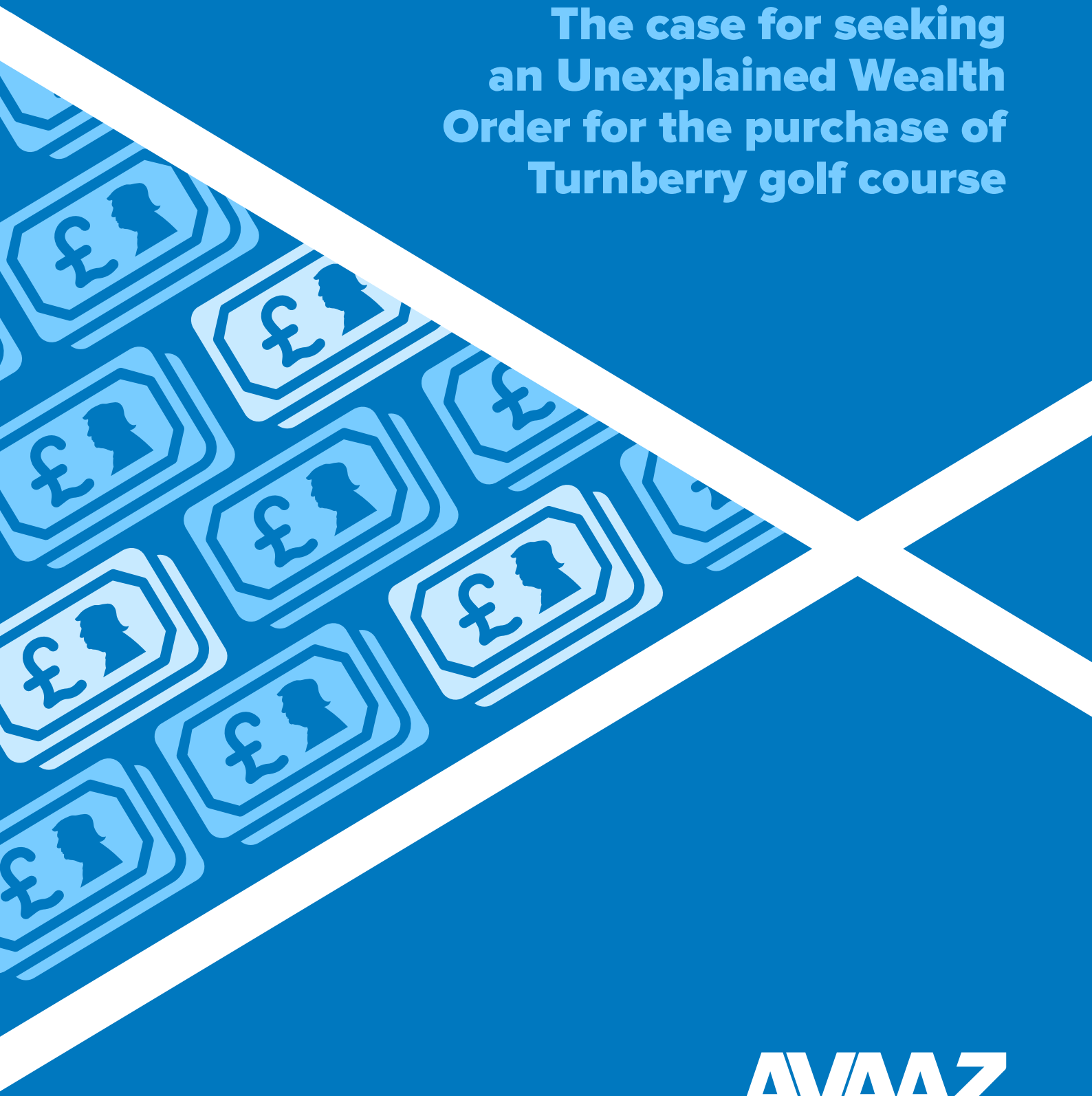


DONALD TRUMP'S \$60M SCOTTISH QUESTION

**The case for seeking
an Unexplained Wealth
Order for the purchase of
Turnberry golf course**



AVAAZ

TABLE OF CONTENTS

Scottish Ministers should seek an Unexplained Wealth Order for Turnberry golf course	3
Unexplained Wealth Orders: An Essential Tool for Combating Money Laundering	7
A case of unexplained wealth: Mr Trump's purchase of Turnberry	9
Balmedie: The prequel to the unexplained wealth behind the Turnberry deal	10
Turnberry: Mr Trump's \$60 million Scottish question	12
Further evidence of questionable cash sources for the Turnberry deal	14
Mr Trump's Scottish courses probed by the US Congress	14
Timeline 2004 - 2016: A Timeline of bankruptcy, loan denials, and unexplained wealth	16
The Russian connection	26
The need for Scotland to act	28
APPENDIX: Ownership structure for Turnberry and Balmedie	29
TURNBERRY	29
BALMEDIE	29
About the authors	30

SCOTTISH MINISTERS SHOULD SEEK AN UNEXPLAINED WEALTH ORDER FOR TURNBERRY GOLF COURSE

The following document was produced by the global civic movement, Avaaz, with the input of Bryan Heaney of Westwater Advocates. It outlines both the need to launch an Unexplained Wealth Order (UWO) investigation into Donald Trump's all-cash purchase of Turnberry golf course, as well as a legal analysis of why a UWO is appropriate in this instance. It also includes a timeline of key facts that provide the context for this proposal and warrant further investigation.

The UWO is a new investigative power crucially designed to enable the Scottish government to root out corruption and strengthen accountability, in particular when it comes to "politically exposed persons", including heads of state. The order requires these persons to explain the source of income they used to purchase property when there are reasonable grounds to suspect that "*the known sources of [their] lawfully obtained income would have been insufficient to obtain the property*".

As we set out below, ongoing investigations by the US Department of Justice Office of Special Counsel, the US Congress, and others have unearthed a wealth of evidence tying Mr Trump to alleged financial misconduct, including opening questions about Mr Trump's financial dealings in Scotland and other international jurisdictions. These findings establish more than enough reasonable suspicion as to the nature of Mr Trump's cash payments for the Turnberry golf resort to justify Scottish Ministers' application for a UWO to investigate the matter. Indeed, without a UWO, in the eyes of the public there will remain suspicion that one of Scotland's most iconic golf courses was, in fact, purchased with proceeds of a global money laundering scheme.

Scottish Ministers cannot afford to compromise the sanctity of the rule of law and allow Mr Trump and his associates to undermine Scottish institutions. The implications of overlooking the obvious gaps in the funding of the Turnberry purchase are not simply a matter of Scottish national interest, but of global proportions. Money laundering is an international threat leaving in its wake countless victims of robbery, embezzlement, fraud, drug-dealing, sex-trafficking and terrorism. A failure to act risks the country being seen as a safe haven for the proceeds of crime, especially when Scottish Ministers have both the power and the responsibility to investigate here.

The Context: The US Investigation and Mr Trump's serious financial misconduct

While the investigation done by the Department of Justice's Special Counsel, Robert Mueller, did not find collusion between the Trump election campaign and the Russian State, what they did uncover was serious financial misconduct among Mr Trump's inner circle occurring at the same time as Mr Trump's purchase of both Balmedie and Turnberry golf resorts.^{1 & 2}

As a result of Mr Mueller's inquiry, Mr Trump's former campaign manager has pleaded guilty to money laundering;³ his former deputy campaign manager to conspiring to defraud the United States;⁴ and his personal lawyer to eight criminal counts including campaign finance violations and tax fraud.⁵

It is believed that Mr Mueller also looked closely at accusations of money laundering within Bayrock Group LLC — one of Mr Trump's key business partners of the past 15 years.⁶ In addition, on October 2, *The New York Times* released an investigation into tax schemes pursued by Mr Trump that indicate massive tax evasion and outright fraud within the United States.⁷

In late 2017, it was also reported that Deutsche Bank, Mr Trump's primary lender, provided records to the Mueller investigation after a subpoena was issued for documents concerning people or entities affiliated with Mr Trump.⁸ Deutsche Bank⁹ is itself implicated in multiple money laundering scandals.¹⁰ In January 2017,

1 (1) "Timeline of Mueller probe of Trump campaign and Russia" (Reuters) <https://www.reuters.com/article/us-usa-trump-russia-timeline/timeline-of-mueller-probe-of-trump-campaign-and-russia-idUSKBN1HH395>; (2) "The giant timeline of everything Russia, Trump and the investigations" (PBS) <https://www.pbs.org/newshour/features/russia-timeline/>

2 (1) "Donald Trump: 'worst hour' for president as Manafort and Cohen guilty" (The Guardian)

<https://www.theguardian.com/us-news/2018/aug/22/worst-hour-for-trump-after-convictions-for-manafort-and-cohen>;

(2) United States of America v. Paul J. Manafort Jr, and Richard W. Gates III Indictment <https://www.documentcloud.org/documents/4163363-Manafort-Gates-Indictment.html>; (3) "All of Robert Mueller's indictments and plea deals in the Russia investigation so far. That we know of."

<https://www.vox.com/policy-and-politics/2018/2/20/17031772/mueller-indictments-grand-jury>

3 "Paul Manafort pleads guilty and agrees to cooperate with Mueller investigation" (CNN)

<https://edition.cnn.com/2018/09/14/politics/paul-manafort-guilty-plea/index.html>

4 "Former Trump campaign official Rick Gates pleads guilty to 2 charges" (The Washington Post) https://www.washingtonpost.com/politics/former-trump-campaign-official-rick-gates-expected-to-plead-guilty-and-cooperate-with-special-counsel-in-probe-of-russian-election-interference/2018/02/23/ceaaeac8-16b4-11e8-b681-2d4d462a1921_story.html?utm_term=.5b9c6c121b85

5 "Catastrophic day for Trump: Former campaign boss Paul Manafort and former lawyer Michael Cohen are now both felons" (CNBC)

<https://www.cnbc.com/2018/08/21/catastrophic-day-for-trump-paul-manafort-michael-cohen-are-felons.html>

6 (1) "Why Robert Mueller has Trump SoHo in his Sights" (Vanity Fair) <https://www.vanityfair.com/news/2017/08/why-robert-mueller-has-trump-soho-in-his-sights>; (2) "Donald Trump exclusive: Russian mob-linked fraudster a 'key player' in presidential hopeful's business ventures" (The Telegraph)

<https://www.telegraph.co.uk/news/2016/05/26/exclusive-russian-mob-linked-fraudster-a-key-player-in-donald-tr/>

7 "Trump Engaged in Suspect Tax Schemes as He Reaped Riches From His Father" (The New York Times) <https://www.nytimes.com/interactive/2018/10/02/us/politics/donald-trump-tax-schemes-fred-trump.html>

8 (1) "Deutsche Bank records said to be subpoenaed by Mueller" (Bloomberg) <https://www.bloomberg.com/news/articles/2017-12-05/deutsche-bank-said-to-be-subpoenaed-by-mueller>; (2) "Yes, Deutsche Bank did get a subpoena from Mueller" (Handelsblatt Global) <https://global.handelsblatt.com/finance/yes-deutsche-bank-did-get-a-subpoena-from-mueller-861828>; (3) "Prosecutors Examine Loan Made to Kushner Cos. Before Election" (Wall Street Journal) <https://www.wsj.com/articles/prosecutors-examine-loan-made-to-kushner-cos-before-election-1514003541>

9 "Deutsche Bank hands bank records of Trump affiliates to Robert Mueller" (The Guardian) <https://www.theguardian.com/us-news/2017/dec/05/donald-trump-bank-records-handed-over-robert-mueller>

10 "Deutsche Bank fined \$630m over Russia money laundering claims" (The Guardian)

<https://www.theguardian.com/business/2017/jan/31/deutsche-bank-fined-630m-over-russia-money-laundering-claims>

the giant German lender was hit with a \$425 million penalty in the US and £163 million (\$204 million) penalty by the UK Financial Conduct Authority over a \$10 billion Russian money-laundering scheme that involved its Moscow, New York and London branches—this occurred during a period when the bank was providing loans to Mr Trump. The US Federal Reserve is also investigating Deutsche Bank's potential role in the newly revealed €230 billion Danske Bank Russian money laundering scandal.¹¹

Mr Trump's Scottish purchases have also been probed by the US House of Representative's Permanent Select Committee on Intelligence.¹² In sworn testimony by Glenn Simpson, co-founder of Fusion GPS, a commercial research and strategic intelligence firm, Simpson said:¹³ *"I think we saw patterns of buying and selling that we thought were suggestive of money laundering... The other [deal] that is — was concerning to us — is the golf courses in Scotland and Ireland."*

Donald Trump's \$400M spending spree

Mr Trump acquired Turnberry golf course in April 2014 at the end of an unusual "cash buying spree" of five houses, eight golf courses, and a winery totaling over \$400 million.¹⁴ The cash purchases began with a \$12.6 million estate in Scotland in 2006. Turnberry, at a reported £35.7 million¹⁵ (around \$60 million at the time), was the largest purchase at this time.¹⁶

The Turnberry acquisition fits within a larger pattern of Mr Trump increasingly concentrating his business in an industry notoriously accessible to money laundering: real estate — including casinos, condominiums, and golf courses.¹⁷ In addition, many of these activities have been in locations highly conducive to money laundering, such as Panama and the former Soviet Union,¹⁸ and were also with people who bear the key hallmarks of money launderers.¹⁹

¹¹ "Deutsche Bank Is Said to Be Drawn Deeper Into Danske Scandal" (Bloomberg)

<https://www.bloomberg.com/news/articles/2018-11-19/danske-whistleblower-points-finger-at-deutsche-bank-in-testimony>

¹² Mr Simpson's full testimony is available here - <https://docs.house.gov/meetings/IG/IG00/20180118/106796/HMTG-115-IG00-20180118-SD002.pdf>

¹³ Ibid.

¹⁴ "As the 'King of Debt,' Trump borrowed to build his empire. Then he began spending hundreds of millions in cash." (The Washington Post) https://www.washingtonpost.com/politics/as-the-king-of-debt-trump-borrowed-to-build-his-empire-then-he-began-spending-hundreds-of-millions-in-cash/2018/05/05/28fe54b4-44c4-11e8-8569-26fda6b404c7_story.html

¹⁵ "Donald Trump buys classic Open venue Turnberry for bargain price of £35.7m" (The Telegraph) <https://www.telegraph.co.uk/sport/golf/10797218/Donald-Trump-buys-classic-Open-venue-Turnberry-for-bargain-price-of-35.7m.html>

¹⁶ Throughout this briefing, we use currencies as originally reported, so as to avoid inaccuracies from anachronistic currency conversions.

¹⁷ "Senators Seek Probe of Money Laundering in Real-Estate Market" (Wall Street Journal) <https://www.wsj.com/articles/senators-seek-probe-of-money-laundering-in-real-estate-market-1538599514>

¹⁸ (1) "Panama Papers: Why is money laundering so easy in Panama?" (Independent) <https://www.independent.co.uk/news/world/americas/panama-papers-why-is-money-laundering-so-easy-in-panama-a6968666.html>; and (2) "The Post-Soviet

States Money-Laundering Case Studies" (Compliance Alert) <http://calert.info/details.php?id=1306>

¹⁹ (1) "Steppe to Soho: How Millions Linked to Kazakhstan Mega-Fraud Case Ended up in Trump Property" (OCCRP) <https://www.occrp.org/en/investigations/8248-steppe-to-soho-how-millions-linked-to-kazakhstan-mega-fraud-case-ended-up-in-trump-property>; (2) "Paul Manafort pleads guilty and agrees to cooperate with Mueller investigation" (CNN) <https://edition.cnn.com/2018/09/14/politics/paul-manafort-guilty-plea/index.html>

Mr Trump's \$400m cash spending spree defied the real estate industry practice of relying heavily on borrowing and his own history as the self-styled "King of Debt",²⁰ and it occurred during a period in which Mr Trump's businesses suffered serious financial difficulties and defaults.²¹ As a result, mainstream bank lenders largely shied away from Mr Trump²² – including the Bank of Scotland – with the notable exception of the private banking arm of Deutsche Bank.²³ And yet, at the same time, public comments were made by Trump employees about the Trump Organisation's abundance of cash and reliance on Russian funding.²⁴

The Washington Post has asked the question: "how did Trump - who had money tied up in golf courses and buildings - raise enough liquid assets to go on [this] cash buying spree."²⁵ *The New Yorker* has gone further and concluded that "there simply isn't enough money coming into Trump's known business to cover the massive outlay he spent on Turnberry."²⁶

Mr Trump's true income has long been the source of speculation. He has sued for libel those who question his billionaire status and lost,²⁷ but has never, even as President, clarified his income.²⁸ This flagrant lack of transparency itself raises an immediate doubt about how he funded these cash acquisitions.

While the US investigations have brought to light several questions about Mr Trump's possible abuse of Scottish law, the scope of these investigations are too narrow to address the potential harm specifically stemming from Mr Trump's Scottish transactions. That is where the Scottish government must play a role. Because Mr Trump's business empire is global his alleged financial misconduct must be investigated globally, too, including in Scotland where the new UWO

20 "As the 'King of Debt,' Trump borrowed to build his empire. Then he began spending hundreds of millions in cash." (The Washington Post) https://www.washingtonpost.com/politics/as-the-king-of-debt-trump-borrowed-to-build-his-empire-then-he-began-spending-hundreds-of-millions-in-cash/2018/05/05/28fe54b4-44c4-11e8-8569-26fda6b404c7_story.html?utm_term=.7af543b7baed

21 Ibid.

22 (1) "Is Donald Trump's Dark Russian Secret Hiding in Deutsche Bank's Vaults?" (Newsweek) <https://www.newsweek.com/2017/12/29/donald-trump-russia-secret-deutsche-bank-753780.html>(2) "As the 'King of Debt,' Trump borrowed to build his empire. Then he began spending hundreds of millions in cash." (The Washington Post) https://www.washingtonpost.com/politics/as-the-king-of-debt-trump-borrowed-to-build-his-empire-then-he-began-spending-hundreds-of-millions-in-cash/2018/05/05/28fe54b4-44c4-11e8-8569-26fda6b404c7_story.html; and (3) "Donald Trump's debt to Deutsche Bank" (Financial Times) <https://www.ft.com/content/8c6d9dca-882c-11e7-bf50-e1c239b45787>

23 "Is Donald Trump's Dark Russian Secret Hiding in Deutsche Bank's Vaults?" (Newsweek) <https://www.newsweek.com/2017/12/29/donald-trump-russia-secret-deutsche-bank-753780.html>

24 (1) "Trump Jr.'s love affair with Moscow" (Politico) <https://www.politico.com/story/2017/07/12/trump-junior-russia-connection-240436>;

(2) "A Day (And A Cheeseburger) With President Trump" (WBUR)

<http://www.wbur.org/onlyagame/2017/05/05/james-dodson-donald-trump-golf>;

(3) "I've got £1bn in the bank ready to fund golf resort' says Trump" (The Scotsman)

<https://www.scotsman.com/news/i-ve-got-163-1bn-in-the-bank-ready-to-fund-golf-resort-says-trump-1-1147064>

25 "As the 'King of Debt,' Trump borrowed to build his empire. Then he began spending hundreds of millions in cash." (The Washington Post) https://www.washingtonpost.com/politics/as-the-king-of-debt-trump-borrowed-to-build-his-empire-then-he-began-spending-hundreds-of-millions-in-cash/2018/05/05/28fe54b4-44c4-11e8-8569-26fda6b404c7_story.html

26 "Where Did Donald Trump Get 200 Million Dollars to Buy His Money Losing Scottish Golf Club?" (The New Yorker) <https://www.newyorker.com/news/swamp-chronicles/where-did-donald-trump-get-200-million-dollars-to-buy-his-money-losing-scottish-golf-club>

27 "Donald Trump loses Libel Lawsuit Over Being Called A 'Millionaire'" (Hollywood Reporter) <https://www.hollywoodreporter.com/thr-esq/donald-trump-loses-libel-lawsuit-232923>

28 "How on earth have we let Trump get away with hiding his tax returns?" (The Washington Post) <https://www.washingtonpost.com/blogs/plum-line/wp/2018/08/09/how-on-earth-have-we-let-trump-get-away-with-hiding-his-tax-returns>

powers are specifically tailored for rooting out the type of corruption alleged here. It is Mr Trump's own actions that prompt legitimate questions about his income which, if left unanswered, would call into doubt the Scottish government's determination to confront the spectre of money laundering.

The two critical questions Scottish Ministers have both the power and justification to seek:²⁹

1. How did Mr Trump raise enough liquid assets to buy Turnberry upfront given what is known about his financial straits at the time?
2. Was Scotland exploited as a money laundering haven?

UNEXPLAINED WEALTH ORDERS: An Essential Tool for Combating Money Laundering

Unexplained Wealth Orders (UWO) were first introduced by amendments to the Proceeds of Crime Act 2002 (the "Act") set out in the Criminal Finances Act 2017 in order to implement the European Union Fourth Money Laundering Directive (EU) 2015/849 - the "Directive".³⁰ They are an example of joint European Union leadership to provide a powerful new tool to combat international money laundering. Section 396A of the Act gives Scottish Ministers the right to seek a UWO as a civil matter.³¹ It is they, as the Scottish Government, who decide whether or not to apply to the Court for one. It is not reserved to the Lord Advocate as the independent head of the prosecution service. Section 396B of the Act is intended to implement the Directive and compel transparency on the part of political exposed persons, or PEPs.

The power to use UWOs became available in early 2018³² and the first one was granted last year by the High Court in London in relation to Zamira Hajiyeva, a politically exposed person as a result of her marriage to the former chairman of the International Bank of Azerbaijan, Jahangir Hajiyeva.³³ Mrs Hajiyeva was

²⁹ We have sought expert advice on financial crime from Scottish counsel, Bryan Heaney of Westwater Advocates, who has appeared in some of the most important and high profile civil recovery cases in the Court of Session - <https://www.westwateradvocates.com/counsel/bryan-j-heaney/>

³⁰ Criminal Finance Act 2017 Unexplained Wealth Orders: Scotland (The National Archives) <http://www.legislation.gov.uk/ukpga/2017/22/part/1/chapter/1/crossheading/unexplained-wealth-orders-scotland/enacted>

³¹ Ibid.

³² Circular 003/2018: unexplained wealth orders (GOV.UK) <https://www.gov.uk/government/publications/circular-0032018-criminal-finances-act-unexplained-wealth-orders/circular-0032018-unexplained-wealth-orders>

³³ "England and Wales High Court (Administrative Court) Decisions National Crime Agency v Zamira Hajiyeva (BAILii) [https://www.bailii.org/cgi-bin/format.cgi?doc=/ew/cases/EWHC/Admin/2018/2534.html&query=\(NCA\)](https://www.bailii.org/cgi-bin/format.cgi?doc=/ew/cases/EWHC/Admin/2018/2534.html&query=(NCA))

ordered to explain the source of the financing for her £15m Knightsbridge home after the authorities successfully argued that it “is very unlikely” that her husband’s position as a state employee “would have generated sufficient income to fund the acquisition of the property.” If she is unable to explain her income satisfactorily, further assets may be confiscated, including the Mill Ride Golf Club in Berkshire, a course and estate near Ascot bought by a company Mrs Hajiveya controls for £10m.³⁴

To obtain a UWO, the Scottish Ministers must apply to the Court of Session, under Part 8 of the Act, as amended. The Act allows a politically exposed person or an individual suspected of involvement in serious crime (referred to as the “respondent”) to be asked to explain how they obtained a particular property.³⁵

Sections 396B(2) to (4) of the Act set out three requirements for a UWO to be granted. The Court of Session must be satisfied that:

1. There is reasonable cause to believe that the respondent owns the property and that its value is greater than £50,000.
2. There are reasonable grounds for suspecting that the known sources of the respondent’s lawfully obtained income would have been insufficient for the purposes of enabling the respondent to obtain the property.
3. The respondent is either a politically exposed person or there are reasonable grounds for suspecting that they, or a person connected with them, have been involved in serious crime.

A UWO is an investigatory order and can be used to investigate historical transactions. If one is granted, it would call on Mr Trump and/or the Trump Organisation to explain where the money for Turnberry came from. If the suspicions are unfounded and the Trump Organisation used clean money, it should be able to show this.

If Mr Trump were unable to provide such an explanation, the Court will presume, in any subsequent civil proceedings by Scottish authorities, that the property has been obtained with the proceeds of unlawful conduct.³⁶ If the explanation given is not full and cogent, it can be used as evidence in civil proceedings to recover the property.

³⁴ Ibid.; “Woman who spent £16m in Harrods revealed” (BBC News) <https://www.bbc.co.uk/news/uk-45812210>

³⁵ Criminal Finances Act 2017 Unexplained Wealth Orders: Scotland (The National Archives) <http://www.legislation.gov.uk/ukpga/2017/22/part/1/chapter/1/crossheading/unexplained-wealth-orders-scotland/enacted>

³⁶ Ibid. Section 396C <http://www.legislation.gov.uk/ukpga/2017/22/part/1/chapter/1/crossheading/unexplained-wealth-orders-scotland/enacted>

A CASE OF UNEXPLAINED WEALTH: Mr Trump's purchase of Turnberry

Avaaz argues that in the case of Mr Trump's all-cash purchase of the Turnberry golf course the three requirements of Sections 396B of the Act are met.

Requirement 1 - Cash value and ownership

The UWO value and ownership requirements are easily met.

Golf Recreation Scotland Ltd owns Turnberry,³⁷ which, according to Mr Trump himself, was acquired for £35.7 million (around \$60 million at the time) in April 2014³⁸ — far in excess of the UWO's £50,000 value threshold.

In the Appendix, we set out what we understand to be Turnberry's ownership structure and its ultimate ownership by Mr Trump (who has not fully divested his business assets since becoming President³⁹).

Requirement 2 - Insufficient known sources of lawfully obtained income

It is Mr Trump's own lack of transparency about his finances which raises an immediate suspicion that his known sources of lawfully obtained income were insufficient to acquire Turnberry.

The Act provides that income is from a "known" source if the source is "reasonably ascertainable" from available information.⁴⁰ Mr Trump is notoriously secretive about the sources of his income. He is the first President since Richard Nixon to refuse to disclose his tax returns, or tax summaries.⁴¹ There is little about his finances and those of his businesses that is reasonably ascertainable from available information. There is no available information that demonstrates that the funds used in the Turnberry project came from clean sources.⁴² This lack of transparency alone creates the reasonable suspicion that would allow a UWO to be made in relation to the property in respect of a politically exposed person such as Mr Trump.

37 See Appendix for Turnberry ownership structure.

38 "Donald Trump buys classic Open venue Turnberry for bargain price of £35.7m" (The Telegraph) <https://www.telegraph.co.uk/sport/golf/10797218/Donald-Trump-buys-classic-Open-venue-Turnberry-for-bargain-price-of-35.7m.html>

39 "Trump Lawyer Confirms President Can Pull Money From His Businesses Whenever He Wants" (ProPublica) <https://www.propublica.org/article/trump-pull-money-his-businesses-when-ever-he-wants-without-telling-us>

40 Criminal Finances Act 2017 Unexplained Wealth Orders: Scotland (The National Archives) Section 396B(6)(d) of the Act <http://www.legislation.gov.uk/ukpga/2017/22/part/1/chapter/1/crossheading/unexplained-wealth-orders-scotland/enacted>

41 (1) "6 Times Presidential Tax Returns Made Us Go Hmmm..." (History.com) <https://www.history.com/news/6-times-presidential-tax-returns-made-us-go-hmmm>

and (2) "Trump breaks his tax returns promise- for the third year in a row" (The Washington Post) https://www.washingtonpost.com/opinions/trump-breaks-his-tax-returns-promise-for-the-third-year-in-a-row/2018/04/16/581552a8-3f3c-11e8-a7d1-e4efec6389f0_story.html?utm_term=.38479feb621d

42 There is a limited amount of information for the year Turnberry was acquired, 2014, which comes from a compulsory filing on potential conflicts of interest which Mr Trump was required to make to the US Office of Government Ethics. The WSJ used this to make an estimate of income (The Wall Street Journal) <https://online.wsj.com/public/resources/documents/TrumpFinancialDisclosure20150722.pdf>

In addition, several irregularities, detailed below, have recently come to light through the Mueller inquiry and US investigative journalism about the period in which he acquired his Scottish golf courses — beginning with his acquisition of the Balmedie golf course properties in 2006. These raise significant questions about Mr Trump's level of wealth and suggest possibly corrupt sources of financing for his Scottish ventures.

Balmedie: The prequel to the unexplained wealth behind the Turnberry deal

Prior to the all-cash purchase of Turnberry, Mr Trump tested his hand in Scottish real estate with the cash purchases of lands that would become the Balmedie golf course. Trump International Golf Club Scotland Ltd acquired the seven properties comprising Balmedie in the period from early 2006 to January 2010 for a total of £6,917,850.⁴³ In the ensuing years, Mr Trump spent tens of millions of pounds⁴⁴ constructing a hotel and landscaping a golf course on the site.⁴⁵

In May of 2004, Mr Trump received \$177.3 million from the sale of his father's business empire, a sale reportedly proposed by Mr Trump who was facing financial difficulties.⁴⁶ Later that year, Mr Trump's casino business entered bankruptcy, owing \$1.8 billion with Mr Trump's share reduced to around 27% from 47%.⁴⁷ *The New York Times* reports that Mr Trump then agreed to pay \$73 million to buy out a partner in the planned Trump International Hotel & Tower in Chicago;⁴⁸ paid \$55 million to the casino creditors;⁴⁹ and used \$21 million in cash⁵⁰ to finance the \$41.35 million acquisition of a Palm Beach mansion.⁵¹

Mr Trump's financial dealings are particularly opaque between 2005 and 2007, when his cash purchases of Balmedie began. However, we do know that in 2006 Mr Trump kicks off his \$400m spending spree, buying 14 properties with cash alone. It's key to remember that this is also the time when US financial institutions had stopped lending to Trump for his building projects, except for Deutsche Bank.

43 See information in Appendix, sourced from Copy Deed ABN85488, Registers of Scotland

44 The Washington Post says the redevelopment cost was "at least" \$50 million: "As the 'King of Debt,' Trump borrowed to build his empire. Then he began spending hundreds of millions in cash." (The Washington Post) https://www.washingtonpost.com/politics/as-the-king-of-debt-trump-borrowed-to-build-his-empire-then-he-began-spending-hundreds-of-millions-in-cash/2018/05/05/28fe54b4-44c4-11e8-8569-26fda6b404c7_story.html?utm_term=.805cd51163e4

45 "Trump's top example of foreign experience: A Scottish golf course losing millions" (The Washington Post) https://www.washingtonpost.com/politics/trumps-top-example-of-foreign-experience-a-scottish-golf-course-losing-millions/2016/06/22/12ae9cb0-1883-11e6-9e16-2e5a123aac62_story.html?utm_term=.213ae28ca7aa

46 "Trump Engaged in Suspect Tax Schemes as He Reaped Riches From His Father" (The New York Times) <https://www.nytimes.com/interactive/2018/10/02/us/politics/donald-trump-tax-schemes-fred-trump.html>

47 In 2004, Trump Hotels and Casino Resorts Inc. filed for bankruptcy with \$1.8 billion in debt. "The Truth About the Rise and Fall of Donald Trump's Atlantic City Empire" (Philadelphia Magazine) <https://www.phillymag.com/city/2015/08/16/donald-trump-atlantic-city-empire/> What Trump didn't say about his four big business bankruptcies" (Washington Post) https://www.washingtonpost.com/business/economy/what-trump-didnt-say-about-his-four-big-business-bankruptcies/2015/08/07/bc054e64-3d12-11e5-9c2d-ed991d848c48_story.html?noredirect=on&utm_term=.f072879c9a35

48 "Trump Engaged in Suspect Tax Schemes as He Reaped Riches From His Father" (The New York Times) <https://www.nytimes.com/interactive/2018/10/02/us/politics/donald-trump-tax-schemes-fred-trump.html>

49 Ibid.

50 Ibid.

51 Forbes reports the purchase price as \$41.35m: "Why did a Russian pay \$95M to buy Trump's Palm Beach mansion?" (Seattle Times)

<https://www.seattletimes.com/nation-world/why-did-a-russian-pay-95m-to-buy-trumps-palm-beach-mansion/>

It is in relation to the period between 2008 and 2012 when major questions about Mr Trump's lawful income arise. As the global financial crisis hit in 2008, the Trump Organisation was refused a loan by The Bank of Scotland for £38 million to buy property at St Andrews Golf Club and a month later Mr Trump defaulted on a massive \$640 million loan from Deutsche Bank with \$334 million outstanding.^{52&53}

In an unusual twist, Mr Trump then sued Deutsche Bank arguing that the Great Recession meant he couldn't pay back his debts. However, on the very same day that Mr Trump was making his case to the Supreme Court of the State of New York against Deutsche Bank he gave an interview to *The Scotsman* saying: "The world has changed financially and the banks are all in such trouble, but the good news is that we are doing very well as a company and we are in a very, very strong cash position...Fortunately, I haven't been a stock market person, so I was wasn't affected by the stock market. I bought [Balmedie] for cash, and that makes life much easier when you can do business that way."⁵⁴

Then two weeks later the Trump Organisation's Assistant General Counsel, George Sorial, told *The Scotsman* that Mr Trump had £1 billion in cash for development of Balmedie.⁵⁵ Sorial said:

"The money is there, ready to be wired at any time. I am not discussing where it is, whether it is in a Scottish bank or what, but it is earmarked for this project. If we needed to put the development up tomorrow, we have the cash to do that. It is sitting there in the bank and is ready to go.....As we have said all along, Aberdeen is a project we have chosen to fund with cash. Mr Trump has recently increased his cash position and we have no need for a bank loan in respect of the Aberdeenshire project."⁵⁶

52 A Trump-controlled entity obtained \$640 million in financing from Deutsche Bank's commercial real estate division to fund construction of the Trump Tower in Chicago, a loan for which Mr Trump gave his personal payment guarantee of \$40 million. When the Trump Tower project failed to make a \$334 million payment on November 7, 2008, the bank sued Mr Trump for payment on his personal guarantee. Supreme Court of the State of New York County of New York: Deutsche Bank Trust Company Vs Donald J Trump (AM Law Daily) <https://amlawdaily.typepad.com/DeutscheSJ.pdf>

53 "Donald Trump St Andrews: US President's secret attempts to buy landmark hotel" (The Scotsman) <https://www.scotsman.com/news/politics/main-players/donald-trump-st-andrews-us-president-s-secret-attempts-to-buy-landmark-hotel-1-4761915>

54 "Donald Trump: 'The time is right. I want to get started'" (The Scotsman) <https://www.scotsman.com/news/donald-trump-the-time-is-right-i-want-to-get-started-1-1144547>

55 "I've got £1bn in the bank ready to fund golf resort' says Trump" (The Scotsman) <https://www.scotsman.com/news/i-ve-got-163-1bn-in-the-bank-ready-to-fund-golf-resort-says-trump-1-1147064>

56 Ibid. Sorial also spoke on February 6, 2008, to a Scottish Parliamentary committee about the Balmedie acquisition, saying it was carried out with "...Mr Trump's personal money, with no financing, and we have carried all the associated costs, again out of Mr Trump's personal expenses." - <http://archive.scottish.parliament.uk/s3/committees/lgc/or-08/lg08-0402.htm>

In 2009, a major Trump entity, Trump Entertainment Resorts Inc. filed for bankruptcy⁵⁷ and its subsidiary, the Trump Taj Mahal Casino Resort, was eventually fined \$10 million by the US Treasury Department's Financial Crimes Enforcement Network (FinCEN) for willful and repeated violations of the Bank Secrecy Act (BSA).⁵⁸ FinCEN said the casino had a long history of prior, repeated BSA violations, starting in 2003,⁵⁹ and reports have also emerged of a 1998 settlement agreement detailing IRS allegations that the casino broke anti-money laundering rules 106 times in its first year and a half of operation.⁶⁰

In July 2010, construction of the Balmedie golf course began.⁶¹ This was around the same time that Mr Trump received a loan from the private wealth group within Deutsche Bank to repay his outstanding debt on Trump Tower Chicago⁶²

Evidence uncovered by the New York State Department of Financial Services (DFS) in a major probe in 2017 shows that Deutsche Bank failed to prevent \$10 billion of Russian money from being laundered through its Moscow, London and New York offices between at least 2011 and 2015.⁶³ DFS fined the bank \$425 million and ordered it to hire an independent monitor.⁶⁴

Turnberry: Mr Trump's \$60 million Scottish question

In April 2014, Mr Trump buys Turnberry for a reported £35.7 million.⁶⁵ This was a cut-price "cash deal" from a Dubai company, Leisurecorp, which originally bought it in 2008, paying £52 million for the resort – which comprises three courses, a golf academy, a five-star hotel, as well as lodge and cottage accommodations. Leisurecorp invested a further £40 million on renovations before Mr Trump's purchase.⁶⁶

The Land Registry document appears to have been registered only in October 2015.⁶⁷ As well as the £35.7 million used to buy Turnberry, the cash acquisition

57 "Trump Entertainment files for Bankruptcy" (Reuters)

<https://www.reuters.com/article/industry-us-trumpentertainment-bankruptc-idUSTRE51G3PP20090217>

58 "FinCEN Fines Trump Taj Mahal Casino Resort \$10 Million for Significant and Long Standing Anti-Money Laundering Violations" (Financial Times Enforcement Network)

<https://www.fincen.gov/news/news-releases/fincen-fines-trump-taj-mahal-casino-resort-10-million-significant-and-long>

59 Ibid.

60 "Trump's casino was a money laundering concern shortly after it opened" (CNN)

<https://edition.cnn.com/2017/05/22/politics/trump-taj-mahal/index.html>

61 "Donald Trump's Ego Trip: Lessons for the New Scotland" p5 (Andy Wightman MSP) http://www.andywightman.com/docs/trumpreport_v1a.pdf

62 "Is Donald Trump's Dark Russian Secret Hiding in Deutsche Bank's Vaults?" (Newsweek) <https://www.newsweek.com/2017/12/29/donald-trump-russia-secret-deutsche-bank-753780.html>

63 "DFS Fines Deutsche Bank \$425 Million for Russian Mirror-Trading Scheme" (New York State Department of Financial Services Press Release) <https://www.dfs.ny.gov/about/press/pr1701301.htm>; and New York State Department of Financial Services Consent Order <https://www.dfs.ny.gov/about/ea/ea170130.pdf>

64 Ibid.

65 "Donald Trump buys classic Open venue Turnberry for bargain price of £35.7m" (The Telegraph)

<https://www.telegraph.co.uk/sport/golf/10797218/Donald-Trump-buys-classic-Open-venue-Turnberry-for-bargain-price-of-35.7m.html>

66 Ibid.

67 Turnberry Hotel, Maidens Road, Turnberry, Girvan, KA269LT (Scotlis)

https://scotlis.ros.gov.uk/property/byTitleNumber/AYR104388?searchQuery=KA269LT&searchDateRange=ALL_SALES¤tPage=0&sort=&addressIndex=1

was followed by expenditure on renovation which the Trump Organisation claims amounted to £150 million “with the large majority of the work taking place through the year of 2016.”⁶⁸ That renovation work on Turnberry also appears to have been in cash. Mr Trump has said that he “paid all cash” for the courses and “then spent a tremendous amount of money renovating the hotel and the golf courses....I have no debt (on the courses).”⁶⁹

A timeline further on in this document details some of Mr Trump's known dealings between 2011 and 2014, when he acquired the Turnberry course. A limited source of information for 2014 comes from a compulsory filing on potential conflicts of interest for candidates, which Mr Trump was required to make to the US Office of Government Ethics.⁷⁰ *The Wall Street Journal* used this information to estimate his income in 2016 at \$160 million before taxes and to question Mr Trump's ability to self-fund his presidential campaign.⁷¹

The Wall Street Journal's income figure for 2016 is simply an estimate using limited data from 2014 and 2015, but if it is correct it would appear that over this time Mr Trump would have used a huge proportion of his estimated income simply to buy and then develop the loss-making Turnberry. Given the lack of transparency, we do not know what the other claims on that income were, but it is reasonable to assume they would have been considerable.

Without more information from Mr Trump, there is reasonable doubt that his income during the time of Turnberry's purchase and renovation would have been sufficient to cover all of these expenditures.

Requirement 3 - Respondent is a politically exposed person

Mr Trump is clearly a politically exposed person (PEP), as the President of the United States. Section 396B(4)(a) of the Act provides that, in the case of a PEP, the Court of Session does not need to find reasonable grounds for suspecting that the PEP is involved in serious crime before making a UWO.

68 “Trump Organisation claims £150m Turnberry investment” (BBC News Scotland) <https://www.bbc.co.uk/news/uk-scotland-scotland-business-37655823>

69 “Is Donald Trump struggling to find the green with his golf investments?” (Reuters) <https://www.reuters.com/investigates/special-report/trump-golf/>

70 “Executive Branch Personnel Public Financial Disclosure Report (United States Office of Government Ethics) <https://online.wsj.com/public/resources/documents/TrumpFinancialDisclosure20150722.pdf>

71 “Donald Trump Wouldn't Have Had the Ready Cash to Self-Finance Entire Campaign — Analysis” (The Wall Street Journal) <https://www.wsj.com/articles/self-financing-campaign-all-the-way-would-have-been-a-stretch-for-trump-1463341722>

FURTHER EVIDENCE OF QUESTIONABLE CASH SOURCES FOR THE TURNBERRY DEAL

Although it is not necessary to show in this case, there are reasonable grounds for suspecting the ultimate sources of these large cash outlays include criminal ones. There have been financial defaults and difficulties in Mr Trump's businesses⁷² together with convictions for money laundering and other financial crimes of key campaign figures⁷³ with ties to the former Soviet Union;⁷⁴ accusations that tax evasion and money laundering were "core" to the business model of a key business partner, Bayrock;⁷⁵ statements from his sons about the importance of Russian funding for Trump projects;⁷⁶ reported discussions with Russian representatives about revisiting the Magnitsky Act on money laundering after the election;⁷⁷ and huge fines related to Russian money laundering assessed against his sole commercial bank lender, Deutsche Bank.⁷⁸

Mr Trump's Scottish courses probed by the US Congress

On November 14, 2017, Glenn Simpson, co-founder of Fusion GPS, a commercial research and strategic intelligence firm, gave testimony under oath to the US House of Representatives Permanent Select Committee on Intelligence.⁷⁹ Simpson's sworn testimony suggested money laundering by the Trump Organisation and raised significant questions about the funding of the Scottish golf courses.⁸⁰

72 (1) "Is Donald Trump's Dark Russian Secret Hiding in Deutsche Bank's Vaults?" (Newsweek) <https://www.newsweek.com/2017/12/29/donald-trump-russia-secret-deutsche-bank-753780.html>; (2) "How is Donald Trump Able to File for Bankruptcy So Many Times?" (The Law Dictionary) <https://thelawdictionary.org/article/how-is-donald-trump-able-to-file-for-bankruptcy-so-many-times>

73 (1) "Paul Manafort pleads guilty and agrees to cooperate with Mueller investigation" (CNN Politics) <https://edition.cnn.com/2018/09/14/politics/paul-manafort-guilty-plea/index.html>; and (2) "Former Trump campaign official Rick Gates pleads guilty to 2 charges" (The Washington Post) https://www.washingtonpost.com/politics/former-trump-campaign-official-rick-gates-expected-to-plead-guilty-and-cooperate-with-special-counsel-in-probe-of-russian-election-interference/2018/02/23/ceaaeac8-16b4-11e8-b681-2d4d462a1921_story.html?utm_term=.5b9c6c121b85

74 (1) "Mueller reveals closer Manafort ties to Russian oligarch" (Politico) <https://www.politico.eu/article/robert-mueller-russia-probe-reveals-closer-paul-manafort-ties-to-russian-oligarch/>; and (2) "Paul Manafort's Complicated Ties to Ukraine, Explained" (The Washington Post) https://www.washingtonpost.com/news/the-fix/wp/2016/08/19/paul-manaforts-complicated-ties-to-ukraine-explained/?utm_term=.5f1484fa66f7

75 See para 15 of "Case 1:10-cv-03959-LGS-FM Document 428" (United States District Court Southern District of NY) <https://narcosphere.narconews.com/userfiles/70/Lawsuit.PleadingBayrock.pdf>

76 (1) "Trump Jr.'s Love Affair with Moscow" (Politico) <https://www.politico.com/story/2017/07/12/trump-junior-russia-connection-240436>; (2) "A Day (And A Cheesburger) With Donald Trump" (wbur) <http://www.wbur.org/onlyagame/2017/05/05/james-dodson-donald-trump-golf>

77 "Donald Trump Jr Told Russian Lawyer 'If We Come to Power' an Anti-Russia Law Would Be Reconsidered" (Newsweek) <https://www.newsweek.com/donald-trump-jr-told-russian-lawyer-if-we-come-power-anti-russia-law-702516>

78 "Deutsche Bank fined \$630m over Russia money laundering claims" (The Guardian) <https://www.theguardian.com/business/2017/jan/31/deutsche-bank-fined-630m-over-russia-money-laundering-claims>

79 Mr Simpson's full testimony is available here - <https://docs.house.gov/meetings/IG/IG00/20180118/106796/HMTG-115-IG00-20180118-SD002.pdf>

80 Ibid.

The questions and answers between Congressman Schiff, the ranking Democrat on the Committee, and Mr Simpson on pages 36 to 41 of his testimony bear particular scrutiny as they bring together some of the strands clarified later in this report.

"I think we saw patterns of buying and selling that we thought were suggestive of money laundering... patterns of activity that we thought might be suggestive of money laundering were, you know, fast turnover deals and deals where there seemed to have been efforts to disguise the identity of the buyer... What we saw was that beginning in the early 2000s, when [Trump] began to do business with Bayrock and to do some of these other deals, that these were the problematic deals that he entered into... The other one that is — was concerning to us was - is the golf courses in Scotland and Ireland."

At this point, Mr Schiff asks "And did you see Russian money involved with those as well?" To which Mr Simpson replies:

"So we were able to get the financial statements. And they don't, on their face, show Russian involvement, but what they do show is enormous amounts of capital flowing into these projects from unknown sources and - or at least on paper it says it's from The Trump Organisation, but it's hundreds of millions of dollars. And these golf courses are just, you know, they're sinks. They don't actually make any money. So, you know, if you're familiar with Donald Trump's finances and the litigation over whether he's really a billionaire, you know, there's good reason to believe he doesn't have enough money to do this and that he would have had to have outside financial support for these things."

TIMELINE 2004 - 2016: A Timeline of bankruptcy, loan denials, and unexplained wealth

Below we set out a timetable of key events to illustrate the unanswered questions and reasonable suspicion about Mr Trump's liquidity at the times he used cash to purchase his Scottish golf courses, beginning with the Balmedie properties. This timeline points to Mr Trump's known lawful sources of income being inconsistent with the purchase of the Turnberry property and to the potential likelihood that his income is tainted by money laundering and tax evasion.

2004

MR TRUMP IS BAILED OUT OF DEEP FINANCIAL TROUBLE BY THE SALE OF HIS FATHER'S REAL-ESTATE EMPIRE

- On May 4, Mr Trump receives \$177.3 million from the sale of his father's business empire.⁸¹ *The New York Times* recently alleged that Mr Trump and his father collaborated in large-scale tax evasion and that the proposal to sell his father's business is put to his siblings by Mr Trump himself, who is in financial difficulty.⁸² He needs financing urgently to satisfy the creditors of his Atlantic City casino, who "would soon threaten to oust him unless he committed to invest \$55 million of his own money".⁸³ The casino business does, nevertheless, enter bankruptcy later in 2004 owing \$1.8 billion and Mr Trump's share is reduced to 27% from 47%.⁸⁴
- *The New York Times* reports that in 2004 Mr Trump then agrees to pay \$73 million to buy out a partner in the planned Trump International Hotel & Tower in Chicago;⁸⁵ pays \$55 million to the casino creditors;⁸⁶ and uses \$21 million in cash⁸⁷ to finance the \$41.35 million acquisition of a Palm Beach mansion.⁸⁸

81 "Trump Engaged in Suspect Tax Schemes as He Reaped Riches From His Father" (The New York Times) <https://www.nytimes.com/interactive/2018/10/02/us/politics/donald-trump-tax-schemes-fred-trump.html>

82 Ibid.

83 Ibid.

84 "The Truth About the Rise and Fall of Donald Trump's Atlantic City Empire" (Philadelphia Magazine) <https://www.phillymag.com/city/2015/08/16/donald-trump-atlantic-city-empire/> What Trump didn't say about his four big business bankruptcies" (Washington Post) https://www.washingtonpost.com/business/economy/what-trump-didnt-say-about-his-four-big-business-bankruptcies/2015/08/07/bc054e64-3d12-11e5-9c2d-ed991d848c48_story.html?utm_term=.6be321ffa9a5

85 "Trump Engaged in Suspect Tax Schemes as He Reaped Riches From His Father" (The New York Times) <https://www.nytimes.com/interactive/2018/10/02/us/politics/donald-trump-tax-schemes-fred-trump.html>

86 Ibid.

87 Ibid.

88 "Why did a Russian pay \$95M to buy Trump's Palm Beach mansion?" <https://www.seattletimes.com/nation-world/why-did-a-russian-pay-95m-to-buy-trumps-palm-beach-mansion/>

2006

THE ACQUISITION OF BALMEDIE BEGINS

- The acquisition of the various properties that will eventually form the Balmedie golf course begins in May 2006 with a £4.5 million land purchase⁸⁹ before planning permission for a golf course has been obtained.⁹⁰ Information obtained from the Scottish Registers is set out in the Appendix. The seven relevant acquisitions from 2006 to 2010 appear to have cost £6,917,850 in total.
- Ivanka Trump and her brother Donald Trump Jr. sign a licensing deal for the Trump Organisation to build Trump SoHo with two businessmen who would go on to be very close business partners of the Trump Organisation, Felix Sater (who will later be accused of large-scale money laundering - see 2010 below) and Tefvik Arif.⁹¹
- In 2006, Mr Sater took Donald Trump Jr. and Ivanka Trump to meet potential business partners in Moscow in one of many attempts to develop Trump Tower Moscow.⁹²

89 See Appendix - Copy Deed ABN85488, Registers of Scotland

90 Planning permission was not obtained until November 2008: "Timeline: Trump golf application" (BBC News Channel) http://news.bbc.co.uk/2/hi/uk_news/scotland/7443884.stm

91 "Russia investigation may turn to Ivanka Trump as Mueller examines empire" (The Guardian) <https://www.theguardian.com/us-news/2018/mar/17/ivanka-trump-russia-mueller-investigation-organisation-subpoena>

92 "Trump Jr.'s Love Affair with Moscow" (Politico) <https://www.politico.com/story/2017/07/12/trump-junior-russia-connection-240436>

2008

MR TRUMP DEFAULTS ON A MASSIVE LOAN TO DEUTSCHE BANK AND IS REFUSED A LOAN FOR ST ANDREWS GOLF COURSE WHILE CLAIMING TO HAVE £1 BILLION IN CASH FOR BALMEDIE

- In August, Mr Trump reportedly gets a \$54 million cash lifeline by selling his Palm Beach mansion to a Russian oligarch, Dmitry Rybolovlev.⁹³ The Mueller investigation is reportedly inquiring into this suspicious transaction.⁹⁴
 - By 2013, Rybolovlev will be the largest shareholder in the Bank of Cyprus,⁹⁵ an institution that has since been implicated in money laundering scandals, including that involving Mr Trump's convicted campaign manager, Paul Manafort.⁹⁶
 - By 2014, the largest shareholder in the Bank of Cyprus will be Wilbur Ross (later to become Mr Trump's Secretary of Commerce) who led a consortium to buy the bank in July 2014. Ross co-chaired the bank from 2014 until early 2017.⁹⁷ His first co-chair was Putin appointee Vladimir Strzhalkovsky, a former KGB agent and long-time associate of Putin. Former Deutsche Bank CEO Josef Ackermann will also serve on the board.⁹⁸
- On September 15, Lehman Brothers collapses triggering a global financial crisis.⁹⁹
- In September, Donald Trump Jr. refers to Russian funding of Trump projects at a real estate conference in New York, saying: *"In terms of high-end product influx into the US, Russians make up a pretty disproportionate cross-section of a lot of our assets, say in Dubai, and certainly with our project in SoHo, and anywhere in New York. We see a lot of money pouring in from Russia."*¹⁰⁰

93 Mr Rybolovlev paid Mr Trump \$95 million for the property -- "\$13 million more than the most expensive Palm Beach mansion sale up to that moment." "Why did a Russian pay \$95M to buy Trump's Palm Beach mansion?" (Seattle Times) <https://www.seattletimes.com/nation-world/why-did-a-russian-pay-95m-to-buy-trumps-palm-beach-mansion/>

94 "Mueller Expands Probe to Trump Business Transactions" (Bloomberg) <https://www.bloomberg.com/news/articles/2017-07-20/mueller-is-said-to-expand-probe-to-trump-business-transactions>

95 "The Bank Of Cyprus' Biggest Shareholder Is A Russian Oligarch With An Insane Real Estate Portfolio" (Business Insider) <https://www.businessinsider.com/dmitry-rybolovlev-bank-of-cyprus-2013-3?IR=T>

96 "Cyprus is at the center of a circle of corruption surrounding Trump" (Dallas News)

<https://www.dallasnews.com/opinion/commentary/2017/12/15/cyprus-center-circle-corruption-surrounding-trump>

97 Ibid.

98 Ibid.

99 "Lehman Brothers: When the financial crisis spun out of control" (CNN Business)

<https://edition.cnn.com/2018/09/30/investing/lehman-brothers-2008-crisis/index.html>

100 (1) "Trump's oldest son said a decade ago that a lot of the family's assets came from Russia" (Business Insider UK)

- In October, Bank of Scotland turns down a £38m loan requested by the Trump Organisation as part of a series of failed attempts to buy and develop Hamilton Hall, a hotel overlooking St Andrews Golf Club.¹⁰¹
- On November 8, the Trump Organisation misses a payment of \$334 million on a Deutsche Bank loan relating to Trump Tower Chicago, but Mr Trump preempts this on November 6 by personally suing the bank in an attempt to avoid his personal liability for a \$40 million guarantee of the loan given by him to the bank.¹⁰² He blamed the bank for the global financial crisis.¹⁰³
- On November 16, George Sorial, Assistant General Counsel at Trump Organisation, brags to the *Scotsman* in an article about Balmedie, located in Aberdeenshire, entitled “*I’ve got £1 billion in the bank ready to fund golf resort, says Trump.*”
- Mr Trump and Deutsche Bank will eventually settle their dispute over the \$40 million personal guarantee in 2010,¹⁰⁴ but Deutsche’s pleadings in the case, served at court on November 28, 2008, quote Mr Sorial’s statement above and comment that “*it is noteworthy that Trump’s representatives are telling the world that he is flush with cash held in a secret bank account.*”¹⁰⁵

<http://uk.businessinsider.com/donald-trump-jr-said-money-pouring-in-from-russia-2018-2?r=US&IR=T>; and (2) “Trump Jr.’s Love Affair with Moscow” (Politico) <https://www.politico.com/story/2017/07/12/trump-junior-russia-connection-240436>
 101 “Donald Trump St Andrews: US President’s secret attempts to buy landmark hotel” (The Scotsman) <https://www.scotsman.com/news/politics/main-players/donald-trump-st-andrews-us-president-s-secret-attempts-to-buy-landmark-hotel-1-4761915>

102 “Deutsche Bank Trust Company Americas Vs Donald J Trump” Supreme Court of the State of New York County of New York (AM Law Daily) <http://amlawdaily.typepad.com/DeutscheSJ.pdf>

103 “Is Donald Trump’s Dark Russian Secret Hiding in Deutsche Bank’s Vaults?” (Newsweek) <https://www.newsweek.com/2017/12/29/donald-trump-russia-secret-deutsche-bank-753780.html>

104 “Big German Bank, Key to Trump’s Finances, Faces New Scrutiny” (The New York Times) <https://www.nytimes.com/2017/07/19/business/big-german-bank-key-to-trumps-finances-faces-new-scrutiny.html>

105 “Deutsche Bank Trust Company Americas Vs Donald J Trump” Supreme Court of the State of New York County of New York (AM Law Daily) Page 8 of <http://amlawdaily.typepad.com/DeutscheSJ.pdf>

2009

ANOTHER TRUMP BUSINESS ENTERS BANKRUPTCY AFTER DEFAULTING ON ITS LOANS

- Trump Entertainment Resorts Inc, a publicly traded company, files for bankruptcy in 2009 after missing a large bond interest payment.¹⁰⁶ Mr Trump was unable to agree to a repayment plan with his board of directors so he resigned as chairman of the board and retained only a 10% ownership interest in the corporation,¹⁰⁷ which went bankrupt again in 2014.¹⁰⁸ The company's Trump Taj Mahal Casino Resort was later investigated by the US Treasury Department's Financial Crimes Enforcement Network (FinCEN) and found to be in long-standing violation of anti money laundering laws.¹⁰⁹ In 2015, the casino was fined \$10 million for wilful and repeated violations of the Bank Secrecy Act (BSA).¹¹⁰
- When quizzed in February 2009 about the bankruptcy of Trump Entertainment Resorts, Sorial explained that the relationship between Trump Entertainment Resorts (which was publicly-traded) and the Trump International Golf Links venture and the Trump Organisation, is *"like comparing apples to oranges... The project in Scotland is fully funded...We have no debt, and the entire series of acquisitions have been financed by Trump himself."*¹¹¹ (Emphasis added.)

106 "How is Donald Trump Able to File for Bankruptcy So Many Times? (The Law Dictionary) <https://thelawdictionary.org/article/how-is-donald-trump-able-to-file-for-bankruptcy-so-many-times/>

107 Ibid.

108 "Trump Entertainment Resorts file for bankruptcy in blow to Atlantic City" (The Guardian) <https://www.theguardian.com/world/2014/sep/09/trump-casinos-atlantic-city-bankruptcy>

109 "FinCEN Fines Trump Taj Mahal Casino Resort \$10 Million for Significant and Long Standing Anti-Money Laundering Violations" (Financial Crimes Enforcement Network) <https://www.fincen.gov/news/news-releases/fincen-fines-trump-taj-mahal-casino-resort-10-million-significant-and-long>

110 Ibid.

111 "Trump's golf plans 'ahead of schedule'" (CLAD News) <http://www.cladglobal.com/CLADnews/architecture-design/Trumps-golf-plans-ahead-of-schedule-/109383?source=grid>

2010

DEUTSCHE BANK'S PRIVATE WEALTH TEAM GIVES MR TRUMP AN UNUSUAL LOAN. CONSTRUCTION OF BALMEDIE BEGINS.¹¹²

- Mr Trump settles the dispute with Deutsche Bank and repays the outstanding debt on Trump Tower Chicago via a loan from the bank's own private wealth office in New York.¹¹³ Many have argued that this is a highly unusual loan given that Mr Trump was "a four-times bankrupt client who had defaulted on a major loan"^{114&115}
- In July, construction of Balmedie golf course begins.¹¹⁶
- A 2010 lawsuit is filed against Bayrock Group LLC by its former finance director, Jody Kriss, which became public on August 12, 2016. The lawsuit alleges that "*tax evasion and money-laundering are the core of Bayrock's business model*".¹¹⁷ The attorney who brought the complaint has alleged that Mr Trump would have known of, benefitted from, and signed off on the key fraudulent deal.¹¹⁸
- The Kriss complaint, which we understand was settled in 2018,¹¹⁹ makes detailed allegations on many issues, including:
 - the extent of Sater's ownership interest in Bayrock's complex structure - he owned about 5/8ths of it;¹²⁰
 - Bayrock's involvement in the Trump Soho, Trump Phoenix, Trump International Hotel, and Trump Ocean Club in Fort Lauderdale projects;

¹¹² "Is Donald Trump's Dark Russian Secret Hiding in Deutsche Bank's Vaults?" (Newsweek) <https://www.newsweek.com/2017/12/29/donald-trump-russia-secret-deutsche-bank-753780.html>

¹¹³ Ibid.

¹¹⁴ "How Donald Trump became Deutsche Bank's biggest headache" (The Guardian)

<https://www.theguardian.com/business/2017/feb/16/how-donald-trump-became-deutsche-bank-biggest-headache>

¹¹⁵ "After selling off his father's properties, Trump embraced unorthodox strategies to expand his empire" (Washington Post) https://www.washingtonpost.com/politics/after-selling-off-his-fathers-properties-trump-embraced-unorthodox-strategies-to-expand-his-empire/2018/10/08/2179a12e-c806-11e8-9b1c-a90f1daae309_story.html?utm_term=.8cb4b64b6364

¹¹⁶ "Donald Trump's Ego Trip: Lessons for the New Scotland" p5 (Andy Wightman MSP) http://www.andywightman.com/docs/trumpreport_v1a.pdf,

¹¹⁷ Case 1:10-cv-03959-LGS-FM Document 428 para 15 - (Narcosphere) <https://narcosphere.narconews.com/userfiles/70/Lawsuit.PleadingBayrock.pdf>

¹¹⁸ "Trump & Kids Named, But Not Charged, In \$250 Million Tax Evasion Case" (Forbes)

<https://www.forbes.com/sites/kellyphillips/2016/07/28/trump-kids-named-but-not-charged-in-250-million-tax-evasion-case/#675f072d448c>

¹¹⁹ "Trump-Linked Real Estate Firm Settles Suit by Ex-Employee" (Bloomberg) <https://www.bloomberg.com/news/articles/2018-02-22/trump-linked-real-estate-firm-settles-suit-by-former-executive>

¹²⁰ Case 1:10-cv-03959-LGS-FM Document 428 para 533 (Narcosphere) <https://narcosphere.narconews.com/userfiles/70/Lawsuit.PleadingBayrock.pdf>

- and, the so-called 'FL Group frauds' arising from the 2007 partnership between Bayrock and FL, which Kriss claims amounted to "a quarter billion dollars of money laundering and tax fraud."¹²¹
- Former Bayrock figure Felix Sater joins the Trump Organisation as a senior adviser.¹²² Daniel Ridloff, according to his own LinkedIn profile, moves from Bayrock to the Trump Organisation's acquisitions and finance team.¹²³ Both men will later be accused of facilitating US investments by the Khrapunov family, who are accused of laundering hundreds of millions of dollars worth of stolen Kazakh money.¹²⁴
- According to a report by Global Witness, Mr Trump stands to earn \$75.4 million from his percentage of the sale of apartments in Trump Ocean Club Panama by the end of 2010, with millions of dollars more made from management fees.¹²⁵ The Global Witness report explains in great detail how many of the buyers of apartments in Trump Ocean Club Panama appeared to be funnelling drug money from the Latin America drug cartels, and claims that some customers were from the Russian mafia.¹²⁶

121 Ibid.

122 "Donald Trump And The Felon: Inside His Business Dealings With A Mob-Connected Hustler" (Forbes) <https://www.forbes.com/sites/richardbehar/2016/10/03/donald-trump-and-the-felon-inside-his-business-dealings-with-a-mob-connected-hustler/#173068aa2282>

123 "Dirty money: Trump and the Kazakh connection" (Financial Times) <https://www.ft.com/content/33285dfa-9231-11e6-8df8-d3778b55a923>

124 (1) "Ex Trump associates helped fugitive Kazakhs in visa scheme" (McClatchy DC Bureau) <https://www.mcclatchydc.com/news/nation-world/national/article162789803.html>; (2) "Dirty money: Trump and the Kazakh connection" (Financial Times) <https://www.ft.com/content/33285dfa-9231-11e6-8df8-d3778b55a923>

125 "Narco-A-Lago Money Laundering at the Trump Ocean Club Panama" (Global Witness), p.4, p.9 https://www.globalwitness.org/documents/19294/Narco-A-Lago-Money_Laundering_at_the_Trump_Ocean_Club_Panama.pdf

126 Ibid. p.4-12

2011

DEUTSCHE BANK EMBROILED IN \$10 BILLION RUSSIAN MONEY LAUNDERING OPERATION¹²⁷

- In May 2011, Mr Trump purchases a 776-acre vineyard in Charlottesville, Virginia for \$6.2 million, plus \$1.7 million in equipment and inventory.¹²⁸ He later told a press conference during the 2016 campaign that he owned it “100%, no mortgage, no debt”.¹²⁹
- Deutsche Bank becomes involved in a \$10 billion mirror-trading scheme through its Moscow, London, and New York offices between at least 2011 and 2015, for which the New York State Department of Financial Services will later fine it \$425 million in January 2017.¹³⁰ It appears that Deutsche’s Moscow office may have been “captured” by the since sanctioned Russian state and Putin-controlled bank, VTB.¹³¹

2012

BALMEDIE OPENS WITH MR TRUMP CLAIMING TO HAVE SPENT CLOSE TO £100 MILLION

- In January 2012, Mr Trump says: “*I have spent close to £100 million to get [Balmedie] to this stage.*”¹³²
- In February 2012, Mr Trump buys the Miami Doral golf resort for \$150 million.¹³³ Mr Trump borrows \$125 million from Deutsche

¹²⁷ New York State Department of Financial Services Consent Order <https://www.dfs.ny.gov/about/ea/ea170130.pdf>

¹²⁸ (1) “How Donald Trump Bought A Mansion Once Listed At \$100 Million For Pennies on The Dollar” (Forbes) <https://www.forbes.com/sites/erincarlyle/2015/06/17/how-donald-trump-bought-a-home-once-listed-at-100-million-for-pennies-on-the-dollar/#8618a944022c>; (2) “Donald Trump buys Kluge Estate Winery and Vineyard” (The Drinks Business) <http://www.thedrinksbusiness.com/2011/04/donald-trump-buys-kluge-estate-winery-and-vineyard/>

¹²⁹ (1) “As the ‘King of Debt,’ Trump borrowed to build his empire. Then he began spending hundreds of millions in cash.” (The Washington Post) https://www.washingtonpost.com/politics/as-the-king-of-debt-trump-borrowed-to-build-his-empire-then-he-began-spending-hundreds-of-millions-in-cash/2018/05/05/28fe54b4-44c4-11e8-8569-26fda6b404c7_story.html?utm_term=.9db0bd4c5c9e; (2) Press Conference: Donald Trump in Jupiter, Florida - March 8, 2016 (Factba.se) <https://factba.se/transcript/donald-trump-speech-jupiter-fl-march-8-2016>

¹³⁰ (1) DFS Fine Deutsche Bank \$425 Million for Russian Mirror-Trading Scheme (Department of Financial Services Press Release) <https://www.dfs.ny.gov/about/press/pr1701301.htm>; and (2) para 17 of consent order - Consent Order Under New York Banking Law 39,44 and 44-a (New York State Department of Financial Services) <https://www.dfs.ny.gov/about/ea/ea170130.pdf>

¹³¹ “A Book of Questions (But Not Answers) on Trump and Russia” (Bloomberg) <https://www.bloomberg.com/opinion/articles/2017-12-15/-collusion-book-raises-troubling-questions-on-trump-and-russia>

¹³² “Trump: I’ll walk away from my £1bn resort” (Aberdeen Press & Journal, January 18, 2012) <https://www.pressreader.com/uk/the-press-and-journal-aberdeen-and-aberdeenshire/20120118/281616712243986>. The Guardian puts the number at £40 million - “Donald Trump resigns as director of four Scottish golf firms” (The Guardian) <https://www.theguardian.com/us-news/2017/jan/24/donald-trump-resigns-as-director-of-four-scottish-golf-firms>

¹³³ “Trump buys Miami’s Doral golf resort for \$150 million” (Reuters) <https://www.reuters.com/article/us-usa-florida-trump/trump-buys-miamis-doral-golf-resort-for-150-million-idUSTR81R1C620120228>

Bank in 2012 for mortgages on the Doral property, part of a growing debt portfolio with the German bank which later expands to include a further \$170 million borrowed for the development of the Trump Hotel in Washington DC.¹³⁴

- Balmedie opens officially in July 2012.¹³⁵
- In October 2012, Mr Trump buys Albemarle House, the property attached to the Charlottesville, Virginia vineyard he bought in 2011, for \$6.7 million, completing his acquisition of the entire estate.¹³⁶

2014

MR TRUMP BUYS LOSS-MAKING TURNBERRY FOR A REPORTED £35.7M IN CASH

- In February 2014, Mr Trump buys Doonbeg Golf Club in County Clare, Ireland for €8.7 million. Mr Trump pledges to invest up to €45 million in Doonbeg.¹³⁷
- In April 2014, Mr Trump buys Turnberry for a reported £35.7 million. According to Golf Recreation Scotland Limited's Annual Reports and Financial Statements for the year ended 31 December 2017, the Turnberry resort appears to remain heavily reliant on Trump for its financing. The filing for 2017 notes that £107,152,000 is owed to the parent group, and specifies that the ultimate parent is The Donald J. Trump Revocable Trust, controlled by its trustees.¹³⁸
- The previous year, award-winning golf writer James Dodson had played golf with Mr Trump and his son, Eric Trump, in North Carolina, and asked him directly how The Trump Organisation was funding the various golf course acquisitions, according to a later account from the writer.¹³⁹

134 "Donald Trump's decade-long buying spree defied norms and tapped an unusual source" (Seattle Times) <https://www.seattletimes.com/nation-world/donald-trumps-decade-long-buying-spree-defied-norms-and-tapped-an-unusual-source/>

135 "Donald Trump opens controversial Scottish golf course" (The Guardian) <https://www.theguardian.com/environment/2012/jul/10/donald-trump-scotland-golf-course>

136 "How Donald Trump Bought A Mansion Once Listed At \$100 Million For Pennies On The Dollar" (Forbes) <https://www.forbes.com/sites/erincarlyle/2015/06/17/how-donald-trump-bought-a-home-once-listed-at-100-million-for-pennies-on-the-dollar/#8618a944022c>

137 "Bargain bid - Doonbeg resort costs Donald Trump just €8.7m" (Independent.ie) <https://www.independent.ie/business/irish/bargain-bid-doonbeg-resort-costs-donald-trump-just-87m-30539785.html>

138 "Golf Recreation Scotland Limited" (Companies House) <https://beta.companieshouse.gov.uk/company/SC469689/filing-history>. Document - 03 Oct 2018 Group of companies' accounts made up to 31 December 2017. Page 29 section 22 and 23

139 A Day (And A Cheesburger) With President Trump (WBUR) <http://www.wbur.org/onlyagame/2017/05/05/james-dodson-donald-trump-golf>

- *“So when I got in the cart with Eric,” Dodson says, “as we were setting off, I said, ‘Eric, who’s funding? I know no banks — because of the recession, the Great Recession — have touched a golf course. You know, no one’s funding any kind of golf construction. It’s dead in the water the last four or five years.’ And this is what he said. He said, ‘Well, we don’t rely on American banks. We have all the funding we need out of Russia.’ I said, ‘Really?’ And he said, ‘Oh, yeah. We’ve got some guys that really, really love golf, and they’re really invested in our programs. We just go there all the time.”* Eric Trump denies having this conversation.¹⁴⁰
- Adam Davidson of the *New Yorker* will [in 2018] note how the [approx] \$60 million price followed by tens of millions for upgrading a property unlikely to turn a profit uses “what appears to be more than half the company’s available cash” and describes it as a *“bizarre, confounding move that raises questions about the central nature of his business during the years in which he prepared for and then executed his Presidential campaign.... There simply isn’t enough money coming into Trump’s known business to cover the massive outlay he spent on Turnberry.”*¹⁴¹

2016

MR TRUMP IS ELECTED PRESIDENT WHILE OWING HUNDREDS OF MILLIONS TO A BANK EMBROILED IN A RUSSIAN MONEY LAUNDERING OPERATION

- By the time he is elected president of the United States in November 2016, Mr Trump owes Deutsche Bank an estimated \$300 million, an unprecedented debt for an incoming president.¹⁴² His June 2017 financial disclosure shows his loans from Deutsche Bank on the Doral property, the Washington DC hotel and Trump International Hotel & Tower in Chicago - potentially totalling hundreds of millions of dollars - maturing in 2023, 2024, and 2024, respectively.¹⁴³

¹⁴⁰ Ibid.

¹⁴¹ “Where Did Donald Trump Get 200 Million Dollars to Buy His Money Losing Scottish Golf Club?” (The New Yorker) <https://www.newyorker.com/news/swamp-chronicles/where-did-donald-trump-get-200-million-dollars-to-buy-his-money-losing-scottish-golf-club>

¹⁴² “Is Donald Trump’s Dark Russian Secret Hiding in Deutsche Bank’s Vaults?” (Newsweek) <https://www.newsweek.com/2017/12/29/donald-trump-russia-secret-deutsche-bank-753780.html>; (2) “Trump May Have a \$300 Million Conflict of Interest With Deutsche Bank” (Bloomberg) <https://www.bloomberg.com/news/articles/2016-12-22/deutsche-bank-s-reworking-a-big-trump-loan-as-inauguration-nears>

¹⁴³ “Yes, Deutsche Bank did get a subpoena from Mueller” (Global Handelsblatt) <https://global.handelsblatt.com/finance/yes-deutsche-bank-did-get-a-subpoena-from-mueller-861828>. And for maturity on Trump’s Deutsche liabilities, see p. 45 of his 2017 disclosure: “Read President Trump’s 2017 financial disclosure report” (CNN)

<https://www.cnn.com/2018/05/16/politics/trump-2017-financial-disclosure-report/index.html> .

The Russian connection

"We see a lot of money pouring in from Russia." Donald Trump Jr., September 2008.¹⁴⁴

"Well, we don't rely on American banks. We have all the funding we need out of Russia." - Eric Trump, as reportedly told to golf writer James Dodson, 2013.¹⁴⁵

"What lingers for Trump may be what deals — on what terms — he did after the financial crisis of 2008 to borrow Russian money when others in the West would not lend to him," - Richard Dearlove, former head of the UK's intelligence service, MI6 - April 2017.¹⁴⁶

Based on the available information, if Mr Trump did not have sufficient lawful income to purchase Turnberry with cash, it is reasonable to suspect that this money could have been acquired through Russian money laundering.

The list of Trump associates, advisers, and Russian nationals who were indicted and/or plead guilty as part of the Mueller inquiry included at least 34 people and 3 companies,¹⁴⁷ while others have been subpoenaed.

- In October 2017, Mr Trump's campaign foreign policy adviser, George Papadopoulos, pleads guilty to lying to investigators about contacts with a Kremlin-linked professor while working for the Trump campaign.¹⁴⁸
- In December 2017, Mr Trump's national security adviser, Lieutenant General Michael Flynn, pleads guilty to lying to the FBI about contacts with the Russian ambassador during the campaign.¹⁴⁹ Mr Flynn has since cooperated with the Mueller inquiry.¹⁵⁰
- In December 2017, reports reveal Mr Mueller has issued a subpoena to Deutsche Bank to provide certain documents and data concerning people or entities affiliated with Mr Trump.¹⁵¹

144 "Trump Jr.'s Love affair with Moscow" (Politico) <https://www.politico.com/story/2017/07/12/trump-junior-russia-connection-240436>

145 "A Day (And A Cheesburger) With President Trump" (WBUR) <http://www.wbur.org/onlyagame/2017/05/05/james-dodson-donald-trump-golf>

146 "Interview: Richard Dearlove—I spy nationalism" (Prospect Magazine) <https://www.prospectmagazine.co.uk/magazine/interview-richard-dearlove-europe-intelligence-mi6>

147 See this summary as at October 10, 2018 - "All of Robert Mueller's indictments and plea deals in the Russia investigation so far" (Vox) <https://www.vox.com/policy-and-politics/2018/2/20/17031772/mueller-indictments-grand-jury>

148 "George Papadopoulos: ex-Trump adviser jailed for 14 days for lying to FBI" (The Guardian) <https://www.theguardian.com/us-news/2018/sep/07/george-papadopoulos-trump-adviser-sentenced-russia>

149 "Michael Flynn Pleads Guilty to Lying to the F.B.I. and Will Cooperate With Russia Inquiry" (The New York Times) <https://www.nytimes.com/2017/12/01/us/politics/michael-flynn-guilty-russia-investigation.html>

150 "Former national security adviser Michael Flynn is still cooperating with Mueller and eager to have case wrapped up court hears" (The Washington Post) https://www.washingtonpost.com/local/public-safety/ex-trump-national-security-adviser-michael-flynn-expected-back-in-court-for-first-time-since-guilty-plea/2018/07/09/14dd5444-839e-11e8-9e80-403a2-21946a7_story.html?utm_term=.c104e464d84e

151 (1) "Deutsche Bank sends Trump financial details to Mueller investigation" <https://www.ft.com/content/3c357c9a-d9dc-11e7-a039-c64b1c09b482>; and (2) "Yes, Deutsche Bank did get a subpoena from Mueller" (Global Handelsblatt) <https://global.handelsblatt.com/finance/yes-deutsche-bank-did-get-a-subpoena-from-mueller-861828>

- In February 2018, Mr Trump's deputy campaign manager, Rick Gates, a former pro-Russian lobbyist, agrees to a plea deal in which charges of tax fraud and money laundering are dropped provided he pleads guilty to conspiring against the US and lying to investigators.¹⁵² Mr Gates has since cooperated with the Mueller inquiry.¹⁵³
- In March 2018, it is reported that Mr Mueller had issued a subpoena to the Trump Organisation seeking documents relating to potential Russian connections.¹⁵⁴
- On August 21, 2018, Mr Trump's campaign manager Paul Manafort, who has extensive ties to ex-Soviet oligarchs,¹⁵⁵ is convicted of tax and bank fraud.¹⁵⁶ On the same day, Mr Trump's personal lawyer, Michael Cohen, pleads guilty to campaign finance and tax fraud charges, admitting to paying hush money "at the direction of the candidate".¹⁵⁷
- On September 14, 2018, following his August conviction, Manafort pleads guilty to separate charges, including conspiring against the US and laundering more than \$60 million from pro-Russian Ukrainians.¹⁵⁸ Mr Manafort has since cooperated with the Mueller inquiry.¹⁵⁹

152 (1) "Robert Mueller drops many charges against ex-Trump aide cooperating in Russia inquiry" (The Guardian) <https://www.theguardian.com/us-news/2018/feb/27/rick-gates-charges-robert-mueller-russia-investigation>; and (2) "Mueller drops charges against Rick Gates" (Politico)

<https://www.politico.eu/article/robert-mueller-drops-charges-against-rick-gates-donald-trump-russia-probe/>

153 "Attorneys say former Manafort deputy Rick Gates is still cooperating with Mueller" (CNN)

<https://edition.cnn.com/2018/11/14/politics/rick-gates-mueller-manafort/index.html>

154 "Mueller Wants Trump's Business Records. What's the Russia Connection?" (The New York Times)

<https://www.nytimes.com/2018/03/17/business/trump-organization-russia-mueller.html>

155 "What we know about Paul Manafort's tangled web of connections to Russia" (Business Insider) <http://uk.businessinsider.com/paul-manafort-russia-ties-2017-10>

156 "Catastrophic day for Trump: Former campaign boss Paul Manafort and former lawyer Michael Cohen are now both felons" (CNBC) <https://www.cnn.com/2018/08/21/catastrophic-day-for-trump-paul-manafort-michael-cohen-are-felons.html>

157 Ibid.

158 "Paul Manafort pleads guilty and agrees to cooperate with Mueller investigation" (CNN) <https://edition.cnn.com/2018/09/14/politics/paul-manafort-guilty-plea/index.html>

159 "Manafort has reportedly visited Mueller's office 9 times over the past month, for hours at a time" (Business Insider UK)

<http://uk.businessinsider.com/manafort-visited-mueller-9-times-cooperation-russia-collusion-2018-10?r=US&IR=T>

THE NEED FOR SCOTLAND TO ACT

From Turnberry to Toronto¹⁶⁰, Mr Trump's businesses are shrouded in a mist of suspicion and plagued by rumours of corruption and even Russian foul play. If Mr Trump's money was acquired legally, he should be able to demonstrate that fact to Scottish Ministers. If he cannot, Scotland must show it is ready to stand up to financial crimes and declare independence from Mr Trump's financial corruption.

The Scottish government's duty is to uphold the values and laws of the nation and its people. Scottish values of fairness and integrity cannot allow the troubling questions about the size and sources of Mr Trump's income to go unanswered when they have such a tangible Scottish dimension. Such a failure to act, we believe, would leave the government vulnerable to judicial review. Nor can it be intimidated by the fact that the owner of these assets is the President of the United States. In Scotland, no one is above the law. Mr Trump is a "politically exposed person" susceptible to a UWO as much as any other politically exposed figure.

Furthermore, it is Mr Trump's own behaviour that itself prompts so many doubts. It is also Mr Trump who refuses to dispel suspicions on both sides of the Atlantic by refusing to disclose his tax returns in defiance of normal presidential practice.

Now is the moment to show that Scotland is no safe haven for money launderers, by seeking an Unexplained Wealth Order requiring Donald Trump to clarify the source of the money used to acquire the Turnberry golf course on Scottish soil.

¹⁶⁰ Toronto Trump Tower Developer Paid \$100 Million To Kremlin-Linked 'Fixer': Report (Huffington Post)
https://www.huffingtonpost.ca/2018/07/13/toronto-trump-tower-russia-alex-shnaider_a_23481344

APPENDIX

Ownership structure for Turnberry and Balmedie

TURNBERRY

1. According to the 2016 Disclosure Report, Mr Trump is a 100% owner of Turnberry Scotland Managing Member Corp; it, in turn owns 1% of Turnberry Scotland LLC; it, in turn owns 100% of Golf Recreation Scotland Limited; it, in turn, owns 100% of Trump Turnberry. The other 99% of the company at the top of the chain, Turnberry Scotland LLC, is owned by DJT Holdings LLC. DJT Holdings LLC is owned 99% by The Donald J. Trump Revocable Trust; and 1% by DJT Holdings Managing Member LLC (which is owned 100% by The Donald J. Trump Revocable Trust).¹⁶¹ Donald J. Trump is listed as a trustee of The Donald J. Trump Revocable Trust. Reports in April 2017 indicated Mr Trump retains control of the assets in the Trust.¹⁶²

2. The value of the course and resort is declared as more than \$50 million.¹⁶³ The Trump Organisation stated publicly that between the purchase and October 2016 a further £150 million was spent on renovations and improvements.¹⁶⁴

BALMEDIE

1. In May 2016, Mr Trump provided estimates of his assets, income, and debt in his annual financial disclosure report filed with the US Office of Government Ethics. The figures in the document are self-reported, and given in broad ranges rather than specific values.¹⁶⁵

2. There is no doubt that the company that owns the land is connected to Mr Trump. According to the 2016 Disclosure Report, Mr Trump owns 100% of Trump Scotland Member Inc and it owns 1% of Trump International Golf Links — Scotland, Mr Trump owns the other 99%.¹⁶⁶

3. The Report states that Trump International Golf Links — Scotland, owns the course in Aberdeen.¹⁶⁷ The course is given a value of “over \$50,000,000”.

A copy deed filed with the Registers of Scotland sets out the following

¹⁶¹ Donald Trump Financial Disclosure Report, 2016 (United States Office of Government Ethics) <https://www.documentcloud.org/documents/2838696-Trump-2016-Financial-Disclosure.html>

¹⁶² “Trump Lawyer Confirms President Can Pull Money From His Businesses Whenever He Wants” (ProPublica) <https://www.propublica.org/article/trump-pull-money-his-businesses-when-ever-he-wants-without-telling-us>

¹⁶³ See item 038 on page 16. Donald Trump Financial Disclosure Report, 2016 (United States Office of Government Ethics) <https://www.documentcloud.org/documents/2838696-Trump-2016-Financial-Disclosure.html>, October 5, 2018.

¹⁶⁴ “Trump Organisation claims £150m Turnberry investment” (BBC) <https://www.bbc.co.uk/news/uk-scotland-scotland-business-37655823>,

¹⁶⁵ Donald Trump Financial Disclosure Report, 2016 (United States Office of Government Ethics) <https://www.documentcloud.org/documents/2838696-Trump-2016-Financial-Disclosure.html>, October 5, 2018

¹⁶⁶ Ibid. See item 437 on p. 96 and item 297 on p. 84

¹⁶⁷ Ibid. See item 069 on p.19

acquisitions relating to Balmedie by Trump International Golf Club Scotland Ltd:

Dates of registration into Registers of Scotland*		
May 10, 2006	Consideration paid	£4,498,345
December 12, 2006	Consideration paid	£60,000
January 11, 2007	Consideration paid	£81,000
February 21, 2007	Consideration paid	£43,505
March 6, 2007	Consideration paid	£725,000
March 25, 2008	Consideration paid	£1,500,000
July 23, 2010	Consideration paid	£10,000
	Total consideration paid	£6,917,850

*Copy Deed ABN85488

ABOUT THE AUTHORS

This document was produced by the global civic movement Avaaz, with the advice and input of Bryan Heaney of Westwater Advocates.

Avaaz is a 50-million-person global campaign network that works to ensure that the views and values of the world's people shape global decision-making. ("Avaaz" means "voice" or "song" in many languages.) Avaaz members live in every nation of the world; our team is spread across 30 countries on 4 continents and operates in 17 languages. You can see more details on our work here: <https://www.avaaz.org/en/highlights.php>

For more information regarding this document, or our work, please contact:

Our Media Team media@avaaz.org