



CLOSING ARGUMENT OF DONALD TRUMP, JR. AND ERIC TRUMP

People of the State of New York v. Donald J. Trump, et al.

January 11, 2024

ROBERT & ROBERT PLLC
LAW OFFICES

3328

1 MR. AMER: Your Honor, I move to admit this into

20 A I think where we're getting tripped up is I clearly

21 understood that I sent notes to Jeff McConney. I worked with

22 him almost every single day. What's maybe not registering is

23 the difference between sending him things that were used for

24 financials and things that were used for a Statement of

25 Financial Condition. Somebody from accounting would ask me

1 something, they'd ask me details of a project and I would

2 respond. I don't think it ever registered that it was for a

3 personal Statement of Financial Condition. It was just a detail

4 that was irrelevant to me.

23 the difference between sending him things that were used for

24 financials and things that were used for a Statement of

25 Financial Condition. Somebody from accounting would ask me

23 1112. The court officer will hand you a copy

24 because it's already in evidence.

25 Q You'll see that this is an e-mail to you from

JCL

JCL

D. Trump, Jr. - Plaintiff - direct (Faherty)

3213

1 A I don't specifically recall, ma'am.
2 Q Would there have been a contract that was signed with
3 whatever the third party was?
4 A Of course.
5 Q Any other way in which you may have reflected that
6 there were confirmed deals whether they were management or

21 Q Did you ever perform work on the Donald J. Trump
22 Statement of Financial Condition for any year?
23 A Not that I recall, no.
24 Q No specific knowledge, sir?
25 A No.

19 Q Did you ever perform work on --
20 MS. FAHERTY: Excuse me, your honor.
21 Q Did you ever perform work on the Donald J. Trump
22 Statement of Financial Condition for any year?
23 A Not that I recall, no.
24 Q No specific knowledge, sir?
25 A No.

JCL

9	Q	I had asked you if you had had any meeting with Eric	
10		Trump that discussed the Statement of Financial Condition.	
11	A	No, I did not.	

C. Harris - Direct by Mr. Gaber485

1QHow about generally?

2AWho?

3QMr. Eric Trump. Did you have meetings with Mr. Eric

4Trump regarding other engagements?

5AOther engagements, yes.

6QBut you had no other meetings that included you

7discussing the Statement of Financial Condition?

8QYes?

9AYes.

10QThe Statements of Financial Condition have been

11discussed at any of those annual meetings?

12ANo, they were not.

13QYou sure about that?

14AOur first meeting took place subsequent to the

15issuance of the Statement of Financial Condition.

16QMr. Harris, do you remember giving a deposition in May

17of this year?

18AYes.

Lisa Jasey - Senior Court Reporter

C. Harris - Direct by Mr. Gaber 458

1 So, does this refresh your recollection as to whether
2 those annual meetings discussed the Statement of Financial
3 Condition?
4 MR. ROBERT: Objection, your Honor.

19 So, while not specifically, did you have any meetings
20 in which the Statement of Financial Condition would be a part of
21 the discussion?

22 A I did not have any meetings with Donald Trump, Jr. or
23 Eric Trump in regards to the Statement of Financial Condition.

18 And then, the question that I just read out:
19 So, while not specifically, did you have any meetings
20 in which the Statement of Financial Condition would be a part of
21 the discussion?
22 A I did not have any meetings with Donald Trump, Jr. or
23 Eric Trump in regards to the Statement of Financial Condition.
24 Q So, when you testified that at the annual meeting that
25 you had that goes through all the engagements, which the

Lisa Casey - Senior Court Reporter

D. Bender - Cross/Suarez

526

1 after it was issued, correct?

2 A No, sir, it did not.

3 Q Mr. Bender, you never spoke with Eric Trump about his
4 father's Statement of Financial Condition, correct?

5 A I may have had -- nothing with the actual
6 compilation of the report.

7 Q What does that mean?

3 Q Mr. Bender, you never spoke with Eric Trump about his
4 father's Statement of Financial Condition, correct?

5 A I may have had -- nothing with the actual
6 compilation of the report.

18 Q How many years ago, Mr. Bender?

19 A I know within the last ten years.

20 Q Within the last ten years?

21 A Yes.

22 Q All right. Can we bring up-- do you recall having a
23 discussion with me about this at your deposition, Mr. Bender?

24 A I do not recall that.

25 Q Would it be helpful to refresh your recollection if I

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A. WEISSELBERG - DIRECT(MR. SOLOMON)

845

1 represented to Mazars --
2 A Or third parties were utilized to get information that
3 then our in-house folks would then take and prepare -- be able
4 to arrive at a valuation.
5 Q You told me a second ago that "I'm referring to the
6 people at the Trump Organization." It is now larger?

13 Q Did you rely on Eric Trump?

14 A No.

15 Q Not at all for any of the information contained in the
16 Statements of Financial Condition?

17 A Not me personally, no.

19 to give you information?
20 A It's possible. I just don't recall.
21 Q Donald J. Trump, Jr.?
22 A I don't recall.
23 Q Donald Trump?
24 A Not that I can recall.
25 Q Who do you recall beyond those people that I just

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1 could sell for. And, you know, Eric loved this project. He
2 thought it was very special. I didn't disagree with him. I
3 think it's a very unique project and it would definitely appeal
4 to the high-end buyer interested in, you know, low rise attached
5 housing with the amenities that this project might offer.

6 So he shared his thoughts. He thought it was very
7 special and unique. And at the time that \$1,000 per square foot
8 price point was what he thought was reasonable, you know, and
9 I'm perfectly willing to listen. I think it's -- owners are a
10 great source of information, but ultimately, you know, I have to
11 come up with my own conclusions.

importantly, you know, we ended up speaking about what they

25

JCL

JCL

6Q Would you agree that as an owner of the property, Mr.
7Trump, Eric Trump is entitled to have his view?
8A Yes. We always seek out an opinion. It's fair to
9obtain their input.

15just a piece of information that went into your overall analysis
16for these --
17MR. GABER: This is going beyond the scope of the
18direct at this point and so I'm just wondering if they're
19taking Mr. McArdle for their case at this point out of turn
20or what's going on.
21MR. FIELDS: We can. I was just going to ask him
22about the Seven Springs conservation easement appraisal.
23THE COURT: Is it outside the scope of direct and
24if so, are you addressing him as your witness?
25MR. FIELDS: Well --
ncr

1 Q And you never discussed the SOFC with Eric Trump, did
2 you?
3 A Not that I recall.
4 Q And you never discussed the SOFC with Ivanka Trump
5 either, did you?
6 A Not that I recall.

1	Q	And you never discussed the SOFC with Eric Trump, did
2		you?
3	A	Not that I recall.

16 A I don't
17 know.
18 Q Not because it's already on the document. If we go
19 just to the page.
20 Q Do you see at the bottom where it says "Note: none of
21 essential," that is, I need for me when that number is
22 A 0, 000, 000, 000.
23 Q Right. And that number is meant to reflect President
24 Trump's financial status as of June 30, 2018, correct?
25 A Correct.

E. TRUMP - PLAINTIFF - DIRECT(MR. AMER)

3437

1 A If it saves this Court time, absolutely.

17 Q And when you executed these three certifications, you
18 intended the bank to rely on the certifications; isn't that
19 right?

20 A I don't know what the bank does with the
21 certifications. I certified something that I believe was
22 accurate and my lawyers told me that it was accurate and our
23 financial people told me it was accurate and that's absolutely
24 accurate. As to what Deutsche Bank does with a piece of paper
25 like this, I have no idea.

21 certifications. I certified something that I believe was
22 accurate and my lawyers told me that it was accurate and our
23 financial people told me it was accurate and that's absolutely
24 accurate. As to what Deutsche Bank does with a piece of paper
25 like this, I have no idea.

ncr

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8 Q Now, we've just looked at three certifications you
9 signed stating that your father's 2021 Statement of Financial
10 Condition presents fairly in all material respects the financial
11 condition of your father as of June 30, 2021.

12 Can you tell us what, if anything, you did to ascertain
13 that the 2021 Statement of Financial Condition in fact presents
14 fairly all material -- in all material respects the financial
15 condition of your father as of June 30, 2021?

16 A I relied on a very big accounting office. I relied on
17 one of the biggest accounting firms in the country. And I
18 relied on a great legal team and when they gave me comfort that
19 the statement was perfect, I was more than happy to execute it.

20 Q Did you personally review any of the methodologies used
21 to value any of the assets in the 2021 Statement of Financial
22 Condition, yes or no?

23 A No.

COMPLIANCE CERTIFICATE

[FOR TWELVE MONTH PERIOD ENDED JUNE 30, 2021]

DATE: October 28, 2021

The foregoing presents fairly in all material respects the financial condition of Guarantor at the period presented.

Compliance Certificate as of the

This certificate is delivered under the understanding that it may be amended, supplemented, renewed, extended, replaced, or restated from time to time by the Guarantor. The Guarantor hereby certifies that the information contained herein is true and correct as of the date hereof. Capitalized terms not defined herein shall have the meanings ascribed to them in the Loan Agreement and the Guaranty, as the case may be.

The undersigned Guarantor hereby certifies to Lender that the information contained herein is true and correct as of the date hereof.

Financial Information. As applicable (please check applicable boxes):

- ☐ The foregoing is Guarantor's Statement of Financial Condition as of June 30, 2021 (Section 11(A) of the Guaranty).
- ☐ The foregoing is Guarantor's Schedule of Contingent Liabilities as of June 30, 2021 (Section 11(B) of the Guaranty).
- ☐ The foregoing is Guarantor's Excess Revenue over Disbursement Schedule as of June 30, 2021 (Section 11(C) of the Guaranty).

The foregoing presents fairly in all material respects the financial condition of Guarantor at the period presented.

2. Intentionally Omitted.

3. Intentionally Omitted.

4. Net Worth of Guarantor. In respect of Section 10(m) of the Guaranty, to the best of Guarantor's current knowledge and information, and Guarantor currently not being aware of facts, circumstances or events that, individually or in the aggregate, establish the contrary conclusion, the "Net Worth" of Guarantor for the period ending on June 30, 2021, is not less than (x) Two Billion Five Hundred Million Dollars (\$2,500,000,000) times (y) the applicable Step-Down Percentage on the date hereof.

5. Guarantor knows of no Event of Default which would need to be disclosed pursuant to Section 11(d)(1) of the Guaranty that has occurred and is continuing, except as set forth below:

"None"

1

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6. All of the representations and warranties made by Guarantor under Section 9(a) (vi) and Section 9(i)(i)-(ix)(i) of the Guaranty remain true and correct in all material respects as of the date hereof, with the same force and effect as if made on and as of such date, except (i) as previously disclosed to Lender in writing, (ii) as to such representations and warranties which specifically relate to an earlier date, in which case they shall be true and correct in all material respects as of such date, or (iii) as set forth below:

GUARANTOR:

Donald J. Trump by Eric Trump, as attorney in fact

2

D. Trump, Jr. - Plaintiff - direct (Faherty)

3156

1 A I have not, no.
2 Q Okay. So I'm going to ask a series of questions
3 related to GAAP. I'm sure we'll move through quickly, but I
4 just want to just confirm some of your knowledge with regards to
5 GAAP.
6 Is it fair to say based on your testimony that you're
7 not familiar with how revenue is recognized in accordance with
8 GAAP?

13 THE WITNESS: Yes, I know nothing about GAAP in
14 terms of that capacity and I'll leave it to my accountants.
15 That's why we have Big 5 CPA firms to do all of that.

17 GAAP and how GAAP would be applied your answer would
18 consistently be "I have no such knowledge?"
19 A That's correct.
20 Q Thank you.
21 Are you familiar with the Financial Accounting
22 Standards Board or FASB otherwise referred to as FASB?
23 A Not to my recollection, no.
24 Q No specification understanding as to its function or
25 its work?

JCL

C. Harris - Direct by Mr. Gaber 458

1 So, does this refresh your recollection as to whether
2 those annual meetings discussed the Statement of Financial
3 Condition?
4 MR. ROBERT: Objection, your Honor.

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20 in which the Statement of Financial Condition would be a part of
21 the discussion?

22 A I did not have any meetings with Donald Trump, Jr. or
23 Eric Trump in regards to the Statement of Financial Condition.

18 And then, the question that I just read out:
19 So, while not specifically, did you have any meetings
20 in which the Statement of Financial Condition would be a part of
21 the discussion?
22 A I did not have any meetings with Donald Trump, Jr. or
23 Eric Trump in regards to the Statement of Financial Condition.
24 Q So, when you testified that at the annual meeting that
25 you had that goes through all the engagements, which the

Lisa Casey - Senior Court Reporter

D. Bender - Cross/Suarez

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1 showed you a clip from your deposition transcript?
2 A You can show me a clip.
3 MR. SUAREZ: Please play transcript 237, page
4 237 line 7 to 238 line 18.
5 (Video played.)
6 Q Why is it that you have any better recollection
7 today, Mr. Bender?

23 Q Mr. Bender, did you ever speak with Donald Trump, Jr.
24 about his Statement of Financial Condition?
25 A Not that I recall.

16 A The issue was resolved. I don't remember what the
17 issue was.
18 Q Whatever the issue was, it was resolved to your
19 satisfaction?
20 A Yes, sir.
21 Q An issue that you can't remember what it was?
22 A Yes, sir.
23 Q Mr. Bender, did you ever speak with Donald Trump, Jr.
24 about his Statement of Financial Condition?
25 A Not that I recall.

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Q What, if anything, did he do, to your knowledge, to

7

determine the estimated current value?

8

A I don't believe he did anything. It was -- it was

9

done by the same people that did it for 25 years.

15

A People meaning --

16

Q Meaning the ones you relied upon.

17

A Jeffrey McConney and Patrick Birney?

18

Q Yes.

19

A Yes.

20

Q Do you know if he relied upon the same people you

21

relied upon?

22

A I believe he did, yes.

23

Q Are those the associates that are referred to in this

24

description in the notes?

25

A Along with others that may have worked with Jeff and

ncr

A. WEISSELBERG - DIRECT (MR. SOLOMON)

965

1 Patrick. There were people that got other information as I
2 mentioned earlier this morning. Different parts of the
3 statements were done by different people, so not just Jeff and
4 Patrick, but it could have been some other people that submit
5 information that Jeff and Patrick needed in order to finish the
6 statement such as cash balances and things of that nature.
7 Q Did you discuss the Statement of Financial Condition
8 before it was finalized with Donald Trump, Jr. for the years
9 when you were both trustees?

20 Q Did you tell Donald Trump, Jr. during the time you were
21 both trustees how the values were calculated?
22 A Not that I can remember.

17 Q Was it -- was that explanation ever given or
18 description ever given in your presence?
19 A Not in my presence, no.
20 Q Did you tell Donald Trump, Jr. during the time you were
21 both trustees how the values were calculated?
22 A Not that I can remember.
23 Q Do you know if Mr. McConney ever provided a copy of his
24 supporting data spreadsheet to Donald Trump, Jr. when Mr. Trump
25 was a trustee?

ncr

1 A That's what I stated.

2 Q Okay. And you never discussed the Statement of
3 Financial Conditions with Donald Trump Jr. did you?

4 A Not that I recall.

5 (Continued on the next page.)
6
7

2 Q Okay. And you never discussed the Statement of
3 Financial Conditions with Donald Trump Jr. did you?

4 A Not that I recall.

18

19

20

21

22

23

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ncr

	3238		3239
1 That	25	Q Did you take any steps to assure yourself of this	
2			think we
3	1	certification?	evant parties;
4 Trump	2	A As with all of the certifications, as I think we	am and/or
5			ing that is in
6	3	discussed yesterday, I would have sat with the relevant parties;	with our
7 corre			are met as it
8	4	namely, in accounting, whether that's the Trump team and/or	and if they
9	5	Donald Bender. I would have asked them if everything that is in	gs were fine,
10			cordingly.
11	6	here is correct. I would have likely also checked with our	fication, sir?
12 The			me time and
13 date	7	legal department to make sure that the conditions are met as it	fications
14 finan			time as a
15 appli	8	relates to anything I would sign for Deutsche Bank and if they	
16	9	assured me in their expert opinion that these things were fine,	rticular
17 heret			
18 June	10	I would have been fine with that and signed off accordingly.	
19 are t			tion as to
20	11	Q Is that specific to this particular certification, sir?	
21			would have
22 maten	12	A Well, I think I probably would save us some time and	no are the
23 the p			se things down
24	13	say that's probably specific to all of these certifications	e it is okay
25	14	because I'm sure I've signed dozens of these in my time as a	ropriate
	15	trustee.	

Donald J. Trump
725 Fifth Avenue
New York, NY 10022

October 31, 2017

4. Net Worth of Guarantor. In respect of Section 10(iii) of the Guaranty, the "Net Worth" of Guarantor for the period ending on June 30, is not less than (x) Two Billion Five Hundred Million (\$2,500,000,000) Dollars times (y) the applicable Step-Down Percentage on the date hereof.

5. Guarantor knows of no Event of Default which would need to be disclosed pursuant to Section 11(iii) of the Guaranty that has occurred and is continuing, except as set forth below:

"None"

6. All of the representations and warranties made by Guarantor under Section 9(i)-(vi) and Section

The foregoing presents fairly in all material respects the financial condition of Guarantor at the period presented.

This certificate is delivered under the Guaranty (as amended, supplemented, renewed, extended, replaced, or restated from time to time) of Guarantor to the Lender, dated as of June 11, 2012, and given by Guarantor. All capitalized terms not defined herein shall have the meanings assigned to them in the Guaranty, as the case may be.

Guarantor hereby certifies to Lender as of the date hereof (the "Date"):

Information. As applicable (please check applicable box below):

- ☐ There is Guarantor's Statement of Financial Condition as of June 30, 2017 (the "Statement").
- ☐ There is Guarantor's Schedule of Contingent Liabilities as of June 30, 2017 (the "Schedule").
- ☐ There is Guarantor's Excess Revenue over Disbursement Schedule for the period ending on June 30, 2017 (Section 11(C) of the Guaranty).

The foregoing presents fairly in all material respects the financial condition of Guarantor at the period presented.

2. Unencumbered Liquid Assets of Guarantor. In respect of Section 10(i) of the Guaranty, Guarantor's Unencumbered Liquid Assets at all times was, and as of the last day of the semi-annual period ending on June 30, 2017 is not less than (x) Fifty Million Dollars (\$50,000,000) times (y) the applicable Step-Down Percentage on the date hereof.

3. Debt. In respect of Section 10(ii) of the Guaranty, Guarantor's Debt does not exceed the requirements thereof.

IN WITNESS WHEREOF, Guarantor has executed this Compliance Certificate as of the date set forth above.

GUARANTOR:

Donald J. Trump by Donald J. Trump Jr., as attorney in fact

VERIFICATION

Kevin Wallace, an Attorney admitted to the Bar of this State, hereby affirms and certifies
that:

proceeding. I am duly authorized to make this verification and am acquainted with the facts in
this matter.

2. I have read the annexed verified complaint, know the contents thereof, and state that the
same are true to my knowledge, except for those matters alleged to be upon information and
belief, and as to those matters, I believe them to be true.

176. But Mr. Larson denies the conversation ever happened and insists it is not advice he would have ever given. In particular, Mr. Larson testified that the method used by the Trump Organization “doesn’t make any sense,” that it was “very unlikely” he ever conveyed such advice, that an assertion that he provided such advice in a conversation was inaccurate. Mr.

177. Additionally, the date of the purported conversation shifted over time, casting further doubt on the Trump Organization’s contention it received such advice from Mr. Larson. The supporting data for the 2013 and 2014 Statement represent that the purported conversation with Mr. Larson occurred on September 17, 2013. The supporting data for the 2016 Statement makes no mention of a conversation in 2013, and instead describes an identical telephone conversation with Mr. Larson on September 17, 2016 – three years to the day from the purported call in 2013. The supporting data for the 2017 Statement does not mention any conversation with Mr. Larson in 2016, and instead reverts back to September 17, 2013, as the purported date for the discussion. And the supporting data for the 2018 Statement describes in identical language a telephone conversation with Mr. Larson purportedly on September 14, 2018.

inappropriate, as Mr. Larson confirmed to OAG. A determination of an appropriate capitalization rate should involve considering market information, the spreads between capitalization rates on

NIKETOWN

Rental income due for 2014/2015	
July 2014 - June 2015 @ \$883.712/month	10,844.544
Annual "Operating Charge" income	500.000
2014 percentage rent received March 2015	645.312
Rental income	11,749.856
Less: Ground rent 2014/2015	

Minshoff
2/1/2014 to 1/31/2015 - \$1,557,697/year (\$126,808/month x 7 months) July 2014 - Jan 2015
2/1/2015 to 1/31/2016 - \$1,604,706/year (\$133,725/month x 5 months) Feb 2015 - June 2015

Landell
Ground rent expense
NOI
Cap Rate
Value

Rental income due for 2015/2016	
July 2015 - May 2016 @ \$883.712/month	
June 2016 @ \$956.827/month	
Annual "Operating Charge" income	
2015 percentage rent received March 2016	
Rental income	
Less: Ground rent 2015/2016	

Minshoff
2/1/2015 to 1/31/2016 - \$1,604,706/year (\$133,725/month x 7 months) July 2015 - Jan 2016
2/1/2016 to 1/31/2017 - \$1,652,847/year (\$137,737/month x 5 months) Feb 2016 - June 2016

Landell
1/1/2012 to 12/31/2015 - \$400,000/year (\$33,333/month x 6 months)
1/1/2016 to 12/31/2020 - \$450,000/year (\$37,500/month x 6 months)
Ground rent expense
NOI
Cap Rate
Value

Cap Rate
6/30/2016-Per 9/17/2013 telephone conversation with Doug Larsen of Cushman & Wakefield cap rates for retail properties in upscale areas like Times Square and the Fifth Avenue area are usually almost 60 basis points lower than office space. To be conservative we reduced the cap rate used on Trump Tower by 50 basis points to arrive at the cap rate used for NIKETOWN.

6/30/2015-10/25/15 email from Kurt Clauss of Cushman & Wakefield reflects a cap rate on the sale of the Crown Building of 1.56%. Since this cap is for a property on Fifth Avenue, and there weren't any other comps in the area, we used the average of this cap rate (1.56%) and the cap rate we used last year of 2.63%

Donald J Trump
Statement of Financial Condition
As of June 30, 2016

Cap Rate

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6/30/2015-10/26/15 email from Kurt Clauss of Cushman & Wakefield reflects a cap rate on the sale of the Crown Building of 1.56%. Since this cap is for a property on Fifth Avenue, and there weren't any other comps in the area, we used the average of this cap rate (1.56%) and the cap rate we used last year of 2.63%

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3/1/2017

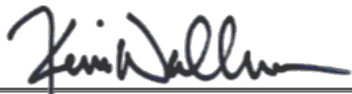
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Respectfully submitted,

LETITIA JAMES
Attorney General of the State of New York

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