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Top Legal Experts to NY Attorney General: Revoke the Trump Organization's Charter

Free Speech for People demands investigation into President's unconstitutional conflicts of interest and dissolution of Trump Organization

(New York, NY) - Free Speech for People (FSFP), a non-partisan legal advocacy organization, today delivered a letter to New York State Attorney General Eric Schneiderman demanding he investigate whether to revoke the charter of The Trump Organization, Inc. due to the President's ownership stake in the corporation and its history of illegal activity. Unlike existing legal actions against the President's conflicts of interest, the legal strategy FSFP unveiled today is based on Attorney General Schneiderman's power and legal precedent to pursue this investigation in New York state court without permission from Congress or any other arm of the federal government.

"The President's continued ownership stake in the Trump Organization poses a grave threat to our Constitution and our country. Attorney General Schneiderman needs to investigate the Trump Organization's corrupt involvement in the President's self-enrichment scheme, and whether to dissolve the company and revoke its corporate charter," said Ron Fein, Legal Director for Free Speech For People. "The Attorney General of New York does not need Congress to pursue this investigation. He does not need the state legislature. Right now, he can use the power the people of New York have vested in him to ensure that the President is not above the law."

According to Section 1101 of New York's Business Corporation Law, the Attorney General is empowered to dissolve a corporation and revoke its charter if that corporation abuses or exceeds its legal authority. As the letter details, the Trump Organization—which is incorporated and headquartered in New York—is subject to this process due to its continued entanglement in presidential corruption and ethics violations in violation of New York public policy and the U.S. Constitution, as well as its pattern of allegedly fraudulent and illegal business activity. The Trump Organization—the nerve center for an empire of about 500 affiliated corporations and LLCs that own Trump's empire of hotels, golf courses, and other properties—could be placed in receivership by a state judge if the Attorney General pursues an investigation into revoking the corporation's charter.

The <u>letter</u> is also being made available to the public on FSFP's website. FSFP is encouraging members of the public to sign a petition urging the Attorney General to pursue this investigation, and to contact his office to voice support: https://freespeechforpeople.org/revoke-trump-charter/.

"President Trump's unprecedented corruption of the Oval Office abuses the public trust and directly violates the U.S. Constitution," said John Bonifaz, the Co-Founder and President of Free Speech for People. "We urge the New York Attorney General to initiate this investigation, and we urge people across the country to join us in this campaign to hold the Trump Organization accountable under the law."

In their letter, Free Speech for People lays out a two-part legal argument for why the Trump Organization is acting in excess and abuse of the law, and why the Attorney General should investigate revoking its charter:

- 1. By continuing to operate under Trump family ownership and control while President Trump is in the White House, the Trump Organization flagrantly abuses its stategranted powers, violating the public policies of New York State against corruption and conflicts of interest, and violating the U.S. Constitution, including the Foreign Emoluments Clause and the Domestic Emoluments Clause. The Trump Organization and the President have consistently failed to take the necessary measures to comply with the law, such as placing the President's controlling interest in a blind trust.
- 2. The Trump Organization has a documented history of alleged illegal, fraudulent, and abusive activity—including racial discrimination in housing, fraud against customers and investors, and violations of labor law and campaign finance law—demonstrating that it is acting outside its legal authority.

"New York's law is clear: A corporation forfeits its charter when its business is persistently fraudulent or violates the public policy of the state—and the Trump Organization is quite clearly failing on both of these counts," said Jonathan Abady, counsel for Free Speech for People and founding partner of Emery Celli Brinckerhoff & Abady. "The case we lay out is one grounded in state and Constitutional law, and based on the public and documented statements and behavior of Donald Trump and the Trump Organization. We are confident that the Attorney General will give this matter careful consideration and come to the same conclusions we did."

"Never in our nation's history, until now, has a business corporation been effectively merged with the presidency of the United States to enable the President and his family to use the presidency to enrich themselves," said Ben Clements, counsel to Free Speech for People and Chairman of its Board of Directors. "The use of the Trump Organization to facilitate this corruption and continuous violations of the United States Constitution is contrary to New York law and it is incumbent on the Attorney General to investigate and take appropriate action."

The Attorney General of New York has had the power to revoke corporate charters for more than a century. For example, in 1994, the Attorney General successfully brought suit to compel the judicial dissolution of a for-profit business school network that had conducted its business in a persistently illegal manner and contrary to public policy.

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Free Speech for People is a non-profit, non-partisan legal advocacy organization that works to renew our democracy and our United States Constitution for we the people, not big money and corporate interests. For more information, visit: www.freespeechforpeople.org.