end of the Repayment Period. A Member Loan shall (i) bear interest at the Interest Rate from and after the end of the Repayment Period, which interest shall be payable monthly but to the extent accrued and unpaid, shall compound monthly, (ii) mature and become payable (if not already paid) on the first annual anniversary of its funding; (iii) be payable in quarter-annual installments of principal (i.e., 25% of the original outstanding principal balance of

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the applicable Member Loan) and interest (with the first payment to be made ninety (90) days following the date that the Member Loan shall have been made) until fully paid (notwithstanding any provisions in this Agreement to the contrary which may prohibit the payment of interest to a Member); (iv) rank senior in right of payment to all other indebtedness of the Company, other than indebtedness incurred pursuant to any loan agreements with banks, insurance companies or other institutional lenders in place at the time such loan is made; and (v) not affect the Capital Accounts or the Percentage Interests of the Members. In the event of the non-payment of such Member Loan, the Contributing Member shall be entitled to the costs of collection thereof, including reasonable attorney's fees and disbursements. No distributions shall be made to any Member prior to the repayment of such Member Loan in full together with all interest earned thereon and the collection costs thereof, if any. For purposes of this Section 5.1.4, a non-recourse loan shall mean a loan with recourse only to the assets of the Person borrowing such loan amount.

5.1.5 No Member shall be entitled to withdraw any part of such Member's Capital Account balance or to receive any distribution from the Company, except as expressly provided in this Agreement. No Member shall be entitled to demand or receive any property from the Company other than cash as expressly provided herein.

5.1.6 Except as provided in Section 5.1.4.2 and Section 5.3, No Member shall be paid interest on any Capital Contribution to the Company.

5.2 Capital Accounts. An individual capital account (the "Capital Account") shall be maintained for each Member in accordance with Section 1.704-1(b)(2)(iv) of the Regulations and the following provisions. The initial balance of each Member's Capital Account is set forth in Section 5.1.1 hereof.

5.2.1 Each Member's Capital Account shall be credited with (1) the amount of cash contributed by such Member to the Company, (2) the amount of such Member's allocable share of Net Income (or items thereof), including tax-exempt income and gain, (3) the amount, if any, of any Company liabilities that are assumed by such Member as provided in Regulation Section 1.704-1(b)(2)(iv)(c)(1), and (4) the fair market value of any property contributed to the Company by such member (net of liabilities secured by such contributed property that the Company is considered to assume or take subject to under Code Section 752).

5.2.2 Subject to the provisions of Section 5.1.4.2, each Member's Capital Account shall be charged with (1) the amount of cash distributed to such Member by the Company, (2) the amount of such Member's allocable share of Net Loss and any items of Company loss and deduction that are specially allocated to such Member pursuant to Section 7.2 hereof, (3) the fair market value of any property distributed to such Member by the Company (net of liabilities secured by such distributed property that such Member is considered to assume or take subject to under Code Section 752), and (4) the amount of any expenditures described in Code Section 705(a)(2)(B) allocated to such Member.

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5.2.3 In the event of (1) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis capital contribution, (2) the distribution by the Company to a Member of more than a de minimis amount of the assets of the Company as consideration for an interest in the Company, (3) the liquidation of the Company for federal income tax purposes pursuant to Section 1.704-1(b)(2)(ii)(g) of the Regulations, or (4) an election under Code Sections 734(b) or 743(b), but only as provided in Section 1.704-1(b)(2)(iv)(m) of the Regulations, the values of the Company's properties shall be adjusted (limited, in the case of the events described in clauses (1) and (2), to adjustments which the TMP determines are necessary or appropriate to reflect the relative economic interests of the Members) to equal their then fair market values (as determined by the TMP), and the Capital Accounts of each Member shall be credited or charged with such Member's share (as determined under Article Seven hereof) of the Net Income or Net Loss resulting from such adjustments.

5.2.4 The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Section 1.704-1(b) of the Regulations and shall be interpreted and applied in a manner consistent with such Regulation.

5.3 No Member shall have the right to withdraw or to be repaid any Capital Contribution contributed by such Member except as specifically provided in this Agreement.

## ARTICLE SIX

### Distributions

6.1 The amount and timing of any distributions of Company funds shall be determined by the Manager in his sole discretion. Subject to Section 5.1.4 and except as otherwise provided in Section 6.2, all distributions shall be made (i) first to, each of Manager and DJT Member, until each of Manager and DJT Member shall have received an aggregate amount of distributions necessary to provide a twelve percent (12%) Internal Rate of Return on all of the Capital Contributions made by each of Manager and DJT Member to the Company, (ii) then to Manager, until Manager shall have received back all of its Capital Contributions made to the Company, (iii) then to DJT Member, until DJT Member shall have received back all of its Capital Contributions made to the Company, and (iv) then to all of the Members (including Manager and DJT Member), pro rata in accordance with the Members' respective Percentage Interests.

6.2. Subject to Section 5.1.4, distributions of the proceeds of any capital transaction, financing or refinancing and distributions upon the dissolution and liquidation of the Company shall be made (i) first to each of Manager and DJT Member, until each of Manager and DJT Member shall have received an aggregate amount of distributions necessary to provide a twelve percent (12%) Internal Rate of Return on all of the Capital Contributions made by each of Manager and DJT Member to the Company, (ii) then to Manager, until Manager shall have received back all of its Capital Contributions made to the Company, (iii) then to DJT Member,

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until DJT Member shall have received back all of its Capital Contributions made to the Company, (iv) then to all of the Members (including Manager and DJT Member), in proportion to their respective Capital Accounts until each Member has received distributions equal to any positive balance in his/her/its Capital Account and (v) thereafter, pro rata in accordance with the Members' (including Manager's and DJT Member's) respective Percentage Interests.

## ARTICLE SEVEN

### Allocations

7.1 Allocations of Net Income and Net Losses. After making the allocations (if any) required by Section 7.2 hereof, Net Income and Net Loss shall be allocated to the Members as follows:

(i) Net Income:

- (x) first to Members with negative Capital Accounts, in proportion to those Capital Accounts, until the Capital Accounts of all such Members are increased to zero;
- (y) then to the twelve (12%) percent Internal Rate of Return referred to in Sections 6.1 and 6.2 of this Agreement;
- and (z) then to the Members in accordance with their respective Percentage Interests;

(ii) Net Losses:

- (y) first to Members with positive Capital Accounts, in proportion to those Capital Accounts, until the Capital Accounts of all such Members have been decreased to zero;
- and (z) then to the Members in accordance with their respective Percentage Interests.

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## 7.2 Regulatory Allocations.

7.2.1 Notwithstanding any other provision of this Agreement, in the event any Member unexpectedly receives any adjustments, allocations or distributions described in Regulation Sections 1.704-1(b)(2)(ii)(d)(4), (5) or (6), items of the Company's income and gain shall be specially allocated to such Member (consisting of a pro rata portion of each item of such income and gain) in an amount and manner sufficient to eliminate any deficit in such Member's Capital Account as quickly as possible. The provisions of this Section 7.2.1 are intended to constitute a "qualified income offset" within the meaning of Regulation Section 1.704(b)(2)(ii)(d) and shall be interpreted consistently with said Regulation.

7.2.2 In order to comply with the "minimum gain chargeback" requirements of Regulation §1.704-2(f)(1) and §1.704-2(i)(4), and notwithstanding any other provision of this Agreement to the contrary, in the event there is a net decrease in a Member's share of Company minimum gain (as defined in Regulation §1.704-2(d)(1)) and/or Member nonrecourse debt minimum gain (as defined in Regulation §1.704-2(i)(2)) during a Company taxable year, such Member shall be allocated items of income and gain for that year (and if necessary, for other years) as required by and in accordance with Regulation §1.704-2(f)(1) and §1.704-2(i)(4) before any other allocation is made.

7.2.3 The allocations set forth in this Section 7.2 (the "Regulatory Allocations") are intended to comply with certain requirements of the Regulations. It is the intent of the Members that, to the extent possible, all Regulatory Allocations shall be offset either with other Regulatory Allocations or with special allocations of other items of taxable income or tax loss. Therefore, notwithstanding any other provision of this Section 7.2 (other than the Regulatory Allocations), offsetting special allocations of taxable income or tax loss, in whatever manner is appropriate, shall be made so that, after such offsetting allocations are made, each Member's Capital Account balance is, to the extent possible, equal to the Capital Account balance such Member would have had if the Regulatory Allocations were not part of this Agreement. In making such offsetting allocations, there shall be taken into account future Regulatory Allocations that, although not yet made, are likely to offset other Regulatory Allocations previously made.

7.2.4 It is the intention of the Members that the allocations hereunder shall be deemed to have "substantial economic effect" within the meaning of Code Section 704 and Regulation Section 1.704-1. Should the provisions of this Agreement be inconsistent with or in conflict with Code Section 704 or the Regulations thereunder, then Code Section 704 and such Regulations shall be deemed to override the contrary provisions thereof. If Code Section 704 or the Regulations thereunder at any time require that limited liability company agreements contain provisions which are not expressly set forth herein, such provisions shall be incorporated into this Agreement by reference and shall be deemed a part of this Agreement to the same extent as though they had been expressly set forth herein, and any such incorporation shall be retroactive to whatever extent required to create allocations with "substantial economic effect".

## 7.3 Other Allocation Rules.

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7.3.1 Each separate item of income, deduction, credit, gain and loss of the Company shall be allocated among the Members in the same proportion as the portion of the total Net Income or Net Loss for the period which is credited or charged to the Capital Account of each Member bears to the total Net Income or Net Loss for such period.

7.3.2 If the Membership Interests of the Members change during a year, Net Income or Net Loss for such year shall be allocated among the Members on the basis of the computation method which, in the sole discretion of the Manager, is in the best interests of the Company; provided, that such method is in conformity with the methods prescribed by Code §706 and Regulations §1.706-1(c)(2)(ii). Any transferee of a Membership Interest shall succeed to the Capital Account of the transferor Member to the extent it relates to the transferred Interest.

#### ARTICLE EIGHT

##### Transfers of Membership Interests; Forfeiture of Sexton Membership Interest

8.1 Voidable Transfers. No Member shall Transfer all or any portion of his/her/its Membership Interest, except in strict compliance with the provisions of this Article Eight. Any purported Transfer in violation of this Article Eight shall be void ab initio, shall not bind the Company and shall be deemed an irrevocable offer made by the Member whose Transfer is being voided to the Company to redeem such Membership Interest by payment of the sum of the positive balance, if any, of such Member's Capital Account. The Member whose Transfer is being voided shall indemnify and hold the Company and the other Members harmless from and against any federal, state or local income or transfer taxes arising as a result of, or caused directly or indirectly by, such voided Transfer. Each of the Members hereby acknowledges and agrees that, subject to the provisions of Sections 8.2 and 8.3, he/she/it will not, without the approval of the Manager, Transfer any portion of his/her/its Membership Interest to any Person other than another Member, it being agreed that such approval may be withheld for any reason or no reason. Each of the Members hereby covenants to, and agrees with, each of the other Members that it will not permit any Transfers of interests in such Member if, as a result, such Member would not be controlled, directly or indirectly, by the Person or Persons who controlled such Member immediately prior to such Transfer (including in such control group any Persons to whom Transfers may be made pursuant to Section 8.2). It shall be a condition to any Transfer of a Membership Interest hereunder that the Member making such Transfer pay any expenses that are incurred by the Company in connection with such Transfer.

8.2 Permitted Transfers. Subject to compliance with the remaining provisions of this Article 8, each Member shall be free to Transfer all or any portion of his/her/its Membership Interest to, and no approval of any of the other Members shall be required for a Transfer by a Member to, any spouse, sibling, parent or child of such transferring Member, a trust exclusively for the benefit of any such family member(s) or another entity entirely owned and controlled directly or indirectly by such family member(s) and/or such trusts.

8.3 Right of First Refusal.

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8.3.1 At any time after (x), in the case of a Member other than Sexton, the first anniversary of the date of this Agreement; and (y) in the case of Sexton, the first to occur of (A) the termination of the Sexton Employment Agreement other than for "Good Cause" (as defined in the Sexton Employment Agreement) or (B) the fifth anniversary of the date of this Agreement (each, the "Selling Member"), a Member may enter into a bona fide contract of sale to sell his/her/its entire Membership Interest in the Company (the "Selling Member Interest") then existing, for cash to a third party purchaser, which is not an Affiliate of the Selling Member, and which is reasonably acceptable to the Manager (the "Purchaser"). Within ten (10) days after entering into a contract of sale, the Selling Member shall provide a copy of the contract of sale (which shall be subject to the provisions of this Section 8.3), to the other Member(s), (collectively, the "Non-Selling Members").

8.3.2 Within thirty (30) days after the receipt by the Non-Selling Members of the contract of sale, the Non-Selling Members may, in a writing (the "Election Notice") given to the Selling Member, elect to purchase the Selling Member Interest for an amount equal to the amount the Selling Member would have received pursuant to the contract of sale, which shall be paid at the closing. If more than one of the Non-Selling Members gives an Election Notice, unless such Non-Selling Members shall otherwise agree, they shall purchase the Selling Member Interest pro rata in accordance with their respective Percentage Interests.

8.3.3 If one or more of the Non-Selling Members gives an Election Notice, the closing will be held at the office of the Manager on the later of (i) the ninetieth (90th) day after the date of the Election Notice, or (ii) the date set forth in the contract of sale for the closing. At the closing, if requested by the Non-Selling Members, the Selling Member shall execute and deliver any necessary and appropriate instruments of conveyance in order to effectuate the transaction contemplated hereby. Closing costs and all other charges involved in closing the sale shall be divided equally between the Non-Selling Members who gave an Election Notice and the Selling Member, except that each party shall pay its own attorneys' fees.

8.3.4 If the Non-Selling Members fail to timely elect to purchase the Selling Member Interest, the Selling Member shall be free to complete the transaction contemplated by the contract of sale.

8.3.5 If, after giving an Election Notice, the Non-Selling Members fail, through no fault of the Selling Member, to timely consummate the acquisition of the Selling Member Interest and fail to cure such default within thirty (30) days thereafter: (i) the Selling Member shall be free to complete the transaction contemplated by the contract of sale or another sale of the Selling Member Interest that results in the Selling Member receiving proceeds equal to at least ninety percent (90%) of the proceeds that would have been received had the transaction contemplated by the contract of sale been consummated; and (ii) the Selling Member shall be entitled to receive as liquidated and agreed damages (and not a penalty) out of future distributions that would otherwise be payable to the Non-Selling Members an amount which, when added to the proceeds of the sale received by the Selling Member, causes the Selling Member to receive the same amount as he/she/it would have received had the Non-Selling Members not defaulted.

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8.3.6 If there shall be any outstanding loans by the Selling Member to the Company, all such loans due to the Selling Member, including accrued and unpaid interest thereon, shall be purchased by the Non-Selling Members for the principal amount thereof, and accrued and unpaid interest thereon, as a condition precedent to such sale. At the closing, the Selling Member shall deliver and assign to the Non-Selling Members each note evidencing such loans.

8.3.7 If a transaction contemplated by the foregoing provisions of this Section 8.3 is not consummated within ninety (90) days after the initial closing date, all the provisions of this Section 8.3 shall apply to any subsequent Transfer.

8.3.8 Any of the Non-Selling Members shall have the right to assign his/her/its right to acquire the Selling Member Interest to an Affiliate of such Non-Selling Member; provided, however, that such Non-Selling Member shall not be relieved of any obligation or liability to the Selling Member hereunder.

8.3.9 The Selling Member shall cause any purchaser of less than all of his/her/its Membership Interest pursuant to this Section 8.3 to agree in writing to be bound by the provisions of this Agreement applicable to such purchaser's transferor.

8.3.10 Notwithstanding anything in this Section 8.3 to the contrary, each of Manager and DJT Member may sell his/her/its Membership Interest without being subject to this Section 8.3.

#### 8.4 Drag-Along Rights.

8.4.1 [INTENTIONALLY DELETED]

8.4.2 In the event that the Manager enters into a bona fide contract of sale to sell its entire Membership Interests in the Company to a non-Affiliate third party purchaser, the provisions of Section 8.3 shall not apply thereto, and the Manager shall be entitled, at its option, to require each of, or any of (at the Manager's sole discretion), the other Members to include in such sale the entire Membership Interest owned by each such other Member (the "Drag-Along Right"). The Drag-Along Right shall be exercised by notice ("Drag-Along Notice") from the Manager to each Member given not less than ten (10) days prior to the projected closing date of such sale of Membership Interests. Upon receipt of a Drag-Along Notice, each Member shall be obligated to sell his/her/its entire Membership Interest in such sale on such terms (including representations, covenants, indemnity, holdback and similar provisions) as the sale by the Manager (as applicable); provided, that the maximum liability of a Member in connection with such sale shall not exceed the proceeds to such Member of such sale.

8.5 [INTENTIONALLY DELETED]



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**8.6 Substitute Members.** The assignee or purchaser of a Membership Interest pursuant to the terms of this Article Eight shall have the right to become a substituted Member in the Company only if (i) the assignor or seller so provides in an instrument of assignment; (ii) the assignee or purchaser agrees in writing to be bound by the terms of this Agreement; and (iii) the assignee or purchaser pays the reasonable costs incurred by the Company in preparing and recording any necessary amendments to this Agreement and the Certificate, unless waived by the Manager.

**8.7 Transferors To Remain Members.** Unless and until a Transferee is admitted as a Member with respect to the entire Membership Interest of his/her/its transferor, the transferor Member shall not cease to be a Member of the Company under the Act, shall remain liable to the Company for the performance of all of his/her/its obligations as a Member under this Agreement and shall retain the statutory rights, powers and obligations of a Member under the Act.

**8.8 Forfeiture of Sexton Membership Interest.**

All or a portion of Sexton's Membership Interest may be forfeited (such forfeited Membership Interest shall hereinafter be referred to herein as the "**Sexton Forfeited Interest**") pursuant to the terms of Section 12 of the Sexton Employment Agreement. The Sexton Forfeited Interest shall, at the sole option of DJT Member, be transferred to DJT Member, at no cost to DJT Member and without any compensation whatsoever to Sexton for such Sexton Forfeited Interest. Sexton hereby irrevocably constitutes and appoints DJT Member as Sexton's true and lawful attorney-in-fact, with full power of substitution, to execute, acknowledge and deliver any instruments and to exercise and enforce every right, power, remedy, option and privilege of Sexton with respect to the Sexton Forfeited Interest, and do in the name, place and stead of Sexton, all such acts, things and deeds for and on behalf of and in the name of Sexton, which Sexton could or might do or which DJT Member may deem necessary or desirable to more fully vest in DJT Member the rights in and to the Sexton Forfeited Interest and to accomplish the purposes of this Agreement. The foregoing powers of attorney are irrevocable and coupled with an interest.

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## ARTICLE NINE

### Dissolution and Liquidation

#### 9.1 Dissolution.

9.1.1 The Company shall dissolve, without further action of the Manager, upon, but not before, the first to occur of the following:

- (a) December 31, 2050;
- (b) the approval of the Manager;
- (c) the disposition of all or substantially all of the assets of the Company in a transaction other than a sale-leaseback or an installment sale transaction;
- (d) subject to Section 701(d) of the Act, the bankruptcy, dissolution or withdrawal of Manager or DJT Member; or
- (e) A decree of judicial dissolution under Section 702 of the Act.

9.1.2 Upon dissolution of the Company, the Company shall commence to wind up its affairs and shall proceed with reasonable promptness to liquidate the business of the Company.

#### 9.2 Liquidation.

9.2.1 The Company shall terminate after its affairs have been wound up and its assets fully distributed in liquidation as follows:

9.2.1.1 First, to the payment of the debts and liabilities of the Company (other than debts and liabilities to Members) and the expenses of liquidation;

9.2.1.2 Next, to the setting up of any reserves which the Manager (or, if there is then no Manager, the Person designated by the Members to conduct the liquidation of the Company) may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Company;

9.2.1.3 Then, to the payment of the debts and liabilities of the Company to Members other than on account of their interest in Company capital or profits; and

9.2.1.4 Thereafter, to the Members, as provided in Section 6.2.

9.2.2 No Member shall have any right to demand property other than cash upon dissolution and termination of the Company.

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9.3 **Cancellation of Certificate.** Upon the completion of the liquidation of the Company, the Manager (or, if there is then no Manager, the Person designated by the Members to conduct the liquidation of the Company) shall cause the cancellation of the Certificate.

## ARTICLE TEN

### Records and Accounting; Fiscal Affairs

10.1 **Fiscal Year.** The Company's fiscal year shall be the calendar year.

10.2 **Bank Accounts.** All of the Company's funds shall be deposited in such bank or accounts as shall be designated by the Manager. Withdrawals from any such bank account shall be made upon the signature of the Manager, or his designee, and shall be made only for the purposes of the Company.

10.3 **Books and Records.** The Manager (or, if the Manager shall elect, Sexton (so long as Sexton shall be the President of the Company pursuant to the Sexton Employment Agreement)) shall, at the Company's cost and expense, maintain full and accurate books and records, in accordance with the Company's accounting policies consistently applied, at the principal office of the Company, showing all receipts and expenditures, assets and liabilities, Net Income or Net Loss, and all other records necessary for recording the Company's business and affairs, including those sufficient to record the allocations and distributions provided for in this Agreement. The books and records shall, upon reasonable prior notice to the Company, be open for inspection and copying by any Member or such Member's duly authorized representatives during regular business hours. Any expense for any inspection or copying shall be borne by the Member causing such inspection or copying to be conducted. Any information obtained by a Member with respect to the affairs of the Company shall, except as may be required by law, be kept strictly confidential.

10.4 **Tax Status.** Each Member hereby recognizes and intends that the Company will be treated as a partnership for federal and state tax purposes and will be subject to all provisions of Subchapter K of Chapter 1 of Subtitle A of the Code. No Member shall take any action or make any election which would be inconsistent with the foregoing intention.

10.5 **Tax Returns; Elections.**

10.5.1 The Tax Matters Partner shall use all reasonable efforts to cause the Company's accountants to prepare and make timely filings of all tax returns and statements (subject to available extensions) which the accountants determine must be filed on behalf of the Company with any taxing authority. Copies of such returns shall be kept at the Company's principal office or at such other place as the Manager shall determine and shall be available for inspection, upon reasonable prior written notice, by the Members or their duly authorized representatives during regular business hours.

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10.5.2 With the approval of the Manager, the Company may, in consultation with the Company's attorneys or accountants make all elections required or permitted to be made by the Company under the Code or other applicable tax laws.

10.5.3 No Member shall take any action or refuse to take any action which would cause the Company to forfeit the benefits of any tax election previously made or agreed to be made by the Company.

10.6 **Tax Matters Partner.** Pursuant to Section 6231(a)(7)(A) of the Code, the Manager, or, if the Manager is no longer a Member, a Member designated by the other Members, is hereby designated as the "Tax Matters Partner" or "TMP" of the Company for all purposes of the Code and for the corresponding provisions of any state or local statute. Each of the Members hereby consents to such designation and agrees to take any such further action as may be required by the Regulations or otherwise to effectuate such designation. The TMP is authorized to represent the Company (at the Company's expense) in connection with all examinations of the Company's affairs by any tax authorities, including resulting judicial and administrative proceedings, and to expend Company funds for professional services and costs associated therewith. The decisions of the TMP shall be final and binding as to all Members except to the extent that any Member files a statement not to be bound by a settlement pursuant to Code Section 6224(c)(3).

10.7 **Information to Members.** Sexton, so long as Sexton shall be the President of the Company pursuant to the Sexton Employment Agreement (or, at the Manager's discretion, Manager) shall furnish to each Member:

10.7.1 within seventy-five (75) days after the end of each calendar quarter, a compiled unaudited balance sheet as of the end of such quarter, a profit and loss statement for such quarter, and a comparison of such financial statements to the Operating Budget then in effect with an accompanying attachment explaining all significant variances to the Operating Budget;

10.7.2 within one hundred and twenty (120) days after the end of each fiscal year a balance sheet as of the end of such fiscal year, a profit and loss statement for such fiscal year, a cash flow statement for such fiscal year, each in conformity with the income tax basis of accounting and reviewed by the Company's accountants, and a statement of the balance of the Capital Account of each Member; and

10.7.3 after the end of each fiscal year, and promptly following the filing of the Company's tax return in accordance with Section 10.5, a Schedule K-1 and such other forms, if any, as shall be necessary to enable the Members to complete their personal income tax forms with respect to their ownership interest in the Company for such fiscal year.

With the approval of the Manager, the annual financial statements provided pursuant to Section 10.7.2 shall be upgraded from a review to an audit, at the expense of the Company. Any Member may, at such Member's expense, upon reasonable prior written notice, conduct an audit of the

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Company's books of account and records.

## ARTICLE ELEVEN

## Miscellaneous

11.1 **Notice.** All notices, requests, demands and other communications hereunder shall be made in writing and shall be deemed to have been given (a) upon delivery, if delivered by hand, (b) three (3) days after being mailed first class, certified mail, return receipt requested, postage and registry fees prepaid, to the Company at its principal office and to the Members at the addresses set forth on Schedule A, or (c) one (1) business day after being delivered to a reputable overnight courier service, prepaid, marked for next day delivery, to the Company at its principal office and to the Members at the addresses set forth on Schedule A. Any address may be changed by notice given to the Company and the other Members by the Member whose address for notice is to be changed. A copy of all notices to Manager and DJT Member shall be sent to (i) The Trump Organization, 725 Fifth Avenue, New York NY 10022, Attention: Jason D. Greenblatt and (ii) The Trump Organization, 725 Fifth Avenue, New York NY 10022, Attention: Allen Weisselberg.

11.2 **Entire Agreement.** All understandings and agreements heretofore made among the Members with respect to the subject matter hereof are merged in this Agreement and, subject to the last sentence of Section 3.5.4, in the case of Sexton, the Sexton Employment Agreement, which alone fully and completely expresses their agreement with respect to the subject matter hereof. There are no promises, agreements, conditions, understandings, warranties or representations, oral or written, express or implied, among the Members, other than as set forth in this Agreement, the Certificate and, subject to the last sentence of Section 3.5.4, in the case of Sexton, the Sexton Employment Agreement. All prior agreements among the Members are superseded by this Agreement, and, subject to the last sentence of Section 3.5.4, in the case of Sexton, the Sexton Employment Agreement, which integrates all promises, agreements, conditions and understandings among the Members with respect to the Company.

11.3 **Severability.** It is the desire and intent of the parties hereto that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, to the extent that a restriction contained in this Agreement is more restrictive than permitted by the laws of any jurisdiction where this Agreement may be subject to review and interpretation, the terms of such restriction, for the purpose only of the operation of such restriction in such jurisdiction, shall be the maximum restriction allowed by the laws of such jurisdiction and such restriction shall be deemed to have been revised accordingly herein. If, notwithstanding the foregoing, any provision of this Agreement or the application thereof is held to be wholly invalid, such invalidity shall not affect any other provisions or application of this Agreement that can be given effect without the invalid provisions or application, and to this end the provisions of this Agreement are hereby declared to be severable.

L:\3081\Trump University\Trump University LLC Agreement v7.doc

11.4 **Amendment.** All amendments to this Agreement shall be in writing and shall require the approval of the Manager.

11.5 **Waiver.** No consent or waiver, express or implied, by any Member to or of any breach or default by any other Member in the performance by such other Member of its obligations hereunder shall be effective unless in writing executed by the Member charged with giving such consent or waiver. No such consent or waiver shall be deemed or construed to be a consent to or waiver of any other breach or default in the performance by such other Member of the same or any other obligation of such other Member hereunder.

11.6 **Counterparts.** This Agreement may be executed in multiple counterparts, each of which shall be deemed an original and all of which shall constitute one agreement. The signatures of any Member to a counterpart shall be deemed to be a signature to, and may be appended to, any other counterpart.

11.7 **Binding Effect.** This Agreement shall be binding upon, and shall inure to the benefit of, the Members and their respective successors, heirs, executors, administrators, legal representatives and permitted assigns.

11.8 **No Reliance by Third Parties.** The provisions of this Agreement are not for the benefit of any creditor or other Person other than a Member to whom any losses, debts, claims, expenses or encumbrances are owed by, or who otherwise has any claim against, the Company or any Member.

11.9 **Governing Law.** This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Delaware applicable to agreements made and to be wholly performed therein, without reference to its principles of conflict of laws.

11.10 **Prohibition Against Partition.** Each Member hereby permanently waives and relinquishes any and all rights it may have to cause all or any part of the Company's property to be partitioned, it being the intention of the Members to prohibit any Member from bringing a suit for partition against the other Members.

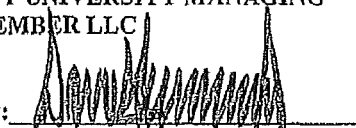
11.11 **Pronouns.** All pronouns and any variations thereof as used herein shall be deemed to refer to the masculine, feminine, neuter, singular or plural, as the identity of the Person or Persons may require.

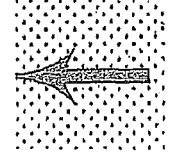
Li\JDH\Trump University\Trump University LLC Agreement v7.doc

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement.

DJT UNIVERSITY MANAGING  
MEMBER LLC


By:

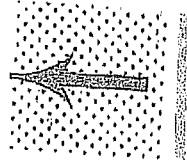
  
Donald J. Trump, President



DJT UNIVERSITY MEMBER LLC

By:

  
Donald J. Trump, President



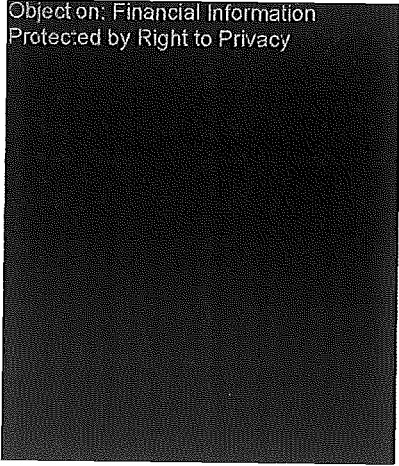


JONATHAN SPITALNY



MICHAEL SEXTON

SCHEDULE A

| <u>Member</u>                      | <u>Address</u>                     | <u>Membership Interest</u> | <u>Initial Capital Contributions</u>  |
|------------------------------------|------------------------------------|----------------------------|---|
| DJT University Managing Member LLC | 339 Pine Road Briarcliff Manor, NY | .1%                        | Object on: Financial Information Protected by Right to Privacy<br> |
| DJT University Member LLC          | 339 Pine Road Briarcliff Manor, NY | 91.9%                      |   |
| Jonathan Spitalny                  | 431 Sterling Road Harrison, NY     | 3.5%                       |   |
| Michael* Sexton                    | 31 Rye Road Rye, NY                | 4.5%                       |   |

\* Sexton's Membership Interest shall be subject to the terms of Section 12 of the Sexton Employment Agreement and Section 8.8 of this Agreement.

A-1

CONFIDENTIAL



# EXHIBIT C

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

|                          |   |                           |
|--------------------------|---|---------------------------|
| ART COHEN, Individually) | ) |                           |
| and on Behalf of All     | ) |                           |
| Others Similarly         | ) | No. 3:13-cv-02519-GPC-WVG |
| Situated,                | ) |                           |
|                          | ) | CLASS ACTION              |
| Plaintiff,               | ) |                           |
|                          | ) |                           |
| VS.                      | ) |                           |
|                          | ) |                           |
| DONALD J. TRUMP,         | ) |                           |
|                          | ) |                           |
| Defendant.               | ) |                           |
| -----                    | ) |                           |

\*\*\*PORTIONS CONFIDENTIAL (AS INDICATED)\*\*\*

ORAL AND VIDEOTAPED DEPOSITION OF

ALLEN WEISSELBERG

Wednesday, June 24, 2015

90 Park Avenue, 39th Floor

New York, New York

Reported By:

EILEEN MULVENNA, CSR/RMR/CRR

Job No.: 10016778

1 Q. So then tell me -- can I use  
2 them interchangeably, Trump Organization and  
3 Trump Corporation?

4 A. Well, Trump Corporation [sic] is  
5 really nothing more than a shell entity that  
6 we set up and we don't even use in the  
7 day-to-day operation. It doesn't have a bank  
8 account. We protected the name many years  
9 ago so nobody else could take it from us.  
10 The Trump Corporation is more -- a -- more of  
11 the operating entity that we use.

12 Q. Is it easier for you to if I  
13 refer to the Trump Corporation or Trump Org?

14 A. For this purpose, you can -- you  
15 can use either one.

16 Q. Okay. So what were your general  
17 duties and responsibilities as CFO for Trump  
18 Corporation?

19 A. Well, first thing we had to do  
20 was establish an accounting department that  
21 will consist of a payables department, a  
22 receivables department. And we had some  
23 junior accountants working there.

24 We would manage condominium  
25 properties, prepare financial reports for

1 tenure as CFO?

2 A. Yes.

3 Q. Mr. Weisselberg, I apologize.

4 We have a system for showing the transcript

5 that the court reporter is taking down. It

6 is very unreliable unfortunately. And right

7 now I can't see it, but I thought that you

8 might have misspoke. I think you might have

9 said Trump Corporation was a shell entity. I

10 think you meant Trump Organization --

11 A. No. I said Trump Organization.

12 Q. Okay.

13 A. Yes, Trump Organization.

14 Q. Throughout that time period,

15 have you met with Mr. Trump, generally

16 speaking, on approximately a daily basis?

17 A. Yeah. I mean, if I -- if I had

18 to. I wouldn't go in there and just

19 chitchat, but if I had a reason to go in and

20 discuss a business matter or needed a

21 decision or some idea or concept, we'd have a

22 conversation.

23 Q. Let's say the past ten years,

24 where has your office been located in

25 proximity to Mr. Trump's?

1 A. Sorry?

2 Q. Throughout the past ten years,  
3 have you interacted with Mr. Trump directly  
4 on a weekly basis?

5 A. I would say yes.

6 Q. I believe you said this already,  
7 but just to clarify, sometimes multiple times  
8 each week; correct?

9 A. That's correct.

10 Q. Over the past ten years, have  
11 your duties and responsibilities changed in  
12 any significant way from what they were in  
13 the first half of your tenure as CFO?

14 A. No.

15 Q. So it sounds like you're  
16 basically Mr. Trump's eyes and ears for his  
17 investments?

18 MR. MARON: Object; lacks --  
19 lacks foundation, mischaracterizing,  
20 but I'll let him answer.

21 THE WITNESS: Am I his eyes and  
22 ears for his investments? From an  
23 economic standpoint.

24 MR. FORGE: Now, at this point,  
25 I'm going to ask the court reporter to

1 those expenditures were warranted, could  
2 things be done in a better fashion to save  
3 some money.

4           So I felt by signing checks,  
5 which I do for all our entities, I get a good  
6 feel for what the company is doing on a  
7 day-to-day basis, as opposed to waiting to  
8 get reports months after the fact and having  
9 lost that ability -- that benefit of time  
10 while that money was being spent improperly  
11 or -- or in a fashion I didn't deem  
12 appropriate.

13           Q.       Did you receive any extra  
14 compensation for your work concerning Trump  
15 University?

16           A.       No.

17           Q.       Any extra -- any particular  
18 bonus that was earmarked just for Trump  
19 University?

20           A.       No.

21           Q.       So did you -- I think you  
22 expressed this sentiment before, but just to  
23 confirm, did you regard Trump University as  
24 basically any other investment that Mr. Trump  
25 might have?

1           A.           Just one more investment.

2           Q.           I take it with -- with all of  
3 Mr. Trump's investments, you -- you reveal to  
4 him all information you consider to be  
5 important to the investment?

6           A.           When you say "all," usually  
7 there isn't -- there aren't that many things  
8 on a day-to-day basis that required me to  
9 bring it to his level, things I can't handle  
10 on my own.

11                       For example, if I see them using  
12 a certain stationery supplier, just a local  
13 supplier that charges X dollars for -- for  
14 pens, and we happen to have a national  
15 account with a much larger supplier, we get  
16 those pens for half the price, I would  
17 recommend that to them, to change their  
18 supplier in order to save some money towards  
19 the bottom line.

20                       That -- those are the kind of  
21 things I would look for when reviewing  
22 their -- their checks and their expenditures.

23           Q.           That would be the kind of --  
24 that kind of mundane item is not the type of  
25 thing that you would necessarily consider

1 A. Correct.

2 Q. And as you sit here today, do  
3 you believe anybody -- beyond you, Mr. Trump  
4 and Mr. Trump's children, do you believe  
5 anybody else other than that core group was  
6 authorized to sign checks on behalf of Trump  
7 University?

8 MR. MARON: Objection; calls for  
9 speculation.

10 You can answer.

11 THE WITNESS: I would say that  
12 seems to be the group that we've used  
13 over the last number of years to sign  
14 checks over all our entities. Whether  
15 there's --

16 BY MR. FORGE:

17 Q. Well --

18 A. Sorry.

19 Q. No, go ahead.

20 A. I was going to say, whether  
21 there's an exception to the rule, I'm not  
22 aware of it.

23 Q. So assuming there was no  
24 exception that you're unaware of, that would  
25 mean for -- to cut a check for 79 -- to



1 BY MR. FORGE:

2 Q. I understand that, but I'm  
3 asking about the fact you have authority to  
4 do so. I'm just wanting to confirm you did,  
5 in fact, have authority to grant or deny  
6 authorization for this type of expenditure;  
7 right?

8 MR. MARON: Same instruction.

9 Same objection.

10 He can answer.

11 THE WITNESS: I have authority  
12 to approve or disapprove an expenditure  
13 with guidance. So I have no other way  
14 to answer that question.

15 BY MR. FORGE:

16 Q. It's a very simple question.

17 A. It's the -- it's the answer  
18 that's difficult. Because you're asking  
19 me -- you're asking me a question as follows:  
20 Do you have authority, yes or no?

21 Are you looking for a yes-or-no  
22 answer? Is that it?

23 Q. You understood that your  
24 authority over Trump University empowered you  
25 to either approve or disapprove requests such

1 as this one to register 79 domain names;  
2 correct?

3 MR. MARON: Objection;  
4 misleading, lacks foundation.

5 He can answer.

6 THE WITNESS: I had the  
7 authority to review requests for  
8 expenditures and then decide the  
9 appropriateness of that request.

10 BY MR. FORGE:

11 Q. Mr. Weisselberg, did you or did  
12 you not have authority to deny this request  
13 to register these 79 domain names?

14 MR. MARON: Objection; asked and  
15 answered.

16 You can answer the question.

17 THE WITNESS: Did I have the  
18 authority to do what again?

19 BY MR. FORGE:

20 Q. To deny the request to register  
21 these 79 domain names.

22 A. I would say, in this case, if I  
23 denied those 79 domain names and this company  
24 couldn't begin operation, that's an authority  
25 I would not want to take upon myself.

1 A. I'm reading it now.

2 MR. MARON: We're still looking  
3 at it.

4 MR. FORGE: Okay.

5 (Witness peruses the exhibit.)

6 THE WITNESS: Okay.

7 BY MR. FORGE:

8 Q. Does Exhibit 355 appear to be a  
9 true and accurate copy of an e-mail chain  
10 between you and Mr. Sexton from September of  
11 2010?

12 A. I don't -- I assume so. If my  
13 name is on it, I assume we -- we went back  
14 and forth on a matter regarding an  
15 individual, to keep her employed at the  
16 company.

17 Q. And it's fair to say that  
18 Mr. Sexton was requesting authorization to  
19 give a retention bonus to April Neumann;  
20 correct?

21 A. It appears to say that, yes. It  
22 does say that, yes.

23 Q. You denied that request;  
24 correct?

25 A. I'm sorry?

1 Q. You denied that request;  
2 correct?

3 A. I don't recall if I denied it.  
4 I -- I asked the question, how could I  
5 justify a blank per month bonus; allowing her  
6 to keep her salary intact without reduction  
7 should be enough. I asked the question. I  
8 don't think I gave him an answer as to what  
9 he should or shouldn't do, unless I'm --

10 Q. You think "allowing her to keep  
11 her salary intact without reduction should be  
12 enough" is not an answer?

13 A. How could --

14 (Witness peruses the exhibit.)

15 A. Yeah. Again, just reading this  
16 for the first time in many years, obviously,  
17 it sounded like he wanted to give her a bonus  
18 on top of her salary. And I was basically  
19 saying that a -- keeping her salary intact  
20 should be sufficient.

21 Q. And his response to that is,  
22 "Okay, your call"; correct? That's how he  
23 responded?

24 A. Yeah, I -- I don't see a  
25 response after that.

1           A.        I don't recall the specific  
2 meeting. There were many conversations  
3 regarding the business at that time and like  
4 all times. It was ongoing conversation. It  
5 wasn't any one particular meeting that stands  
6 out in my mind.

7           Q.        So basically what you're saying  
8 is this is ongoing dialog with this and all  
9 businesses to try to make sure everybody's  
10 doing everything they can to maximize the  
11 profitability?

12          A.        Yeah. That's -- that's what we  
13 would do for all of our companies, not just  
14 Trump University. That's our standard  
15 operating procedure.

16          Q.        So if something's losing money,  
17 you would be asked, What can we do to make  
18 money?

19          A.        Or at least break even or  
20 turn -- turn the property around, yes.  
21 That's a fair statement.

22          Q.        We talked a lot about expenses  
23 earlier, Mr. Weisselberg. And if you could,  
24 please, take a look at Exhibit 365, which  
25 is -- should be on your screen now. It

1 BY MR. FORGE:

2 Q. I believe we covered this at the  
3 outset, Mr. Weisselberg, but I just want to  
4 make sure.

5 Throughout the time that you  
6 were overseeing these things at Trump  
7 University, as with all of other of  
8 Mr. Trump's investments, you were acting on  
9 Mr. Trump's behalf; correct?

10 MR. MARON: Objection; lacks  
11 foundations.

12 You can answer.

13 THE WITNESS: Yes, of course.

14 BY MR. FORGE:

15 Q. And you were ultimately --  
16 you're subject to his ultimate control;  
17 correct?

18 MR. MARON: Same instruction.  
19 Same objection.

20 THE WITNESS: Yes.

21 BY MR. FORGE:

22 Q. And if we could -- this is an  
23 exhibit that we had earlier. I think it  
24 might be on your screen now. Exhibit 360.

25 Do you see it on there?

# EXHIBIT D

Confidential

Donald Trump

Art Cohen, et al. vs. Donald J. Trump

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UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF CALIFORNIA

ART COHEN, Individually)  
 and on Behalf of All )  
 Others Similarly ) No. 3:13-cv-02519-GPC-WVG  
 Situated, )  
 ) CLASS ACTION  
 Plaintiff, )  
 )  
 VS. )  
 )  
 DONALD J. TRUMP, )  
 )  
 Defendant. )

\*\* CONFIDENTIAL \*\* CONFIDENTIAL \*\*

ORAL AND VIDEOTAPED DEPOSITION OF

DONALD J. TRUMP

Thursday, December 10, 2015

725 Fifth Avenue, 16th Floor

New York, New York

Reported By:

EILEEN MULVENNA, CSR/RMR/CRR

Job No. 10020374



Confidential

Donald Trump

Art Cohen, et al. vs. Donald J. Trump

1 Q. How about people with whom you've  
2 worked over the past ten years; approximately how  
3 many?

4 A. I -- I can't give you a number. I  
5 work with a lot of people.

6 Q. Do you consider your kids to be  
7 experts in real estate?

8 A. Yes.

9 Q. Approximately how many people  
10 associated with Trump Organization do you  
11 consider to be real estate experts?

12 A. I don't know. I have a lot of  
13 people here. I would say that there are many  
14 people in the organization that are real estate  
15 experts, many, many.

16 Q. Again, "many, many," more than a  
17 dozen?

18 A. I can't name it. I mean, yeah, more  
19 than a dozen, but I can't -- I can't name you how  
20 many.

21 Q. And if you had more than a dozen  
22 real estate experts with Trump Organization, for  
23 at least a decade?

24 A. Yes, I guess so. I mean, if you  
25 want to waste a lot of time by asking questions

Confidential

Donald Trump

Art Cohen, et al. vs. Donald J. Trump

1 opened.

2 Q. And that was sometime -- some number  
3 of years after it opened; correct?

4 A. I believe so, yes.

5 Q. Can you identify a single person who  
6 was a live events instructor for Trump  
7 University?

8 A. You'd have to give me a list. You'd  
9 have to show me the list. I actually went -- I  
10 would go and just walk in and just stand in the  
11 back of the room on occasion just to see how they  
12 were doing, but it's been so many years, I  
13 wouldn't be able to do that.

14 Q. Let me just give you some names and  
15 you tell me whether this could be a live events  
16 instructor, a student, neither --

17 A. Okay.

18 Q. -- any of those three.

19 A. Fine.

20 MR. PETROCELLI: What's the  
21 question, Jason?

22 BY MR. FORGE:

23 Q. The question is, this individual I'm  
24 saying here, can you tell me whether this person  
25 is a student, live events instructor or neither?

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**Donald Trump**

**Art Cohen, et al. vs. Donald J. Trump**

1                   **Johnny Harris.**

2           A.       Too many years.

3           **Q.       Tim Gorsline.**

4           A.       Too many years.

5           **Q.       Mike Dubin.**

6           A.       It sounds very familiar. Names --  
7 the names sound familiar, just too many years.

8           **Q.       Darren Liebmann.**

9           A.       The name sounds familiar, but it's  
10 too many years.

11          **Q.       Johnny Burkins.**

12          A.       I don't know.

13          **Q.       Johnny Horton.**

14          A.       Too many years.

15          **Q.       Tim Voss.**

16          A.       Again, you can go through this whole  
17 list. And I'm sure you'd like to so you can take  
18 this for a long time, but these are -- some of  
19 those names sound familiar to me, but it's too  
20 many years ago.

21          **Q.       Chris Goff?**

22          A.       Are you going to go through a whole  
23 list of names?

24          **Q.       You're the one that said give me a**  
25 **list.**

**Confidential**

**Donald Trump**

**Art Cohen, et al. vs. Donald J. Trump**

1 MR. PETROCELLI: Do you want to show  
2 it to him?

3 THE WITNESS: You're right.

4 MR. PETROCELLI: Do you want to show  
5 it to him?

6 MR. FORGE: I'm going through the  
7 names.

8 THE WITNESS: If you want to show it  
9 to me, I can save you a lot of time.

10 BY MR. FORGE:

11 Q. I'll go through the list.

12 We left off with Chris Goff.

13 **Instructor, student --**

14 A. Again, some of those --

15 Q. -- neither?

16 A. Some of these names sound familiar  
17 to me. It's too many years ago.

18 Q. **Sound familiar as in might have been**  
19 **an instructor, might have been a student --**

20 A. Could have been. Could have been.

21 Q. **Could have been neither?**

22 A. No, it would have been more likely  
23 instructors. I would have known the instructors  
24 much more so than the students. We have -- we'll  
25 have a lot of students testifying, but we have --

Confidential

Donald Trump

Art Cohen, et al. vs. Donald J. Trump

1 but as far as that list is concerned, I would  
2 have -- the name's familiar, it's just too --

3 MR. PETROCELLI: When you say "that  
4 list," we don't have any document to --

5 THE WITNESS: I don't know what  
6 you're reading from.

7 MR. PETROCELLI: The lawyer is just  
8 reading from a piece of paper --

9 MR. FORGE: I'm just --

10 THE WITNESS: Shouldn't you have a  
11 document before --

12 MR. PETROCELLI: -- that's not --

13 Excuse me.

14 -- that has not been put in front of  
15 you. The record will reflect that and the  
16 testimony will be evaluated in light of his  
17 refusal to let you see a list or represent  
18 what the list means. So just answer his  
19 questions and we'll take it from there.

20 Next question, please.

21 BY MR. FORGE:

22 Q. Ken Berry.

23 A. Too many years.

24 Q. James Webb.

25 A. I don't remember the names -- don't

Confidential

Donald Trump

Art Cohen, et al. vs. Donald J. Trump

1 remember the name.

2 Q. James Casper.

3 A. Too many years. Too many years.

4 Q. Mike Casper.

5 A. Too many years.

6 Q. Kerry Martin.

7 A. Some of the names, by the way, sound  
8 familiar, but too many years to know.

9 Q. Paul Lucas.

10 A. Same thing.

11 Q. Kerry Lucas.

12 A. Same answer.

13 Q. Mike Peterson.

14 A. Same answer.

15 Q. Troy Peterson.

16 A. Same answer.

17 Q. Chris Gillem.

18 A. Same answer.

19 Q. Steve Gilpin.

20 A. Same answer.

21 Q. Scott Miller.

22 A. Same answer.

23 Q. Steve Miller.

24 A. Are you going to do this all day?

25 Q. Same answer?

Confidential

Donald Trump

Art Cohen, et al. vs. Donald J. Trump

1 A. Same answer.

2 Q. **Derek McNulty.**

3 A. Same answer.

4 Q. **Rick McNally.**

5 A. How many more do you have? How many  
6 more names do you have?

7 Q. **Mr. Trump, you're the one who wants**  
8 **to get through this quickly. Just answer the**  
9 **questions and we'll get through it quickly.**

10 A. You're not going to get anything  
11 through quickly. You don't want to get anything  
12 through quickly.

13 Same answer.

14 Q. **Jerry Stanton.**

15 A. Same answer.

16 Q. **Johnny Burkins.**

17 A. Same answer.

18 Q. **Gerald Martin.**

19 A. Same answer.

20 Q. **Chris Lefrance.**

21 A. Same answer.

22 Q. **Steve Goff.**

23 A. Same answer.

24 Q. **James Webb.**

25 A. Same answer to your harassment

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1 questions.

2 Q. Chris Lombardo.

3 A. Same answer to your harassment

4 questions.

5 Q. Keith Holley.

6 A. Same answer.

7 Q. Keith Sperry.

8 A. Same answer.

9 Q. Howard Bell.

10 A. Same answer.

11 Q. Howard Haller.

12 A. Same answer.

13 Q. Bob Serafine.

14 A. Same answer.

15 Q. Bob Steenson.

16 A. Same answer.

17 Q. Jerry Moore.

18 A. Same answer.

19 Q. Joe Labore.

20 A. Same answer.

21 Q. Mike --

22 A. Same answer.

23 Q. Mike McMenamy.

24 A. Same answer.

25 Q. Rick McNally.



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1 A. Same answer.

2 Q. **Mike Casper.**

3 A. Same answer.

4 Q. **Tim Gorsline.**

5 A. Same answer.

6 Q. **Geoff Nowlin.**

7 A. Same answer.

8 Q. **Steve Gilpin.**

9 A. Same answer.

10 Q. **James Christ.**

11 A. Same answer.

12 Q. **Alex Grist.**

13 A. Same answer.

14 Q. **Mike Weber.**

15 A. Same answer.

16 Q. **Don Sexton.**

17 A. Same answer -- well, I know the  
18 name, but same answer. Still a long time.

19 MR. PETROCELLI: Don Sexton -- could  
20 you repeat the question just so he has it  
21 in mind.

22 THE WITNESS: I heard the question.

23 BY MR. FORGE:

24 Q. **Don Sexton, do you know if he was a**  
25 **live events instructor, a student or neither?**

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1           A.       I remember the name, but it's many  
2 years ago. I'd have to check the facts.

3           **Q.       Gary Stanton.**

4           A.       Same answer.

5           **Q.       Gary Sturgeon, S-T-U-R-G-E-O-N.**

6           A.       Same answer.

7                   MR. FORGE: Tab 9. Let's mark this  
8 as Exhibit 475.

9                           (Plaintiffs' Exhibit 475, No Bates  
10 numbers, Sheet of Photographs, marked for  
11 identification.)

12 BY MR. FORGE:

13           **Q.       Mr. Trump, let's get away from the**  
14 **names and see if you recognize any faces. I've**  
15 **placed in front of you a photo lineup marked as**  
16 **Exhibit 475 with three rows of eight photos per**  
17 **row, so that's a total of 24 photos.**

18                   Do you recognize any of the people  
19 depicted on this exhibit?

20           A.       What year was this picture taken?

21           **Q.       Different years.**

22           A.       I think I should be entitled to know  
23 what year it was taken. When were they taken?  
24 How many years ago?

25           **Q.       Different years.**

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1 A. Well, I think you should find out.

2 I mean --

3 Q. Do you recognize any of the --

4 THE WITNESS: Are you allowed to  
5 find out --

6 Q. -- people whose pictures --

7 THE WITNESS: Are you allowed to  
8 find out when they were taken?

9 MR. PETROCELLI: You know, you just  
10 have to answer the questions and get  
11 through this.

12 THE WITNESS: Okay.

13 MR. PETROCELLI: These questions are  
14 what they are. If you're not able to  
15 recognize someone because he won't tell you  
16 when the pictures are taken, that's on him.  
17 Okay.

18 BY MR. FORGE:

19 Q. Do you recognize anyone whose photo  
20 is on here?

21 A. No. No, I don't.

22 Q. Do you know whether any of these  
23 individuals are students?

24 A. No, I don't.

25 Q. Do you know whether any of these

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1 **individuals are live events instructors?**

2 A. I can't -- I can't tell from these  
3 small pictures now. And they were taken  
4 obviously many, many years ago.

5 **Q. Why is that obvious?**

6 A. Because you can't give me the  
7 answer.

8 **Q. Why does that make it obvious it was**  
9 **taken many, many years ago?**

10 A. Because if they were taken recently,  
11 you'd probably remember.

12 **Q. When did I say I didn't remember?**

13 A. I don't know. You wouldn't give me  
14 the answer.

15 **Q. So why is it obvious they were**  
16 **taken --**

17 A. I would like to know when the  
18 pictures were taken.

19 **Q. So why is it obvious they were taken**  
20 **many years ago?**

21 A. Because if they were taken recently,  
22 you would remember, I would imagine.

23 **Q. When did I say I couldn't remember?**

24 A. Well, then tell me who they are,  
25 tell me when they were taken.

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1 Q. Did I ever say that --

2 A. Tell me when they were taken.

3 Q. Did I say I can't remember?

4 A. Tell me when they were taken. How  
5 many years ago were they taken?

6 Q. I told you they were different  
7 years, Mr. Trump.

8 A. Are you sure about that?

9 Q. And you don't recognize --

10 A. Are you sure about that?

11 Q. You don't recognize any of them;  
12 right?

13 A. Are you sure that they're different  
14 years?

15 Q. Yes.

16 A. You're sure about that?

17 Q. Sure.

18 A. Okay. Okay. We'll find out.

19 Q. Do you recognize any of them?

20 A. I don't, no.

21 (Discussion off the record.)

22 MR. FORGE: Eileen, if you could  
23 mark this 476.

24 (Plaintiffs' Exhibit 476, No Bates  
25 number, Color Photograph, marked for

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1 know?

2 A. No.

3 Q. We've tried names. We've tried  
4 pictures. Let's try voices now.

5 MR. PETROCELLI: You don't need the  
6 editorial comments about we tried. I  
7 object. It's inappropriate. Just ask  
8 questions, please.

9 MR. FORGE: Oh, so no editorial?  
10 That's what you're saying?

11 MR. PETROCELLI: By you, correct.

12 MR. FORGE: Only you.

13 MR. PETROCELLI: That's not your  
14 role.

15 MR. FORGE: Could we get 201, 202  
16 and 203, please.

17 The next document we're going to  
18 use -- next exhibit, I'm sorry, we're going  
19 to use is Exhibit 477.

20 Dan, we have a number of audio/video  
21 exhibits. My intention is to give you a  
22 disc of each one individually because I  
23 don't know how many we're going to go  
24 through. And then the court reporter will  
25 get all of them on a flash drive just so

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1 it's easier for her to maintain them.

2 So --

3 MR. PETROCELLI: What are you  
4 marking this as?

5 MR. FORGE: This is going to be  
6 Exhibit 477.

7 (Plaintiffs' Exhibit 477, No Bates  
8 numbers, Video Clip, marked for  
9 identification.)

10 (Plaintiffs' Exhibit 478, No Bates  
11 numbers, Video Clip, marked for  
12 identification.)

13 BY MR. FORGE:

14 Q. Mr. Trump, I'm going to play for you  
15 this video. And just tell me -- it's short.  
16 Tell me whether you recognize this individual.

17 MR. PETROCELLI: Can you turn it to  
18 face us.

19 MR. FORGE: Sure.

20 (Video is played.)

21 MR. FORGE: Just for the record,  
22 that's going to be Exhibit 478. Dan, what  
23 I handed you is 477. This is 478.

24 MR. PETROCELLI: Is what you just  
25 played, which says, "Jay Morrison - How to

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1           Get Rich in Real Estate," Exhibit 478?

2           MR. FORGE: Yes.

3 BY MR. FORGE:

4           **Q. Mr. Trump, can you tell me whether**  
5 **or not that individual was a student at Trump**  
6 **University, a live events instructor or neither?**

7           A. Well, it looked like -- I don't know  
8 him, but I don't disagree with what he was  
9 saying, either, by the way. But he would look  
10 like he was an instructor more than a student,  
11 but I don't know him. But I don't disagree with  
12 what he was saying, and I thought his  
13 presentation was quite interesting, actually.

14           **Q. But you don't know whether he was an**  
15 **actual instructor at Trump University?**

16           A. I don't know, but I might have -- if  
17 you showed me his résumé, perhaps I could tell  
18 you.

19           MR. PETROCELLI: Mr. --

20           MR. FORGE: Now I'm going to play  
21 477.

22           MR. PETROCELLI: Time out.

23           MR. FORGE: Sure.

24           MR. PETROCELLI: Miss Reporter, are  
25 you transcribing the words? You're just



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1 waiting for the flash drive; right? Okay.

2 Thank you.

3 He's not making any -- don't make  
4 any assumptions about what you're seeing.

5 THE WITNESS: No, I'm just looking.

6 MR. PETROCELLI: There's been no  
7 representation --

8 THE WITNESS: I found it very  
9 interesting, actually, to be honest with  
10 you.

11 MR. PETROCELLI: Now you're going to  
12 play 478?

13 MR. FORGE: 477. I played them out  
14 of order. The first one was 478. This one  
15 is 477.

16 MR. PETROCELLI: Okay.

17 (Video is played.)

18 BY MR. FORGE:

19 Q. Do you recognize that individual as  
20 a Trump University live events instructor,  
21 student or in any other way?

22 A. I'd have to see the résumé.

23 Q. You don't know whether or not he was  
24 a Trump University instructor?

25 A. No.

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1 instructor?

2 A. Based on his experience as opposed  
3 to --

4 Q. You mean if his résumé said, I was  
5 an instructor with Trump University, that would  
6 help you put it together?

7 A. If his résumé said he's been in the  
8 real estate for many years, it's unlikely he'd be  
9 a student, which is what you're asking me.

10 Q. But make sure you understand.  
11 With these videos, it's not  
12 necessarily an either/or. I said it's -- I'm  
13 asking you whether the person was a live events  
14 instructor, a student or neither one.

15 MR. PETROCELLI: In other words,  
16 they could be a guy off the street or an  
17 actor.

18 MR. FORGE: Yeah.

19 BY MR. FORGE:

20 Q. Yeah, exactly.

21 A. I don't know.

22 Q. Okay.

23 MR. PETROCELLI: Or -- or a  
24 convicted felon.

25 MR. FORGE: Yes, could be that too.

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1 you.

2 Q. Okay.

3 MR. PETROCELLI: I think you're  
4 being pitched another television show.

5 THE WITNESS: Yeah.

6 MR. FORGE: This is 479.

7 (Plaintiffs' Exhibit 479, No Bates  
8 numbers, Video Clip, marked for  
9 identification.)

10 (Video is played.)

11 BY MR. FORGE:

12 Q. Mr. Trump, do you recognize the  
13 individual depicted in Exhibit 479 as a Trump  
14 University instructor, student or neither?

15 A. I don't recognize him.

16 Q. One of the names I mentioned to you  
17 earlier was James Harris. You said you didn't  
18 recognize that name?

19 MR. PETROCELLI: To be clear, when  
20 did you mention his name?

21 MR. FORGE: In the list, one of the  
22 names I mentioned in the list, James  
23 Harris.

24 THE WITNESS: No, I didn't recognize  
25 it.

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1 BY MR. FORGE:

2 Q. Do you know or have you known anyone  
3 named James Harris?

4 A. I don't know, but I don't recognize  
5 that name.

6 Q. Do you know whether or not any Trump  
7 University instructors were caught cussing out  
8 and verbally berating a group of elderly  
9 students?

10 A. No, I don't.

11 MR. FORGE: Let's do 20 and 21.

12 (Pause from the record.)

13 MR. FORGE: Mark this as 480.

14 (Plaintiffs' Exhibit 480, Bates Nos.  
15 TU154580 through 86, E-mail Chain, marked  
16 for identification.)

17 BY MR. FORGE:

18 Q. Mr. Trump, I've placed in front of  
19 you a document marked as Exhibit 480, which is a  
20 document that you have produced in discovery in  
21 this case. The Bates number for the first page  
22 is TU154580.

23 MR. PETROCELLI: When you said

24 "you," do you mean Trump University

25 produced it?

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1 A. No, I don't.

2 Q. The ultimate hiring authority at  
3 Trump University was Mr. Sexton; correct?

4 A. Yes, that's correct.

5 MR. FORGE: Tab 11, please. This  
6 will be 481.

7 (Plaintiffs' Exhibit 481, No Bates  
8 numbers, Transcript Excerpt, marked for  
9 identification.)

10 BY MR. FORGE:

11 Q. Mr. Trump, I've --

12 MR. PETROCELLI: Can you identify  
13 this.

14 BY MR. FORGE:

15 Q. -- placed in front of you a document  
16 marked as Exhibit 481, which is an excerpt from  
17 Mr. Sexton's sworn testimony to the Office of the  
18 New York State Attorney General.

19 If you could, please, direct your  
20 attention to the second page, which is page 157.

21 At line 10, Mr. Sexton is asked:

22 "QUESTION: And were any of those --  
23 any of these other speakers at any of those  
24 events handpicked by Donald Trump?"

25 Mr. Sexton's answer:

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1 "ANSWER: None of our instructors at  
2 the live events were handpicked by Donald  
3 Trump."

4 Do you have any basis to dispute  
5 Mr. Sexton's testimony in this regard?

6 A. No. That's correct.

7 MR. PETROCELLI: The question is  
8 vague.

9 MR. FORGE: You can take out --

10 THE WITNESS: I looked at résumés  
11 and things, but I didn't pick the speakers.

12 MR. FORGE: -- 12.

13 BY MR. FORGE:

14 Q. Again, Mr. Trump, I want to make  
15 sure that you are distinguishing -- you're  
16 understanding the distinction between the Trump  
17 University instructors when it was a distance  
18 learning --

19 A. Yeah.

20 Q. -- versus live events.

21 A. Okay.

22 THE WITNESS: Just off the record,  
23 I'm sure we're going to take some breaks  
24 also in addition to lunches because I have  
25 to make calls also, so --

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1 BY MR. FORGE:

2 Q. Well, I've just got to --

3 A. This is the longest deposition I've  
4 ever done in terms of no break. So I need breaks  
5 because I have to make some calls.

6 Q. No problem. We haven't taken a  
7 break because you want to get through this.

8 A. We do, but breaks are very standard,  
9 so --

10 Q. We'll do one more.

11 MR. FORGE: This we're going to mark  
12 as Exhibit 482.

13 (Plaintiffs' Exhibit 482, No Bates  
14 numbers, Transcript Excerpt, marked for  
15 identification.)

16 MR. FORGE: Just for the record,  
17 Exhibit 482 is an excerpt from deposition  
18 testimony of Michael Sexton.

19 BY MR. FORGE:

20 Q. And if you could, please -- in this  
21 case, if you could, please, turn to page -- what  
22 is page 161 of the deposition.

23 A. Paragraph line?

24 Q. I'll -- again keeping in mind the  
25 distinction between the remote learning

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1 **instructors and live events instructors --**

2 A. Okay.

3 **Q. -- if you see, beginning at line 14:**

4 "QUESTION: Mr. Sexton, you  
5 mentioned Donald Trump did not review any  
6 of the auditions of the instructors;  
7 correct?

8 "ANSWER: That's correct."

9 Do you have any basis to dispute  
10 that testimony?

11 MR. PETROCELLI: With respect to the  
12 live events?

13 MR. FORGE: Yes, this is live events  
14 instructors.

15 THE WITNESS: No, I didn't. And  
16 that's correct. What he said is correct.

17 BY MR. FORGE:

18 **Q. Again, these are all focusing on**  
19 **live events instructors, Mr. Trump.**

20 A. Okay.

21 **Q. Next:**

22 "QUESTION: To your knowledge, he  
23 didn't review any of their school  
24 transcripts; correct?

25 "ANSWER: That's correct."



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1 Any basis to dispute that?

2 A. I would say that's correct.

3 Generally speaking, I might have seen something,  
4 but mostly correct, yes.

5 Q. Are there any live events  
6 instructors whose school transcripts you believe  
7 you saw? Live events instructors.

8 A. Well, transcripts -- I don't know.  
9 Are you talking about résumés or transcripts?

10 Q. We'll get to résumés, but I'm saying  
11 live -- anyone who was actually hired as a live  
12 events instructor.

13 A. Yeah. What do you mean by  
14 "transcripts"?

15 Q. School transcripts. You know, the  
16 grades -- transcript from your school that tells  
17 the classes that you took, the semester and the  
18 grade.

19 A. Oh, I think I've seen them, but not  
20 in particular, no. Not in particular.

21 Q. What he says here is Mr. Trump  
22 didn't review any of their school transcripts.

23 A. Yeah, "review" is a different word.  
24 But I think -- you know, I would see. I mean,  
25 they had transcripts -- when you say

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1 "transcripts," you're talking about the grades of  
2 students and things like that?

3 **Q. Grades and classes taken.**

4 A. I'd see stuff around, but I  
5 didn't -- yeah, I didn't -- I didn't know the  
6 students.

7 **Q. (Reading):**

8 "QUESTION: He did not" --

9 Next question, line 21:

10 "QUESTION: He did not review any of  
11 the real estate deals; correct?

12 "ANSWER: That's correct."

13 Do you have any basis to dispute  
14 that part of his testimony?

15 A. No, not at all.

16 **Q. Line 24. Again, we're talking live  
17 events instructors.**

18 "QUESTION: He did not review their  
19 résumés?

20 "ANSWER: That's correct."

21 A. No, I saw résumés. I would see  
22 résumés. They would come to me. I mean, I would  
23 dispute that because I would see -- I also met  
24 with instructors prior to their hiring or around  
25 the time of their hiring.

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1 MR. FORGE: Okay.

2 BY MR. FORGE:

3 Q. The interrogatory, Mr. Trump, is as  
4 follows: "Describe in detail your involvement  
5 with Trump University, including, without  
6 limitation, identifying any and all meetings you  
7 attended and all documents relating to Trump  
8 University that you reviewed or prepared or  
9 both."

10 Now, your response set forth below  
11 there --

12 MR. PETROCELLI: Time out.

13 Can you just read it to yourself.

14 THE WITNESS: I am.

15 BY MR. FORGE:

16 Q. Take your time and let me know when  
17 you're ready.

18 (Witness peruses the exhibit.)

19 A. Okay.

20 Q. If you look at the second sentence  
21 of your response, line -- it begins on line 26:  
22 "Mr. Trump's involvement has included, but not  
23 limited to the following" --

24 MR. PETROCELLI: "Not been limited  
25 to."

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1 Q. -- "but not been limited to the  
2 following."

3 Mr. Trump, is there anything -- any  
4 details regarding your involvement with Trump  
5 University that are left out of this response?

6 A. I can't think of any. That was just  
7 in case I did think of something --

8 Q. And that's why I'm asking.

9 A. This seems to be very complete.

10 Q. Okay. Now, if you turn then to  
11 page 3. And the reference to "attending periodic  
12 meetings with various experts responsible for  
13 drafting and developing Trump University course  
14 materials," and then it lists several  
15 individuals; Don Sexton, Gary Eldred, Jack Kaplan  
16 and J.J. Childers.

17 Do you see that?

18 A. Yes.

19 Q. Is there anybody else -- this says,  
20 "including" again there. Is there anybody else,  
21 any other experts -- any other experts or any  
22 other individuals with whom you met in connection  
23 with developing Trump University course  
24 materials?

25 A. There may have been. I just -- I

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1 BY MR. FORGE:

2 Q. You can hold on to that 483,  
3 Mr. Trump. We're going to refer back to that.

4 (Plaintiffs' Exhibit 484, No Bates  
5 numbers, Foreword by Donald J. Trump,  
6 marked for identification.)

7 BY MR. FORGE:

8 Q. Mr. Trump, does Exhibit 484 appear  
9 to be a true and accurate copy of the cover of  
10 George Ross' book, Trump Strategies for Real  
11 Estate?

12 A. I never had anything to do with this  
13 book, so I don't know. I saw it very briefly. I  
14 know George did it.

15 Q. Does it appear to be the cover of  
16 the book?

17 A. It looks like it, yes.

18 Q. If you look on the second page of  
19 the exhibit, it was copywritten in 2005 by George  
20 Ross.

21 Do you see that?

22 A. Yes.

23 Q. If you flip through that exhibit,  
24 you'll see that there are several case studies  
25 presented in detail. The first one, at page 3 of

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1 the exhibit, is Trump's 40 Wall Street building.

2 MR. PETROCELLI: Just to be clear,  
3 the exhibit pages are not marked. You mean  
4 page 47 --

5 BY MR. FORGE:

6 Q. Physical page 3 of the exhibit.

7 Page 47 of the book.

8 A. 47. Go ahead.

9 Q. Okay. Do you see that?

10 A. Yes.

11 Q. Trump's 40 Wall Street building?

12 At page 101 of the book, if you keep  
13 flipping through, is Trump Tower on Fifth Avenue.

14 A. Okay.

15 Q. Page 128 is the GM Building.

16 A. Okay. Got it.

17 Q. 156 is Via Trump Brazil.

18 A. Okay.

19 Q. And page 196 is Mar-a-Lago.

20 A. Okay.

21 Q. These are all deals that you did;  
22 correct?

23 A. Yes.

24 Q. Do you have any reason to believe  
25 that any of the information contained in

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1 BY MR. FORGE:

2 Q. -- the point you're trying to get  
3 across was what?

4 A. That education has gotten out of  
5 control and that ideally something has to be done  
6 about it.

7 Q. So the fact that it was fraud, pure  
8 and simple, was just thrown in there?

9 A. No. It's just I'm trying to make a  
10 point. And it's not fraud, but it's -- I'm  
11 trying to make a point as strongly as possible.

12 Q. Well, one of the keys to the way you  
13 promote is hyperbole; correct?

14 A. Sometimes. Not all the time. But,  
15 you know, in the real estate world, people talk  
16 about -- you know, you want to talk about your  
17 projects in a positive manner, absolutely.

18 Q. Not just a positive manner. You  
19 believe in playing to people's fantasies;  
20 correct?

21 MR. PETROCELLI: Question is vague  
22 and ambiguous, calls for improper opinion  
23 testimony.

24 BY MR. FORGE:

25 Q. Correct? You believe in playing

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1 people's fantasies in terms of promotion;  
2 correct?

3 A. I believe in playing to people's  
4 desires, where they want to rent an apartment or  
5 buy an apartment or rent office space. I've  
6 never seen anybody say, gee, my building's doing  
7 terribly, why don't you rent an apartment.

8 Q. Again, I'm asking a very specific  
9 question. I would just appreciate your courtesy  
10 of a direct answer.

11 MR. PETROCELLI: If you're able to  
12 answer it. You may not be able to.

13 BY MR. FORGE:

14 Q. When promoting things, you believe  
15 it's important to play to people's fantasies;  
16 correct?

17 MR. PETROCELLI: The question is  
18 vague and ambiguous.

19 THE WITNESS: I -- I guess it's --  
20 but, you know, I see nothing wrong. Sure,  
21 you want to -- life, you want to -- you  
22 want to play to something that's positive  
23 and beautiful. And you can use the word  
24 "fantasy" if you want. Or I could use the  
25 word "fantasy," but, sure, you want to play



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1 to something that's beautiful and good and  
2 successful.

3 BY MR. FORGE:

4 **Q. And you believe in the concept that**  
5 **you've referred to as innocent exaggeration;**  
6 **correct?**

7 MR. PETROCELLI: Vague and  
8 ambiguous.

9 THE WITNESS: Yeah. I mean, fine.  
10 Innocent exaggeration to -- I mean, I  
11 guess. Every -- I think everybody says the  
12 same thing.

13 BY MR. FORGE:

14 **Q. What's the difference between**  
15 **innocent exaggeration and a guilty exaggeration?**

16 A. I think guilty --

17 MR. PETROCELLI: Vague and  
18 ambiguous.

19 BY MR. FORGE:

20 **Q. Yes.**

21 A. I would say --

22 MR. PETROCELLI: Lacks foundation.

23 THE WITNESS: I would say,  
24 innocent -- for instance, if you walk in  
25 and you're not feeling well, and I say

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1 MR. PETROCELLI: Excuse me.

2 In my [sic] book, I don't know what  
3 that means. I object to that on vague and  
4 ambiguous.

5 BY MR. FORGE:

6 Q. Do you consider that to be  
7 potentially an acceptable --

8 A. It depends on the materials --

9 MR. PETROCELLI: Improper opinion  
10 testimony, vague and ambiguous.

11 THE WITNESS: The instructors have  
12 great materials to work with. It depends  
13 on the materials they use. It depends on  
14 the books they've been given. It depends  
15 on a lot of other information.

16 BY MR. FORGE:

17 Q. So construct for me a scenario --

18 A. And we did have a lot of very good  
19 instructors. I mean, you can always find someone  
20 who's maybe not so good or --

21 Q. Can you name for me one good live  
22 events instructor?

23 MR. PETROCELLI: Objection; asked  
24 and answered.

25 THE WITNESS: I don't know the

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1 instructors.

2 BY MR. FORGE:

3 Q. Do you know a single good live  
4 events instructor?

5 MR. PETROCELLI: Asked and answered.

6 BY MR. FORGE:

7 Q. Do you?

8 THE WITNESS: Am I supposed to  
9 answer that?

10 MR. PETROCELLI: You've answered it  
11 many times.

12 THE WITNESS: All I can say is --

13 MR. PETROCELLI: Answer it again.

14 THE WITNESS: All I can say is it's  
15 many years ago. I've had very, very few  
16 complaints -- until this whole thing  
17 started, I've had very, very few complains.  
18 And I always have complaints if there's a  
19 problem with something I'm involved in.  
20 I've had very, very few complaints over the  
21 years having to do with this.

22 BY MR. FORGE:

23 Q. Mr. Trump, I'm just asking you to  
24 back up your own words. You said, we --

25 MR. PETROCELLI: Time out.

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1 BY MR. FORGE:

2 Q. Is this consistent --

3 A. As I said about five times, I didn't  
4 know about it.

5 Q. Understood.

6 But were you -- did you approve this  
7 type of false statement being made to students?

8 A. No. Nobody ever asked me about it,  
9 but, no.

10 Q. Did you convey to Michael Sexton  
11 that it would be okay to engage in this type of  
12 false representation to students?

13 A. No, but I don't remember ever having  
14 even talked to him about something like this.

15 Q. That's because you don't know what  
16 representations Mr. Sexton was encouraging people  
17 to make; correct?

18 A. I don't. I don't.

19 Q. You don't know anything that any of  
20 the live events instructors said to the students;  
21 correct?

22 MR. PETROCELLI: Asked and answered.

23 THE WITNESS: No, I wasn't involved  
24 in the -- in the classes.

25 MR. PETROCELLI: Question's also

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1 answer my question.

2 A. I'm trying to.

3 Q. What I'm asking you, is this -- this  
4 information about Mr. Sexton's lack of background  
5 in real estate, is that consistent with your  
6 understanding back when Trump University was  
7 operating?

8 A. Yes, because he was -- he was a  
9 manager.

10 Q. So that's a yes?

11 A. Yeah. I knew he didn't have much of  
12 a background in real estate, yes.

13 Q. Or any background in real estate?

14 A. Or -- yes, I think any background.  
15 Just like -- I mean, I could give you examples.  
16 I won't waste your time, but many times people  
17 get hired -- they build cars and now they're  
18 building airplanes. You know, there are --  
19 people are competent, they're competent. And he  
20 had a very high reference.

21 Q. From somebody you can't remember.

22 A. From somebody -- if I can find it,  
23 I'll let you know.

24 Q. Mr. Trump, you never did anything to  
25 certify any of the Trump University mentors, did

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1 you?

2 MR. PETROCELLI: Question is vague.

3 THE WITNESS: Me personally?

4 BY MR. FORGE:

5 Q. Yes.

6 A. No.

7 Q. Can we go back to Exhibit 475.

8 That's the photo spread.

9 Mr. Trump, looking at that photo  
10 spread, which is Exhibit 475, do you know if  
11 there are any top Trump certified mentors in that  
12 exhibit?

13 A. I can't tell from these pictures,  
14 no.

15 Q. Do you recognize Kerry Lucas in  
16 those pictures?

17 A. No.

18 MR. FORGE: Tab 58, please.

19 This is now 496.

20 (Plaintiffs' Exhibit 496, No Bates  
21 numbers, Transcript Excerpt, marked for  
22 identification.)

23 BY MR. FORGE:

24 Q. Mr. Trump, I've handed you  
25 Exhibit 496, which contains excerpts from the

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1 MR. PETROCELLI: He indicated it was  
2 a mentor.

3 BY MR. FORGE:

4 Q. It could be both. It could be  
5 neither.

6 A. No. No. Is this person a mentor or  
7 an instructor?

8 Q. You don't know; right?

9 A. I don't know.

10 Q. Okay. So do you know any of the  
11 mentors that worked for Trump University?

12 A. No, I don't. That was up to  
13 Mr. Sexton.

14 Q. Did you do anything personally to  
15 confirm the expertise of any of the Trump  
16 University mentors?

17 A. No, I didn't.

18 Q. Did you do anything personally to  
19 confirm the qualifications of any of the Trump  
20 University mentors?

21 A. There was Mr. Sexton.

22 Q. So that's a no for you?

23 A. No for me, yes.

24 Q. Did you do anything personally to  
25 confirm the qualifications of any of the Trump

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1 the fact -- to dispute testimony that you did not  
2 meet with the live events instructors?

3 MR. PETROCELLI: Asked and answered.

4 THE WITNESS: Again, I can't  
5 differentiate between the live and the pre  
6 live.

7 BY MR. FORGE:

8 Q. And you can't differentiate based on  
9 name?

10 A. That's right.

11 Q. And you can't differentiate --

12 A. Too many years ago.

13 Q. And you can't differentiate based on  
14 the face?

15 A. Too many years ago.

16 Q. So no.

17 A. It's ancient history.

18 Q. So no, you can't differentiate based  
19 on the name.

20 A. That's right.

21 Q. No, you can't differentiate based on  
22 the face.

23 A. That's right. Too long ago.

24 Q. So going back to Kerry Lucas and his  
25 testimony that he -- prior to working for Trump



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1 University, he had no experience buying and  
2 selling real estate --

3 MR. PETROCELLI: Again, you're  
4 representing that he testified to that.

5 MR. FORGE: I am. I am representing  
6 that.

7 MR. PETROCELLI: We haven't seen  
8 that --

9 MR. FORGE: I'm representing that.

10 MR. PETROCELLI: -- except that you  
11 showed that us.

12 BY MR. FORGE:

13 Q. Prior to working as an instructor or  
14 mentor with Trump University, he had no  
15 experience buying or selling real estate.

16 A. I think he was a mentor, not -- I  
17 think he was not -- you said --

18 MR. PETROCELLI: He was a mentor.

19 THE WITNESS: You said he was a  
20 mentor.

21 BY MR. FORGE:

22 Q. You don't think he was also an  
23 instructor?

24 A. I don't know. But I think you said  
25 that he was a mentor, the first top certified

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1 mentor.

2 Q. I'm asking you. You don't know,  
3 though?

4 A. I don't know. I don't know who he  
5 is.

6 Q. Is that the type of qualification  
7 that you were looking for for a Trump University  
8 mentor?

9 MR. PETROCELLI: Assumes facts not  
10 in evidence.

11 THE WITNESS: An instructor, no. As  
12 a mentor, I think it's -- a mentor takes  
13 people around. I think it's a little bit  
14 different.

15 BY MR. FORGE:

16 Q. Do you know that it cost  
17 significantly more money for the student to work  
18 with a mentor than to sit in with an instructor?

19 MR. PETROCELLI: Assumes facts not  
20 in evidence.

21 THE WITNESS: I think it's a  
22 different -- it's a whole different feel.  
23 But there was a certain mentoring program.  
24 I don't have the numbers in front of me,  
25 no.

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1 BY MR. FORGE:

2 Q. Do you have any idea?

3 A. About what?

4 Q. How much it costs for a three-day  
5 mentorship with a Trump University mentor?

6 A. No, I don't. It was a long time  
7 ago. I don't know. I don't know currently.

8 Q. For someone who had no experience  
9 buying or selling real estate, do you consider  
10 that person to be qualified to charge tens of  
11 thousands of dollars for a three-day real estate  
12 mentorship?

13 MR. PETROCELLI: It assumes many  
14 facts not in evidence and is argumentative.  
15 And it's an improper hypothetical and seeks  
16 improper opinion testimony.

17 Subject to my objections, you may  
18 answer.

19 THE WITNESS: I really -- I really  
20 can't answer. I don't know what his  
21 background is. I really don't know. Maybe  
22 he's a super genius in so many ways. I  
23 don't know. I mean, I can't tell you. I  
24 just can't tell you that. I would think  
25 that you'd really have to ask that question

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1 of Mr. Sexton because --

2 BY MR. FORGE:

3 Q. So you have no idea if he was  
4 qualified or not?

5 A. I don't know. I don't know. I  
6 don't know anything about him. I never met him.

7 Q. You don't know if he's qualified to  
8 be an instructor?

9 A. I never met him.

10 Q. So you don't know if he was  
11 qualified to be an instructor?

12 A. No, because I never met him.

13 Q. And you don't know if he's qualified  
14 to be a mentor?

15 A. I never met him.

16 Q. How about Keith Sperry; do you know  
17 if he --

18 A. Who?

19 Q. Keith Sperry.

20 A. I don't know who that is.

21 Q. So you don't know if he was  
22 qualified to be an instructor?

23 A. Don't know.

24 Q. Don't know if he was qualified to be  
25 a mentor?

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1 A. Don't know.

2 Q. Chris Goff, do you know if he was  
3 qualified to be an instructor?

4 A. Okay. No, I don't.

5 Q. Qualified to be a mentor?

6 A. I don't know.

7 Q. Steve Goff, do you know if he was  
8 qualified to be an instructor?

9 A. I don't know who they are.

10 Q. Do you know if he was qualified to  
11 be a mentor?

12 A. I don't know who they are.

13 Q. James Harris, do you know if he was  
14 qualified to be an instructor?

15 A. I don't know who it is.

16 Q. So that's a no?

17 (Reporter seeks clarification.)

18 A. I don't know who he is.

19 Q. And therefore you don't know if he  
20 was qualified to be an instructor?

21 A. I don't know.

22 Q. Okay. So you don't know.

23 A. I don't know the people. I wasn't  
24 running it. I don't know the people.

25 Q. And you don't know whether they were

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1 qualified?

2 A. I don't know that because I was not  
3 running it. I don't know who the people are.

4 Q. And you also don't know whether they  
5 were qualified.

6 A. I don't know whether or not they  
7 were qualified, no.

8 Q. Now, do you know whether or not  
9 instructors with Trump University had prior  
10 judgments entered against them from former  
11 students?

12 A. No, I don't.

13 Q. Is that the type of --

14 A. You mean former students, before me?

15 Q. Before Trump University, yes.

16 A. That I don't know.

17 Q. Okay. Is that the type of --

18 MR. PETROCELLI: Can you repeat the  
19 question? I'm sorry.

20 MR. FORGE: Sure.

21 BY MR. FORGE:

22 Q. Instructor with Trump University had  
23 a judgment entered against him by former  
24 students.

25 MR. PETROCELLI: A former student

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1           A.           Or resolve the matter -- or to  
2 resolve the matter, yes.

3           Q.           Do you recall Mr. Sexton bringing to  
4 your attention in 2005 issues with the New York  
5 State Department of Education regarding the  
6 legality of using the name "University" in the  
7 State of New York?

8           A.           Very vaguely, but I thought he had  
9 it all worked out.

10          Q.           So you remember the issue coming up  
11 back then, but you thought he worked it out?

12          A.           I thought he worked it out. I  
13 remember the issue, but I thought it was all  
14 worked out.

15          Q.           And what -- what do you recall him  
16 doing to work out the issue back in 2005?

17          A.           It wasn't a question of what he did.  
18 But I just thought he had it worked out. I  
19 didn't know what he did, but I did not think it  
20 was an issue.

21          Q.           So from 2005 -- from 2006 forward,  
22 you thought that issue had been resolved?

23          A.           I did not think it was an issue. I  
24 remember hearing about the issue, but I thought  
25 that it was all worked out. Unfortunately, maybe

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1 it wasn't.

2 Q. What, if anything, did you do to  
3 verify that it had been resolved in 2005?

4 A. Nothing. I thought it was worked  
5 out.

6 Q. Okay. And you thought it was worked  
7 out based on what?

8 A. Just based on the fact that I didn't  
9 hear much about it anymore, if anything. Until  
10 later, I didn't hear about it. I thought that  
11 this is -- I mean, this is a thing that is not  
12 very difficult to work out one way or the other,  
13 and I would have assumed that Mr. Sexton would  
14 have been able to work that out.

15 Q. So other than assuming he would have  
16 been able to work it out, did you actually do  
17 anything to confirm --

18 A. No.

19 Q. -- whether or not it had been worked  
20 out?

21 A. No, because I didn't think it was  
22 necessary. I thought he was -- he was in charge,  
23 he was doing a job. And I thought he would have  
24 gotten this taken care of.

25 Q. And you later learned that was not



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1 the case; correct?

2 A. Well, I later learned it was  
3 continuing onward, which -- I was surprised  
4 because I thought it was something that could  
5 have been routinely handled.

6 Q. But you understand now that it was  
7 not, in fact, resolved in 2005; correct?

8 A. I guess it wasn't, but -- I thought  
9 it was, but I guess it wasn't. And I heard that  
10 only later on.

11 Q. And so do you believe Mr. Sexton's  
12 failure to resolve this in 2005 is consistent  
13 with him being competent and capable?

14 MR. PETROCELLI: Vague, improper  
15 opinion testimony.

16 THE WITNESS: I only know I was  
17 surprised that it wasn't worked out because  
18 it's not a hard thing to work out.

19 BY MR. FORGE:

20 Q. Were there any repercussions for  
21 Mr. Sexton once you found out that it had not  
22 actually been worked out?

23 A. Well, I think it was years later  
24 that I actually found out. Yeah, I was not  
25 happy. I was not happy. Because it's so easy to

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1 work out. It's not like a big deal.

2 Q. Did you express your displeasure to  
3 anyone?

4 A. Maybe to Mr. Sexton. Maybe to  
5 Mr. Garten. Could have been Mr. Garten.

6 Q. Anyone else you can think of?

7 A. No. I think it was mostly to  
8 Mr. Garten actually, a lawyer.

9 MR. PETROCELLI: Don't talk about  
10 your communications with --

11 BY MR. FORGE:

12 Q. Approximately when was that?

13 A. When I found out it wasn't worked  
14 out. I assumed this was worked out a long -- I  
15 don't know.

16 Q. Give me a year.

17 A. Years ago. I have no idea, but  
18 years ago.

19 Q. So years -- let me make sure because  
20 we're talking about a pretty wide span of time.

21 2005 you found out there was an  
22 issue; right?

23 A. Yes.

24 Q. You think that issue is resolved.

25 A. I don't know --

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1 Q. You assume that issue is --

2 A. I don't know if it was 2005, but I  
3 heard there was an issue a long time ago. I  
4 heard the issue was worked out. It wasn't hard  
5 to work out. It's not even a big penalty if you  
6 don't work it out, but it's something that wasn't  
7 hard to work out.

8 And I would have assumed they worked  
9 it out, and then I found out they didn't work it  
10 out. I think I spoke to my lawyer about it. I  
11 think I spoke to Sexton about it.

12 Q. What I'm trying to place is, when  
13 did you find out that they hadn't worked it out,  
14 what year?

15 MR. PETROCELLI: Asked and answered.

16 THE WITNESS: Years ago, but  
17 ultimately they made the name change or  
18 something.

19 BY MR. FORGE:

20 Q. 2010? I'll tell you that 2010 is  
21 when the name change came into effect.

22 A. Sometime prior to that.

23 Q. So sometime prior to then you found  
24 out that it hadn't been resolved?

25 A. That's right.

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1 (Plaintiffs' Exhibit 499, Bates Nos.  
2 TU102909 through 922, E-mail dated 2/19/08  
3 from Sexton to Graff with attachments,  
4 marked for identification.)

5 BY MR. FORGE:

6 Q. Mr. Trump, I've placed in front of  
7 you a document marked as Exhibit 499. It is an  
8 e-mail with attachments. The first page is  
9 TU102909. The final page is TU102922.

10 Do you see that, sir?

11 A. Yeah.

12 Q. The e-mail is from Michael Sexton.  
13 It begins, "Rhona, I hope you had a great long  
14 weekend. Attached are the print ad and the  
15 direct mail piece that DJT approved."

16 Do you see that?

17 A. Yes.

18 Q. Are you aware of any marketing  
19 materials for Trump University bearing your name  
20 that you didn't approve?

21 A. I think they show them to me very  
22 quickly. I didn't spend a lot of time on it.  
23 But I think they showed them to me quickly. Yes,  
24 I see these ads.

25 Q. That's a no, you're not aware of any

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1 that you didn't approve; correct?

2 A. I don't know. I mean, I don't know  
3 what the -- I can't answer that question. I  
4 think I looked at these two.

5 Q. Are you aware of any marketing  
6 materials for Trump University bearing your name  
7 that you didn't approve?

8 A. I'm not aware.

9 Q. Any marketing materials for Trump  
10 University bearing your picture that you did not  
11 approve?

12 A. I'm not aware of any, no.

13 Q. Any marketing materials for Trump  
14 University bearing your signature that you did  
15 not approve?

16 A. I'm not aware of any, no.

17 Q. If you turn, please, to  
18 page 10921 -- 102921. This is -- it appears to  
19 be an ad for fast-track foreclosure investing  
20 seminars that were going to take place in Saddle  
21 Brook, New Jersey in March of 2008.

22 Do you see that at the bottom?

23 A. Yes. Okay.

24 Q. Mr. Trump, you have no idea who the  
25 instructor was for these seminars, do you?

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1 A. I don't know that, no.

2 Q. And you have no idea whether they  
3 presented any of your personal real estate  
4 strategies, do you?

5 A. Well, I certainly think they  
6 probably did. Again, you'd have to ask that  
7 question of Mr. Sexton.

8 Q. Okay. So -- but I'm asking it to  
9 you now.

10 Do you have any personal  
11 knowledge --

12 A. No.

13 Q. -- as to whether or not they  
14 presented any of your actual real estate  
15 strategies?

16 A. No. I would think Mr. Sexton would  
17 be able to give you that answer.

18 Q. And you are not able to?

19 A. You're talking about years ago. In  
20 2007, you're talking about many, many years ago.

21 Q. But even at the time, you didn't do  
22 anything to make sure you knew exactly what they  
23 were going to be presenting; correct?

24 A. Well, I would discuss things with  
25 Mr. Sexton and with, you know, attorneys at the

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1 money back. I would sign up too. Give me my  
2 money back, even if I liked it.

3 Q. Mr. Trump, my question was, do you  
4 know the identity of the instructors for any of  
5 these --

6 A. It's too many years ago.

7 Q. So that's a no; right?

8 A. I guess, yes. It's too many years  
9 ago.

10 Q. So it's a no?

11 A. It's ancient history.

12 Q. You don't know whether the  
13 instructors for these seminars ever bought and  
14 sold real estate prior to giving these  
15 presentations; correct?

16 A. You have to -- don't forget. It  
17 wasn't only about the instructors; it was about  
18 the material that the instructors gave out. That  
19 was a very important element --

20 Q. Is that correct, Mr. Trump?

21 A. -- the material that they gave out.  
22 Yes, that's correct.

23 Q. That's correct you don't know  
24 whether they bought or sold real estate?

25 A. No.

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1 first.

2 MR. PETROCELLI: Of Michael Sexton's  
3 examination?

4 MR. FORGE: Yes, the Michael Sexton  
5 examination.

6 BY MR. FORGE:

7 **Q. The next portion begins at line 22:**

8 "QUESTION: Did Donald Trump ever  
9 review any of the materials that you  
10 prepared at Trump U to be used at the  
11 preview sessions?

12 "ANSWER: I don't believe so."

13 Again, do you have any personal  
14 knowledge that -- as to the accuracy or  
15 inaccuracy of that testimony?

16 A. I'd have to see the materials.

17 MR. PETROCELLI: Asked and answered.

18 BY MR. FORGE:

19 **Q. Next question. This is page 161.**

20 A. You're -- you used the word  
21 "prepare" or did you use the word "review" the  
22 materials?

23 **Q. It said:**

24 "QUESTION: Did Donald Trump ever  
25 review any of the materials that you



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1 prepared at Trump U to be used at the  
2 preview sessions?"

3 MR. PETROCELLI: Meaning that  
4 Michael Sexton prepared.

5 BY MR. FORGE:

6 Q. And the answer is:

7 "ANSWER: I don't believe so."

8 A. I would have to look at the material  
9 before I could answer that question.

10 Q. Got it. Okay.

11 So without looking at materials, you  
12 can't --

13 A. I can't --

14 Q. -- refute or confirm that?

15 A. That is correct. I have to see the  
16 material.

17 Q. (Reading):

18 "QUESTION: Switching over then to  
19 the three-day workshops/seminars" --

20 MR. PETROCELLI: Let the record  
21 reflect you're still reading from the  
22 testimony?

23 MR. FORGE: Yes. This is now  
24 page 161, line 3.

25

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1 ago.

2 Q. Line 4, page 163:

3 "QUESTION: Did anybody at Trump  
4 Organization work on the curriculum for the  
5 three-day workshops?

6 "ANSWER: No, they did not."

7 Do you have any basis to dispute --  
8 any personal knowledge to dispute that testimony?

9 A. No. I would have to see the  
10 information you're talking about, but other than  
11 that, no.

12 MR. PETROCELLI: I also would like  
13 the record to reflect, since we don't have  
14 a copy of the testimony in front of us and  
15 Mr. Forge read that out loud from his  
16 mobile device and it was a lengthy, lengthy  
17 passage --

18 MR. FORGE: That last passage wasn't  
19 lengthy.

20 MR. PETROCELLI: Well, the whole  
21 thing you read was pretty long.

22 MR. FORGE: That's just because I  
23 wanted to make sure --

24 MR. PETROCELLI: I know, it's all  
25 context.

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1 MR. FORGE: -- I was putting it in  
2 context.

3 MR. PETROCELLI: It's all context.

4 BY MR. FORGE:

5 Q. Next question and answer -- this is  
6 on page 163, line 8:

7 "QUESTION: Did Mr. Trump himself  
8 participate in the creation of the  
9 materials used at the three-day workshops?

10 "ANSWER: No, he did not."

11 Do you have any basis or personal  
12 knowledge to dispute that testimony?

13 A. No, I don't. I'd have to look at  
14 the material, but I don't.

15 MR. FORGE: Can we get Tab 47,  
16 please. This is Exhibit 500.

17 (Plaintiffs' Exhibit 500, Bates Nos.  
18 TU102409 through 415, E-mail dated 10/27/08  
19 from Sexton to Graff with attachments,  
20 marked for identification.)

21 BY MR. FORGE:

22 Q. Mr. Trump, I've placed in front of  
23 you a document marked as Exhibit 500. It begins  
24 at TU102409 and continues to TU102415.

25 Do you see that?

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Donald Trump

Art Cohen, et al. vs. Donald J. Trump

1 A. I can't tell you that.

2 Q. -- of Trump University?

3 A. Again, you're talking years ago.

4 And that I can't tell you. But people were aware  
5 of all of my books that were written. I would  
6 always stress that, read my books. Because,  
7 frankly, if you read the books, how much more can  
8 I say when I write books like The Art of the  
9 Deal, like Surviving at the Top, like many of the  
10 books. And that's my advice.

11 Q. So the books said it all?

12 A. The books say a lot, yes. The books  
13 say a lot.

14 Q. Is there anything that you're aware  
15 of that any of the live events instructors  
16 presented to students that wasn't in your books?

17 A. I think everything I know is in the  
18 books. I mean, to be honest with you, I think  
19 everything I know -- I couldn't -- if I sat with  
20 you and talked to you for five hours, I could  
21 never give you the knowledge that I have in my  
22 books.

23 Q. Do you have any personal knowledge  
24 as to whether the instructors at these seminars  
25 presented to the students themselves any of the

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1 MR. FORGE: I'm sorry. Let me be  
2 more specific.

3 BY MR. FORGE:

4 Q. Did you ever instruct any of the  
5 Trump University live events instructors or  
6 mentors to represent to students that you had  
7 handpicked them?

8 A. Again, I can't differentiate between  
9 the live event and the other. I mean, I met with  
10 numerous instructors --

11 Q. Okay.

12 A. -- but I don't know the dates. I  
13 don't know whether, as you say, it's live events  
14 or other events. But I met with numerous people  
15 over the years.

16 Q. Let's pull 483 out again,  
17 Exhibit 483.

18 MR. PETROCELLI: Is that the 2012  
19 interrogatories?

20 BY MR. FORGE:

21 Q. Again, referencing at page 3, those  
22 individuals listed there, that's -- you can --  
23 did you ever instruct any of those individuals to  
24 represent to students that you had handpicked  
25 them?

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Donald Trump

Art Cohen, et al. vs. Donald J. Trump

1           A.       I don't believe so. I mean, I don't  
2 think -- I'm not sure that I used that  
3 expression. I don't think I said, oh, you've  
4 been handpicked. But -- and, again, it's many  
5 years ago and I recognize the names and I had  
6 people up to my office.

7           **Q.       Other than --**

8           A.       I think to my office, but I met  
9 people beyond the office, I think. But, anyway,  
10 go ahead.

11           **Q.       Beyond these folks, who are the only**  
12 **ones listed that you met -- beyond these folks,**  
13 **some of the names you mentioned earlier -- Joe**  
14 **Martin, the guy who was talking about the dinner,**  
15 **did you ever authorize him to represent to**  
16 **students that he had been handpicked by you?**

17           A.       I don't really know who he is. It's  
18 too long ago.

19           **Q.       Keith Sperry, did you ever authorize**  
20 **him to represent --**

21           A.       I don't know. Too long ago.

22           **Q.       So the answer is no as to all?**

23           A.       I did meet with people.

24           **Q.       Did you authorize anyone to falsely**  
25 **represent to students that they had been**

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Donald Trump

Art Cohen, et al. vs. Donald J. Trump

1 handpicked by you?

2 A. No. I would never do that.

3 Q. So if Steve Goff represented he had  
4 been handpicked by you and admitted that that  
5 wasn't true, is that something you would not have  
6 authorized?

7 A. Say it again --

8 MR. PETROCELLI: Improper -- time  
9 out.

10 Improper opinion testimony.

11 BY MR. FORGE:

12 Q. If Steve Goff has admitted that he  
13 was not handpicked by you --

14 A. He had said he wasn't.

15 Q. He's admitted that he was not  
16 handpicked by you. But we have recordings of him  
17 saying differently to the students.

18 What I'm saying is, him representing  
19 differently to the students, is that something  
20 that wouldn't have been authorized by you?

21 MR. PETROCELLI: You can answer  
22 that.

23 THE WITNESS: What?

24 MR. PETROCELLI: You can answer the  
25 question whether you authorized this fellow

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Donald Trump

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1 to say he was handpicked by you.

2 THE WITNESS: Well, I don't know  
3 because, you know, it depends on the  
4 definition of what that means, handpicked.  
5 I wanted very good instructors. So on the  
6 basis of good instructors, if he's a good  
7 instructor and if he was -- you know, if he  
8 was in there, then he was a good  
9 instructor.

10 So I don't know. I mean, I don't  
11 know what he said, but as far as I'm  
12 concerned, I just -- I wanted good  
13 instructors. And I wanted good material.  
14 And I wanted books. I wanted them to study  
15 the books.

16 BY MR. FORGE:

17 Q. But you never actually sat down with  
18 these live events instructors to make sure they  
19 were good?

20 A. I don't know. Because I sat down  
21 with instructors. I don't know who they were.  
22 It was so many years ago that I don't know who  
23 they were.

24 Q. They've testified they never met  
25 you.



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Donald Trump

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1 A. Oh, that's fine.

2 MR. PETROCELLI: You know, we don't  
3 have the testimony --

4 BY MR. FORGE:

5 Q. So for someone like Steve Goff, do  
6 you have any basis to dispute his testimony that  
7 he never met you?

8 MR. PETROCELLI: Lacks foundation.

9 THE WITNESS: I don't think I would,  
10 no.

11 MR. FORGE: Let's go to Tab 205.

12 MR. PETROCELLI: Is that a new  
13 exhibit?

14 MR. FORGE: Yes. I'll give it an  
15 exhibit number in a minute.

16 MR. PETROCELLI: We're up to 501.

17 MR. FORGE: This is going to be a  
18 video and audio exhibit or maybe just  
19 audio. Let's see. I'm going to play  
20 what's going to be Exhibit 501.

21 So, Eileen, we will get that on the  
22 drive to you, and that's on the disc.

23 (Plaintiffs' Exhibit 501, No Bates  
24 numbers, Audio Clip, marked for  
25 identification.)

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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF CALIFORNIA

ART COHEN, Individually)  
and on Behalf of All )  
Others Similarly ) No. 3:13-cv-02519-GPC-WVG  
Situating, )  
Plaintiff, ) CLASS ACTION  
VS. )  
DONALD J. TRUMP, )  
Defendant. )

CONFIDENTIAL TRANSCRIPT  
VIDEOTAPED DEPOSITION OF DONALD J. TRUMP  
VOLUME II (Pages 371 to 485)  
January 21, 2016  
Las Vegas, Nevada

Reported By:  
Gale Salerno  
RMR, CSR No. 12375  
Job No.: 10021313

1 Plaintiff and the Class.

2 MR. PETROCELLI: Daniel Petrocelli, for  
3 Mr. Trump.

4 MS. MARTIN: Jill Martin, for Mr. Trump and  
5 Trump University.

6 - - -

7 DONALD J. TRUMP,  
8 having been first duly sworn, was  
9 examined and testified as follows:

10 - - -

11

12 EXAMINATION RESUMED

13 BY MR. FORGE:

14 Q. Good morning, Mr. Trump.

15 A. Good morning.

16 MR. FORGE: If I could ask the court  
17 reporter to please mark this document as  
18 Exhibit 504.

19 (Exhibit 504 was marked for  
20 identification.)

21 BY MR. FORGE:

22 Q. I have just handed to you Exhibit 504.  
23 It's a National Review article from December 8th,  
24 2015, which is titled, "No one was more influential  
25 than Donald Trump this year."

1                   **Are you familiar with that article?**

2           A.    No, I'm not.

3           **Q.    Do you consider yourself an influential**  
4 **person?**

5           A.    Yes.

6           **Q.    And in what way are you influential?**

7           A.    Well, I think I've set a certain standard.  
8 I think I have certain leadership abilities. I think  
9 in business I'm respected, and I would say that I  
10 guess now in politics I'm respected, because I'm the  
11 leading candidate on the Republican side.

12           **Q.    Do you want people to consider you**  
13 **trustworthy?**

14           A.    Yes.

15           **Q.    Do you want people to consider you**  
16 **reliable?**

17           A.    Yes.

18           **Q.    Did you get a sense that your level of**  
19 **influence grew after The Apprentice show started?**

20           MR. PETROCELLI: The question is vague.

21           THE WITNESS: I would say not really. The  
22 reason I was chosen for The Apprentice is my level of  
23 influence.

24                    But it possibly -- I think not necessarily  
25 influence, I think I became even better known.

1 BY MR. FORGE:

2 Q. And by "better known," do you have fans?

3 A. Yeah, I do.

4 Q. And if you consider someone to be a fan,  
5 what does that mean to you?

6 A. People that really like a person and  
7 respect a person. I guess generally respect, but  
8 certainly like.

9 Q. Now, over the years you've promoted a  
10 variety of products, properties and services; is that  
11 fair to say? Golf courses?

12 A. Yes.

13 Q. Resorts?

14 A. Correct.

15 Q. Condominium projects?

16 A. Right.

17 Q. Books?

18 A. Yes.

19 Q. Products such as ties?

20 A. Uh-huh.

21 Q. Is that a yes?

22 A. Yes.

23 Q. Chocolates?

24 A. Yes.

25 Q. And a fragrance, I believe?

1 A. That's right.

2 Q. Now, sometimes you promote things that you  
3 own, such as a building that you might own and  
4 actually manage?

5 A. Right.

6 Q. And other times you promote things that  
7 other people own; is that right? So under a  
8 licensing agreement?

9 A. Correct.

10 Q. When you promote somebody else's project or  
11 service, do you generally do it for a fee?

12 A. Yes. Of some kind, yes. All different,  
13 but of some kind.

14 MR. FORGE: If we could mark this as  
15 Exhibit 505.

16 (Exhibit 505 was marked for  
17 identification.)

18 BY MR. FORGE:

19 Q. Mr. Trump, if you could take a minute to  
20 look at Exhibit 505 and just confirm for the record,  
21 if you could, please, that that is a one-page  
22 document, and it's a Trump blog posted by Donald J.  
23 Trump on 6/28/2005. It's kind of small print, but --

24 A. Yes, it is very small.

25 Yes, it is.

1 Q. Now, Mr. Trump, generally speaking, do you  
2 believe that it's profitable -- a profitable business  
3 decision for others to pay you to promote their  
4 projects or products?

5 A. Well, it has been. It continues to be.

6 Q. And do you set your fee based on your  
7 expectations of the value of your endorsement to the  
8 particular business or project?

9 A. Well, each project is very different, and  
10 totally different fee structures. Sometimes it's a  
11 pure cash fee structure. Sometimes it's a percentage  
12 of profits. Sometimes it's a percentage of gross.

13 It's always -- I mean, we don't have a set  
14 formula. It's always different. A lot of it has to  
15 do with the expectation of the person wanting the  
16 name or wanting the brand.

17 Q. And by being profitable for the business,  
18 that means basically that your endorsement brings in  
19 more customers and more revenue from the customers  
20 than they're paying you; is that fair?

21 A. Hopefully, yes.

22 Q. And historically, you've seen that to be  
23 true?

24 A. I would say yes.

25 Q. So whether it's promoting something that

1 you own or promoting something that someone else  
2 owns, the purpose of the promotion is to try to  
3 influence other people's purchase decisions; is that  
4 fair?

5 A. Well, to show that the product is a good  
6 product, yeah. And -- yeah, essentially.

7 Q. I'm going to play you a video exhibit,  
8 Mr. Trump.

9 MR. FORGE: And just for the record, Dan,  
10 the same thing we did the last time. I have got all  
11 these videos on this thumbdrive. I'll identify the  
12 file number, and at the end we'll just delete the  
13 ones we didn't use, and leave everything with the  
14 court reporter, if that's acceptable to you?

15 MR. PETROCELLI: Sure.

16 Last time you had these little CDs. You  
17 don't have those today?

18 MR. FORGE: I have CDs for you to take with  
19 you. Do you want to do that after?

20 MR. PETROCELLI: Yeah, you can do that  
21 after.

22 MR. FORGE: This first one is, we're going  
23 to call it Exhibit 509. Just for the record, though,  
24 it is file 204 on this thumbdrive.

25 (Exhibit 509 was marked for



1 identification.)

2 (Playing Video From Thumbdrive Marked Exhibit 509.)

3 BY MR. FORGE:

4 Q. Mr. Trump, you shot that video to promote  
5 Trump University, right?

6 A. Yes. A long time ago.

7 Q. So you made that video to influence people  
8 to enroll in Trump University?

9 A. Yes.

10 Q. Now, at one point you mentioned that there  
11 would be professors and adjunct professors. Do you  
12 have any idea what, if any, criteria determined who  
13 would be a professor versus an adjunct professor?

14 A. Well, I see resumes, but mostly that was up  
15 to Michael Sexton, who was the president who ran  
16 Trump University.

17 Q. So that's not a decision process you were  
18 involved in, who would be a professor versus --

19 A. I would see resumes, but I told him, you  
20 know, I want very good people, yes.

21 Q. But in terms of determining this person  
22 will be a professor versus an adjunct professor --

23 A. No, that was not me.

24 Q. Do you know if any of the adjunct  
25 professors at Trump University were ever promoted to

1 A. Right.

2 Q. Are there -- do any of those names, have  
3 you had a recognition of any of those names? Any of  
4 those names come to mind now as we sit here?

5 A. No.

6 Q. So same memory or lack thereof, whatever  
7 your answers were still stand?

8 A. It's a long time.

9 THE WITNESS: Just off the record for a  
10 second.

11 (A discussion was held off the record.)

12 MR. FORGE: If we could please mark this  
13 next exhibit as 510.

14 (Exhibits 510, 511 and 512 were  
15 marked for identification.)

16 BY MR. FORGE:

17 Q. Mr. Trump, starting with Exhibit 510, does  
18 that appear to be a true copy of a special invitation  
19 from Donald J. Trump, and an attached letter that  
20 begins Dear Friend?

21 A. It does seem to be. I don't remember this,  
22 but it does seem to be, yes.

23 Q. And that appears to be your signature at  
24 the bottom of that invitation on the second page?

25 A. Yes.

1 Q. And this invitation is all part of the  
2 promotion of Trump University; is that fair to say?

3 A. It looks like it.

4 Q. So again, this is something that was  
5 intended to influence people to enroll in Trump  
6 University?

7 A. It would look that way, yes.

8 Q. Were you personally aware of any sort of  
9 proven real estate system that students would be  
10 learning at Trump University?

11 MR. PETROCELLI: The question is vague.

12 THE WITNESS: Well, what I did is we gave a  
13 lot of big packages out. Again, it's a long time  
14 ago, but -- and including books that I've written,  
15 et cetera, et cetera. You have the information.

16 But there is -- you know, there are methods  
17 that have been very successful for me, and that's  
18 what I would talk about. And, you know, starting  
19 with location. Starting with, you know, various  
20 forms of debt. We talked about the kind of debt you  
21 can put on properties.

22 And we talked about a lot of different  
23 things. You can look at the books. But I've  
24 always -- and very strongly told them to stress  
25 location.

1 Q. You don't know how much the mentorship  
2 cost?

3 A. I don't know.

4 Q. And you don't know what was provided during  
5 that three-day one-on-one mentorship?

6 A. No. And I don't know Mr. Cohen.

7 Q. Or Mr. Lucas?

8 A. Or Mr. Lucas, no.

9 MR. FORGE: I'm going to play for you  
10 now -- we're going to mark this as -- this is going  
11 to be 515. Mr. Trump, I'll warn you in advance, it's  
12 about 13 and a half minutes of Mr. Lucas' deposition  
13 testimony. So if you want to make some calls before  
14 we do it, you tell me.

15 A. Let's do it after. We'll take off after.

16 MR. PETROCELLI: What's the file number?

17 MR. FORGE: The file number is 213.

18 THE WITNESS: He's a mentor, not a  
19 professor, is what you're saying? He's not a class  
20 person?

21 MR. FORGE: I think he was brought in for  
22 both. But with Mr. Cohen, he was a mentor.

23 MR. PETROCELLI: This is Kerry Lucas'  
24 deposition?

25 MR. FORGE: This is Kerry Lucas'

1 (Playing video.)

2 MR. PETROCELLI: Take our break now?

3 THE WITNESS: Do you want to go through  
4 this first?

5 MR. FORGE: Let me ask just a few  
6 questions.

7 THE WITNESS: I would rather go through  
8 this.

9 BY MR. FORGE:

10 Q. And I think you were chomping at the bit to  
11 say this, but Mr. Trump, you did not select this man  
12 to be a Trump University instructor or mentor, did  
13 you?

14 A. No, I didn't.

15 Q. And you did not consider him to be a top  
16 certified mentor, did you?

17 A. No.

18 Q. You did not certify him in any way, did  
19 you?

20 A. No, I didn't.

21 Q. Now, you could have actually insisted upon  
22 meeting and interviewing each of the mentors, right?

23 A. I could have. Other than I'm doing,  
24 running a massive company that everybody knows that.

25 Q. But so you could have, but you didn't?

1 A. I did not, no.

2 Q. And so you didn't know that a man with this  
3 kind of background was being held out as a top Trump  
4 certified mentor, did you?

5 A. No. But in watching, it sounded to me like  
6 he would have embellished his record and he slipped  
7 through the cracks. Frankly, I think he probably,  
8 just by the way he had answered a couple of the  
9 questions reminded me of Saturday Night Live.

10 But I think he probably embellished his  
11 record to the people that did the hiring. And  
12 nevertheless, they all got the materials, and they  
13 got very good advice as far as real estate is  
14 concerned.

15 And I have to say this, and I was just  
16 thinking it as I was going by, some of the biggest  
17 real estate developers in the country, and I can tell  
18 you in New York and elsewhere, don't have licenses.  
19 They build. They're developers. And they build.  
20 And they never went to school, and they never went  
21 for licensing and they didn't do all of the things,  
22 many of the things that you're asking.

23 That's not to say anything positive or  
24 negative. But I will say that many, many real estate  
25 people don't have licenses. They're not salesmen,

1 they're not brokers, and they just don't have  
2 licenses. They just build.

3 **Q. But he also lacked experience?**

4 A. He doesn't have great experience, no.

5 **Q. He doesn't have any experience buying or**  
6 **selling?**

7 A. He has a little with his house or whatever  
8 it was, but not a lot.

9 **Q. And this is not someone you would have**  
10 **found to be fairly described as a top Trump certified**  
11 **mentor?**

12 A. No, I would not have hired him.

13 **Q. Now, were you aware that Trump University**  
14 **charged Mr. Cohen and others tens of thousands of**  
15 **dollars for three days of one-on-one walking around**  
16 **looking at properties with this man?**

17 A. Well, you know, frankly, the fact that he's  
18 not -- if he took the advice of this particular sheet  
19 right here, Mr. Cohen would have made a fortune. He  
20 would have bought real estate.

21 **Q. Putting that aside --**

22 A. They're walking around looking at property,  
23 and somebody has to walk around.

24 A real estate broker oftentimes will  
25 use children. I mean, they will use people that are

1 A. No.

2 Q. Now, as you mentioned, Mr. Lucas could have  
3 slipped through the cracks in getting into Trump  
4 University as an instructor or mentor; is that right?

5 A. I don't know how. I mean, I don't know  
6 how. I think he could have embellished. Or maybe  
7 they thought he did a good job.

8 You said he worked for another company for  
9 quite a while. Maybe he did a great job there.

10 I don't know exactly why they hired him or  
11 how they hired him. But I know that he worked for  
12 another company named Dyna-something.

13 Q. Dynatech?

14 A. Dynatech. And perhaps he was outstanding  
15 at Dynatech. So you would really have to ask the  
16 people. I mean, maybe he was really good at what he  
17 did. I just don't know.

18 Q. And you don't know whether other people  
19 slipped through the cracks to get in as live event  
20 instructors or mentors, do you? Personally?

21 A. In every business, people slip through the  
22 cracks. No matter how well run a business, people  
23 come in and they're not good, and you wonder, you  
24 know, how did they get there, et cetera. No matter,  
25 you can take the best business where they just come



1 back and, you know, they embellish or they for some  
2 reason something happens.

3 But there's no business in America where  
4 people don't slip through the cracks.

5 Q. So you don't know, for example, if  
6 Steve Goff is one of the guys who slipped through the  
7 cracks?

8 A. I don't know.

9 Q. You don't know if Chris --

10 A. It happens. It does happen.

11 Q. And you don't know if Chris Goff is one of  
12 the guys that --

13 A. I don't know him.

14 Q. James Harris, you don't know if he slipped  
15 through the cracks?

16 A. Don't know him.

17 Q. So you don't know if he slipped through the  
18 cracks?

19 A. Don't know.

20 Q. So you don't know one way or the other?

21 A. No. I know we had very good people, too.  
22 We have a lot of good people. But some people, you  
23 know, when you're running a business, it happens that  
24 you don't always get tens.

25 Q. Gerald Martin, you don't know if he slipped

1 through the cracks?

2 A. Don't know him.

3 Q. And if I didn't say, Keith Sperry, you  
4 don't know if he slipped through the cracks?

5 A. Don't know him.

6 Q. Mr. Trump, you could have sat down and  
7 personally interviewed each of these folks, correct?

8 A. I think from a time standpoint, I think it  
9 would have been very difficult. Because of my  
10 schedule and because of the fact that I am doing many  
11 deals all over the world, I think it would have been  
12 very tough.

13 I mean, this was a very important thing for  
14 me. It wasn't a big monetary thing, the Trump, the  
15 school. But it was very important to me.

16 And actually, more important to -- you  
17 know, you can impart certain wisdom that you learn  
18 the hard way. And you can impart that to people. I  
19 love the idea of the educational aspect of it.

20 But to be honest, I wouldn't have had the  
21 time to interview everybody because my business is  
22 too big.

23 I don't do it on any business. I hire  
24 people, and hopefully they're the right people at the  
25 top, and they'll hopefully do a good job.

1 Q. But you certainly had time to do a, conduct  
2 a final interview for the six most prolific live  
3 events?

4 A. It didn't seem necessary, because I always  
5 thought the school was doing well.

6 You know, when I have a job that's not  
7 going well, people tell you. Like if you have  
8 unhappy tenants, or if you have unhappy -- an office  
9 building where the tenants aren't happy, or an  
10 apartment house where tenants -- you always find out.  
11 They write you letters.

12 I just -- I've heard so -- I heard so many  
13 good things about the school that I honestly thought  
14 that it was really being well, you know, well run.

15 Even since then, I still have people  
16 calling saying they love the school.

17 Q. But I'm talking about before they're  
18 actually being put out --

19 A. There's a reason I didn't do that. I could  
20 have found the time, but the reason I didn't do that  
21 is I heard the school was running very well.

22 Q. But I'm talking about before being put out  
23 as instructors. Before you say my handpicked  
24 instructor is going to be there, you could have sat  
25 down and personally interviewed the person, right?

1           A.     I guess I could have. I just thought that  
2 the school was doing so well, you know, from all of  
3 the reviews it's gotten. And, you know, just people  
4 telling me.

5                     I don't know that I've ever heard one  
6 person, you know, back then say anything bad about  
7 it.

8           **Q.     But you realize that the school shifted**  
9 **models. It shifted models from an Internet learning**  
10 **model to a live events model. Do you understand**  
11 **that?**

12           A.     Right, sure.

13           **Q.     And do you understand that there's a**  
14 **complete disparity between the instructors for the**  
15 **Internet model versus the new wave of instructors for**  
16 **the live events?**

17                     MR. PETROCELLI: The question is vague.

18                     THE WITNESS: Well, to me it's one school,  
19 though. I understand what you're saying. And I  
20 heard great things about the Internet. And to me  
21 it's one school, Jason.

22                     You know, I mean, it was just overall, it  
23 was a positive experience, I felt. And I didn't feel  
24 they needed a lot of more guidance, other than I  
25 would tell them, you know, like this ad, talking

1 happy with something. Another way is that they'll  
2 see you. They'll say --

3 **Q. That's certainly --**

4 A. People will see you. They say, Mr. Trump,  
5 I live in your building here, and it's not good. The  
6 superintendent is not good, and it's not clean. And  
7 I'll go and check and I'll make sure.

8 With this, I had so many positive reports,  
9 especially when the people leave the course, they  
10 were writing these beautiful reports.

11 **Q. But you understand though, generally**  
12 **speaking, one way of expressing dissatisfaction, say**  
13 **with the stay at a hotel, is to request a refund?**

14 A. Yeah.

15 **Q. Okay. And --**

16 A. And by the way, we did give refunds.

17 **Q. Well, do you know what the percentage was**  
18 **of the refunds --**

19 A. No, I didn't. I know we gave a lot of  
20 refunds, yeah.

21 **Q. But did you know -- hold on, Mr. Trump.**  
22 **Did you know it was over 25 percent?**

23 A. I didn't know what the percentage, but I  
24 know we gave them.

25 By the way, most people wouldn't give them.

1 There was no reason to give them. We could have let  
2 you sue for the rest of our lives.

3 Q. But when you say you're not familiar with  
4 any sort of expressions of dissatisfaction, you  
5 weren't aware that over 25 percent of the people who  
6 paid for live --

7 A. I heard --

8 Q. -- received refunds?

9 A. I heard people received refunds. But I  
10 think that's instinctual. If people think they can  
11 get a refund, they're going to ask.

12 And I probably foolishly gave it to them.  
13 I shouldn't have given it to them because, frankly,  
14 they could have been tied up all in this litigation  
15 and, you know, whatever happens happens.

16 I viewed that as a lot of times that  
17 happens. You go to the Home Shopping Network,  
18 whatever it's called. The refunds are unbelievable.  
19 The people use the product, wear the product, and  
20 then they send it back.

21 The refunds are massive. That's their  
22 biggest problem is the refunds.

23 So you know, when people were asking for  
24 their money back, frankly -- and I would have these  
25 good reports, but people would ask for their money

1 back. We gave them their money back.

2 I shouldn't have given their money back. I  
3 gave back millions of dollars because I'm an honest  
4 guy. I should have said I'm not giving it back, and  
5 you would have it in your litigation.

6 **Q. We're here in one of your hotels right now,**  
7 **right?**

8 A. Right.

9 **Q. Would you be satisfied with the performance**  
10 **of this hotel if it had a refund rate of 25 percent?**

11 A. But it's different, though. It's  
12 different.

13 **Q. Would you be satisfied?**

14 A. With Home Shopping Network, if you look,  
15 their refunds are tremendous. They're tremendous.  
16 They buy a dress, and you're allowed to give it back.  
17 I don't know what they call it. They send it back.  
18 They just send it back. They give their money back.  
19 I don't know if they use the dress, if they don't use  
20 the dress. Probably they do, but it's different.

21 And with this one, they take the course,  
22 and they'll ask for a refund. But why do so many  
23 people, why have so many people, including your  
24 client on this case, signed these letters that were  
25 so beautiful about the course?

1 I mean, I think, I'm not sure, but I  
2 haven't read it in a long time, but I think your  
3 client on this case, and certainly your client on the  
4 other cases, signed these incredible letters about  
5 how good the course was.

6 Q. And, Mr. Trump, you're an interesting guy.  
7 I could talk to you all day long. But I have to ask  
8 you specific questions I need to get answers for.

9 So what I'm asking you now is would you be  
10 satisfied if the refund rate at your hotel was  
11 25 percent?

12 MR. PETROCELLI: The question is vague, and  
13 lacks foundation.

14 THE WITNESS: It doesn't happen. It  
15 doesn't happen. It's a different business. It  
16 doesn't happen. With hotels it doesn't happen.

17 BY MR. FORGE:

18 Q. So you would find that to be unacceptable?

19 A. No. People wouldn't come back to the  
20 hotel. They wouldn't ask for a refund because they  
21 wouldn't get it. You wouldn't give a refund on a  
22 hotel. But they won't come back. And your number  
23 would go way up. Your vacancy number. Your  
24 unoccupied --

25 Q. Would you consider it acceptable if the



1 rate of requesting refunds was 25 percent of  
2 people who were staying in the hotel?

3 A. Wouldn't happen. They don't come back. In  
4 the hotel business, they don't come back.

5 Q. But would you be satisfied if that  
6 happened?

7 A. The Home Shopping Network they give  
8 refunds.

9 No, because -- yeah, I would be unhappy if  
10 they didn't come back, and my vacancy factor would go  
11 up, up, up, up, and then all of a sudden the hotel  
12 would do very badly.

13 Q. And you would have to change something to  
14 satisfy them?

15 A. Yeah, well, it's a different thing. It's a  
16 different business.

17 Q. But the bottom line is if you found out one  
18 of your hotels had a rate of refunds being requested  
19 at 25 percent, you would not consider that to be  
20 acceptable?

21 A. I told you, they don't do that with the  
22 hotel business. They don't ask for refunds. They  
23 don't come back.

24 Q. But what I'm asking you, though, is if that  
25 happened --

1           A.     You can't go after it.  It's not in that  
2 business.  It's a different business.  Home Shopping  
3 Network has tremendous percentages of refunds, and  
4 yet it's a very successful enterprise.

5           Q.     How about Wharton, do you think that the  
6 folks -- where you attended, do you think the folks  
7 at Wharton would be happy, would be satisfied if the  
8 students requested refunds at a 25 percent rate?

9           A.     Well, again, it's a much different kind of  
10 a thing.  It's a school where you go and you go.

11                   I mean, we had a lot of -- a lot of people  
12 started complaining after they heard about the  
13 lawsuit because they figured they can get their money  
14 back.  That's a natural business instinct.

15           Q.     So Wharton and the hotel is over here, and  
16 the Home Shopping Network --

17           A.     I think it's more Home Shopping Network.  
18 It's a short-term situation.  You're not staying at  
19 the school and living there and everything else.

20                                 (Exhibit 516 was marked for  
21                                 identification.)

22 BY MR. FORGE:

23           Q.     Mr. Trump, I'm handing you an exhibit  
24 that's been marked as Exhibit 516.  It's an index of  
25 materials from Trump University's live events.  And

1 enough to justify your full-time attention to Trump  
2 University?

3 A. No, it's not that. I mean, I, you know,  
4 was very proud of the school. I thought the school  
5 was doing very well and I wanted it to do well. It's  
6 not a question of how much money I make.

7 I have things that make much more money  
8 than that, and I don't devote any time to them.  
9 Leases that you sign that you don't even know you  
10 have them, and they're much bigger than this.

11 But no, that has nothing to do with it.

12 Q. So the money is not a reason why you didn't  
13 personally interview each of the --

14 A. It's not a large transaction. But it's not  
15 a reason that I wouldn't have -- you know, I cared  
16 about it.

17 Q. And you've mentioned a few times today that  
18 Michael Sexton was the one you trusted to put in  
19 charge of Trump University?

20 A. Yes.

21 Q. You trusted him to make the hiring  
22 decisions, right?

23 A. I hope so.

24 Q. And you trusted him to oversee the  
25 curriculum, right?

1 A. Yes.

2 Q. But you did not trust him to have signature  
3 authority on the bank accounts for Trump University,  
4 did you?

5 A. My accountants would tell you that.  
6 Generally, I wouldn't do that. You know, I generally  
7 wouldn't do that.

8 Q. You wouldn't give him that sort of type of  
9 authority?

10 A. No. I wouldn't generally do that with  
11 businesses. I like to keep that separate.

12 MR. FORGE: 518.

13 (Exhibit 518 was marked for  
14 identification.)

15 BY MR. FORGE:

16 Q. Mr. Trump, you gave an interview to  
17 Steve Brill that was published in Time Magazine; is  
18 that right?

19 A. Yes.

20 Q. Now, one of the things you said in here is  
21 that the -- at least he quoted you as saying, is the  
22 plaintiff's lawyers in this case are known scam  
23 artists.

24 Do you remember saying that?

25 A. Right.

1                   And you said earlier, you could have  
2 settled this case very early on.

3                   Did you express that sentiment --

4           A.     Yes.

5           Q.     -- to Mr. Brill, the plaintiff's lawyer?

6           A.     Yes.

7           Q.     And what is that basis --

8           A.     I said that's based on what Mr. Garten told  
9 me.

10                   MR. PETROCELLI: Well, we can't get into  
11 what --

12 BY MR. FORGE:

13           Q.     It's based on conversations with  
14 Alan Garten?

15           A.     With a lawyer, yes.

16           Q.     And you don't know the basis of --

17           A.     No. It's what I was told.

18           Q.     Mr. Trump, are you aware that one of the  
19 benefits that students were promised at Trump  
20 University was networking opportunities?

21                   MR. PETROCELLI: Assumes facts.

22                   THE WITNESS: I would say that that would  
23 be a natural benefit, yeah.

24 BY MR. FORGE:

25           Q.     Are you aware that one of the promises that

1 was made to students that the Trump University  
2 mentors would be their mentors for life?

3 A. I wasn't aware of that. But it depends on  
4 the mentor. Some of the mentors may have become  
5 friendly with them. I mean, you never know.

6 But, no, I wasn't aware of it.

7 Q. Are you aware that the surveys were not  
8 anonymous?

9 A. What does that mean?

10 MR. PETROCELLI: Assumes facts.

11 BY THE WITNESS:

12 Q. The surveys that Trump University took,  
13 they were not anonymous? They had students actually  
14 put their names on them?

15 A. Oh, yeah. Well, that's much better, I  
16 think.

17 Q. So in other words, if the students said  
18 something critical about an instructor or about  
19 someone who is supposed to be their mentor for life,  
20 that person would see the critical comment? You're  
21 aware of that?

22 A. Oh, I think the other way, they don't mean  
23 anything, actually. I think it's much better when a  
24 student puts their name on it.

25 You mean they don't want to hurt anybody's

1 feelings, is what you're saying?

2 Q. Well, Trump University, one of the selling  
3 points was networking, and another one was having a  
4 mentor for life.

5 And so if the mentor for life was someone  
6 you had just got done criticizing --

7 A. Only a lawyer could think of that.

8 Q. So you don't think that anticipating --

9 A. I think the surveys are much more important  
10 with a signature. I think it's -- it's more  
11 meaningful.

12 Q. You don't think the anticipation of  
13 possibly needing help from these folks in the future  
14 would influence the students to --

15 A. You mean that's why they said such great  
16 things about the school?

17 Q. Yeah.

18 A. I don't think so. I think they really  
19 meant it was very good. Until they found out they  
20 could get their money back. And then they said,  
21 Oh, wow, you got money back? Let's get our money  
22 back.

23 Q. Do you think Bill Clinton was a great  
24 president?

25 A. He had moments. He had some moments. But

1 overall, he was hurt very badly by Monica Lewinsky  
2 and all of the scandal. I think it hurt his  
3 presidency very much.

4 **Q. But do you think he was a great president?**

5 A. Well, I think it's inappropriate for here,  
6 because we're not talking about politics now. We're  
7 talking about something else.

8 So I don't think that's a question that  
9 pertains to this. But I would say that he was hurt  
10 by the scandal.

11 **Q. But do you think he was a great president?**

12 MR. PETROCELLI: Just for the record, I  
13 would object to this line of questioning as  
14 completely irrelevant, and the kind of examination  
15 that should be subject to a protective order.

16 I would let it continue. The Magistrate  
17 has indicated to me that only instructions based on  
18 privilege can be made, a ruling with which I  
19 disagree, but will abide by at the moment.

20 So you can continue your examination, but  
21 it's subject to my continuing objection.

22 MR. FORGE: Thank you.

23 BY MR. FORGE:

24 **Q. Do you believe Bill Clinton was a great**  
25 **president?**



1           A.     I think he was hurt very badly by the  
2 scandals, his escapades. I think it hurt him very  
3 badly. I think that, you know, I have no feeling one  
4 way or the other, but I think he was hurt very badly  
5 by the scandals.

6           **Q.     So aside from the scandals, do you think he**  
7 **was a great president?**

8           A.     I can't say aside. It's part of his  
9 legacy. I mean, the scandals were devastating. He  
10 was impeached. He was impeached. He was brought  
11 before Congress. I mean, he was impeached. And that  
12 was -- very few people -- very few presidents that  
13 were impeached. So that hurt him very much.

14                     The scandals were a big part of his legacy,  
15 unfortunately, for him.

16                             (Exhibit 519 was marked for  
17 identification.)

18           THE VIDEOGRAPHER: We are off the video  
19 record. The time is 9:58 a.m.

20                             (A recess was taken from 9:58 a.m.  
21 to 10:13 a.m.)

22           THE VIDEOGRAPHER: We are back on the video  
23 record, and the time is 10:13 a.m.

24 BY MR. FORGE:

25           **Q.     Welcome back, Mr. Trump.**

1 A. Thank you.

2 Q. Mr. Trump, you have Exhibit 519 in front of  
3 you. Does it appear to be a true and correct copy of  
4 a Trump blog --

5 A. Yes.

6 Q. -- that you posted on December 2nd, 2008?

7 A. Seems to be. It's a long time ago.  
8 Shall I read it? Shall I read the whole  
9 thing?

10 Q. I'm going to direct your attention to the  
11 fourth paragraph, but you're welcome to read whatever  
12 you want.

13 The fourth paragraph you wrote of Hillary  
14 Clinton: "Hillary is smart, tough and a very nice  
15 person and so is her husband."

16 And then you wrote, "Bill Clinton was a  
17 great president."

18 Did you believe that sentiment when you  
19 wrote it in this blog?

20 A. When was this done?

21 Q. December 2nd, 2008.

22 A. It was a long time ago. I mean, at the  
23 time -- I mean, I was fine with it at the time. I  
24 think in retrospect, looking back, it was not a great  
25 presidency because of his scandals. That was 2008.

1 I say that's a long time ago.

2 Q. So you posted it, but you believed it then,  
3 but you don't believe it now? Or you didn't believe  
4 it then and you still don't believe it?

5 A. I might have said it. I don't think it was  
6 a very important statement made then. I wasn't in  
7 politics. It didn't matter to me.

8 If I was to think about it with all that he  
9 went through, I would probably not call him a great  
10 president anymore because of all of the scandal and  
11 the turmoil that he had. It was a very tumultuous  
12 period of time, and then he was impeached.

13 I mean, I would probably say that it's not  
14 something I gave very much thought to then because I  
15 wasn't in politics. But if you were asking me the  
16 question now, too much turmoil.

17 Q. But all that turmoil and the impeachment  
18 and the scandal, that all predated your posting of  
19 this blog, though? But you're saying you just didn't  
20 think about it that much?

21 A. It's something I wouldn't have thought  
22 about. I've been thinking about a lot of things over  
23 the last couple of years when I was deciding to do  
24 this.

25 Q. How about Hillary Clinton, do you think she

1 would make a great vice president?

2 MR. PETROCELLI: Is there a reference to  
3 that in here, Jason?

4 MR. FORGE: I'm just -- you can put that  
5 aside. It doesn't matter.

6 MR. PETROCELLI: Again, I have my  
7 continuing objection to this line of questioning.

8 And you're required to answer at this  
9 juncture.

10 BY MR. FORGE:

11 Q. Do you believe that Hillary Clinton would  
12 make a great vice president, Mr. Trump?

13 A. No.

14 Q. Did you believe she would make a great vice  
15 president back in 2008?

16 A. I don't know. Did I say that here?

17 Q. Not in here, no. I'm just asking you, did  
18 you believe that back in 2008?

19 A. No, I didn't think I said that.

20 No, I don't think she would be a good vice  
21 president.

22 Q. Do you believe she would make a great  
23 president?

24 A. Did I say that in here?

25 Q. No, not in here.

1 MR. PETROCELLI: "In here," we're talking  
2 about Exhibit 519?

3 MR. FORGE: Correct.

4 THE WITNESS: Do I think she would make a  
5 great president?

6 BY MR. FORGE:

7 Q. Yes.

8 A. No. No, I don't.

9 Q. Back in the year 2008, did you think she  
10 would be a great president?

11 A. I don't think I said anything. I don't say  
12 it here.

13 Let's see, if we go back many, many years  
14 ago, do I think she would have? Probably not. I  
15 don't think she's got the gravitas.

16 MR. PETROCELLI: Jason, I'm marking this  
17 transcript confidential again. We're going to have  
18 to, I guess --

19 THE WITNESS: I don't want those answers  
20 to --

21 MR. PETROCELLI: I guess we're going to  
22 have to work out a designation process.

23 MR. FORGE: We actually have a designation  
24 process, and I don't think that fits within it,  
25 but --

1 MR. PETROCELLI: But you know what, I'll --

2 MR. FORGE: We can discuss that later.

3 MR. PETROCELLI: Correct.

4 MR. FORGE: For the time being, you are  
5 designating this as confidential, and we will treat  
6 it accordingly.

7 MR. PETROCELLI: Whatever the court order  
8 requires, we will comply with it in terms of the  
9 designation process.

10 MR. FORGE: Let's mark this as Exhibit 520,  
11 please.

12 (Exhibit 520 was marked for  
13 identification.)

14 MR. PETROCELLI: I did note that maybe one  
15 or two of the exhibits were marked "confidential for  
16 counsel only" also.

17 MR. FORGE: Most of them have been  
18 de-designated, although the financial ones probably  
19 were not. That was the only one that --

20 MR. PETROCELLI: Those were the ones that  
21 were --

22 MR. FORGE: Yeah.

23 BY MR. FORGE:

24 Q. Mr. Trump, does Exhibit 520 appear to be a  
25 true and accurate copy of a Trump blog that you

1 posted on March 13th, 2008?

2 A. Yes.

3 Q. Now, if you look at the end of the second  
4 paragraph, you wrote, "I know Hillary, and I think  
5 she would make a great president or vice president."

6 You do know Hillary Clinton, correct?

7 A. Yes.

8 Q. And you knew her back in 2008?

9 A. Yeah. Pretty much.

10 Q. So did you believe this sentiment when you  
11 expressed it in March of 2008?

12 A. Well, I didn't think too much about it.

13 Where are you asking me to read?

14 Q. If you look at the end of the second  
15 paragraph, there's a parenthetical at the end of it.  
16 And it says, "I know Hillary, and I think she would  
17 make a great president or vice president."

18 A. Yeah, at the time I might have. I didn't  
19 give it a lot of thought, because I was in business.  
20 And as a businessman, I think it was something I  
21 never really gave much thought to.

22 Now that I see what she's done and how  
23 she's handled herself and how she's handled her  
24 e-mails and all of the problems that she's got, I  
25 would say she wouldn't make a very good vice

1 president or president.

2 Q. So but back then you thought she would?

3 A. Well, back then -- how long ago was that?

4 How many years ago?

5 Q. That's March of '08.

6 A. That was a long time ago.

7 Q. Almost eight years ago.

8 A. It's something I didn't give much thought

9 to.

10 Q. But you did express it in this blog

11 posting?

12 A. It's just something I wouldn't have thought  
13 about. I mean, I expressed it. But where is it?

14 Q. The last sentence of the first paragraph --  
15 or second paragraph.

16 A. After -- when I looked at the history of  
17 the Clintons, I think that they've really let the  
18 country down.

19 Q. So you think they've let the country down  
20 since March of 2008?

21 A. Well, since I've really started to watch  
22 and study politics as opposed to just thinking about  
23 business and not thinking about politics.

24 Q. Now, you've said of Jeb Bush previously  
25 that he is exactly the kind of political leader this



1 country needs now, and we very much need in the  
2 future. He's bright, tough and principled.

3 Was that an honest sentiment when you  
4 expressed that about Jeb Bush?

5 A. No, I didn't know him very well when I said  
6 that. I mean, I hardly knew him at all. Now I know  
7 him well, and I think he would be a disaster as  
8 president, frankly.

9 Q. So did you not believe it when you said it  
10 before? Or you just simply didn't have a basis and  
11 you --

12 A. I didn't have much of a basis. But I said  
13 it to be nice, and it didn't matter, but I said it to  
14 be nice and to be respectful. But I didn't really  
15 know him.

16 Now that I've gotten to know him, I think  
17 he would be not very good at all.

18 Q. Of George Pataki, you said he was the most  
19 underrated guy in American politics.

20 Is that a sentiment that you said to be  
21 nice, but not because you necessarily believed that?

22 A. He had a period of time when he was doing a  
23 good job, but I think he ended badly. And then when  
24 I got to know him -- because I didn't know him very  
25 well -- when I got to know him, I'm not a fan.

1 Q. So when you said he was the most underrated  
2 guy in American politics, did you believe it  
3 sincerely or was that --

4 A. No, I think I would have believed it at the  
5 time. But I'm not a fan, you know, as I got to know  
6 him. I didn't know him very well. But as I got to  
7 know him and I got to see him when I became political  
8 and involved politically, as opposed to not knowing  
9 people in business, I would say that no, he's not --  
10 I don't think he would be very good.

11 Q. So you didn't have a basis for what you  
12 said, but once you educated yourself more --

13 A. But now I've gotten to know people a lot  
14 better. I've gotten to know the political system a  
15 lot better. I've gotten to know the ins and outs of  
16 politics, and I've gotten to know the history of  
17 politics a lot better. And I think he would not  
18 have -- I do not think he was very good.

19 Q. Rick Perry, you've said that he was a very  
20 effective governor?

21 A. Where is that?

22 Q. Where did you say that about Rick Perry?

23 A. Where is it again? Can you find it?

24 Q. Yeah. Hold on a second.

25 A. Well, I thought he was a nice guy. I

1 thought Rick Perry was a very nice guy. But, you  
2 know, obviously he didn't do too well when he ran for  
3 president. And you get to know people better under  
4 pressure. Under pressure they're not so good.

5 **Q. So you formed a different opinion of him**  
6 **later?**

7 A. Yeah, as I got to know him.

8 MR. PETROCELLI: Also for the record,  
9 Jason, the reference to Jeb Bush, who -- there was  
10 apparently a document, but not shown to the witness,  
11 I don't know where you were reading from. But just I  
12 want the record to be clear there was nothing in  
13 front of him on that.

14 MR. FORGE: I just need to find the  
15 exhibit number.

16 THE WITNESS: It's okay. It doesn't  
17 matter. Who cares?

18 BY MR. FORGE:

19 **Q. Mr. Trump, I have the transcript and the**  
20 **video of this appearance on this. Let's start with**  
21 **the transcript. And if you want to actually see it**  
22 **and hear it --**

23 A. Of what?

24 **Q. Of your appearance on This Week.**

25 A. When?

1 Q. With John Carl, from I guess December 5th.

2 A. Of last year?

3 Q. Yeah.

4 A. Okay, I can see the transcript.

5 Q. Hold on one second. Sorry, I apologize.

6 These pages are not Bates numbered. I want to get to  
7 the right point. But you're welcome to look through  
8 whatever you want.

9 Okay. This was previously marked as  
10 Exhibit 489 to your deposition. Again, if you want  
11 to look at any other portion, Mr. Trump, that is  
12 absolutely your right and entitlement.

13 (Exhibit 489 was identified.)

14 BY MR. FORGE:

15 Q. I have opened this up to the fifth page,  
16 and it's near the bottom of the page, where it  
17 begins, you said of Jeb Bush, and there's a quote.

18 A. When is this? How long ago is this?

19 Q. This is a month and a half ago.

20 And if you go to the next page for your  
21 response.

22 A. This is him asking me the question?

23 Q. Yeah, him asking you the question about  
24 your past praise for --

25 A. It's already been out there.

1 MR. PETROCELLI: What page are you on?

2 MR. FORGE: The fifth page, now to the  
3 sixth.

4 MR. PETROCELLI: Okay. After he talks  
5 about the America We Deserve, the book?

6 MR. FORGE: Yeah.

7 BY MR. FORGE:

8 Q. Your response, Mr. Trump, was it's -- your  
9 response to the questions about your praise for these  
10 folks that you no longer have praise for is, "It's a  
11 very simple answer to that. I was a businessman all  
12 my life. I've made a tremendous fortune. I had to  
13 deal with politicians and I would contribute to them  
14 and I would deal with them and certainly I'm not  
15 going to say bad things about people because I needed  
16 their support to get projects done. I needed their  
17 support for lots of things, or I may have needed  
18 their support, put it another way. I mean, you're  
19 not going to say horrible things and then go in a  
20 year later and say, Listen, can I have your support  
21 for this project or this development or this  
22 business? So I say nice about almost everybody, and  
23 I contributed to people because I was a smart  
24 businessman. I built a tremendous company, and I did  
25 that based on relationships."

1                   Was your response there that I just read  
2 honest? Was it true?

3           A.     That's true. And you view people  
4 differently. When you're in business you view  
5 people -- you don't think about it. Whereas when  
6 you're in politics, you think about the qualities of  
7 a person, and the -- you really think much deeper  
8 about a politician.

9                   I could -- like a Jeb Bush as a governor of  
10 Florida and say, you know, because I don't think  
11 about it.

12           Q.     So one of the reasons why you said these  
13 nice things about people like Jeb Bush and Hillary  
14 Clinton was because you didn't think about it that  
15 much, and because you might need their help for  
16 something in the future?

17           A.     You want to always be friendly with  
18 politicians. If you're a businessman, I'm a  
19 businessman, you always -- you want to be as nice as  
20 you can to politicians whenever possible.

21           Q.     Because you might need their assistance?

22           A.     Well, you don't want to have them go  
23 against you. You want to have -- I don't think about  
24 Jeb Bush one way or the other, frankly. But when I  
25 was in business, I had no problems with Jeb Bush.

1           So if somebody would ask me, I would  
2 think -- now, when you're in politics, and you get to  
3 know them better, because you get to know these  
4 people better, and you see what you're dealing with,  
5 you can answer a question I think a lot more  
6 accurately.

7           **Q.    So you didn't want these people against**  
8 **you?**

9           A.    No, you don't want them against you.

10          **Q.    And you would rather have them on your**  
11 **side?**

12          A.    You would rather have them on your side,  
13 politicians. When you're in business, you would like  
14 to have the politicians on your side.

15          **Q.    And so you say nice things about them?**

16          A.    You don't want to say bad about them,  
17 ideally you don't want to say badly.

18                And you don't think about it as deeply  
19 either. I mean, when you asked me about different  
20 people, they're nice, they're very good, they could  
21 be very good.

22                When you start thinking about people in a  
23 much deeper fashion, when it's updated and you've  
24 seen what they've done, you've seen where they've  
25 been, you can answer it I think much different

1 politically than you would as a businessman. As a  
2 businessman, you're not thinking that much about it.  
3 You want them to like you, and that's pretty  
4 important for business.

5 Q. Mr. Trump, when we spoke last month, you  
6 mentioned that within your Trump organization, you  
7 generally delegate to other people the task of  
8 selecting and hiring people; is that true?

9 A. Yeah. Largely.

10 Q. And you said that you didn't personally  
11 select most of the people that work within Trump  
12 organization; is that true?

13 A. Generally speaking, yes.

14 Q. Can you think of anyone that you did  
15 personally select to work for you?

16 A. Yeah. Mr. Garten, lawyer.

17 Q. He's your general counsel?

18 A. Yeah. Lawrence Glick.

19 Q. What's his --

20 A. He's an attorney.

21 Allen Weisselberg.

22 Q. He's your CFO?

23 A. Right. Jason Greenblatt, an attorney.

24 Matthew Calamary, a security person;

25 security people. And others.



1 Q. These people you mentioned --

2 A. I could give you a list if you want. I  
3 could go through a whole list. These are people that  
4 I would say that I hired directly.

5 Q. And are they part of your inner circle?

6 A. Yeah, I think so.

7 Q. And these people are, in your mind, special  
8 people?

9 A. Well, they're good people. I mean, you  
10 asked me did I hire -- I have a lot of good people  
11 that I didn't hire directly. Most of the people I  
12 don't hire directly, and they're very good.

13 Q. Is there anyone that you personally hired  
14 that isn't close, you know, isn't part of your inner  
15 circle?

16 A. I would have to look at a list. I have  
17 thousands of people that work for me. I mean, I  
18 would have to look at a list.

19 Q. Is it fair to say that it takes a pretty  
20 special person to be personally selected by you?

21 A. I make mistakes, too.

22 Q. Can you think of any?

23 A. Sure. I've hired people over the years  
24 where it didn't work out.

25 Q. You personally?

1 thing that they see and then they found out that they  
2 made a mistake.

3 So see as many -- even if it's 25 or  
4 30 things, see as many as you can.

5 **Q. Before you buy?**

6 A. Before you buy, yeah.

7 **Q. Don't rush in?**

8 A. Don't rush. I mean, rush if you think  
9 you're making a great deal on something, but it would  
10 be good if you knew some comparables.

11 **Q. So do your homework?**

12 A. Do your homework.

13 (Exhibit 521 was marked for  
14 identification.)

15 BY MR. FORGE:

16 **Q. Mr. Trump, does Exhibit 521 appear to be a**  
17 **true and correct --**

18 A. Yes.

19 **Q. -- copy of a collection of ads for Trump**  
20 **University?**

21 A. Looks like it.

22 **Q. We can go through as many as you want or as**  
23 **few as you want.**

24 A. I take your word.

25 **Q. Okay. I'm just going to represent to you**

1 that these are ads for 2009 seminars, live events.

2 You do not know who the instructors were  
3 for these individual events, correct?

4 A. I may know the names, but I don't know the  
5 individual instructors.

6 Q. You didn't personally select these  
7 instructors, correct?

8 A. No.

9 Q. That's correct?

10 A. That is correct.

11 Q. And you don't personally know what they  
12 told the students at these events, correct?

13 A. I think we have concepts and ideas, but no,  
14 I don't. Every instructor has a different method of  
15 teaching.

16 Q. And you don't know what they told the  
17 students before these events?

18 A. No.

19 Q. Now, you could have called them in and  
20 said, Okay, present to me what you're going to  
21 present to the students?

22 A. Well, but that's what I had Michael Sexton  
23 and the people -- that's what you have management  
24 for.

25 Q. So you use other people to do that?

1           A.     I do.

2           **Q.     You did not do that yourself?**

3           A.     I did not.

4           **Q.     But you could have?**

5                   MR. PETROCELLI:  The question is vague and  
6  ambiguous.  Lack of foundation.

7                   THE WITNESS:  Well, I could have; I guess  
8  I could have.  But I think, you know, I have  
9  management.  And again, I was getting good marks on  
10 what we saw.

11                   So, you know, I guess I could have.  But  
12 the management seemed to me to be doing a very good  
13 job.

14                   MR. FORGE:  Let's take a quick break.

15                   THE VIDEOGRAPHER:  We are off the video  
16 record at 10:38 a.m.

17                                 (A recess was taken from 10:38 a.m.  
18                                 to 10:50 a.m.)

19                   THE VIDEOGRAPHER:  We are back on the video  
20 record.  The time is 10:50 a.m.

21 BY MR. FORGE:

22           **Q.     Mr. Trump, at any time during the period**  
23 **that Trump University was offering classes, did you**  
24 **ever ask anyone to provide you with information as to**  
25 **what percentage of students were requesting refunds?**

1           A.     Not as to a percentage. I knew they were  
2 requesting refunds, and I told my accounting people  
3 if they wanted the refunds, and it was in the period  
4 of time for the refunds, to give it to them.

5                     And I paid millions. I don't know exactly  
6 what the numbers -- you would know. But I paid  
7 millions and millions of dollars in refunds. I mean,  
8 frankly, if I would have known that I was going to be  
9 in litigation, probably I wouldn't have done it,  
10 although it was the honorable thing to do.

11           **Q.     And you knew that in realtime you were**  
12 **paying millions of dollars in refunds?**

13           A.     I was paying a lot in refunds. Yeah, I  
14 knew that. And I also understand why. I mean, you  
15 do it because people want to get their money back.  
16 It's one of those things.

17           **Q.     Like you said, it's the honorable thing to**  
18 **do?**

19           A.     I did the honorable thing.

20                     (Exhibit 522 was marked for  
21 identification.)

22 BY MR. FORGE:

23           **Q.     Mr. Trump, I will represent to you that**  
24 **Exhibit 522 is a printout of an e-mail chain that**  
25 **your representatives provided to us in discovery.**