

HEARING WITH MICHAEL COHEN, FORMER
ATTORNEY TO PRESIDENT DONALD TRUMP

HEARING
BEFORE THE
COMMITTEE ON
OVERSIGHT AND REFORM
HOUSE OF REPRESENTATIVES
ONE HUNDRED SIXTEENTH CONGRESS
FIRST SESSION

FEBRUARY 27, 2019

Serial No. 116-03

Printed for the use of the Committee on Oversight and Reform



Available on: <http://www.govinfo.gov>
<http://www.house.gov/reform>

U.S. GOVERNMENT PUBLISHING OFFICE

35-230 PDF

WASHINGTON : 2019

COMMITTEE ON OVERSIGHT AND REFORM

ELIJAH E. CUMMINGS, Maryland, *Chairman*

Carolyn B. Maloney, New York	Jim Jordan, Ohio, <i>Ranking Minority Member</i>
Eleanor Holmes Norton, District of Columbia	Justin Amash, Michigan
Wm. Lacy Clay, Missouri	Paul A. Gosar, Arizona
Stephen F. Lynch, Massachusetts	Virginia Foxx, North Carolina
Jim Cooper, Tennessee	Thomas Massie, Kentucky
Gerald E. Connolly, Virginia	Mark Meadows, North Carolina
Raja Krishnamoorthi, Illinois	Jody B. Hice, Georgia
Jamie Raskin, Maryland	Glenn Grothman, Wisconsin
Harley Rouda, California	James Comer, Kentucky
Katie Hill, California	Michael Cloud, Texas
Debbie Wasserman Schultz, Florida	Bob Gibbs, Ohio
John P. Sarbanes, Maryland	Clay Higgins, Louisiana
Peter Welch, Vermont	Ralph Norman, South Carolina
Jackie Speier, California	Chip Roy, Texas
Robin L. Kelly, Illinois	Carol D. Miller, West Virginia
Mark DeSaulnier, California	Mark E. Green, Tennessee
Brenda L. Lawrence, Michigan	Kelly Armstrong, North Dakota
Stacey E. Plaskett, Virgin Islands	W. Gregory Steube, Florida
Ro Khanna, California	
Jimmy Gomez, California	
Alexandria Ocasio-Cortez, New York	
Ayanna Pressley, Massachusetts	
Rashida Tlaib, Michigan	

DAVID RAPALLO, *Staff Director*

PETER KENNY, *Counsel*

ELISA LANIER, *Chief Clerk and Director of Operations*

CONTACT NUMBER: 202-225-5051

C O N T E N T S

Hearing held on February 27, 2019	Page 1
---	-----------

WITNESSES

Michael Cohen, Former Attorney to President Donald Trump	
Oral Statement	9
Written Statement	16

INDEX OF INSERTS

Statement of Lynne Patton	Page 35
Referral of Michael Cohen for Potential Violation	39
Common Cause Letter	108
Dr. Darrell Scott Tweet	154
Bo Dietl Tweet	156
Letter to Chairman Cummings	158
Cohen Sentencing Statement	168
State of New York Court Order on Cohen	172

HEARING WITH MICHAEL COHEN, FORMER ATTORNEY TO PRESIDENT DONALD TRUMP

Tuesday, February 27, 2019

HOUSE OF REPRESENTATIVES
COMMITTEE ON OVERSIGHT AND REFORM
Washington, D.C.

The committee met, pursuant to notice, at 10:02 a.m., in room 2154, Rayburn House Office Building, Hon. Elijah Cummings (chairman of the committee) presiding.

Present: Representatives Cummings, Maloney, Norton, Clay, Lynch, Cooper, Connolly, Krishnamoorthi, Raskin, Rouda, Hill, Wasserman Schultz, Sarbanes, Welch, Speier, Kelly, DeSaulnier, Lawrence, Plaskett, Khanna, Gomez, Ocasio-Cortez, Pressley, Tlaib, Jordan, Amash, Gosar, Foxx, Massie, Meadows, Hice, Grothman, Comer, Cloud, Gibbs, Higgins, Norman, Roy, Miller, Green, Armstrong, and Steube.

Chairman CUMMINGS. The committee will come to order. Without objection, the chair is authorized to declare a recess of the committee at any time. The full committee hearing is convening to hear the testimony of Michael Cohen, former attorney to President Donald Trump.

Mr. MEADOWS. Mr. Chairman, I have a point of order.

Chairman CUMMINGS. You'll state your point of order.

Mr. MEADOWS. Rule 9(f) of the committee rules say that any testimony from your witness needs to be here 24 hours in advance. The committee and the chairman know well that at 10:08, we received the written testimony, and then we received evidence this morning at 7:54.

Now, if this was just an oversight, Mr. Chairman, I could look beyond it. But it was an intentional effort by this witness and his advisors to, once again, show his disdain for this body.

With that, I move that we postpone this hearing.

Chairman CUMMINGS. I want to thank the gentleman.

Let me say this, that we got the testimony late last night. We did. And we got it to you all pretty much the same time that we got it.

I want to move forward with this hearing.

Mr. MEADOWS. Mr. Chairman, with all due respect, Mr. Chairman, this is a violation of the rule. And if it was not intentional, I would not have a problem. I'm not saying it was intentional on your part. I'm saying it's intentional on his part, because Mr. Dean, last night on a cable news network, actually made it all very evident. John Dean. And I'll quote, Mr. Chairman. He said, "As a former committee counsel in the House Judiciary Committee, and

then a long-term witness, sitting alone at the table is important, quote, 'holding your statement as long as you can so the other side can't chew it up is important as well,' closed quote.

And so it was advice that our witness got for this particular body. And, Mr. Chairman, when you were in the minority, you wouldn't have stood for it. And I can tell you that we should not stand for it as a body.

Chairman CUMMINGS. Let me say this——

Mr. JORDAN. Mr. Chairman——

Chairman CUMMINGS. Let me say this.

Mr. JORDAN. Mr. Chairman——

Chairman CUMMINGS. Yes. Katie Hill.

Ms. HILL. I move to table.

Mr. JORDAN. Mr. Chairman.

Chairman CUMMINGS. Is there a second?

Mr. JORDAN. Mr. Chairman. I was asked to be recognized before the motion.

Chairman CUMMINGS. The vote is on tabling the motion.

Mr. JORDAN. Do you know who had this material before all the members of the committee?

Chairman CUMMINGS. Excuse me.

Mr. JORDAN. CNN had it before we did.

Chairman CUMMINGS. Sir.

Mr. JORDAN. CNN had the exhibits before we did.

Well, I just want to be recognized.

Chairman CUMMINGS. Yes, well, the vote is on tabling the motion to postpone.

All in favor say aye.

All opposed say no. The ayes have it.

Mr. MEADOWS. And I appeal the ruling of the chair.

Yes, I can assure you it's in the rules. I appeal the ruling of the chair.

Mr. HICE. Do the rules matter, Mr. Chairman?

Chairman CUMMINGS. I recognize the gentlelady.

Ms. HILL. Move to waive the rules.

Chairman CUMMINGS. There's a motion to table.

Ms. HILL. Move to table.

Chairman CUMMINGS. The vote is——

Mr. MEADOWS. Well, she made two motions. What's the motion?

Chairman CUMMINGS. The vote is on tabling——

Ms. HILL. I move to table the appeal to the ruling of the chair.

Chairman CUMMINGS. The vote is on that.

All in favor say aye.

All opposed say no.

The ayes have it.

Mr. MEADOWS. I ask for a recorded vote, Mr. Chairman.

Chairman CUMMINGS. Very well.

The clerk will call the roll.

The Clerk. Mr. Cummings?

Chairman CUMMINGS. Yes.

The Clerk. Mr. Cummings votes yes.

Ms. Maloney?

Ms. MALONEY. Yes.

The Clerk. Ms. Maloney votes yes.

Ms. Norton?
 Ms. NORTON. Yes.
 The Clerk. Ms. Norton votes yes.
 Mr. Clay?
 Mr. CLAY. Yes.
 The Clerk. Mr. Clay votes yes.
 Mr. Lynch?
 Mr. LYNCH. Yes.
 The Clerk. Mr. Lynch votes yes.
 Mr. Cooper?
 Mr. COOPER. Yes.
 The Clerk. Mr. Cooper votes yes.
 Mr. Connolly?
 Mr. CONNOLLY. Yes.
 The Clerk. Mr. Connolly votes yes.
 The Clerk. Mr. Krishnamoorthi?
 Mr. KRISHNAMOORTHY. Yes.
 The Clerk. Mr. Krishnamoorthi votes yes.
 Mr. Raskin?
 Mr. RASKIN. Yes.
 The Clerk. Mr. Raskin votes yes.
 Mr. Rouda?
 Mr. ROUDA. Yes.
 The Clerk. Mr. Rouda votes yes.
 Ms. Hill?
 Ms. HILL. Yes.
 The Clerk. Ms. Hill votes yes.
 Ms. Wasserman Schultz?
 Ms. Wasserman Schultz. Yes.
 The Clerk. Ms. Wasserman Schultz votes yes.
 Mr. Sarbanes?
 Mr. SARBANES. Yes.
 The Clerk. Mr. Sarbanes votes yes.
 Mr. Welch. Yes.
 The Clerk. Mr. Welch votes yes.
 Ms. Speier?
 Ms. SPEIER. Yes.
 The Clerk. Ms. Speier votes yes.
 Ms. Kelly?
 Ms. KELLY. Yes.
 The Clerk. Ms. Kelly votes yes.
 Mr. DeSaulnier?
 Mr. DESAULNIER. Yes.
 The Clerk. Mr. DeSaulnier votes yes.
 Mrs. Lawrence?
 Mrs. LAWRENCE. Yes.
 The Clerk. Mrs. Lawrence votes yes.
 Ms. Plaskett?
 Ms. PLASKETT. Yes.
 The Clerk. Ms. Plaskett votes yes.
 Mr. Khanna?
 Mr. KHANNA. Yes.
 The Clerk. Mr. Khanna votes yes.
 Mr. Gomez?

Mr. GOMEZ. Yes.
 The Clerk. Mr. Gomez votes yes.
 Ms. Ocasio-Cortez?
 Ms. Ocasio-Cortez. Yes.
 The Clerk. Ms. Ocasio-Cortez votes yes.
 Ms. Pressley?
 Ms. PRESSLEY. Yes.
 The Clerk. Ms. Pressley votes yes.
 Ms. Tlaib?
 Ms. TLAIB. Yes.
 The Clerk. Ms. Tlaib votes yes.
 Mr. Jordan?
 Mr. JORDAN. No.
 The Clerk. Mr. Jordan votes no.
 Mr. Amash?
 Mr. AMASH. No.
 The Clerk. Mr. Amash votes no.
 Mr. Gosar?
 Mr. GOSAR. No.
 The Clerk. Mr. Gosar votes no.
 Ms. Foxx?
 Ms. FOXX. No.
 The Clerk. Ms. Foxx votes no.
 Mr. Massie?
 Mr. MASSIE. No.
 The Clerk. Mr. Massie votes no.
 Mr. Meadows?
 Mr. MEADOWS. No.
 The Clerk. Mr. Meadows votes no.
 Mr. Hice?
 Mr. HICE. No.
 The Clerk. Mr. Hice votes no.
 Mr. Grothman?
 Mr. GROTHMAN. No.
 The Clerk. Mr. Grothman votes no.
 Mr. Comer?
 Mr. COMER. No.
 The Clerk. Mr. Comer votes no.
 Mr. Cloud?
 Mr. CLOUD. No.
 The Clerk. Mr. Cloud votes no.
 Mr. Gibbs?
 Mr. GIBBS. No.
 The Clerk. Ms. Gibbs votes no.
 Mr. Higgins?
 [No response.]
 The Clerk. Mr. Norman?
 Mr. NORMAN. No.
 The Clerk. Mr. Norman votes no.
 Mr. Roy?
 Mr. ROY. No.
 The Clerk. Mr. Roy votes no.
 Mrs. Miller?
 Mrs. MILLER. No.

The Clerk. Mrs. Miller votes no.

Mr. Green?

Mr. GREEN. No.

The Clerk. Mr. Green votes no.

Mr. Armstrong?

Mr. ARMSTRONG. No.

The Clerk. Mr. Armstrong votes no.

Mr. Steube?

Mr. STEUBE. No.

The Clerk. Mr. Steube votes no.

On this vote, we have 24 yeases, 17 noes.

Chairman CUMMINGS. OK. The motion to table is agreed to.

Let me say this: You've made it clear that you do not want the American people to hear what Mr. Cohen has to say. But the American people have a right to hear him, so we're going to proceed. The American people can judge his credibility for themselves.

Now——

Mr. JORDAN. Mr. Chairman.

Chairman CUMMINGS. Yes.

Mr. JORDAN. We did not say that. We just said we wanted to follow the rules. We had—he didn't say stop the hearing. He just said postpone it so we could get his testimony and the exhibits when we were supposed to get them according to the rules of this committee. That's all we said. We didn't say we didn't want to hear from the guy.

Chairman CUMMINGS. Reclaiming my time.

Mr. JORDAN. We want to follow the rule.

Chairman CUMMINGS. Reclaiming my time.

I now recognize myself for five minutes to give an opening statement.

Today, the committee will hear the testimony of Michael Cohen, President Donald Trump's long-time personal attorney, and one of his closest and most trusted advisers over the last decade. On August 21, Mr. Cohen appeared in Federal court, and admitted to arranging secret payoffs of hundreds of thousands of dollars on the eve of the election, to silence women alleging affairs with Donald Trump.

Mr. Cohen admitted to violating campaign finance laws and other laws. He admitted to committing these felonies, quote, "in coordination with and at the direction of," unquote, President Trump. And he admitted, he admitted, to lying about his actions to protect the President.

Some will certainly ask, if Mr. Cohen was lying then, why should we believe him now?

Mr. JORDAN. Good question.

Chairman CUMMINGS. This is a legitimate question.

As a trial lawyer for many years, I faced this situation over and over again, and I asked the same question.

Here is how I view our role. Every one of us in this room has a duty to serve as an independent check on the executive branch. Ladies and gentlemen, we are in search of the truth. The President has made many statements of his own, and now the American people have a right to hear the other side. They can watch Mr. Cohen's testimony and make their own judgment.

We received a copy of Mr. Cohen's written statement late last night. It includes not only personal eyewitness accounts of meetings with Donald Trump, as President inside the Oval Office, but it also includes documents and other corroborating evidence of some of Mr. Cohen's statements.

For example, Mr. Cohen has provided a copy of a check sent while President Trump was in office, with Donald Trump's signature on it to reimburse Mr. Cohen for the hush money payment to Stormy Daniels. This is new—this new evidence raises a host of troubling legal and ethical concerns about the President's actions in the White House and before.

Would you all close that door, please?

Thank you.

This check is dated August 1, 2017. Six months later, in April 2018, the President denied anything about it. In April 2018, President Trump was flying on Air Force One when a reporter asked him a question, Did you know about a \$130,000 payment to Stormy Daniels? The answer was, quote, "No."

A month after that, the President admitted to making payments to Mr. Cohen, proclaimed they were part of a, quote, "a monthly retainer," unquote, for legal services. This claim fell apart in August when Federal prosecutors concluded, and I quote, "in truth and in fact, there was no such retainer agreement," end of quote.

Today, we will also hear Mr. Cohen's account of a meeting in 2016 in Donald Trump's office during which Roger Stone said over speaker phone that he had just spoken with Julian Assange, who said there would be a, quote, "massive dump of emails that would damage Hillary Clinton's campaign," end of quote.

According to Cohen, Mr. Trump replied, quote, "Wouldn't that be great," end of quote.

The testimony that Michael Cohen will provide today, ladies and gentlemen, is deeply disturbing, and it should be troubling to all Americans. We will all have to make our own evaluation of the evidence and Mr. Cohen's credibility as he admits he has repeatedly lied in the past. I agree with Ranking Member Jordan that this is an important factor we need to weigh, but we must weigh it, and we must hear from him.

But where I disagree fundamentally with the ranking member involves his efforts to prevent the American people from hearing from Mr. Cohen. Mr. Cohen's testimony raises grave questions about the legality of Donald Trump's—President Donald Trump's conduct and the truthfulness of statements while he was President. We need to assess and investigate this new evidence as we uphold our constitutional—our oversight responsibilities. And we will continue after today to gather more documents and testimony in our search for the truth.

I have made it abundantly clear to Mr. Cohen that if he comes here today and he does not tell him the truth—tell us the truth, I will be the first one to refer that—those untruthful statements to DOJ. So when people say he doesn't have anything to lose, he does have a lot to lose if he lies.

And the American people, by the way, voted for accountability in November. And they have a right to hear Mr. Cohen in public so they can make their own judgments.

Mr. Cohen's testimony is the beginning of the process, not the end. Ladies and gentlemen, the days of this committee protecting the President at all costs are over. They're over.

Before I close, I want to comment about the scope of today's hearing. At the request of the House Intelligence Committee and my very good friend, Adam Schiff, Congressman Adam Schiff, the chairman, I intended, over the objections of the ranking member of our committee, to limit the scope of today's hearing to avoid questions about Russia.

However, Mr. Cohen's written testimony—in his written testimony, he's made statements relating to Russia, and these are topics that, we understand, do not raise concern from the Department of Justice.

So in fairness to the ranking member and all committee members, we will not restrict questions relating to the witness's testimony or related questions he is willing to answer.

Finally, I remind members that we will need to remain mindful of those areas where there are ongoing Department of Justice investigations. Those scoping limitations have not changed.

Finally, and to Mr. Cohen, Martin Luther King, Mr. Cohen, said some words that I leave with you today before you testify. He said, Faith is taking the first step even when you can't see the whole staircase. There comes a time when silence becomes betrayal. Our lives begin to end the day we become silent about things that truly matter. In the end he says, we will remember not the words of our enemies but the silence of our friends.

And with that, I yield to the distinguished gentleman, the ranking member of our committee, Mr. Jordan.

Mr. GOSAR. Mr. Chairman, point of parliamentary inquiry.

Chairman CUMMINGS. Yes.

Mr. GOSAR. To the point that—

Chairman CUMMINGS. Mr. Jordan is recognized. Mr. Jordan is recognized for his opening statement.

Mr. JORDAN. Mr. Chairman, here we go. Here we go. Your first big hearing, your first announced witness, Michael Cohen. I want everyone in this room to think about this. The first announced witness for the 116th Congress is a guy who is going to prison in two months for lying to Congress.

Mr. Chairman, your chairmanship will always be identified with this hearing. And we all need to understand what this is. This is the Michael Cohen hearing presented by Lanny Davis. That's right. Lanny Davis choreographed the whole darn thing. The Clintons' best friend, loyalist, operative. Lanny Davis put this all together.

Do you know how we know? He told our staff. He told the committee staff. He said the hearing was his idea. He selected this committee. He had to talk Michael Cohen into coming. And most importantly, he had to persuade the chairman to actually have it. He told us it took two months to get that job done. But here we are. He talked him into it.

This might be the first time someone convicted of lying to Congress has appeared again so quickly in front of Congress. Certainly, it's the first time a convicted perjurer has been brought back to be a star witness in a hearing. And there's a reason this is a first, because no other committee would do it.

Think about this. With Mr. Cohen here, this committee, we got lots of lawyers on this committee, this committee is actually encouraging a witness to violate attorney-client privilege.

Mr. Chairman, when we legitimize dishonesty, we delegitimize this institution. We're supposed to pursue the truth. But you have stacked the deck against the truth. We're only allowed to ask certain questions. Even with that amendment you just told us about, well, Russia is now on the table.

You additionally told us we can't ask questions about the special counsel, can't ask questions about the Southern District of New York, can't ask questions about Russia. Nope. Nope. Only subjects we can talk about are ones you think are going to be harmful to the President of the United States. And the answers to those questions are going to come from a guy who can't be trusted.

Here's what the U.S. attorney said about Mr. Cohen. While Mr. Cohen enjoyed a privileged life, his desire for ever-greater wealth and influence precipitated an extensive course of criminal conduct. Mr. Cohen committed four, four distinct Federal crimes over a period of several years. He was motivated to do so by personal greed. And repeatedly, repeatedly used his power and influence for deceptive ends.

But the Democrats don't care. They don't care. They just want to use you, Mr. Cohen. You're their patsy today. They got to find somebody somewhere to say something so they can try to remove the President from office, because Tom Steyer told him to.

Tom Steyer last week organized a town hall. Guess where? Chairman Nadler's district in Manhattan. Two nights ago, Tom Steyer organized a town hall. Guess where? Chairman Cummings' district in Baltimore. The best they can find—the best they can find to start this process, Michael Cohen. Fraudster, a cheat, a convicted felon, and in two months, a Federal inmate. Well, actually, they didn't find him. Lanny Davis found him.

I'll say one thing about the Democrats. They stick to the playbook. Remember—remember how all this started. The Clinton campaign hired Perkins Coie law firm who hired Glenn Simpson who hired a foreigner, Christopher Steele, who put together the fake dossier that the FBI used to go get a warrant to spy on the Trump campaign.

But when that whole scheme failed and the American people said we're going to make Donald Trump President, they said, We got to do something else. So now Clinton loyalist, Clinton operative Lanny Davis has persuaded the chairman of the Oversight Committee to give a convicted felon a forum to tell stories and lie about the President of the United States so they can all start their impeachment process.

Mr. Chairman, we are better than this. We are better than this. I yield back.

Chairman CUMMINGS. I wanted to note.

Mr. JORDAN. Actually, Mr. Chairman. Mr. Chairman, I have to motion.

Chairman CUMMINGS. Yield back.

Mr. JORDAN. I have a motion.

Chairman CUMMINGS. The gentleman is not recognized.

Mr. JORDAN. I have a motion under rule 2(k)6 of Rule 11.

Chairman CUMMINGS. You yielded back, sir. You yielded back.

Mr. JORDAN. Mr. Chairman, you took 7 minutes. I took 4.

Chairman CUMMINGS. Well, the gentleman yielded back.

Mr. JORDAN. That's how you're going to operate?

First you don't follow the rules, and now you're going to say—so you don't get—you get to——

Chairman CUMMINGS. Point of order. You—regular order.

Mr. JORDAN. You get to deviate from the rules.

Chairman CUMMINGS. Regular order.

Mr. JORDAN. I just have a simple motion, Mr. Chairman.

Ms. PLASKETT. Regular order.

Chairman CUMMINGS. Thank you.

Mr. JORDAN. It's a regular order to have the testimony 24 hours in advance.

Chairman CUMMINGS. Excuse me. I wanted to note that——

Mr. CONNOLLY. We've addressed that.

Chairman CUMMINGS [continuing]. until Rule 11 Clause 4, all media and photographers must be officially credentialed to record these proceedings and take photographs.

I also wanted to briefly address the spectators in the hearing room today. We welcome you and we respect your right to be here. We also ask, in turn, for your respect as we proceed with the business of the committee today. It is the intention of the committee to proceed without any disruptions. Any disruption of this committee will result in the United States Capitol Police restoring order, and that protesters will be removed. And we are grateful for your presence here today and your cooperation.

Now I want to welcome Mr. Cohen and thank him for participating in today's hearing.

Mr. Cohen, if you would please rise, and I will begin to swear you in.

Raise your right hand. Do you swear or affirm that the testimony that you are about to give is the whole truth and nothing but the truth, so help you God?

Mr. COHEN. I do.

Chairman CUMMINGS. Let the record show that the witness answered in the affirmative. And thank you. And you may be seated.

The microphones are sensitive, so please speak directly into them. Without objection, your written statement will be made a part of the record.

With that, Mr. Cohen, you are now recognized to give an oral presentation of your testimony.

STATEMENT OF MICHAEL COHEN, FORMER ATTORNEY TO PRESIDENT DONALD TRUMP

Mr. COHEN. Chairman Cummings, Ranking Member Jordan, and members of the committee, thank you for inviting me here today. I have asked this committee to ensure that my family be protected from Presidential threats, and that the committee be sensitive to the questions pertaining to ongoing investigations. I thank you for your help and for your understanding.

I am here under oath to correct the record, to answer the committee's questions truthfully, and to offer the American people what I know about President Trump. I recognize that some of you

may doubt and attack me on my credibility. It is for this reason that I have incorporated into this opening statement documents that are irrefutable, and demonstrate that the information you will hear is accurate and truthful.

Never in a million years did I imagine when I accepted a job in 2007 to work for Donald Trump that he would one day run for the presidency, to launch a campaign on a platform of hate and intolerance, and actively win. I regret the day I said yes to Mr. Trump. I regret all the help and support I gave him along the way. I am ashamed of my own failings and publicly accepted responsibility for them by pleading guilty in the Southern District of New York. I am ashamed of my weakness and my misplaced loyalty of the things I did for Mr. Trump in an effort to protect and promote him.

I am ashamed that I chose to take part in concealing Mr. Trump's illicit acts rather than listening to my own conscience. I am ashamed, because I know what Mr. Trump is. He is a racist, he is a con man, and he is a cheat.

He was a Presidential candidate who knew that Roger Stone was talking with Julian Assange about a WikiLeaks drop on Democratic National Committee emails. And I will explain each in a few moments.

I am providing the committee today with several documents, and these include a copy of a check Mr. Trump wrote from his personal bank account, after he became President, to reimburse me for the hush money payments I made to cover up his affair with an adult film star, and to prevent damage to his campaign. Copies of financial statements from 2011, 2012, and 2013 that he gave to such institutions such as Deutsche Bank, a copy of an article with Mr. Trump's handwriting on it that reported on the auction of a portrait of himself that he arranged for the bidder ahead of time and then reimbursed the bidder from the account of his nonprofit charitable foundation, with the picture now hanging in one of his country clubs, and copies of letters I wrote at Mr. Trump's direction that threatened his high school, colleges, and the College Board not to release his grades or SAT scores.

I hope my appearance here today, my guilty plea, and my work with law enforcement agencies are steps along a path of redemption that will restore faith in me and help this country understand our President better.

Before going further, I want to apologize to each member, to you as Congress, as a whole. The last time I appeared before Congress, I came to protect Mr. Trump. Today, I am here to tell the truth about Mr. Trump. I lied to Congress when Mr. Trump stopped negotiating the Moscow tower project in Russia. I stated that we stopped negotiating in January 2016. That was false. Our negotiations continued for months later during the campaign.

Mr. Trump did not directly tell me to lie to Congress. That's not how he operates. In conversations we had during the campaign, at the same time, I was actively negotiating in Russia for him, he would look me in the eye and tell me, there's no Russian business, and then go on to lie to the American people by saying the same thing. In his way, he was telling me to lie.

There are at least a half a dozen times between the Iowa caucus in January 2016 and the end of June when he would ask me how's it going in Russia, referring to the Moscow tower project.

You need to know that Mr. Trump's personal lawyers reviewed and edited my statement to Congress about the timing of the Moscow tower negotiations before I gave it. So to be clear, Mr. Trump knew of and directed the Trump-Moscow negotiations throughout the campaign and lied about it. He lied about it because he never expected to win. He also lied about it because he stood to make hundreds of millions of dollars on the Moscow real estate project.

So I lied about it too, because Mr. Trump had made clear to me, through his personal statements to me that we both knew to be false and through his lies to the country, that he wanted me to lie. And he made it clear to me, because his personal attorneys reviewed my statement before I gave it to Congress.

Over the past two years, I have been smeared as a rat by the President of the United States. The truth is much different. And let me take a brief moment to introduce myself.

My name is Michael Dean Cohen, and I am a blessed husband of 24 years and a father to an incredible daughter and son.

When I married my wife, I promised her that I would love her, I would cherish her, and I would protect her. As my father said countless times throughout my childhood, you, my wife, and you, my children, are the air that I breathe.

So to my Laura and to my Sami, and to my Jake, there is nothing I wouldn't do to protect you.

I have always tried to live a life of loyalty, friendship, generosity, and compassion. It is qualities my parents engrained in my siblings and me since childhood. My father survived the Holocaust. Thanks to the compassion and selfless acts of others, he was helped by many who put themselves in harm's way to do what they knew was right. And that is why my first instinct has always been to help those in need. And Mom and Dad, I am sorry I let you down.

As the many people that know me best would say, I am the person that they call at 3 a.m. if they needed help. And I proudly remember being the emergency contact for many of my children's friends when they were growing up, because their parents knew that I would drop everything and care for them as if they were my own.

Yet last fall, I pled guilty in Federal court to felonies for the benefit of, at the direction of, and in coordination with individual No. 1. And for the record, individual No. 1 is President Donald J. Trump.

It is painful to admit that I was motivated by ambition at times. It is even more painful to admit that many times I ignored my conscience and acted loyal to a man when I should not have. Sitting here today, it seems unbelievable that I was so mesmerized by Donald Trump that I was willing to do things for him that I knew were absolutely wrong. For that reason, I have come here to apologize to my family, to my government, and to the American people.

Accordingly, let me now tell you about Mr. Trump.

I got to know him very well working very closely with him for more than 10 years as his executive vice president and special counsel, and then as personal attorney when he became President.

When I first met Mr. Trump, he was a successful entrepreneur, a real estate giant, and an icon. Being around Mr. Trump was intoxicating. When you were in his presence, you felt like you were involved in something greater than yourself, that you were somehow changing the world. I wound up touting the Trump narrative for over a decade. That was my job. Always stay on message. Always defend. It monopolized my life.

At first, I worked mostly on real estate developments and other business transactions. Shortly thereafter, Mr. Trump brought me into his personal life and private dealings. Over time, I saw his true character revealed.

Mr. Trump is an enigma. He is complicated, as am I. He is both good and bad, as are we all. But the bad far outweighs the good. And since taking office, he has become the worst version of himself.

He is capable of behaving kindly, but he is not kind. He is capable of committing acts of generosity, but he is not generous. He is capable of being loyal, but he is fundamentally disloyal.

Donald Trump is a man who ran for office to make his brand great, not to make our country great. He had no desire or intention to lead this Nation, only to market himself and to build his wealth and power.

Mr. Trump would often say this campaign was going to be the greatest infomercial in political history. He never expected to win the primary. He never expected to win the general election. The campaign for him was always a marketing opportunity.

I knew early on in my work for Mr. Trump that he would direct me to lie to further his business interests. And I am ashamed to say that when it was for a real estate mogul in the private sector, I considered it trivial. As the President, I consider it significant and dangerous.

In the mix, lying for Mr. Trump was normalized, and no one around him questioned it. In fairness, no one around him today questions it either. A lot of people have asked me about whether Mr. Trump knew about the release of the hacked documents, the Democratic National Committee emails ahead of time. And the answer is yes.

As I earlier stated, Mr. Trump knew from Roger Stone in advance about the WikiLeaks drop of emails. In July 2016, days before the Democratic Convention, I was in Mr. Trump's office when his secretary announced that Roger Stone was on the phone. Mr. Trump put Mr. Stone on the speaker phone. Mr. Stone told Mr. Trump that he had just gotten off the phone with Julian Assange, and that Mr. Assange told Mr. Stone that within a couple of days, there would be a massive dump of emails that would damage Hillary Clinton's campaign.

Mr. Trump responded by stating to the effect, Wouldn't that be great.

Mr. Trump is a racist. The country has seen Mr. Trump court white supremacists and bigots. You have heard him call poorer countries shitholes. His private—in private he is even worse.

He once asked me if I can name a country run by a black person that wasn't a shithole. This was when Barack Obama was President of the United States. And while we were once driving through a struggling neighborhood in Chicago, he commented that only

black people could live that way. And he told me that black people would never vote for him because they were too stupid. And yet, I continued to work for him.

Mr. Trump is a cheat. As previously stated, I am giving to the committee today three years of Mr. Trump's personal financial statements from 2011, 2012, and 2013, which he gave to Deutsche Bank to inquire about a loan to buy the Buffalo Bills and to Forbes. These are exhibits 1A, 1B, and 1C to my testimony. [Exhibits are available at: <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/Michael%20Cohen.02.27.2019.Exhibits.pdf>.]

It was my experience that Mr. Trump inflated his total assets when it served his purposes, such as trying to be listed amongst the wealthiest people in Forbes and deflated his assets to reduce his real estate taxes.

I'm sharing with you two newspaper articles side-by-side that are examples of Mr. Trump inflating and deflating his assets, as I said, to suit his financial interests. These are exhibit 2 to my testimony.

As I noted, I'm giving the committee today an article he wrote on and sent to me that reported on an auction of a portrait of Mr. Trump. This is exhibit 3A to my testimony. Mr. Trump directed me to find a straw bidder to purchase a portrait of him that was being auctioned off at an art Hampton's event. The objective was to ensure that this portrait, which was going to be auctioned last, would go for the highest price of any portrait that afternoon. The portrait was purchased by the fake bidder for \$60,000.

Mr. Trump directed the Trump Foundation, which is supposed to be a charitable organization, to repay the fake bidder, despite keeping the art for himself. And please see exhibit 3B to my testimony.

It should come as no surprise that one of my more common responsibilities was that Mr. Trump directed me to call business owners, many of whom are small businesses, that were owed money for their services and told them that no payment or a reduced payment would be coming. When I asked Mr. Trump—or when I told Mr. Trump of my success, he actually reveled in it. And yet, I continued to work for him.

Mr. Trump is a con man. He asked me to pay off an adult film star with whom he had an affair, and to lie about it to his wife, which I did. And lying to the First Lady is one of my biggest regrets, because she is a kind, good person, and I respect her greatly. And she did not deserve that.

I am giving the committee today a copy of the \$130,000 wire transfer from me to Ms. Clifford's attorney during the closing days of the Presidential campaign that was demanded by Ms. Clifford to maintain her silence about her affair with Mr. Trump. And this is exhibit 4 to my testimony.

Mr. Trump directed me to use my own personal funds from a home equity line of credit to avoid any money being traced back to him that could negatively impact his campaign. And I did that too, without bothering to consider whether that was improper much less whether it was the right thing to do, or how it would impact me, my family, or the public. And I am going to jail, in part, because of my decision to help Mr. Trump hide that payment from the American people before they voted a few days later.

As exhibit 5A to my testimony shows, I am providing a copy of a \$35,000 check that President Trump personally signed from his personal bank account on August 1 of 2017, when he was President of the United States, pursuant to the coverup which was the basis of my guilty plea to reimburse me, the word used by Mr. Trump's TV lawyer for the illegal hush money I paid on his behalf.

This \$35,000 check was one of 11 check installments that was paid throughout the year while he was President. Other checks to reimburse me for the hush money payments were signed by Donald Trump, Jr., and Allen Weisselberg. And see that example, 5B.

The President of the United States thus wrote a personal check for the payment of hush money as part of a criminal scheme to violate campaign finance laws. And you can find the details of that scheme directed by Mr. Trump in the pleadings in the U.S. District Court for the Southern District of New York.

So picture this scene. In February 2017, one month into his presidency, I'm visiting President Trump in the oval office for the first time, and it's truthfully awe-inspiring. He's showing me all around and pointing to different paintings. And he says to me something to the effect of, Don't worry, Michael. Your January and February reimbursement checks are coming. They were FedEx'd from New York. And it takes a while for that to get through the White House system.

As he promised, I received the first check for the reimbursement of \$70,000 not long thereafter.

When I say con man, I'm talking about a man who declares himself brilliant, but directed me to threaten his high school, his colleges, and the College Board to never release his grades or SAT scores. As I mentioned, I'm giving the committee today copies of a letter I sent at Mr. Trump's direction, threatening these schools with civil and criminal actions if Mr. Trump's grades or SAT scores were ever disclosed without his permission. And these are under exhibit 6.

The irony wasn't lost on me at the time that Mr. Trump, in 2011, had strongly criticized President Obama for not releasing his grades. As you can see in exhibit 7, Mr. Trump declared, Let him show his records, after calling President Obama a terrible student.

The sad fact is that I never heard Mr. Trump say anything in private that led me to believe he loved our Nation or wanted to make it better. In fact, he did the opposite. When telling me in 2008 or 2009 that he was cutting employees' salaries in half, including mine. He showed me what he claimed was a \$10 million IRS tax refund. And he said that he could not believe how stupid the government was for giving someone like him that much money back.

During the campaign, Mr. Trump said that he did not consider Vietnam veteran and prisoner of war, Senator John McCain, to be a hero because he likes people who weren't captured. At the same time, Mr. Trump tasked me to handle the negative press surrounding his medical deferment from the Vietnam draft.

Mr. Trump claimed it was because of a bone spur. But when I asked for medical records, he gave me none and said that there was no surgery. He told me not to answer the specific questions by reporters, but rather, offer simply the fact that he received a med-

ical deferment. He finished the conversation with the following comment. "You think I'm stupid? I'm not going to Vietnam." And I find it ironic, Mr. President, that you are in Vietnam right now. And yet, I continued to work for him.

The questions have been raised about whether I know of direct evidence that Mr. Trump or his campaign colluded with Russia. I do not. And I want to be clear. But I have my suspicions.

Sometime in the summer of 2017, I read all over the media that there had been a meeting in Trump Tower in June 2016 involving Don Jr. and others from the campaign with Russians, including a representative of the Russian Government, and an email setting up the meeting with the subject line, Dirt on Hillary Clinton.

Something clicked in my mind. I remembered being in a room with Mr. Trump, probably in early June 2016, when something peculiar happened. Don Trump, Jr. came into the room and walked behind his father's desk, which in and of itself was unusual. People didn't just walk behind Mr. Trump's desk to talk to him.

I recalled Don Jr. leaning over to his father and speaking in a low voice, which I could clearly hear, and saying, The meeting is all set. And I remember Mr. Trump saying, "OK. Good. Let me know."

What struck me as I look back and thought about the exchange between Don Jr. and his father was, first, that Mr. Trump had frequently told me and others that his son Don Jr. had the worst judgment of anyone in the world. And also that Don Jr. would never set up any meeting of significance alone, and certainly not without checking with his father.

I also knew that nothing went on in Trump world, especially the campaign, without Mr. Trump's knowledge and approval. So I concluded that Don Jr. was referring to that June 2016 Trump Tower meeting about dirt on Hillary with the Russian representatives when he walked behind his dad's desk that day, and that Mr. Trump knew that was the meeting Don Jr. was talking about when he said, That's good. Let me know.

Over the past year or so, I have done some real soul searching. And I see now that my ambition and the intoxication of Trump power had much to do with the bad decisions in part that I made. And to you, Chairman Cummings and Ranking Member Jordan, the other members of this committee, the members of the House and Senate, I am sorry for my lies and for lying to Congress. And to our Nation, I am sorry for actively working to hide from you the truth about Mr. Trump when you needed it most.

For those who question my motives for being here today, I understand. I have lied. But I am not a liar. And I have done bad things, but I am not a bad man. I have fixed things, but I am no longer your fixer, Mr. Trump. And I am going to prison and have shattered the safety and security that I tried so hard to provide for my family.

My testimony certainly does not diminish the pain that I have caused my family and my friends. Nothing can do that. And I have never asked for, nor would I accept a pardon from President Trump.

By coming today, I have caused my family to be the target of personal, scurrilous attacks by the President and his lawyer trying to intimidate me from appearing before this panel.

Mr. Trump called me a rat for choosing to tell the truth, much like a mobster would do when one of his men decides to cooperate with the government. And as exhibit 8 shows, I have provided the committee with copies of tweets that Mr. Trump posted attacking me and my family. Only someone burying his head in the sand would not recognize them for what they are. It's encouragement to someone to do harm to me and my family.

I never imagined that he would engage in vicious, false attacks on my family, and unleash his TV lawyer to do the same. And I hope this committee, and all Members of Congress on both sides of the aisle, make it clear that, as a Nation, we should not tolerate attempts to intimidate witnesses before Congress, and attacks on family are out of bounds and not acceptable.

I wish to especially thank Speaker Pelosi for her statements, it's exhibit 9, to protect this institution and me, and the chairman of the House Permanent Select Committee on Intelligence, Adam Schiff, and you, Chairman Cummings, for likewise defending the institution and my family against the attacks by Mr. Trump, and also the many Republicans who have admonished the President as well.

I am not a perfect man. I have done things I am not proud of. And I will live with the consequences of my actions for the rest of my life. But today, I get to decide the example that I set for my children, and how I attempt to change how history will remember me. I may not be able to change the past, but I can do right by the American people here today.

I thank you for your attention, and I'm happy to answer the committee's questions.

[Prepared Statement of Mr. Cohen follows:]

**WRITTEN TESTIMONY OF MICHAEL D. COHEN COMMITTEE ON
OVERSIGHT AND REFORM U.S. HOUSE OF REPRESENTATIVES**

FEBRUARY 27, 2019

Chairman Cummings, Ranking Member Jordan, and Members of the Committee, thank you for inviting me here today.

I have asked this Committee to ensure that my family be protected from Presidential threats, and that the Committee be sensitive to the questions pertaining to ongoing investigations. Thank you for your help and for your understanding.

I am here under oath to correct the record, to answer the Committee's questions truthfully, and to offer the American people what I know about President Trump.

I recognize that some of you may doubt and attack me on my credibility. It is for this reason that I have incorporated into this opening statement documents that are irrefutable, and demonstrate that the information you will hear is accurate and truthful.

Never in a million years did I imagine, when I accepted a job in 2007 to work for Donald Trump, that he would one day run for President, launch a campaign on a platform of hate and intolerance, and actually win. I regret the day I said yes to Mr. Trump. I regret all the help and support I gave him along the way.

I am ashamed of my own failings, and I publicly accepted responsibility for them by pleading guilty in the Southern District of New York.

I am ashamed of my weakness and misplaced loyalty — of the things I did for Mr. Trump in an effort to protect and promote him.

I am ashamed that I chose to take part in concealing Mr. Trump's illicit acts rather than listening to my own conscience.

I am ashamed because I know what Mr. Trump is.

He is a racist.
 He is a conman.
 He is a cheat.
 He was a presidential candidate who knew that Roger Stone was talking with Julian Assange about a WikiLeaks drop of Democratic National Committee emails.
 I will explain each in a few moments.
 I am providing the Committee today with several documents. These include:

- A copy of a check Mr. Trump wrote from his personal bank account — after he became president — to reimburse me for the hush money payments I made to cover up his affair with an adult film star and prevent damage to his campaign;
- Copies of financial statements for 2011 – 2013 that he gave to such institutions as Deutsche Bank;
- A copy of an article with Mr. Trump's handwriting on it that reported on the auction of a portrait of himself — he arranged for the bidder ahead of time and then reimbursed the bidder from the account of his non-profit charitable foundation, with the picture now hanging in one of his country clubs; and
- Copies of letters I wrote at Mr. Trump's direction that threatened his high school, colleges, and the College Board not to release his grades or SAT scores.

I hope my appearance here today, my guilty plea, and my work with law enforcement agencies are steps along a path of redemption that will restore faith in me and help this country understand our president better.

* * * * *

Before going further, I want to apologize to each of you and to Congress as a whole.

The last time I appeared before Congress, I came to protect Mr. Trump. Today, I'm here to tell the truth about Mr. Trump.

I lied to Congress about when Mr. Trump stopped negotiating the Moscow Tower project in Russia. I stated that we stopped negotiating in January 2016. That was false — our negotiations continued for months later during the campaign.

Mr. Trump did not directly tell me to lie to Congress. That's not how he operates. In conversations we had during the campaign, at the same time I was actively negotiating in Russia for him, he would look me in the eye and tell me there's no business in Russia and then go out and lie to the American people by saying the same thing. In his way, he was telling me to lie.

There were at least a half-dozen times between the Iowa Caucus in January 2016 and the end of June when he would ask me "it going in Russia?" referring to the Moscow Tower project.

You need to know that Mr. Trump's personal lawyers reviewed and edited my statement to Congress about the timing of the Moscow Tower negotiations before I gave it.

To be clear: Mr. Trump knew of and directed the Trump Moscow negotiations throughout the campaign and lied about it. He lied about it because he never expected to win the election. He also lied about it because he stood to make hundreds of millions of dollars on the Moscow real estate project.

And so I lied about it, too — because Mr. Trump had made clear to me, through his personal statements to me that we both knew were false and through his lies to the country, that he wanted me to lie. And he made it clear to me because his personal attorneys reviewed my statement before I gave it to Congress.

* * * * *

Over the past two years, I have been smeared as "a rat" by the President of the United States. The truth is much different, and let me take a brief moment to introduce myself.

My name is Michael Dean Cohen.

I am a blessed husband of 24 years and a father to an incredible daughter and son. When I married my wife, I promised her that I would love her, cherish her, and protect her. As my father said countless times throughout my childhood, "you my wife, and you my children, are the air that I breathe." To my Laura, my Sami, and my Jake, there is nothing I wouldn't do to protect you.

I have always tried to live a life of loyalty, friendship, generosity, and compassion — qualities my parents ingrained in my siblings and me since childhood. My father survived the Holocaust thanks to the compassion and selfless acts of others. He was helped by many who put themselves in harm's way to do what they knew was right.

That is why my first instinct has always been to help those in need. Mom and Dad...I am sorry that I let you down.

As many people that know me best would say, I am the person they would call at 3AM if they needed help. I proudly remember being the emergency contact for many of my children's friends when they were growing up because their parents knew that I would drop everything and care for them as if they were my own.

Yet, last fall I pled guilty in federal court to felonies for the benefit of, at the direction of, and in coordination with Individual #1.

For the record: Individual #1 is President Donald J. Trump.

It is painful to admit that I was motivated by ambition at times. It is even more painful to admit that many times I ignored my conscience and acted loyal to a man when I should not have. Sitting here today, it seems unbelievable that I was so mesmerized by Donald Trump that I was willing to do things for him that I knew were absolutely wrong.

For that reason, I have come here to apologize to my family, to the government, and to the American people.

* * * * *

Accordingly, let me now tell you about Mr. Trump.

I got to know him very well, working very closely with him for more than 10 years, as his Executive Vice President and Special Counsel and then personal attorney when he became President. When I first met Mr. Trump, he was a successful entrepreneur, a real estate giant, and an icon. Being around Mr. Trump was intoxicating. When you were in his presence, you felt like you were involved in something greater than yourself — that you were somehow changing the world.

I wound up touting the Trump narrative for over a decade. That was my job. Always stay on message. Always defend. It monopolized my life. At first, I worked mostly on real estate developments and other business transactions. Shortly thereafter, Mr. Trump brought me into his personal life and private dealings. Over time, I saw his true character revealed.

Mr. Trump is an enigma. He is complicated, as am I. He has both good and bad, as do we all. But the bad far outweighs the good, and since taking office, he has become the worst version of himself. He is capable of behaving kindly, but he is not kind. He is capable of committing acts of generosity, but he is not generous. He is capable of being loyal, but he is fundamentally disloyal.

Donald Trump is a man who ran for office to make his brand great, not to make our country great. He had no desire or intention to lead this nation — only to market himself and to build his wealth and power. Mr. Trump would often say, this campaign was going to be the "greatest infomercial in political history."

He never expected to win the primary. He never expected to win the general election. The campaign — for him — was always a marketing opportunity.

I knew early on in my work for Mr. Trump that he would direct me to lie to further his business interests. I am ashamed to say, that when it was for a real estate mogul in the private sector, I considered it trivial. As the President, I consider it significant and dangerous.

But in the mix, lying for Mr. Trump was normalized, and no one around him questioned it. In fairness, no one around him today questions it, either.

A lot of people have asked me about whether Mr. Trump knew about the release of the hacked Democratic National Committee emails ahead of time. The answer is yes.

As I earlier stated, Mr. Trump knew from Roger Stone in advance about the WikiLeaks drop of emails.

In July 2016, days before the Democratic convention, I was in Mr. Trump's office when his secretary announced that Roger Stone was on the phone. Mr. Trump put Mr. Stone on the speakerphone. Mr. Stone told Mr. Trump that he had just gotten off the phone with Julian Assange and that Mr. Assange told Mr. Stone that, within a couple of days, there would be a massive dump of emails that would damage Hillary Clinton's campaign.

Mr. Trump responded by stating to the effect of "wouldn't that be great."

Mr. Trump is a racist. The country has seen Mr. Trump court white supremacists and bigots. You have heard him call poorer countries "shitholes."

In private, he is even worse.

He once asked me if I could name a country run by a black person that wasn't a "shithole." This was when Barack Obama was President of the United States.

While we were once driving through a struggling neighborhood in Chicago, he commented that only black people could live that way.

And, he told me that black people would never vote for him because they were too stupid.

And yet I continued to work for him.

Mr. Trump is a cheat.

As previously stated, I'm giving the Committee today three years of President Trump's financial statements, from 2011-2013, which he gave to Deutsche Bank to inquire about a loan to buy the Buffalo Bills and to Forbes. These are Exhibits 1a, 1b, and 1c to my testimony.

It was my experience that Mr. Trump inflated his total assets when it served his purposes, such as trying to be listed among the wealthiest people in Forbes, and deflated his assets to reduce his real estate taxes.

I am sharing with you two newspaper articles, side by side, that are examples of Mr. Trump inflating and deflating his assets, as I said, to suit his financial interests. These are Exhibit 2 to my testimony.

As I noted, I'm giving the Committee today an article he wrote on, and sent me, that reported on an auction of a portrait of Mr. Trump. This is Exhibit 3A to my testimony.

Mr. Trump directed me to find a straw bidder to purchase a portrait of him that was being auctioned at an Art Hamptons Event. The objective was to ensure that his portrait, which was going to be auctioned last, would go for the highest price of any portrait that afternoon. The portrait was purchased by the fake bidder for \$60,000. Mr. Trump directed the Trump Foundation, which is supposed to be a charitable organization, to repay the fake bidder, despite keeping the art for himself. Please see Exhibit 3B to my testimony.

And it should come as no surprise that one of my more common responsibilities was that Mr. Trump directed me to call business owners, many of whom were small businesses, that were owed money for their services and told them no payment or a reduced payment would be coming. When I advised Mr. Trump of my success, he actually reveled in it.

And yet, I continued to work for him.

Mr. Trump is a conman.

He asked me to pay off an adult film star with whom he had an affair, and to lie to his wife about it, which I did. Lying to the First Lady is one of my biggest regrets. She is a kind, good person. I respect her greatly — and she did not deserve that.

I am giving the Committee today a copy of the \$130,000 wire transfer from me to Ms. Clifford's attorney during the closing days of the presidential campaign that was demanded by Ms. Clifford to maintain her silence about her affair with Mr. Trump. This is Exhibit 4 to my testimony.

Mr. Trump directed me to use my own personal funds from a Home Equity Line of Credit to avoid any money being traced back to him that could negatively impact his campaign. I did that, too — without bothering to consider whether that was improper, much less whether it was the right thing to do or how it would impact me, my family, or the public.

I am going to jail in part because of my decision to help Mr. Trump hide that payment from the American people before they voted a few days later.

As Exhibit 5 to my testimony shows, I am providing a copy of a \$35,000 check that President Trump personally signed from his personal bank account on August 1, 2017 — when he was President of the United States — pursuant to the cover-up, which was the basis of my guilty plea, to reimburse me — the word used by Mr. Trump's TV lawyer — for the illegal hush money I paid on his behalf. This \$35,000 check was one of 11 check installments that was paid throughout the year — while he was President.

The President of the United States thus wrote a personal check for the payment of hush money as part of a criminal scheme to violate campaign finance laws. You can find the details of that scheme, directed by Mr. Trump, in the pleadings in the U.S. District Court for the Southern District of New York.

So picture this scene — in February 2017, one month into his presidency, I'm visiting President Trump in the Oval Office for the first time. It's truly awe-inspiring, he's showing me around and pointing to different paintings, and he says to me something to the effect of "...Don't worry, Michael, your January and February reimbursement checks are coming. They were Fed- Exed from New York and it takes a while for that to get through the White House system." As he promised, I received the first check for the reimbursement of \$70,000 not long thereafter.

When I say conman, I'm talking about a man who declares himself brilliant but directed me to threaten his high school, his colleges, and the College Board to never release his grades or SAT scores.

As I mentioned, I'm giving the Committee today copies of a letter I sent at Mr. Trump's direction threatening these schools with civil and criminal actions if Mr. Trump's grades or SAT scores were ever disclosed without his permission. These are Exhibit 6.

The irony wasn't lost on me at the time that Mr. Trump in 2011 had strongly criticized President Obama for not releasing his grades. As you can see in Exhibit 7, Mr. Trump declared "Let him show his records" after calling President Obama "a terrible student."

The sad fact is that I never heard Mr. Trump say anything in private that led me to believe he loved our nation or wanted to make it better. In fact, he did the opposite.

When telling me in 2008 that he was cutting employees' salaries in half including mine he showed me what he claimed was a \$10 million IRS tax refund, and he said that he could not believe how stupid the government was for giving "someone like him" that much money back.

During the campaign, Mr. Trump said he did not consider Vietnam Veteran, and Prisoner of War, Senator John McCain to be "a hero" because he likes people who weren't captured. At the same time, Mr. Trump tasked me to handle the negative press surrounding his medical deferment from the Vietnam draft.

Mr. Trump claimed it was because of a bone spur, but when I asked for medical records, he gave me none and said there was no surgery. He told me not to answer the specific questions by reporters but rather offer simply the fact that he received a medical deferment.

He finished the conversation with the following comment. "You think I'm stupid, I wasn't going to Vietnam." I find it ironic, President Trump, that you are in Vietnam right now. And yet, I continued to work for him.

* * * * *

Questions have been raised about whether I know of direct evidence that Mr. Trump or his campaign colluded with Russia. I do not. I want to be clear. But, I have my suspicions.

Sometime in the summer of 2017, I read all over the media that there had been a meeting in Trump Tower in June 2016 involving Don Jr. and others from the campaign with Russians, including a representative of the Russian government, and an email setting up the meeting with the subject line, "Dirt on Hillary Clinton." Something clicked in my mind. I remember being in the room with Mr. Trump, probably in early June 2016, when something peculiar happened. Don Jr. came into the room and walked behind his father's desk — which in itself was unusual. People didn't just walk behind Mr. Trump's desk to talk to him. I recalled Don Jr. leaning over to his father and speaking in a low voice, which I could clearly hear, and saying: "The meeting is all set." I remember Mr. Trump saying, "Ok good...let me know."

What struck me as I looked back and thought about that exchange between Don Jr. and his father was, first, that Mr. Trump had frequently told me and others that his son Don Jr. had the worst judgment of anyone in the world. And also, that Don Jr. would never set up any meeting of any significance alone — and certainly not without checking with his father. I also knew that nothing went on in Trump world, especially the campaign, without Mr. Trump's knowledge and approval. So, I concluded that Don Jr. was referring to that June 2016 Trump Tower meeting about dirt on Hillary with the Russian representative when he walked behind his dad's desk that day — and that Mr. Trump knew that was the meeting Don Jr. was talking about when he said, "That's good...let me know."

* * * * *

Over the past year or so, I have done some real soul searching. I see now that my ambition and the intoxication of Trump power had much to do with the bad decisions I made.

To you, Chairman Cummings, Ranking Member Jordan, the other members of this Committee, and the other members of the House and Senate, I am sorry for my lies and for lying to Congress.

To our nation, I am sorry for actively working to hide from you the truth about Mr. Trump when you needed it most.

For those who question my motives for being here today, I understand. I have lied, but I am not a liar. I have done bad things, but I am not a bad man. I have fixed things, but I am no longer your "fixer," Mr. Trump.

I am going to prison and have shattered the safety and security that I tried so hard to provide for my family. My testimony certainly does not diminish the pain I caused my family and friends — nothing can do that. And I have never asked for, nor would I accept, a pardon from President Trump.

And, by coming today, I have caused my family to be the target of personal, scurrilous attacks by the President and his lawyer — trying to intimidate me from appearing before this panel. Mr. Trump called me a "rat" for choosing to tell the truth

— much like a mobster would do when one of his men decides to cooperate with the government.

As Exhibit 8 shows, I have provided the Committee with copies of Tweets that Mr. Trump posted, attacking me and my family — only someone burying his head in the sand would not recognize them for what they are: encouragement to someone to do harm to me and my family.

I never imagined that he would engage in vicious, false attacks on my family — and unleash his TV-lawyer to do the same. I hope this committee and all members of Congress on both sides of the aisle will make it clear: As a nation, we should not tolerate attempts to intimidate witnesses before congress and attacks on family are out of bounds and not acceptable.

I wish to especially thank Speaker Pelosi for her statements in Exhibit 9 to protect this institution and me, and the Chairman of the House Permanent Select Committee on Intelligence Adam Schiff and Chairman Cummings for likewise defending this institution and my family against the attacks by Mr. Trump, and also the many Republicans who have admonished the President as well.

I am not a perfect man. I have done things I am not proud of, and I will live with the consequences of my actions for the rest of my life.

But today, I get to decide the example I set for my children and how I attempt to change how history will remember me. I may not be able to change the past, but I can do right by the American people here today.

Thank you for your attention. I am happy to answer the Committee's questions.

Chairman CUMMINGS. Thank you very much, Mr. Cohen. I now recognize myself.

Mr. Cohen, before I start, I want to make sure you really understand something. You have admitted lying to Congress, to this very body, and now you're going to prison for it.

Do you, Mr. Cohen, recognize the gravity of your offenses?

You are a lawyer, right?

Mr. COHEN. As of yesterday, I am no longer a lawyer. I have lost my law license, amongst other things.

Chairman CUMMINGS. But you understand the gravity of this moment?

Mr. COHEN. I most certainly do, Mr. Chairman.

Chairman CUMMINGS. I want you to really hear this, Mr. Cohen. We will not tolerate lying to this Congress by anybody. We're in search of the truth.

Do you understand that?

Mr. COHEN. I do.

Chairman CUMMINGS. The President has also made numerous statements that turned out to be inaccurate. For example, he said he knew nothing about the hush money payments to Ms. Clifford. And his 2017 financial disclosure form said he never owed money to reimburse you for those payments. Yet in your testimony, Mr. Cohen, you said that you met with the President in the Oval Office in February 2017 and discussed his plans to reimburse you for money you paid.

You say he told you, and I quote, "Don't worry, Michael. Your January and February reimbursement checks are coming." Is that accurate? And was that in the oval office?

Mr. COHEN. The statement is accurate, but the discussions regarding the reimbursement occurred long before he became President.

Chairman CUMMINGS. Would you explain that?

Mr. COHEN. Back in 2017 when—actually, I apologize. In 2016, prior to the election, I was contacted by Keith Davidson, who is the attorney—or was the attorney for Ms. Clifford, or Stormy Daniels.

And after several rounds of conversations with him about purchasing her life rights for \$130,000, what I did, each and every time, is go straight into Mr. Trump's office and discuss the issue with him, when it was ultimately determined, and this was days before the election, that Mr. Trump was going to pay the \$130,000, in the office with me was Allen Weisselberg, the chief financial officer of the Trump Organization. He acknowledged to Allen that he was going to pay the 130,000, and that Allen and I should go back to his office and figure out how to do it.

So, yes, sir I stand by the statement that I gave, but there was a history to it.

Chairman CUMMINGS. In your testimony, you said you bought some checks; is that right?

You said you brought some checks?

Mr. COHEN. Yes, sir.

Chairman CUMMINGS. Let me ask you about one of these.

This is from the Trump Trust that holds the President's businesses, can you tell me who signed this check?

Mr. COHEN. I believe that the top signature is Donald Trump, Jr., and that the bottom signature, I believe, is Allen Weisselberg's.

Chairman CUMMINGS. And can you tell me the date of that check?

Mr. COHEN. March 17 of 2017.

Chairman CUMMINGS. Now, wait, wait a minute. Hold up. The date on the check is after President Trump held his big press conference claiming that he gave up control of his businesses. How could the President have arranged for you to get this check if he was supposedly playing no role in his business?

Mr. COHEN. Because the payments were designed to be paid over the course of 12 months, and it was declared to be a retainer for services that would be provided for the year of 2017.

Chairman CUMMINGS. Was there a retainer agreement?

Mr. COHEN. There was no retainer agreement.

Chairman CUMMINGS. Would Don Jr. or Mr. Weisselberg have more information about that?

Mr. COHEN. Mr. Weisselberg for sure about the entire discussions and negotiations prior to the election, and Don Jr. would have cursory information.

Chairman CUMMINGS. Now here's another one. This one appears to be signed by Donald Trump himself. Is that his signature?

Mr. COHEN. That is Donald Trump's signature.

Chairman CUMMINGS. So let me make sure I understand. Donald Trump wrote you a check out of his personal account while he was serving as President of the United States of America to reimburse you for hush money payments to Ms. Clifford. Is that what you are telling the American people today?

Mr. COHEN. Yes, Mr. Chairman.

Chairman CUMMINGS. One final question. The President claimed he knew nothing about these payments. His ethics filing said he owed nothing to you. Based on your conversations with him is there any doubt in your mind that President Trump knew exactly what he was paying for?

Mr. COHEN. There is no doubt in my mind, and I truly believe there is no doubt in the mind of the people of the United States of America.

Chairman CUMMINGS. And these new documents appear to corroborate what you just told us.

With that, I will yield to the gentleman from Ohio.

Mr. JORDAN. I will make sure that you and I meet one day while we are in the courthouse, and I will take you for every penny you still don't have, and I will come after your Daily Beast and everybody else that you possibly know. So I am warning you, tread very fine lightly because what I am going to do to you is going to be fine disgusting. Do you understand me?

Mr. Cohen, who said that.

Mr. COHEN. I did.

Mr. JORDAN. And did you say that, Mr. Cohen—in your testimony on page 2 you said you did things for Mr. Trump in an effort to protect him. Was that Statement that I just read that you admitted to saying, did you do that to protect Donald Trump?

Mr. COHEN. I did it to protect Mr. Trump, Donald Trump, Jr., Ivanka Trump, and Eric Trump.

Mr. JORDAN. And in your sentencing statement back in December in front of the judge you said this, Mr. Cohen: My weakness can be characterized as a blind loyalty to Donald Trump, a blind loyalty that led me to choose a path of darkness. Is that accurate, Mr. Cohen?

Mr. COHEN. I wrote that.

Mr. JORDAN. You wrote that and said that in front of the judge. Is that right?

Mr. COHEN. That's correct.

Mr. JORDAN. Let me read a few other things here, and let me ask you why you did some of these things.

When you filed a false tax return in 2012, 2013, 2014, 2015, and 2016, was all that out of blind loyalty to the President?

Mr. COHEN. No, it was not.

Mr. JORDAN. When you failed to report \$4 million in income to the Internal Revenue Service did you do that to protect Donald Trump?

Mr. COHEN. No, I did not.

Mr. JORDAN. And when you failed to pay \$1.4 million in taxes — I got constituents who don't make that in a lifetime — when you failed to pay \$1.4 million in taxes to the U.S. Treasury was that out of some blind loyalty to the President of the United States?

Mr. COHEN. It was not. But the number was 1.38 and change, and I have paid that money back to the IRS at this time.

Mr. JORDAN. I think the American people will appreciate that 1.38 versus 1.4.

Mr. COHEN. And I would also just like to say it was over a course of five years, approximately \$260,000 a year.

Mr. JORDAN. That's what I said, 2012, 2013, 2014, 2015, that's five years.

Mr. COHEN. Yes.

Mr. JORDAN. Got it. When you made false statements to financial institutions concerning a home equity line of credit, taxi medallions, and your Park Avenue apartment in 2013, 2014, and 2015,

you pled guilty to making those false statements to those banks, was that all done to protect the President?

Mr. COHEN. No, it was not.

Mr. JORDAN. How about this one. When you created the fake Twitter account Women for Cohen and paid a firm to post tweets like this one, “In a world of lies, deception, and fraud we appreciate this honest guy @MichaelCohen, #TGIF, #handsome, #sexy,” was that done to protect the President?

Mr. COHEN. Mr. Jordan, I didn’t actually set that up. It was done by a young lady that worked for RedFinch. And during the course of the campaign, which you would know, it is somewhat crazy and wild. We were having fun. That’s what it was, sir. We were having fun.

Mr. JORDAN. Was it done to protect the President?

Mr. COHEN. That was not done to protect the President.

Mr. JORDAN. Was it a fake Twitter account?

Mr. COHEN. That was—no, that was a real Twitter account. It exists.

Mr. JORDAN. Did you pay a firm to create this Twitter account Women for Cohen?

Mr. COHEN. I didn’t pay the firm to do that. It was done by a young lady that works for the firm. And, again, sir, we were having fun during a stressful time.

Mr. JORDAN. The point is, Mr. Cohen, did you lie to protect the President or did you lie to help yourself?

Mr. COHEN. I’m not sure how that helped me, sir.

Mr. JORDAN. I’m not sure how it did either.

Mr. COHEN. Right.

Mr. JORDAN. The point is I think—

Mr. COHEN. And I would like to also note that more than half the people—

Mr. JORDAN. And here’s the point—

Mr. COHEN [continuing]. on that site are men.

Mr. JORDAN. Here’s the point. The chairman just gave you a 30-minute opening statement, and you have a history of lying over and over and over again.

And, frankly, don’t take my word for it, take what the court said, take what the Southern District of New York said: Cohen did crimes that were marked by a pattern of deception and that permeated his professional life. These crimes were distinct in their harms but bear a common set of circumstances. They each involved deception and were each, each motivated by personal greed and ambition.

A pattern of deception for personal greed and ambition. And you just got 30 minutes of an opening statement where you trashed the President of the United States of America.

Mr. Cohen, how long did you work for Donald Trump?

Mr. COHEN. Approximately a decade.

Mr. JORDAN. Ten years?

Mr. COHEN. That’s correct.

Mr. JORDAN. And you said all these bad things about the President there in that last 30 minutes, and yet you worked for him for 10 years? All those bad things. I mean, if it is that bad I can see

you working for him for 10 days, maybe 10 weeks, maybe even 10 months, but you worked for him for 10 years.

Mr. COHEN. How long did you work in the White House?

Mr. COHEN. I never worked in the White House.

Mr. JORDAN. And that's the point, isn't it, Mr. Cohen?

Mr. COHEN. No, sir.

Mr. JORDAN. Yes, it is.

Mr. COHEN. No, it is not, sir.

Mr. JORDAN. You wanted to work in the White House—

Mr. COHEN. No, sir.

Mr. JORDAN [continuing]. and you didn't get brought to the dance. And now—

Mr. COHEN. Sir, I was extremely proud to be personal attorney to the President of the United States of America. I did not want to go to the White House. I was offered jobs. I can tell you a story of Mr. Trump reaming out Reince Priebus because I had not taken a job where Mr. Trump wanted me to, which is working with Don McGahn at the White House General Counsel's Office.

Mr. JORDAN. Mr. Cohen, you worked for the President for—

Mr. COHEN. Sir, one second. All right. What I said at the time, and I brought a lawyer in who produced a memo as to why I should not go in, because there would be no attorney-client privilege.

Mr. JORDAN. Mr. Cohen—

Mr. COHEN. And in order to handle some of the matters that I talked about in my opening, that it would be best suited for me not to go in and that every President had a personal attorney.

Mr. JORDAN. Mr. Cohen, here's what I see, here's what I see. I see a guy who worked for 10 years and is here trashing the guy he worked for for 10 years, didn't get a job in the White House, and now—and now you are behaving just like everyone else who's got fired or didn't get the job they wanted, like Andy McCabe, like James Comey, same kind of selfish motivation after you don't get the thing you want. That's what I see here today, and I think that's what the American people see.

Mr. COHEN. Mr. Jordan, all I wanted was what I got, to be personal attorney to the President, to enjoy the senior year of my son in high school and waiting for my daughter who is graduating from college to come back to New York. I got exactly what I want.

Chairman CUMMINGS. The gentleman's time has expired.

Mr. JORDAN. Exactly what you want?

Mr. COHEN. What I wanted. That's right.

Mr. JORDAN. You are going to prison.

Mr. COHEN. I received exactly what I wanted.

Chairman CUMMINGS. The gentleman's time has expired.

Ms. Wasserman Schultz.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Chairman.

Mr. Cohen, thank you for being here today.

As you likely know, I served as the chair of the Democratic National Committee at the time of the Russian hacks and when Russia weaponized the messages that it had stolen.

But I want to be clear my questions are not about the harm done to any individual by WikiLeaks and the Russians, it is about the possible and likely harm to the United States of America and our

democracy. I have a series of questions that I hope will connect more of these dots.

Mr. COHEN, is it your testimony that Mr. Trump had advance knowledge of the Russia–WikiLeaks release of the DNC’s emails?

Mr. COHEN. I can’t — I cannot answer that in a yes or no. He had advance notice that there was going to be a dump of emails, but at no time did I hear the specificity of what those emails were going to be.

Ms. WASSERMAN SCHULTZ. But you do testify today that he had advance knowledge of their imminent release.

Mr. COHEN. That is what I had stated in my testimony.

Ms. WASSERMAN SCHULTZ. And that he shared that outcome?

Mr. COHEN. Yes, ma’am.

Ms. WASSERMAN SCHULTZ. Did Mr. Trump likely share this information with his daughter Ivanka, son Don Jr., or Jared Kushner?

Mr. COHEN. I’m not aware of that.

Ms. WASSERMAN SCHULTZ. Was Ivanka, Jared, or Don Jr. still involved in the Russian Tower deal at that time?

Mr. COHEN. The company was involved in the deal, which meant that the family was involved in the deal.

Ms. WASSERMAN SCHULTZ. If Mr. Trump and his daughter Ivanka and son Donald Jr. are involved in the Russian Trump Tower deal, is it possible the whole family is conflicted or compromised with a foreign adversary in the months before the election?

Mr. COHEN. Yes.

Ms. WASSERMAN SCHULTZ. Based on your experience with the President and knowledge of his relationship with Mr. Stone, do you have reason to believe that the President explicitly or implicitly authorized Mr. Stone to make contact with WikiLeaks and to indicate the campaign’s interest in the strategic release of these illegally hacked materials?

Mr. COHEN. I’m not aware of that.

Ms. WASSERMAN SCHULTZ. Was Mr. Stone a free agent reporting back to the President what he had done or was he an agent of the campaign acting on behalf of the President and with his apparent authority?

Mr. COHEN. No, he was a free agent.

Ms. WASSERMAN SCHULTZ. A free agent that was reporting back to the President what he had done?

Mr. COHEN. Correct. He frequently reached out to Mr. Trump, and Mr. Trump was very happy to take his calls. It was free service.

Ms. WASSERMAN SCHULTZ. Roger Stone says he never spoke with Mr. Trump about WikiLeaks. How can we corroborate what you are saying?

Mr. COHEN. I don’t know, but I suspect that the special counsel’s office and other government agencies have the information that you are seeking.

Ms. WASSERMAN SCHULTZ. Moving on to a little later in 2016, a major WikiLeaks dump happens hours after the Access Hollywood tape is released. Do you believe or are you aware of Mr. Trump coordinating or signaling for this email dump?

Mr. COHEN. I'm unaware of that. I actually was not even in the country at the time of the Billy Bush tape. I was in London visiting my daughter.

Ms. WASSERMAN SCHULTZ. Knowing how Mr. Trump operates with his winning at all costs mentality, do you believe that he would cooperate or collude with a foreign power to win the Presidency? Is he capable of that?

Mr. COHEN. It calls on so much speculation, ma'am, it would be unfair for me to give an answer to that.

Ms. WASSERMAN SCHULTZ. I understand, but you have a tremendous amount of experience——

Mr. COHEN. Mr. Trump, he is all about winning, and he will do what is necessary to win.

Ms. WASSERMAN SCHULTZ. And in your opinion and experience, would he have the potential to cooperate or collude with a foreign power to win the Presidency at all costs?

Mr. COHEN. Yes.

Ms. WASSERMAN SCHULTZ. Based on what you know, would Mr. Trump or did he lie about colluding and coordinating with the Russians at any point during the campaign?

Mr. COHEN. So as I stated in my testimony, I wouldn't use the word colluding. Was there something odd about the back and forth praise with President Putin? Yes. But I'm not really sure that I can answer that question in terms of collusion.

I was not part of the campaign. I don't know the other conversations that Mr. Trump had with other individuals. There's just so many dots that all seem to lead to the same direction.

Ms. WASSERMAN SCHULTZ. Finally, before my time expires, Mr. Cohen, the campaign and the entire Trump Organization appeared to be filthy with Russian contacts. There are Russian business contacts, there are campaign Russian contacts, there are lies about all of those contacts. And then we have Roger Stone informing the President just before the Democratic National Convention that WikiLeaks was going to drop documents in the public arena that we knew at that point were hacked and stolen by Russia from the Democratic National Committee.

Chairman CUMMINGS. The gentlelady's time has expired. You may answer her inquiry quickly.

Ms. WASSERMAN SCHULTZ. My question is, given all those connections, is it likely that Donald Trump was fully aware and had every intent of working with Russia to help make sure that he could win the Presidency at all costs?

Mr. COHEN. So let me say that this is a matter that's currently being handled by the House Select and the Senate Select Intelligence Committees, as I would rather not answer that specific question, other than just to tell you that Mr. Trump's desire to win would have him work with anyone.

And one other thing that I had said in my statement is that when it came to the Trump Tower Moscow project, it was worth hundreds of millions of dollars, and we never expected to win the election. So this was just business as usual.

Ms. WASSERMAN SCHULTZ. Thank you, Mr. Cohen.

Thank you, Mr. Chairman.

Chairman CUMMINGS. Mr. Green of Tennessee.

Mr. GREEN. Thank you, Mr. Chairman, Ranking Member Jordan.

The chairman and this committee have promised members of the American people a fair and open process, yet the Democrats have vastly limited the scope of this hearing. They issued a gag order to try to tell members of this committee what we can and cannot talk about.

My colleagues on the other side of the aisle claim that they want the truth, that they want transparency and fair oversight, yet the Democrats' witness to testify before Congress today is none other than a scorned man who is going to prison for lying to Congress.

Let that sink in. He is going to prison for lying to Congress, and he is the star witness to Congress.

If you read the sentencing report on Mr. Cohen words like "deceptive" and "greedy" are scattered throughout that report. It paints a picture of a narcissist, a bully who cannot tell the truth, whether it is about the President or about his own personal life. But today he is the majority party's star witness.

If the Democrats were after the truth, they'd have an honest person here testifying. And if they were really after the truth, they'd not restrict the questioning to just a few topics. But let's take a look at those restricted topics.

Mr. Chairman, the first topic in your limited scope that I can ask Mr. Cohen is about the President's debts. But, Mr. Chairman, didn't Mr. Cohen plead guilty to lying to banks about his personal finances? So we are asking a guy going to jail for lying about his debts to comment about the President's debts. He is the expert.

Mr. Chairman, your next couple of topics say that I can ask Mr. Cohen about the President's compliance with financial disclosures and campaign finance laws. But didn't Mr. Cohen on two occasions break campaign finance law with his own donations? So again, the majority party's star witness on the President's compliance is a guy who broke compliance laws himself.

Mr. Chairman, you graciously allow us to ask questions of Mr. Cohen on the President's dealings with the IRS and tax law. Your star witness here broke the law with regards to the IRS at least five times. He pled guilty on cheating on his taxes, lying to the IRS. He's the best witness you got?

Next up, with the permission of the chairman I get to ask Mr. Cohen about his perspective on the President's business dealings. Let me get this straight. The witness lied to multiple financial institutions to get loans to pay off other loans just to keep himself afloat, and he is going to be the expert on business practices.

Obviously, Mr. Chairman, the witness may produce documents that he suggests incriminates the President, yet he lies to banks. All of those lies were done on fraudulent documents, documents that he forged. Nothing he says or produces has any credibility. Apparently he even lied about delivering his own child, which his wife had to correct the record.

Ladies and gentlemen, how on earth is this witness credible? With all the lies and deception, the self-serving fraud, it begs the question, what is the majority party doing here? No one can see this guy as credible. He will say whatever he wants to accomplish his own personal goals. He is a fake witness, and his presence here

is a travesty. I hope the American people see through this. I know the people back in Tennessee will.

And with that statement, sir, I have a few questions for the witness.

With your loss of your law license—I think you mentioned in your opening statement that you had been disbarred—what is your source of income in the future?

Mr. COHEN. I don't expect I'm going to have a source of income when I'm in Federal penitentiary.

Mr. GREEN. Is there a book deal coming or anything like that?

Mr. COHEN. I have no book deal right now in the process. I have been contacted by many, including for television, a movie. If you want to tell me who you would like to play you I'm more than happy to write the name down.

Mr. GREEN. I'm sure there is a very attractive man.

Mr. COHEN. I would also like to turn around and just to correct your statement on me. No individual—

Mr. GREEN. Let me ask one other question, though. I only have a limited amount of time.

Mr. COHEN. No individual—

Mr. GREEN. One quick question. Who paid your expenses to be here today?

Mr. COHEN. Who has paid my expenses?

Mr. GREEN. To be here today.

Mr. COHEN. I paid my expenses.

Mr. GREEN. Mr. Chairman, I would like to yield the remaining of my time to the ranking member.

Mr. JORDAN. Mr. Cohen, how many times did you talk to the special counsel's office?

Mr. COHEN. Seven.

Mr. JORDAN. Did they talk to you at all in preparation for today's hearing between the seven times you talked to them prior to your sentencing? Have you had any conversations with the special counsel's office between sentencing and today?

Mr. COHEN. I'm sorry, sir. I don't understand your question.

Mr. JORDAN. You talked to them seven times, that's in the sentencing memorandums that were in front of the court back in December. What I'm asking is how many times you have talked to the special counsel's office since then up to today's appearance here in Congress?

Chairman CUMMINGS. The gentleman's time has expired. You may answer the question, though, that one question.

Mr. COHEN. I'm sorry. I don't have the answer to that.

Chairman CUMMINGS. Ms. Maloney.

Mr. JORDAN. That wasn't—well, I will come back to that.

Ms. MALONEY. Thank you, Mr. Chairman.

And, Mr. Cohen, in your 10 years of working for Donald Trump did he control everything that went on in the Trump Organization? And did you have to get his permission in advance and report back after every meeting of any importance.

Mr. COHEN. Yes. There was nothing that happened at The Trump Organization, from whether it was a response, as the Daily Beast story that you referred to, Ranking Member, that did not go

through Mr. Trump with his approval and sign-off, as in the case of the payments.

Ms. MALONEY. How many times did the President, Michael, ask you or direct you to try to reach settlements with women in 2015 and 2016?

Mr. COHEN. I'm sorry, ma'am, I don't have the answer to that. I'd have to go back and try to recollect. It's certainly the two that we know about.

Ms. MALONEY. And why do you think the President did not provide the accurate information in his 2017 financial disclosure form? What was he trying to hide? He corrected other forms, but he didn't correct this one.

Mr. COHEN. The payments on the reimbursement of the funds that I extended on his behalf.

Ms. MALONEY. All right. Can you elaborate more?

Mr. COHEN. Well, going back into the story as I stated, when we, Allen Weisselberg and I, left the office and we went to his office in order to make the determination on how the money was going to be wired to the IOLA, the interest on the lawyer's account for Keith Davidson in California, I had asked Allen to use his money, didn't want to use mine, and he said he couldn't, and we then decided how else we can do it.

And he asked me whether or not I know anybody who wants to have a party at one of his clubs that could pay me instead or somebody who may have wanted to become a member of one of the golf clubs, and I also don't have anybody that was interested in that.

And it got to the point where it was down to the wire, it was either somebody wire the funds and purchase the life rights to the story from Ms. Clifford or it was going to end up being sold to television, and that would have embarrassed the President and it would have interfered with the election.

Ms. MALONEY. But the President has never amended his 2017 form to this day, and while you are facing the consequences of going to jail, he is not.

Mr. COHEN. Well, I believe that they amended a financial disclosure form and there is a footnote somewhere buried. I don't recall specifically what it says, but there is a footnote buried somewhere.

Ms. MALONEY. Can you describe, Michael, to the American people, catch and kill?

Mr. COHEN. So catch and kill is a method that exists when you are working with a news outlet — in this specific case it was AMI, National Enquirer, David Pecker, Dylan Howard, and others — where they would contact me or Mr. Trump or someone and state that there's a story that's percolating out there that you may be interested in. And then what you do is you contact that individual and you purchase the rights to that story from them.

Ms. MALONEY. And you practiced this for the President?

Mr. COHEN. I was involved in several of these catch and kill episodes. But these catch and kill scenarios existed between David Pecker and Mr. Trump long before I started working for him in 2007.

Ms. MALONEY. Michael, can you suggest who else this committee should talk to for additional information on this or anything else?

Mr. COHEN. Yes, I believe David Pecker, Dylan Howard, Barry Levine of AMI, as well, Allen Weisselberg, Alan Garten of Trump Organization, as well.

Ms. MALONEY. Well, thank you very much for your testimony.

And, Mr. Chairman, this is a story of redemption.

Mr. COHEN. Thank you, ma'am.

Chairman CUMMINGS. Mr. Comer.

Mr. COMER. Mr. Cohen, in your testimony you stated that you began work for The Trump Organization as a lawyer dealing with real estate transactions. Is that correct?

Mr. COHEN. That's correct.

Mr. COMER. Prior to coming to Congress, I served as the director of two different banks, so I have seen hundreds of loan applications. And to try to determine your credibility here today I just wanted to ask you a couple of real estate transaction questions just to see how, in fact, you operate.

According to the Southern District of New York prosecutors, you lied to banks to secure loans by falsely stating the amount of debt you were carrying. Mr. Cohen, my question to you, was it Donald Trump's fault that you knowingly committed a crime of deception to defraud a bank?

Mr. COHEN. No, it's not.

Mr. COMER. Was that fraudulent loan you obtained for The Trump Organization or for you personally?

Mr. COHEN. It would be for me, though I'm not familiar with which loan that you are referring to.

I would like to say one thing. Sir, I would like just to respond. The loan that you are talking about when we are talking about the home equity line of credit, which is what I believe you are referring to, no — no individual——

Mr. COMER. We are also referring to — I'm going to ask a question pertaining to your summer home that you purchased.

Mr. COHEN. I never purchased a summer home. No individual or no bank in the 22 years that I have had loans have ever lost a dollar with me. I owe no money to any bank.

Mr. COMER. Well, the banks usually find out if someone is trying to deceive them.

Did your so-called blind loyalty——

Mr. COHEN. In 22 years I have no money that's ever been owed to any individual or any bank.

Mr. COMER. Mr. Cohen, did your so-called blind loyalty to the President cause you to defraud the bank for your own personal gain?

Mr. COHEN. Sir, I take exception to that because there's never been a fraud on a — I never defrauded any bank.

Mr. COMER. Well, let's dig a little deeper on that, on the bank fraud. According to the Southern District of New York, you failed to disclose more than \$20 million in liabilities, as well as tens of thousands of dollars of monthly expenses. That's according to the Southern District of New York.

Now, Mr. Cohen, you being lawyer, surely you knew you were breaking the law. Now, why would you have done that?

Mr. COHEN. Sir, I'm not a CPA. And I pled guilty. I am going to prison as a result of it.

Mr. COMER. Because you're a con?

Mr. COHEN. No, sir, because I pled guilty, and I am going to be doing the time. I have caused tremendous, tremendous pain to my family, and I take no happiness——

Mr. COMER. Let's go back to the — one last question about the bank. When the bank found out about the liabilities that you failed to disclose you lied again to the bank — this according to the Southern District of New York — and said it had been expunged when, in fact, you just shifted the debt to another bank.

So apparently, according to the information that we received, your intent to defraud the bank was for the desire to purchase the summer home for \$8.5 million?

Mr. COHEN. No, sir.

Mr. COMER. That's not correct?

Mr. COHEN. That would have been off of an equity line considering I had less than a 50 percent loan to value on the assets. And there was a preexisting line of credit that existed years before the date that you are referring to where—this is all surrounding New York City taxi medallions.

Mr. COMER. But you understand that when you fail to disclose liabilities, especially \$20 million in liabilities, that is, in fact, fraud?

Mr. COHEN. Except even with the \$20 million in liability——

Mr. COMER. How much was it?

Mr. COHEN. The medallions were at that time worth over \$45 million.

Mr. COMER. Mr. Cohen, you called Donald Trump a cheat in your opening testimony. What would you call yourself?

Mr. COHEN. A fool.

Mr. COMER. You calling — OK. Well, no comment on that.

Mr. COHEN. I appreciate that.

Mr. COMER. Mr. Chairman, we said we were in search of the truth. I don't believe that Michael Cohen is capable of telling the truth.

And I would hope that as this committee moves forward that when we have the opportunity to subpoena witnesses we subpoena witnesses that are not recently disbarred, are not convicted felons, and witnesses that haven't committed bank fraud and tax fraud. That is how we're going to determine the truth.

So, Mr. Chairman, I'll yield the balance of my time to the ranking member.

Mr. JORDAN. I thank the gentleman for yielding.

I would just make one point. We just had a five-minute debate where Mr. Cohen disputes what the Southern District of New York found, what the judge found, that he was actually guilty of committing bank fraud.

If this statement back here doesn't say it all: Cohen's consciousness of wrongdoing is fleeting. His remorse is minimal. His instinct to blame others is strong.

There's only one thing wrong with that statement: His remorse is nonexistent. He just debated a Member of Congress saying: I really didn't do anything wrong with the false bank things that I'm guilty of and going to prison for.

Mr. COHEN. Mr. Jordan, that's not what I said, and you know that that's not what I said.

Mr. MEADOWS. Will the gentleman yield?

Mr. COHEN. I said I pled guilty and I take responsibility for my actions.

Chairman CUMMINGS. The gentleman's time has expired. You may answer the question.

Mr. COHEN. Shame on you, Mr. Jordan. That's not what I said. Shame on you.

Mr. MEADOWS. Mr. Chairman?

Mr. COHEN. That's not what I said. What I said is I took responsibility and I take responsibility. What I was doing is explaining to the gentleman that his facts are inaccurate.

I still — I take responsibility for my mistakes, all right? I am remorseful, and I am going to prison. I will be away from my wife and family for years. So before you turn around and you cast more aspersions——

Mr. JORDAN. We all feel for that. I understand that.

Mr. COHEN [continuing]. please understand there are people watching you today that know me a whole lot better.

I made mistakes. I own them. And I didn't fight with the Southern District of New York. I didn't put the system through an entire scenario. But what I did do is I pled guilty, and I am going to be, again, going to prison.

Chairman CUMMINGS. Ms. Norton.

Ms. NORTON. Mr. Cohen, at the center of the reasons you are going to prison is convictions for campaign finance violations, and they center around some salacious revelations.

The Washington Post reported or aired an Access Hollywood video. It set a record for the number of people who watched, crashed the newspaper's server.

But this happened in early October on the cusp of the election. What was Mr. Trump's reaction to the video becoming public at that time and was he concerned about the impact of that video on the election?

Mr. COHEN. The answer is yes. As I stated before, I was in London at the time visiting my daughter, who is studying there for a Washington semester abroad, and I received a phone call during the dinner from Hope Hicks stating that she had just spoken to Mr. Trump and we need you to start making phone calls to the various different news outlets that you have relationships with, and we need to spin this. What we want to do is just to claim that this was men locker room talk.

Ms. NORTON. Was the concern about the election in particular?

Mr. COHEN. The answer is yes.

Then, couple that with Karen McDougal, which then came out around the same time. And then on top of that the Stormy Daniels matter.

Ms. NORTON. Yeah, and these things happened in the month before the election and almost one after the other. The Stormy Daniels revelation where prosecutors and officials—the prosecutors learned of that—of that matter and prosecutors stated that the officials at the magazine contacted you about the story. And the maga-

zine, of course, is the National Enquirer. Is that correct, that they did come to you?

Mr. COHEN. Yes, ma'am.

Ms. NORTON. Were you concerned about this news story becoming public right after the Access Hollywood study in terms of impact on the election?

Mr. COHEN. I was concerned about it, but more importantly, Mr. Trump was concerned about it.

Ms. NORTON. That was my next question. What was the President's concern about these matters becoming public in October as we were about to go into an election?

Mr. COHEN. I don't think anybody would dispute this belief that after the wildfire that encompassed the Billy Bush tape, that a second followup to it would have been pleasant. And he was concerned with the effect that it had had on the campaign, on how women were seeing him, and ultimately whether or not he would have a shot in the general election.

Ms. NORTON. And so you negotiated the \$130,000 payment.

Mr. COHEN. The \$130,000 number was not a number that was actually negotiated. It was told to me by Keith Davidson that this is a number that Ms. Clifford wanted.

Ms. NORTON. Well, you finally completed that deal, as it were, on October the 25th.

Mr. COHEN. Twenty-eighth.

Ms. NORTON. Days before the election. What happened in the interim?

Mr. COHEN. Contemplated whether or not to do it. Wasn't sure if she was really going to go public. It was again some communications back and forth between myself and Keith Davidson.

And ultimately it came to either do it or don't, at which time, again, I had gone into Mr. Trump's office, as I did after each and every conversation, and he had told me that he had spoken to a couple of friends, and it is 130,000, it is not a lot of money, and we should just do it, so go ahead and do it. And I was at the time with Allen Weisselberg, where he directed us to go back to Mr. Weisselberg's office and figure this all out.

Ms. NORTON. Thank you, Mr. Chairman.

Chairman CUMMINGS. Mr. Meadows.

Mr. MEADOWS. Mr. Cohen, do you know Lynne Patton? I'm right here.

Mr. COHEN. Oh, yes, sir.

Mr. MEADOWS. Do you know Lynne Patton?

Mr. COHEN. Yes, I do.

Mr. MEADOWS. I asked Lynne to come today in her personal capacity to actually shed some light.

How long have you known Ms. Patton?

Mr. COHEN. I'm responsible for Lynne Patton joining The Trump Organization and the job that she currently holds.

Mr. MEADOWS. Well, that's — I'm glad you acknowledged that, because you made some very demeaning comments about the President that Ms. Patton doesn't agree with. In fact, it has to do with your claim of racism. She says that as a daughter of a man born in Birmingham, Alabama, that there is no way that she would work for an individual who was racist.

How do you reconcile the two of those?

Mr. COHEN. As neither should I, as the son of a Holocaust survivor.

Mr. MEADOWS. But, Mr. Cohen, I guess what I'm saying is, is I have talked to the President over 300 times. I have not heard one time a racist comment out of his mouth in private.

So how do you reconcile it? Do you have proof of those conversations?

Mr. COHEN. I would ask you to——

Mr. MEADOWS. Do you have tape recordings of those conversations?

Mr. COHEN. No, sir.

Mr. MEADOWS. Well, you have taped everybody else, why wouldn't you have a tape of——

Mr. COHEN. That's also not true, sir. That's not true.

Mr. MEADOWS. You haven't taped anybody?

Mr. COHEN. I have taped individuals.

Mr. MEADOWS. How many times have you taped individuals?

Mr. COHEN. Maybe 100 times over 10 years.

Mr. MEADOWS. Is that a low estimate? Because I have heard it is over 200 times.

Mr. COHEN. No, I don't think. I think it is approximately about 100, from what I recall. But I was asked—you asked me a question, sir, so here's——

Mr. MEADOWS. Do you have proof? Do you have proof, yes or no?

Mr. COHEN. I do. I do.

Mr. MEADOWS. Where is the proof?

Mr. COHEN. Ask Ms. Patton how many people who are Black are executives at The Trump Organization, and the answer is zero.

Mr. MEADOWS. Mr. Cohen, we can go through this.

I would ask unanimous consent that her entire statement be put in the record.

Chairman CUMMINGS. Without objection.

[The information referred to follows:]

Statement from Lynne Patton

As someone who considered Michael Cohen one of my very best friends for the past 10-plus years, virtually inseparable during our tenure at the Trump Organization (and even before) having personally introduced me to the Trump family, leading to my subsequent employment therein, and arguably, my current job, the only word that comes to mind this week is sad.

I am sad that Michael has elected to leverage his own personal illegal activities into nothing more than political theater this week with the sole partisan purpose to embarrass a sitting President with unfounded personal or professional gossip.

I am sad that Michael would turn his back on a man to whom he has repeatedly said he owes everything in the hope of a reduced prison sentence.

Lastly, I'm sad for myself.

Sad that I have wasted so much time and energy caring, supporting and loving a man I now realize I truly never knew.

If Michael Cohen had anything of substance to offer against the President of the United States, Mueller would not have rejected his plea for leniency and Cohen would not be going to jail. Period.

Above all, I am sad that Michael would, once again, on a world stage, levy unsubstantiated claims, particularly against a man who has single-handedly raised five of the most unbiased and open-minded children I've ever known. Four of whom I count among my very best friends, to date.

I stated this in my viral video back in 2015 and I'll say it again: as the daughter of a man born in Birmingham, Alabama, there is no amount of money in the world

that would make me work for a man who I thought harbored bigoted or racist ideologies. People who have known this man far less than I have have been offered over seven figures to write best-selling works of fiction, yet the thought has never crossed my mind. So I truly mean it when I say there is no amount of money in the world to make me either work for (nor sell out) this family. Zero.

The bottom line is that, much like Omarosa Manigault Newman, it does not take someone 15 years to figure out someone is a racist. Unless of course, they're not one.

Mr. MEADOWS. All right. Let me go on a little bit further.

Did you collect \$1.2 million or so from Novartis?

Mr. COHEN. I did.

Mr. MEADOWS. For access to the Trump administration?

Mr. COHEN. No, sir.

Mr. MEADOWS. Why did you collect it?

Mr. COHEN. Because they came to me based upon my knowledge of the enigma Donald Trump, what he thinks——

Mr. MEADOWS. So they paid——

Mr. COHEN. Sir, please let me finish.

Mr. MEADOWS. No. Did they pay you \$1.2 million——

Mr. COHEN. We've already said that.

Mr. MEADOWS [continuing]. to give them advice?

Mr. COHEN. Yes, they did. A multibillion-dollar conglomerate came to me looking for information, not something that's unusual here in D.C., looking for information, and they believed that I had a value.

Mr. MEADOWS. So how many times did you meet with them?

Mr. COHEN. And that the value was the insight that I was capable of offering them——

Mr. MEADOWS. How many times——

Mr. COHEN [continuing]. and they were willing to pay.

Mr. MEADOWS. How many times did you meet with them? For \$1.2 million, how many times did you meet with them?

Mr. COHEN. I provided them with both in-person as well as telephone access whenever they needed.

Mr. MEADOWS. How many times — that's a question, Mr. Cohen.

Mr. COHEN. I don't recall sir.

Mr. MEADOWS. So did you ever talk to them?

Mr. COHEN. I spoke to them on several occasions, yes

Mr. MEADOWS. How many?

Mr. COHEN. Six times.

Mr. MEADOWS. Six times. Wow, \$200,000 a call?

Mr. COHEN. Sir, I also would like to bring to your attention——

Mr. MEADOWS. Hold on. This is my five minutes, Mr. Cohen, not yours.

Did you get money from the Bank of Kazakhstan.

Mr. COHEN. It's not a Bank of Kazakhstan, it's called BTA.

Mr. MEADOWS. BTA Bank. Kazakhstan, BTA bank, did you get money from them?

Mr. COHEN. I did.

Mr. MEADOWS. For what purpose?

Mr. COHEN. The purpose was because the former CEO of that bank had absconded with over—between \$4 to \$6 billion. And some of that money was here in the United States, and they sought my assistance in terms of finding, locating that money, and helping them to recollect it.

Mr. MEADOWS. So are you saying that all the reports that you were paid in some estimates over \$4 million to have access and understanding of the Trump administration, you are saying that all of that was just paid to you just because you're a nice guy?

Mr. COHEN. I am a nice guy, but more importantly——

Mr. MEADOWS. Well, I would beg to differ. The record reflects that you are not a nice guy.

Mr. COHEN. Sir, each and every contract contained the clause, in my contracts, that said I will not lobby, and I do not do government relations work. In fact, in fact, Novartis sent me their contract, which stated specifically that they wanted me to lobby, that they wanted me to provide access to government, including the President.

That information, that paragraph was crossed out by me, initialed, and written in my own handwriting that says I will not lobby or do government relations work.

Mr. MEADOWS. So Novartis representatives say that it was like they were hiring a nonregistered lobbyist. So you disagree with that?

Mr. COHEN. I don't know what they said, sir, but the contract speaks for itself.

Mr. MEADOWS. Have you contacted anybody in the administration?

Mr. COHEN. Yes.

Mr. MEADOWS. To advocate on behalf of any aspect of any of your contracts?

Chairman CUMMINGS. The gentleman's time has expired.

Mr. MEADOWS. I ask unanimous consent, Mr. Chairman, I ask unanimous consent——

Chairman CUMMINGS. The gentleman's time has expired. You may answer the question.

Mr. COHEN. I don't know what you are referring to, sir.

Mr. MEADOWS. Mr. Chairman——

Chairman CUMMINGS. Mr. Clay.

Mr. MEADOWS. Mr. Chairman——

Mr. CLAY. Thank you, Mr. Chairman.

Mr. Cohen, I'm pleased you agreed to testify today voluntarily.

In my view, we are all here for just one reason, and that's the American people are tired of being lied to. They have been lied to by President Trump. They have been lied to by the President's children. They have been lied to by the President's legal representatives. And it pains me to say that they have been even lied to by his congressional enablers who are still devoted to perpetuating and protecting this giant con game on the American people.

Now, Mr. Cohen, I would like to talk to you about the President's assets, since by law these must be reported accurately on his Federal financial disclosure and when he submits them for a bank loan.

Mr. Cohen, you served for nearly a decade as then businessman Trump's personal attorney and so-called fixer. Did you also have an understanding of the President's assets and how he valued those items?

Mr. COHEN. Yes.

Mr. CLAY. In November 2017 Crain's New York Business reported that The Trump Organization provided, quote, flagrantly untrue revenue figures going back to at least 2010 to influence Crane's ranking of the largest private companies in New York. According to the reports, while The Trump Organization reported nearly \$9.5 billion in revenues in 2016, public filings suggested revenues were actually less than one-tenth of that.

To your knowledge, did the President or his company ever inflate assets or revenues?

Mr. COHEN. Yes.

Mr. CLAY. And was that done with the President's knowledge or direction?

Mr. COHEN. Everything was done with the knowledge and at the direction of Mr. Trump.

Mr. CLAY. Tell us why he would do that and what purpose did it serve.

Mr. COHEN. It depends upon the situation. There were times that I was asked, again with Allen Weisselberg, the CFO, to go back and to speak with an individual from Forbes, because Mr. Trump wanted each year to have his net worth rise on the Forbes wealthiest individuals list.

And so, what you do is you look at the assets and you try to find an asset that has, say, for example, 40 Wall Street, which is about 1.2 million square feet, find an asset that is comparable, find the highest price per square foot that's achieved in the area, and apply it to that building.

Or, if you are going off of your rent roll, you go by the gross rent roll times a multiple and you make up the multiple, which is something that he had talked about, and it is based upon what he wanted to value the asset at.

Mr. CLAY. You know, you have provided this committee with copies of the President's financial statements or parts of them from 2011, 2012, and '13.

And, Mr. Chairman, I would like to submit those for the record. Mr. Chairman, I would like to submit the statements to the record.

Chairman CUMMINGS. Without objection, so ordered. [Cohen exhibits are available at: <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/Michael%20Cohen.02.27.2019.Exhibits.pdf>.]

Mr. CLAY. Thank you.

Can you explain why you had these financial statements and what you used them for?

Mr. COHEN. So these financial statements were used by me for two purposes. One was discussing with media, whether it was Forbes or other magazines, to demonstrate Mr. Trump's significant net worth. That was one function.

Another was when we were dealing later on with insurance companies we would provide them with these copies so that they would understand that the premium, which is based sometimes on the individual's capabilities to pay, would be reduced.

Mr. CLAY. And all of this was done at the President's direction and with his knowledge?

Mr. COHEN. Yes, because whatever the numbers would come back to be we would immediately report it back.

Mr. CLAY. And did this information provided to us inflate the President's assets?

Mr. COHEN. I believe these numbers are inflated.

Mr. CLAY. And, of course, inviting—inflating assets to win a newspaper poll to boost your ego is not a crime. But to your knowledge, did the President ever provide inflated assets to a bank in order to help him obtain a loan?

Chairman CUMMINGS. The gentleman's time has expired, but you may answer that question.

Mr. COHEN. These documents and others were provided to Deutsche Bank on one occasion where I was with them in our attempt to obtain money so that we can put a bid on the Buffalo Bills.

Mr. CLAY. Thank you for your answers.

Chairman CUMMINGS. Mr. Hice of Georgia.

Mr. HICE. I would like to yield a second to the gentleman from North Carolina.

Mr. MEADOWS. I thank the gentleman for yielding.

I want to ask unanimous consent to put into the record an article from Stat, which indicates that Mr. Cohen's promise to access not just Trump, but also the circle around him, it was almost as if we were hiring a lobbyist, close quote. I ask unanimous consent.

Chairman CUMMINGS. Without objection.

[The Stat article is available at: <https://www.statnews.com/pharmalot/2018/05/08/novartis-paid-400000-trump-attorney/>]

Mr. MEADOWS. I ask unanimous consent that we put into the record a criminal referral for violating Section 22 U.S.C. of the statute number 611. I ask unanimous consent that my letter referring Mr. Cohen for violating FARA for illegal lobbying activity be entered into the record.

Chairman CUMMINGS. Without objection, so ordered.

MEMORANDUM

FROM: Mark Meadows, Ranking Member, Subcommittee on Government Operations, House Oversight and Reform Committee

To: The Honorable William P. Barr, Attorney General to the United States

RE: Referral of Michael Cohen for Potential Violation of 22 U.S.C. §611 et seq.

As you know, Michael Cohen acted as the personal attorney for President Donald J. Trump from 2007 to April 2018. Shortly before the 2016 election, Mr. Cohen created a limited liability company Essential Consultants, LLC, naming himself CEO.

Evidence reviewed by our Committee strongly suggests Mr. Cohen made specific solicitations to foreign companies with business interests pending before the Trump administration, promising access to the Administration. Documents and information reviewed by our Committee also raises concerns Mr. Cohen's foreign clients expected official favors in return for enlisting him and Essential Consultants' services.

Specifically, Cohen solicited Novartis, a pharmaceutical company from Switzerland, with policy objectives pending before the Federal Drug Administration, among other agencies. Novartis reportedly paid Mr. Cohen \$1.2 million for promised access to the White House on health care policy.¹

Kazakhstan's BTA Bank paid Mr. Cohen an undisclosed sum under a consulting agreement with Essential Consultants, LLC.²

Similarly, Korean Aerospace Industries, a South Korean defense company, hired Mr. Cohen as it negotiated an Air Force contract valued at \$16 billion.³

As you know, the Foreign Agents Registration Act of 1938 (FARA) prohibits individuals from acting as an agent of a foreign principal without first registering with the Department of Justice. The financial support Mr. Cohen enjoyed from his aforementioned business dealings with Swiss, Kazakh, and South Korean companies in exchange for his engagement in political activities before the Trump Administration raise concerns he is in violation of FARA.

Mr. Cohen's touting access to President Trump and the Administration with offers to influence matters that affect the business of companies like Novartis, BTA Bank, and Korean Aerospace Industries crosses into lobbying. Ultimately, Mr. Cohen appears to have been acting as an agent of several foreign principals and represented their interests before federal officials. Mr. Cohen actively solicited clients based on his proximity to the President and other members of the Administration, he received lucrative contracts from foreign clients with business pending before the Administration, and he provided significant, yet unspecified and vague services for these clients in exchange for his services.

Accordingly, I am referring Michael Cohen to the Department of Justice for investigation of potential violation(s) of 22 U.S.C. §611 et seq.

¹ MJ Lee et al., Inside Michael Cohen's Aggressive Pitch Promising Access to Trump, CNN (May 10, 2018), <https://www.cnn.com/2018/05/09/politics/michael-cohen-trump-lobbying/index.html>.

² See, e.g., Christopher Brennan, Trump Associate Received More than \$21M in Kazakh Oligarchs' Alleged Money Laundering Scheme, NY DAILY NEWS (Apr. 25, 2018), <https://www.nydailynews.com/news/national/trump-associate-received-21m-alleged-oligarth-scheme-article-1.3953189>; Adam Davidson, Trump's Business of Corruption, NEW YORKER (Aug. 21, 2017), <https://www.newyorker.com/magazine/2017/08/21/trumps-business-of-corruption>.

³ Amanda Macias, South Korean Defense Company That Paid Trump Lawyer Cohen \$150,000 is poised to Win Part of a \$16 Billion Pentagon Deal, CNBC (May 9, 2018), <https://www.cnbc.com/2018/05/09/south-korean-firm-that-paid-trump-lawyer-cohen-poised-to-win-pentagon-deal.html>.

Mr. MEADOWS. I ask unanimous consent that the first order of business for this committee is for us to look in a bipartisan way at criminal referrals at the next business meeting.

Chairman CUMMINGS. These are not documents, they're objections. They're objections.

Mr. MEADOWS. So we're objecting to a unanimous consent request? Is that what, Mr. Chairman?

I will yield back.

Chairman CUMMINGS. All right. Now, let me be clear. Mr. Hice, I'm going to give you your whole five minutes, all right?

Mr. HICE. Thank you, Mr. Chairman.

Chairman CUMMINGS. In fairness to you.

Mr. HICE. Thank you, Mr. Chairman.

Chairman CUMMINGS. Mr. Meadows, the chairman made me—the ranking member made me aware that I had given a little more time to Ms. Wasserman Schultz. I was going to let you do that anyway. But I just want the committee to know that because there's so many members I'm going to be strict on this five minutes, all right? All right.

Thank you very much.

Mr. Hice, you have five minutes.

Mr. HICE. Thank you, Mr. Chairman.

Mr. COHEN, you claim that you've lied but you're not a liar. Just to set the record straight, if you lied you are a liar by definition.

You also said a moment ago that the facts are inaccurate. If they are facts they are accurate, and that would make you inaccurate.

But I would like take a moment to—I would like know who you consulted with to prepare for today's hearing, Lanny Davis and who else?

Mr. COHEN. I consulted with my counsel Lanny Davis, as well as Michael Monaco.

Mr. HICE. All right. Did you or Michael or Lanny Davis or anyone else cooperate with the Democrat majority to prepare for this hearing?

Mr. COHEN. I'm sorry, say that again, please.

Mr. HICE. Did you or anyone else on your team cooperate with the Democrat Party in preparing for this hearing?

Mr. COHEN. We've spoken to the party.

Mr. HICE. OK. Did you prepare with Chairman Cummings or anyone on your team?

Mr. COHEN. I'm sorry, what do you mean by prepare?

Mr. HICE. Prepare for this hearing.

Mr. COHEN. Prepare? I prepared with my counsel.

Mr. HICE. Did you prepare with the Democrat majority or Chairman Cummings?

Mr. COHEN. We spoke with Chairman Cummings and the party.

Mr. HICE. With Chairman Schiff?

Mr. COHEN. I spoke with Chairman Schiff and his people, as well.

Mr. HICE. Were there any other individuals acting as a liaison for you with the majority party?

Mr. COHEN. I'm sorry, sir, what are you saying?

Mr. HICE. Did you have a liaison other than that you have mentioned who were working with the majority to prepare for this hearing?

Mr. COHEN. We spoke with the various individuals that you just raised, yes.

Mr. HICE. Tom Steyer, regarding him or any of his representatives, anyone associated with him, is he or any of them paying Lanny Davis to represent you?

Mr. COHEN. Not that I'm aware of.

Mr. HICE. Who is paying Lanny Davis?

Mr. COHEN. At the present moment no one.

Mr. HICE. So he is doing all this work for nothing?

Mr. COHEN. Yes, sir.

Mr. HICE. OK.

Mr. COHEN. I hope so.

Mr. HICE. I kind of doubt it.

How did Lanny Davis come to represent you? Did he approach you or did you approach him?

Mr. COHEN. I reached out to Lanny Davis at the recommendation of my former counsel over at McDermott Will & Emery, who knew Mr. Davis, and Mr. Davis—

Mr. HICE. So you reached out to Mr. Davis?

Mr. COHEN. I did, yes, initially.

Mr. HICE. OK. So did you want to testify before Congress or did he urge you to testify here?

Mr. COHEN. I was asked to come here. I am here, sir, voluntarily because it's my decision.

Mr. HICE. You were asked by who? My question is, did he ask you to come here?

Mr. COHEN. No, sir.

Mr. HICE. OK. Because he says that he did ask you to come here and that he convinced you and also that he did the same with Chairman Cummings, as well.

So your testimony here is that you approached Lanny Davis to represent you and to come here, he did not persuade you to come here.

Mr. COHEN. He did not persuade me. Actually, Chairman Cummings, which is part of the conversations that we engaged in with his people, as well as Chairman Schiff and others, we spoke in order to ask me to come here voluntarily.

Mr. HICE. I find the connecting of the dots here with Mr. Davis and you and, frankly, the chairman, and perhaps others to be rather stunning, that there is an agenda for all this happening here today. And I believe, frankly, that that's to bring the President down, to impugn the President.

You made an oath last time you were here, and that oath meant nothing to you then. We had an oath here in this very room about a month ago and it was, quote, "Be clear that I will seek the truth, nothing but the truth, so help me God," end quote.

That sounds like an oath to me. The chairman made that statement in this very room last month, but here we are today, our first big hearing, with, as you and we all know, a convicted liar, lying to Congress, a criminal.

And I believe this witness is totally incompatible with the stated goal of having to seek the truth in this hearing. This is the first time in the history of Congress we have someone testifying here who has already been convicted of lying to Congress. So congratulations for being the first in Congress to do that, and Mr. Cummings, as well.

Mr. COHEN. Thank you.

Mr. HICE. I can't believe we have brought this committee to its knees in terms of losing its credibility, and it is a shameful mockery of what our purpose is.

I yield back.

Chairman CUMMINGS. The gentleman's time has expired.

Mr. Lynch.

Mr. LYNCH. Thank you, Mr. Chairman.

Let me just pick up on those last comments. Want to talk about a low point? How about Mr. Papadopoulos pled guilty? Mr. Manafort convicted, pled guilty to two other charges? Mr. Gates pled guilty? Mr. Flynn pled guilty? Mr. Pinedo pled guilty? Mr. van der Zwann pled guilty? Mr. Kilimnik indicted for obstruction of justice?

And for two years, you want to talk about an agenda, my friends on the other side of the aisle refused to bring of any of these people up before the committee. So today, for the first day, we have one witness who voluntarily is coming forward to testify. Your side ran away from the truth and we are trying to bring it to the American people.

So, Mr. Cohen, first of all, thank you for voluntarily coming before the committee to testify. I want to ask you about your statements regarding Trump Tower and Moscow, and I want to drill down some of the facts and details.

Now, you may not be aware of it, but this goes back a way. Back in 1987 Mr. Trump wrote that he had had ongoing discussions with Soviet officials back then to build a luxury—a large luxury hotel across from the Kremlin in partnership with the Soviet Union. So at that time it was the Soviet Union.

I want to ask you, in your filing with the Special Counsel Mueller's office, the prosecutors wrote, and I quote, "Mr. Cohen discussed the status and progress of the Moscow project with Individual 1 on more than the three occasions Mr. Cohen claimed to the committee and he briefed family members of Individual 1 with the company about the project."

I know this is redundant, but, Mr. Cohen, who are we referring to here when we refer to Individual 1.

Mr. COHEN. Donald J. Trump.

Mr. LYNCH. OK. And the company?

Mr. COHEN. The Trump Organization through a subsidiary.

Mr. LYNCH. OK. And who were the family members that you briefed on the Trump Tower Moscow project?

Mr. COHEN. Don Trump, Jr., and Ivanka Trump.

Mr. LYNCH. OK. Now, were these in the regular course of business or did the President or family request the briefings?

Mr. COHEN. This is the regular course of business.

Mr. LYNCH. Do you recall — there's a question on the number of briefings. Do you recall how many there might have been?

Mr. COHEN. I'm sorry, sir?

Mr. LYNCH. Do you recall how many of these briefings there might have been?

Mr. COHEN. Approximately 10.

Mr. LYNCH. OK.

Mr. COHEN. In total.

Mr. LYNCH. All right. In your written remarks you also wrote, and I quote, "There were at least a half dozen times between the Iowa Caucus in January 2016 and the end of June when Mr. Trump would ask me, 'How's it going in Russia,' referring to the Russia Moscow Tower project."

How did the President communicate those questions to you? Was it verbally or over the phone?

Mr. COHEN. Verbally most of the time or virtually all of the time. He would say to me, "Michael, come walk with me." He was heading to let's say a rally or to a car, and as I would walk him to the elevator he would ask me questions quickly regarding a series of issues.

Mr. LYNCH. Could there be any doubt what he was referring to in terms of the project in Russia?

Mr. COHEN. No, this would be it.

Mr. LYNCH. OK.

Mr. COHEN. Otherwise there would have been no reason to ask it of me.

Mr. LYNCH. Right, right.

You also wrote, and I quote, "To be clear, Mr. Trump knew of and directed the Trump Moscow negotiations throughout the campaign and lied about it," close quote.

How did the President actually direct the negotiations?

Mr. COHEN. After each——

Mr. LYNCH. What details did he direct?

Mr. COHEN. Well, after each communication that I had I would report back to him, and our goal was to get this project. We were interested in building what would have been the largest building in all of Europe.

Sir, just if I can say one last thing in regard to——

Mr. LYNCH. Please go ahead.

Mr. COHEN [continuing]. the gentleman's statement and since this is on topic.

The lies that I told to Congress, in fairness, benefited Mr. Trump. It was in furtherance of my protection of Mr. Trump, which I stated in my testimony. And I am not protecting Mr. Trump anymore.

And so, while I truly appreciate taking some of your time onto it, to attack me every single time about taxes, I have no credibility, it is for exactly that reason that I spent the last week searching boxes in order to find the information that I did so that you don't have to take my word for it. I don't want you to. I want you to look at the documents, and I want you to make your own decision.

Mr. LYNCH. Mr. Cohen, I need my last——

Mr. COHEN. Sorry, sir.

Mr. LYNCH. That's OK. Let me just say, I don't think my colleagues on the other side of the aisle are afraid that you're going to lie. I think they're afraid you're going to tell truth.

Mr. COHEN. Thank you, sir.

Mr. LYNCH. I yield back the balance of my time.

Chairman CUMMINGS. Thank you very much.

Mr. Gosar.

Mr. GOSAR. The gentleman from Ohio is recognized.

Mr. JORDAN. I appreciate the gentleman for yielding.

I just want to respond to Mr. Lynch. I want you to think about this. When have you ever seen a Federal agency where this has happened? James Comey, Director, fired. Andy McCabe, Deputy Director, fired, lied three times under oath, under investigation right as we speak. Jim Baker, FBI Counsel, demoted, then left, currently under investigation by the U.S. Attorney's Office in Connecticut. Lisa Page, demoted, then left. Peter Strzok, deputy head of counterintelligence, demoted, then fired. That's what happened. That's what we're concerned about. And today, we actually asked for Rod Rosenstein, oh, by the way, we now know—three people have told us, Rod Rosenstein actually was contemplating using the 25th Amendment to remove the guy from Presidency who the American people put there. And we asked for him to be a witness today and the chairman said no. And instead, we get 30 minutes from a guy who is going to prison, going to prison, in two months for lying to Congress.

Mr. Cohen, I got two quick questions before I yield back to my colleague. Mr. Hice asked you who all you talked to. You said you've talked to—you spoke to Mr. Schiff. Obviously, you spoke to Mr. Cummings. You've gone in front of both committees. You're here today. You're going to be in front of Mr. Schiff's committee tomorrow. Have you spoken to Chairman Nadler or anyone on his staff, or have any of your attorneys spoken to Chairman Nadler?

Mr. COHEN. I don't know about my attorneys. I have not spoken to—

Mr. JORDAN. You don't know if your attorney spoke—

Mr. COHEN [continuing]. Congressman—I have not spoken to Congressman Nadler.

Mr. JORDAN. Do you think your—

Mr. COHEN. And I'm not aware — sir, I'm not aware if my attorneys — I can ask them.

Mr. JORDAN. Can you turn around and ask?

Voice. No.

Mr. COHEN. The answer, sir, is no.

Mr. JORDAN. OK. And you said, at this present time, Mr. Davis is not getting paid. Does that—are you anticipating him receiving some kind of compensation in the future?

Mr. COHEN. When I start to earn a living?

Mr. JORDAN. Are you going to wait three years? Wow.

Mr. COHEN. The answer is yes.

Mr. JORDAN. That's a first. I've never known a lawyer wait 3 years to get paid.

Mr. COHEN. I guess he thinks it's important.

Mr. JORDAN. All right. With that, I yield to the gentleman from Arizona.

Mr. GOSAR. Well, thank you.

Mr. Cohen, you're a disgraced lawyer. I mean, you've been disbarred. And so, I'm sure you remember — well, maybe you don't

remember — duty of loyalty, duty of confidentiality, attorney/client privilege. I think the gentleman over your right side actually understands that very, very well and wouldn't do what you are doing here today.

So let's go back at this credibility. You want us to make sure that we think of you as a real philanthropic icon, that you're about justice, that you're the person that somebody would call at 3 in the morning. No, they wouldn't. Not at all. You saw Mr. Comer dissect you. Right in front of this committee, you conflicted your testimony, sir. You're a pathological liar. You don't know truth from falsehood.

Mr. COHEN. Sir, are you referring to me or the President?

Mr. GOSAR. Hey, hey, this is my time.

Mr. COHEN. Are you referring to me, sir, or the President?

Mr. GOSAR. When I ask you a question, I'll ask for an answer.

Mr. COHEN. Sure.

Mr. GOSAR. Now, are you familiar with Rule 35 of the Federal Rules in Criminal Procedures?

Mr. COHEN. I am now.

Mr. GOSAR. Oh. So the committee understands that you've been in contact with the Southern District of New York. Is that true?

Mr. COHEN. I am in constant contact with the Southern District of New York regarding ongoing investigations.

Mr. GOSAR. And part of that application is to reduce sentencing time, is it not? Yes.

Mr. COHEN. There is a possibility——

Mr. GOSAR. Yes. The answer is yes.

Mr. COHEN. No, it's not, sir.

Mr. GOSAR. Yes, it is.

Mr. COHEN. OK.

Mr. GOSAR. It is.

Mr. COHEN. It's not.

Mr. GOSAR. And so testimony here could actually help you out in getting your sentence lessened, isn't that true?

Mr. COHEN. I'm not really sure how my appearance here today is providing substantial information that the Southern District can use for the creation of a case. Now, if there is something that this group can do for me, I would gladly welcome it.

Mr. GOSAR. Well, I got to tell you, you know, America's watching you. I've been getting texts right and left, saying, How can anybody listen to this pathological person? He's got a problem. He doesn't know fact from fiction. And that's what's sad here, is that, you didn't do this for Donald Trump, to protect Donald Trump. You did it for you. This is — no, this is all about you. This is all about this Twitter feed——

Mr. COHEN. Sure.

Mr. GOSAR [continuing]. and — no, let me read one of those — another one. Women who love and support Michael Cohen, strong, pit bull, sex symbol, no nonsense, business-oriented and ready to make a difference——

Mr. COHEN. 1,000 followers.

Mr. GOSAR [continuing]. ready to make a difference against the law. That's pretty sad. You know, over and over again, you know, we wanted to have trust. It's built on the premise that we're truthful, that we come forward. But there's no truth with you whatso-

ever. That's why I — that's important to you, to look up here and look at the old adage that our moms taught us — liar, liar, pants on fire.

No one should ever listen to you and give you credibility. It's sad. It's sad that we have come — and in fact, I want to quote the chairman's very words. This is a real — hold on——

Chairman CUMMINGS. The gentleman's time is expired.

Mr. GOSAR [continuing]. sad state.

Chairman CUMMINGS. The gentleman's time is expired. Who's next? Mr. Cooper.

Mr. COOPER. Mr. Cohen, several times in your testimony, you state the bad things that you did for Mr. Trump, and at some point, you apparently changed your course of action. There's a recurring refrain in your testimony that says, and yet, I continued to work for him. But at some point, you changed. What was the breaking point at which you decided to start telling the truth?

Mr. COHEN. There's several factors. Helsinki, Charlottesville, watching the daily destruction of our civility to one another. Putting up silly things like this, really unbecoming of Congress. It's that sort of behavior that I'm responsible for. I'm responsible for your silliness, because I did the same thing that you're doing now, for 10 years. I protected Mr. Trump for 10 years, and the fact that you pull up a news article that has no value to it, and you want to use that as the premise for discrediting me, that I'm not the person that people called at 3 in the morning, would make you inaccurate. In actuality, it would make you a liar, which puts you into the same position that I am in.

And I can only warn people, the more people that follow Mr. Trump, as I did blindly, are going to suffer the same consequences that I'm suffering.

Mr. COOPER. What warning would you give young people who are tempted, as you were, would you encourage them not to wait 10 years to see the light? What advice would you give young people, in particular, young lawyers, so they do not abuse their bar license as you did?

Mr. COHEN. Look at what's happened to me. I had a wonderful life. I have a beautiful wife. I have two amazing children. And I achieved financial success by the age of 39. I didn't go to work for Mr. Trump because I had to. I went to work for him because I wanted to. And I've lost it all.

So if I'm not picture perfect—that's the picture that should be up there. If I'm not a picture-perfect example of what not to do, that's the example that I'm trying to set for my children. We make mistakes in life, and I've owned them, and I've taken responsibility for them. And I'm paying a huge price, as is my family. So if that, in and of itself, isn't enough to dissuade somebody from acting in the callous manner that I did, I'm not sure that that person has any—any chance, very much like I'm in right now.

Mr. COOPER. A recurring theme in your testimony is concern for your family's safety. What specifically are you most concerned about?

Mr. COHEN. Well, the President, unlike my "Cohen for Trump" that has a thousand followers, he's got over 60 million people. And when Mr. Trump turned around early in the campaign and said,

I can shoot somebody on Fifth Avenue and get away with it — I want to be very clear — he's not joking. He's telling you the truth. You don't know him. I do. I sat next to this man for 10 years, and I watched his back. I'm the one who started the campaign. And I'm the one who continued in 2015 to promote him.

So many things I thought that he can do that are just great, and he can and he is doing things that are great. But this destruction of our civility to one another is — it's out of control. And when he goes on Twitter, and he starts bringing in my in-laws, my parents, my wife, what does he think is going to happen? He's causing—he's sending out the same message that he can do whatever he wants. This is his country. He's becoming an autocrat. And hopefully, something bad will happen to me or my children or my wife, so that I will not be here and testify. That's what his hope was, it was to intimidate me. And, again, I thanked everybody who joined and said that this is just not right.

Mr. COOPER. Have you ever seen Mr. Trump personally threaten people with physical harm?

Mr. COHEN. No. He would use others.

Mr. COOPER. He would hire other people to do that?

Mr. COHEN. I'm not so sure that he had to hire them. They were already working there. Everybody's job at the Trump Organization is to protect Mr. Trump. Every day, most of us knew we were coming in and we were going to lie for him on something. And that became the norm. And that's exactly what's happening right now in this country. And it's exactly what's happening here in government, sir.

Mr. COOPER. Thank you, Mr. Chairman. My time is expired.

Chairman CUMMINGS. Mr. Armstrong?

Mr. ARMSTRONG. Thank you. Mr. Cohen—

Mr. COHEN. Mr. Chairman, can we take a break?

Chairman CUMMINGS. Not right now.

Mr. COHEN. OK.

Mr. ARMSTRONG. All right.

Chairman CUMMINGS. Mr. Cohen, did you ask for a break?

Mr. COHEN. I did, sir.

That's OK. Thank you, sir.

Chairman CUMMINGS. I thought a Member asked.

Mr. COHEN. Thank you.

Chairman CUMMINGS. Ten minutes.

Exactly 10 minutes we'll start back.

[Recess.]

Chairman CUMMINGS. Ms. Foxx?

Ms. FOXX. Thank you, Mr. Chairman.

Mr. Cohen, you've admitted to lying on your taxes. According to Federal prosecutors in the Southern District of New York, you also lied to banks to get loans. The prosecutors wrote, quote, "To secure loans, Cohen falsely understated the amount of debt he was carrying and omitted information from his personal financial statements to induce a bank to lend based on incomplete information," end quote. Is that correct?

Mr. COHEN. That's correct.

Ms. FOXX. You lied on financial documents. So you lied to financial institutions in order to secure loans. So we've established that

you lie on your taxes, you lie to banks, and you have been convicted of lying to Congress. It seems to me that there's not much that you won't lie about when you stand to gain from it.

In fact, the prosecutor for the Southern District of New York noted that each of your crimes, quote, "bear commonsense characteristics with each involving deception and being motivated by your personal greed and ambition." Is your appearance here today motivated by your desire to remain in the spotlight for your personal benefit?

Mr. COHEN. No, ma'am.

Ms. FOXX. You have sought out ways to rehabilitate your image, from tax evader, bank swindler, and all-around liar, to an honorable truthful man by appearing before cable news. I'm concerned you could be using your story and this congressional platform for your personal benefit, such is a desire to make money from book deals. So can you commit, under oath, that you have not and will not pursue a book or movie deal based on your experiences working for the President?

Mr. COHEN. No.

Ms. FOXX. You cannot commit to making money off of a book or movie deal based on your work?

Mr. COHEN. No. What I just—there's two parts to your question. The first part of your question, you asked me whether or not I had spoken to people regarding a possible book deal, and I have. And I've spoken to people who've sought me out regarding a movie deal.

Ms. FOXX. No, I didn't ask you if you'd spoken to anybody.

Mr. COHEN. That was the first part of your question.

Ms. FOXX. I said, can you commit under oath that you will not—that you have not and will not pursue a book deal.

Mr. COHEN. And I would not do that, no.

Ms. FOXX. OK. Can you commit under oath that you will not pursue opportunities to provide commentary for a major news network based on your experiences working for the President?

Mr. COHEN. No.

Ms. FOXX. Can you commit under oath that you will not pursue political office in the State of New York?

Mr. COHEN. No.

Ms. FOXX. So you don't commit to changing your ways, basically, because you want to continue to use your background as a liar, a cheater, a convicted liar, to make money? That's what you want to do?

Mr. COHEN. And that's going to get me a book deal and a movie deal and television—and a spot on television? I don't think so.

Ms. FOXX. Well, it appears that it will. I yield my remainder of my time, Mr. Chairman, to Mr. Jordan.

Mr. JORDAN. I thank the gentlelady for yielding.

Mr. Cohen, in your sentencing statement to the court in December of last year, you said, I want to apologize to the people of the United States; you deserve to know the truth. Approximately a month later, BuzzFeed News ran a story that was the story in the country for a couple of days. BuzzFeed story ran January 17, 2019. On January 18, your counsel went on TV and wouldn't confirm or deny the story.

The next day, the special counsel's office did something that's never happened. Never happened. They said the description of specific statements to the special counsel's office and the characterization of documents and testimony obtained by this office regarding Michael Cohen's congressional testimony are not accurate.

Why didn't your lawyer the day that he's on TV, when this story is the biggest things in the news, in the country, why didn't he deny the BuzzFeed story?

Mr. COHEN. Because I didn't think it was his responsibility to do that. We are not the fact-checkers for BuzzFeed—

Mr. JORDAN. He's on TV to talk about the very story you committed to the court when you were trying to get your sentence reduced that you—that the American people deserve to know the truth, you had the golden opportunity to give them the truth on a false story, the BuzzFeed story, and your lawyer didn't say a thing. Actually, he said this: I can't confirm, I can't deny. You had an opportunity to do exactly what you told the judge you were going to do one month after you said it, and you didn't do it. Why not?

Mr. COHEN. Again, it wasn't our responsibility to be the fact-checker for the news agency—

Mr. JORDAN. This is the biggest story in the country.

Mr. COHEN. Sir, please, let me—the President says, so far, approximately 9,000—you asked—

Mr. JORDAN. Let me just say one thing. I got eight seconds. I got eight seconds. I'll let you finish.

Mr. COHEN. Chairman, may I please finish?

Mr. JORDAN. The special counsel said—

Mr. COHEN. Chairman, can I please finish?

Mr. JORDAN [continuing]. something they've never done—

Mr. COHEN. Sir?

Mr. JORDAN [continuing]. they said that story was false. Now you can respond.

Mr. COHEN. OK. My response—

Chairman CUMMINGS. You may respond.

Mr. COHEN [continuing]. the President has told something over 9,000 lies to date. Do I ask Mr. Davis or Mr. Monaco, do I go on television in order to correct his mistakes?

Mr. JORDAN. When—

Mr. COHEN. The answer is no.

Mr. JORDAN [continuing]. talking about that specific subject, you should.

Mr. COHEN. The answer is no. And I would like—

Chairman CUMMINGS. The gentleman's time has—listen up. The gentleman's time has expired.

You may finish answering the question, and then we are going to go to Mr. Connolly.

Mr. COHEN. All I wanted to say is, I just find it interesting, sir, that between yourself and your colleagues, that not one question so far since I'm here, has been asked about President Trump. That's actually why I thought I was coming today, not to confess the mistakes that I've made. I've already done that. And I'll do it again every time you ask me about taxes or mistakes. Yes, I made my mistakes, I'll say it now again, and I'm going to pay the ultimate price.

But I'm not here today—and the American people don't care about my taxes. They want to know what it is that I know about Mr. Trump, and not one question so far has been asked about Mr. Trump.

Chairman CUMMINGS. Mr. Connolly?

Mr. CONNOLLY. Thank you, Mr. Chairman.

Well, Mr. Cohen, based on your testimony and your 10-year experience, I think you can recognize the behavior you're being subjected to on the other side of the aisle. Discredit, slander, use any trick in the book to prevent your testimony from sticking. The idea that a witness would come to us who's flawed—and you certainly are flawed—means they can never tell the truth, and there is no validity whatsoever to a single word they say, would discredit every single criminal trial of organized crime in the history of the United States, because all of them depend on someone who's turned. It would make RICO null and void. We couldn't use it anymore.

This Congress, historically, has relied on all kinds of shady figures, who turned. One of the most famous who led to the decapitation of organized crime families in America, Joe Valachi, congressional hearing, he was a witness, and he committed a lot worse crimes than you're convicted of, Mr. Cohen.

So don't be fooled by what my friends on the other side of the aisle are trying to do today. It is do everything but focus on the principle known as "Individual No. 1" in the Southern District of New York, as I recall. Is that correct, Mr. Cohen?

Mr. COHEN. That is correct.

Mr. CONNOLLY. Now, Mr. Cohen, I want to ask you about something that is not in your testimony and that so far has not been made public. In our committee staff search of documents provided by the White House that were otherwise redacted or already in the public—and I guess the White House thought that was funny—they made one mistake, the White House.

There was an email from a Special Assistant to the President, to a deputy White House counsel, and the e-mail is dated May 16th, 2017, and it says, and I quote, "POTUS," meaning the President, "requested a meeting on Thursday with Michael Cohen and Jay Sekulow. Any idea what this might be about?" End quote.

Do you recall being asked to come to the White House on or around that time? With Mr. Sekulow? May 2017?

Mr. COHEN. Off the top of my head, sir, I don't. I recall being in the White House with Jay Sekulow, and it was in regard to the—the documents—the document production, as well as my appearance before the House Select Intel, but I'm not sure if that specifically—

Mr. CONNOLLY. Well, that—

Mr. COHEN. But what I will to do, is, I will check all my records, and I'm more than happy to provide you with any documentation or a response to this question.

Mr. CONNOLLY. Well, you sort of touch on, presumably, the purpose of the discussion, at least among others. This occurred, this meeting occurred just before your testimony before the Select Committee on Intelligence here in the House. Is that correct?

Mr. COHEN. I believe so, yes.

Mr. CONNOLLY. Was that a topic of conversation with the President himself?

Mr. COHEN. If this is the specific instance that I was there with Mr. Sekulow, yes.

Mr. CONNOLLY. So you had a conversation with the President of the United States about your impending testimony before the House Intelligence Committee. Is that correct?

Mr. COHEN. That's correct.

Mr. CONNOLLY. What was the nature of that conversation?

Mr. COHEN. He wanted me to cooperate. He also wanted just to ensure I'm making the statement — and I said it in my testimony — there is no Russia, there is no collusion, there is no — there is no deal. He goes, it's all a witch hunt, and it's — he goes, this stuff has to end.

Mr. CONNOLLY. Did you take those comments to be suggestive of what might flavor your testimony?

Mr. COHEN. Sir, he's been saying that to me for many, many months. And at the end of the day, I knew exactly what he wanted me to say.

Mr. CONNOLLY. And why was Mr. Sekulow in the meeting?

Mr. COHEN. Because he was going to be representing Mr. Trump going forward, as one of his personal attorneys in this matter.

Mr. CONNOLLY. So it was sort of a handoff meeting?

Mr. COHEN. Correct.

Mr. CONNOLLY. In any way — final question — did the President, in any way, from your point of view, coach you in terms of how to respond to questions or the content of your testimony before a House committee?

Mr. COHEN. Again, it's difficult to answer, because he doesn't tell you what he wants. What he does is, again, Michael, there's no Russia, there's no collusion, there's no involvement, there's no interference. I know what he means, because I've been around him for so long. So if you're asking me whether or not that's the message, that's staying on point, that's the party line that he created, that so many others are now touting, yes, that's the message that he wanted to reinforce.

Chairman CUMMINGS. The gentleman's time is expired.

Mr. CONNOLLY. Thank you.

Chairman CUMMINGS. Mr. Massie?

Mr. MASSIE. Mr. Cohen, can you just clarify, did you say that at times you would do what you thought Mr. Trump wanted you to do, not specifically what he told you to do?

Mr. COHEN. At times, yes.

Mr. MASSIE. So you just went on your intuition?

Mr. COHEN. I don't know if I would call it intuition, as much as I would just say, my knowledge of what he wanted, because it happened before, and I knew what he had wanted.

Mr. MASSIE. Does a lawyer have a duty to provide his client with good legal advice?

Mr. COHEN. Yes.

Mr. MASSIE. Were you a good lawyer to Mr. Trump?

Mr. COHEN. I believe so.

Mr. MASSIE. When you arranged a payment to Ms. Clifford, you say in your testimony—I'm going to quote from your testimony—

that you did so, quote, “without bothering to consider whether that was improper, much less whether it was the right thing to do.” You said that—unquote. That’s your testimony today. You said you didn’t even consider whether it was legal. How could you give your client legal advice when you’re not even considering whether it’s legal?

Mr. COHEN. I did what I knew Mr. Trump wanted. This conversation with Mr. Trump—

Mr. MASSIE. I didn’t ask—

Mr. COHEN [continuing]. started—

Mr. MASSIE. I didn’t ask whether you were a good fixer. I asked whether you were a good lawyer.

Mr. COHEN. Well, sometimes you have to meld both together. I needed to, at that time, ensure and protect Mr. Trump and—

Mr. MASSIE. So—

Mr. COHEN [continuing]. if I put my—which I’m clearly, clearly suffering the penalty of—I clearly—

Mr. MASSIE. You said—let me—you said—

Mr. COHEN [continuing]. erred on the—on the side of wrong.

Mr. MASSIE. So you feel like, by—without bothering whether to consider whether it was proper, much less whether it was the right thing to do, by ignoring any conscience, if you have one, that you were protecting Mr. Trump?

Mr. COHEN. I’m sorry, sir. I don’t understand your question.

Mr. MASSIE. You feel that was how to protect — as his lawyer, you feel that you did a good job. You said you were a good lawyer, right?

Mr. COHEN. That’s correct.

Mr. MASSIE. Is that being a good lawyer? To not even consider whether it’s legal or not?

Mr. COHEN. I didn’t work for the campaign. I was working, and I was trying to protect Mr. Trump.

Mr. MASSIE. I didn’t say anything about the campaign. I didn’t ask you about—

Mr. COHEN. I sat with Mr. Trump — and this goes back all the way to 2011. This wasn’t the first scenario with Ms. Daniels.

Mr. MASSIE. Let’s go back then.

Mr. COHEN. So, what my point—my point is, this is — this was an ongoing situation. It didn’t just start in—

Mr. MASSIE. Right. Let’s — I want to yield back.

Mr. COHEN. But you have to let me finish.

Mr. MASSIE. Well—

Mr. COHEN. It started in Oc- — it didn’t start in October.

Mr. MASSIE. Let me — let me ask you specifically on that.

Mr. COHEN. It started many years earlier.

Mr. MASSIE. When were you disbarred?

Mr. COHEN. Yesterday, from what I read in the paper.

Mr. MASSIE. Yesterday. When should you have been disbarred, based on the legal counsel you were giving your client?

Mr. COHEN. I don’t have an answer for your question.

Mr. MASSIE. How long were you counsel for Mr. Trump?

Mr. COHEN. Since 2007.

Mr. MASSIE. When is the first time you gave him bad legal advice, or failed to inform him of his legal obligation, as you testified

today, you did in the case of the payment to Ms. Clifford? When was the first time you did that? Would that qualify for disbarment?

Mr. COHEN. I don't know, sir. I'm not the Bar Association.

Mr. MASSIE. I think you should consult with them maybe occasionally on some of these things. Has anybody—

Mr. COHEN. Well, there's no point now. I lost my law license.

Mr. MASSIE. Has anybody — has anybody else promised to pay Mr. Davis for representing you?

Mr. COHEN. No.

Mr. MASSIE. Nobody has?

Mr. COHEN. No. Are you offering?

Mr. MASSIE. Question, quickly. You said — and this is also in your testimony—in the days before the Democratic Convention, you became privy to a conversation that some of Hillary Clinton's emails would be leaked. Is that correct?

Mr. COHEN. Correct.

Mr. MASSIE. OK. Was that in — you said late July. Do you know the exact day?

Mr. COHEN. I believe it was either the 18th or the 19th, and I would guess that it would be on the 19th.

Mr. MASSIE. But it was definitely July?

Mr. COHEN. I believe so, yes.

Mr. MASSIE. Do you know that was public knowledge in June? This was — Mr. Assange — and I'd like to submit this — unanimous consent to submit this for the record.

Chairman CUMMINGS. Without objection, so ordered.

[The Assange article referenced above is available at: <https://www.theguardian.com/media/2016/jun/12/wikileaks-to-publish-more-hillary-clinton-emails-julian-assange>.]

Mr. MASSIE. Mr. Assange reported to the media on June 12th that those emails would be leaked. So I'm not saying you have fake news. I'm saying you have old news, and there's really not much to that.

I would like to yield the remainder of my time to Mr. Higgins.

Mr. HIGGINS. Thank you, sir.

Mr. Cohen, you know, I'm quoting you close, again earlier you said, I spent last week looking through boxes to find documents that would support your accusations. Where are those boxes, good sir?

Mr. COHEN. I'm sorry?

Mr. HIGGINS. Where are those boxes? Are they in your garage?

Mr. COHEN. They're in storage.

Mr. HIGGINS. And are these not boxes that should have been turned over to investigative authorities, during the many criminal investigations you've been subject to?

Mr. COHEN. Sir, these are the boxes that were returned to me post the raids.

Mr. HIGGINS. If they — if they include data pertinent to crimes that you've committed, should they not have been turned over, remanded to investigative authority? Did Mr. Lanny Davis know of these boxes?

Mr. COHEN. I don't understand your question.

Chairman CUMMINGS. The gentleman's time is expired.

You may answer the question.

Mr. COHEN. I don't understand his question, sir.

Chairman CUMMINGS. Very well.

Mr. Krishnamoorthi?

Mr. KRISHNAMOORTHY. Mr. Cohen, good morning. Thank you, Chairman Cummings, for convening this hearing, and thank you, Mr. Cohen, for voluntarily testifying this morning.

Mr. Cohen, you were the executive vice president and special counsel for the Trump Organization, correct?

Mr. COHEN. I was the executive vice president special counsel to Donald J. Trump.

Mr. KRISHNAMOORTHY. And "special counsel" means you are the attorney for him. Is that right?

Mr. COHEN. It just means I was there in order to handle matters that he felt were significant and important to him individually.

Mr. KRISHNAMOORTHY. And those included legal matters?

Mr. COHEN. Yes, sir.

Mr. KRISHNAMOORTHY. Sir, as a former attorney, you're familiar with legal documents known as nondisclosure agreements, or NDAs. Is that right?

Mr. COHEN. Yes.

Mr. KRISHNAMOORTHY. So I'm sure you know that NDAs, properly written in scope, can be reasonable in certain business contexts, but they can also be abused to create a chilling effect to silence people, as we've seen in the Me Too movement and other places. Isn't that right, Mr. Cohen?

Mr. COHEN. Yes.

Mr. KRISHNAMOORTHY. And Mr. Cohen, the Trump Organization used NDAs extensively. Isn't that right?

Mr. COHEN. That's correct.

Mr. KRISHNAMOORTHY. Mr. Cohen, I'm reading from a recent Washington Post article regarding the language in one of these types of NDAs where the terms were described as very broad. For instance, the terms "confidential information" was defined to be anything that, quote, "Mr. Trump insists remain private or confidential, including, but not limited to, any information with respect to the personal life, political affairs, and/or business affairs of Mr. Trump or any family member," closed quote. Do those terms sound familiar to you?

Mr. COHEN. I've seen that document.

Mr. KRISHNAMOORTHY. In fact, there is a class-action lawsuit filed this month by former Trump campaign worker Jessica Denson that this NDA language is illegal, because it is too broad, too vague, and would be used to retaliate against employees who complain of illegality or wrongdoing.

Would you agree that in the use of the NDA — of these types of NDAs with this type of language, and later, when Donald Trump sought to enforce them, that he intended to prevent people from coming forward with claims of wrongdoing?

Mr. COHEN. Yes.

Mr. KRISHNAMOORTHY. Would you agree that the effect of the use of these NDAs and their enforcement was to have a chilling effect on people or silence them from coming forward?

Mr. COHEN. I apologize, if you want to define "chilling," I'm not sure—

Mr. KRISHNAMOORTHY. Oh, just that he would — in using these NDAs, or trying to enforce them, would basically try to keep people silent?

Mr. COHEN. That was the goal.

Mr. KRISHNAMOORTHY. And nothing at the Trump Organization was ever done unless it was run through President Donald Trump, correct?

Mr. COHEN. That's 100 percent certain.

Mr. KRISHNAMOORTHY. OK. Mr. Cohen, do you believe that there are people out there today, either from the President's business or personal life, who are not coming forward to tell their stories of wrongdoing because of the President's use of NDAs against them?

Mr. COHEN. I'm sorry, sir. I don't know the answer to that question.

Mr. KRISHNAMOORTHY. OK. Sir, I have a couple other questions for you. When was the last communication with President Trump or someone acting on his behalf?

Mr. COHEN. I don't have the specific date, but it was a while ago.

Mr. KRISHNAMOORTHY. OK. Do you have a general timeframe?

Mr. COHEN. I would suspect it was within two months post the raid of my — my home, hotel.

Mr. KRISHNAMOORTHY. OK. So early fall of last year? Generally?

Mr. COHEN. Generally.

Mr. KRISHNAMOORTHY. And what did he or his agent communicate to you?

Mr. COHEN. Unfortunately, this topic is actually something that's being investigated right now by the Southern District of New York, and I've been asked by them not to discuss, and not to talk about these issues.

Mr. KRISHNAMOORTHY. Fair enough. Is there any other wrongdoing or illegal act that you are aware of regarding Donald Trump that we haven't yet discussed today?

Mr. COHEN. Yes. And, again, those are part of the investigation that's currently being looked at by the Southern District of New York.

Mr. KRISHNAMOORTHY. Sir, Congressman Cooper asked you about whether you were aware of any physical violence committed by President Trump. I just have a couple quick questions. Do you have any knowledge of President Trump abusing any controlled substances?

Mr. COHEN. I'm not aware of that, no.

Mr. KRISHNAMOORTHY. Do you have any knowledge of President Trump being delinquent on any alimony or child-care payments?

Mr. COHEN. I'm not aware of any of that.

Mr. KRISHNAMOORTHY. Do you have any knowledge of President Trump arranging any healthcare procedures for any women not in his family?

Mr. COHEN. I'm not aware of that, no.

Mr. KRISHNAMOORTHY. Thank you. I yield back.

Mr. COHEN. Thank you.

Chairman CUMMINGS. Mr. Cloud?

Mr. CLOUD. Thank you, Chairman.

Mr. Cohen, can you tell me the significance of May 6th?

Mr. COHEN. In terms of, sir?

Mr. CLOUD. Couple months from now.

Mr. COHEN. That's the day that I need to surrender——

Mr. CLOUD. Yes, sir, it is.

Mr. COHEN [continuing]. to Federal prison.

Mr. CLOUD. Could you, for the record, state what you've been convicted of.

Mr. COHEN. I've been convicted on five counts of tax evasion. There's one count of misrepresentation of documents to a bank. There's two counts—one dealing with campaign finance for Karen McDougal; one count of campaign finance violation for Stormy Daniels, as well as lying to Congress.

Mr. CLOUD. Thank you. Can you state what your official title with the campaign was?

Mr. COHEN. I did not have a campaign title.

Mr. CLOUD. And your position in the Trump administration?

Mr. COHEN. I did not have one.

Mr. CLOUD. OK. In today's testimony, you said that you were not looking to work in the White House. The Southern District of New York, in their statement, their sentencing memo, says this: "Cohen's criminal violations in the Federal election laws were also stirred, like other crimes, by his own ambition and greed. Cohen privately told friends, colleagues, and including seized text messages, that he expected to be given a prominent role in the new administration. When that did not materialize, Cohen found a way to monetize his relationship and access with the President." So were they lying, or were you lying today?

Mr. COHEN. I'm not saying it's a lie. I'm just saying it's not accurate. I did not want to go to the White House. I retained—and I brought an attorney and I sat with Mr. Trump, with him, for well over an hour explaining the importance of having a personal attorney. And every President has had one, in order to handle matters like the matters I was dealing with, which included, like Summer Zervos——

Mr. CLOUD. I reclaim my time.

Mr. COHEN [continuing]. Stormy Daniels, dealing with Stephanie Clifford——

Mr. CLOUD. I ask unanimous consent to——

Mr. COHEN [continuing]. and other personal matters that needed——

Mr. CLOUD. Excuse me. This is my time. Thank you.

I ask unanimous consent to submit to this memo from the Southern District of New York, New York for the record.

Chairman CUMMINGS. Without objection, so ordered.

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

UNITED STATES OF AMERICA :

-v.- : 18 Cr. 602 (WHP)

MICHAEL COHEN, :

Defendant. :

-----X

THE GOVERNMENT'S SENTENCING MEMORANDUM

ROBERT KHUZAMI
Acting United States Attorney for the
Southern District of New York
One St. Andrew's Plaza
New York, New York 10007

Andrea M. Griswold
Rachel Maimin
Thomas McKay
Nicolas Roos
Assistant United States Attorneys
-Of Counsel-

TABLE OF CONTENTS

BACKGROUND	2
A. COHEN’S OFFENSE CONDUCT	2
1. Background.....	3
2. Cohen’s Willful Tax Evasion.....	4
3. Cohen’s False Statements to Financial Institutions	8
4. Cohen’s Illegal Campaign Contributions.....	11
5. Cohen’s False Statements to Congress	14
B. COHEN’S MEETINGS WITH LAW ENFORCEMENT	14
APPLICATION OF THE SENTENCING GUIDELINES.....	17
A. THE PROBATION DEPARTMENT’S CALCULATION	17
B. COHEN’S CHALLENGES TO THE GUIDELINES CALCULATION	17
1. The PSR’s Grouping Analysis is Correct	17
2. The Guidelines Enhancements Are Not “Overlapping”	20
C. THE PROBATION DEPARTMENT’S RECOMMENDATION	22
DISCUSSION	22
A. A SUBSTANTIAL TERM OF IMPRISONMENT IS WARRANTED	22
1. The Nature and Seriousness of the Offenses	22
2. The Need to Promote Respect for the Law and to Afford Adequate Deterrence	28
B. COHEN’S REQUEST FOR A SENTENCE OF TIME SERVED IS MERITLESS	30
CONCLUSION	38

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

UNITED STATES OF AMERICA :

-v.- :

18 Cr. 602 (WHP)

MICHAEL COHEN, :

Defendant. :

-----X

PRELIMINARY STATEMENT

Defendant Michael Cohen is scheduled to be sentenced on December 12, 2018. The United States Attorney's Office for the Southern District of New York (the "Office") respectfully submits this memorandum in connection with that sentencing and in response to the defendant's sentencing memorandum dated November 30, 2018 ("Def. Mem.").

Cohen, an attorney and businessman, committed four distinct federal crimes over a period of several years. He was motivated to do so by personal greed, and repeatedly used his power and influence for deceptive ends. Now he seeks extraordinary leniency – a sentence of no jail time – based principally on his rose-colored view of the seriousness of the crimes; his claims to a sympathetic personal history; and his provision of certain information to law enforcement. But the crimes committed by Cohen were more serious than his submission allows and were marked by a pattern of deception that permeated his professional life (and was evidently hidden from the friends and family members who wrote on his behalf).

Cohen did provide information to law enforcement, including information that assisted the Special Counsel's Office ("SCO") in ongoing matters, as described in the SCO's memorandum to the Court, and the Office agrees that this is a factor to be considered by the Court pursuant to Title

18, United States Code, Section 3553(a). But Cohen's description of those efforts is overstated in some respects and incomplete in others. To be clear: Cohen does not have a cooperation agreement and is not receiving a Section 5K1.1 letter either from this Office or the SCO, and therefore is not properly described as a "cooperating witness," as that term is commonly used in this District.

As set forth in the Probation Department's Presentence Investigation Report ("PSR"), the applicable United States Sentencing Guidelines ("Guidelines") range is 51 to 63 months' imprisonment. This range reflects Cohen's extensive, deliberate, and serious criminal conduct, and this Office submits that a substantial prison term is required to vindicate the purposes and principles of sentencing as set forth in Section 3553(a). And while the Office agrees that Cohen should receive credit for his assistance in the SCO investigation, that credit should not approximate the credit a traditional cooperating witness would receive, given, among other reasons, Cohen's affirmative decision not to become one. For these reasons, the Office respectfully requests that this Court impose a substantial term of imprisonment, one that reflects a modest downward variance from the applicable Guidelines range.¹

BACKGROUND

A. Cohen's Offense Conduct

As described in the PSR, in Criminal Information 18 Cr. 602, as well as in Criminal Information 18 Cr. 850, Cohen committed four separate and serious crimes over the course of several years. These crimes – willful tax evasion, making false statements to a financial institution, illegal campaign contributions, and making false statements to Congress – were distinct in their harms, but bear a common set of characteristics: They each involve deception, and were each

¹ The Probation Department has similarly recommended a modest variance from the Guidelines range, recommending a sentence of 42 months' imprisonment, albeit for different reasons.

motivated by personal greed and ambition. While Cohen – as his own submission makes clear – already enjoyed a privileged life, his desire for even greater wealth and influence precipitated an extensive course of criminal conduct, described below.

1. Background

Cohen is a licensed attorney and has been since 1992. (PSR ¶ 149.) Until 2007, Cohen practiced as an attorney for multiple law firms, working on, among other things, negligence and malpractice cases. (PSR ¶¶ 156-157.) For that work, Cohen earned approximately \$75,000 per year. (*Id.*) In 2007, Cohen seized on an opportunity. The board of directors of a condominium building in which Cohen lived was attempting to remove from the building the name of the owner (“Individual-1”) of a Manhattan-based real estate company (the “Company”). (PSR ¶ 155.) Cohen intervened, secured the backing of the residents of the building, and was able to remove the entire board of directors, thereby fixing the problem for Individual-1. (*Id.*) Not long after, Cohen was hired by the Company to the position of “Executive Vice President” and “Special Counsel” to Individual-1. (*Id.*) He earned approximately \$500,000 per year in that position. (*Id.*)

In January 2017, Cohen formally left the Company and began holding himself out as the “personal attorney” to Individual-1, who at that point had become the President of the United States. In January 2017, Cohen also launched two companies: Michael D. Cohen and Associates, P.C., a legal practice, and Essential Consultants LLC, a consulting firm. (PSR ¶ 152.) Both businesses were operated from the offices of a major law firm located in New York, and that firm paid Cohen \$500,000 per year as salary. (*Id.*) Cohen also secured a substantial amount of consulting business for himself throughout 2017 by marketing to corporations what he claimed to be unique insights about and access to Individual-1. But while Cohen made millions of dollars from these consulting arrangements, his promises of insight and access proved essentially hollow.

Documents obtained by the Government and witness interviews revealed that Cohen performed minimal work, and many of the consulting contracts were ultimately terminated.

During and subsequent to his employment with the Company, Cohen also maintained additional sources of income. Most significantly, Cohen owned taxi medallions in New York City and Chicago worth millions of dollars. Cohen held these medallions as investments and leased them to operators who paid Cohen a specified monthly rate per medallion. (PSR ¶¶ 158-160.) Cohen has also made substantial investments in real estate and other business ventures. (PSR ¶¶ 161-162.)

2. Cohen's Willful Tax Evasion

Between tax years 2012 and 2016, Cohen evaded taxes by failing to report more than \$4 million in income to the Internal Revenue Service ("IRS"), which resulted in the avoidance of more than \$1.4 million due to the United States Treasury Department. Specifically, Cohen failed to report several different streams of income on his tax returns, which he swore were true and accurate. (PSR ¶¶ 18-19.)

The largest source of undisclosed income was more than \$2.4 million that Cohen received from a series of personal loans that he made to a taxi operator to whom Cohen leased certain of his Chicago taxi medallions ("Taxi Operator-1"), between 2012 and 2015, for a total principal of \$6 million. Each of these loans carried an interest rate in excess of 12 percent. Cohen funded the majority of these loans from a line of credit with an interest rate of less than 5 percent (such that Cohen was earning a substantial spread on the difference between the two loan rates). At Cohen's direction, Taxi Operator-1 made the interest payment checks to Cohen personally. The checks were deposited in Cohen's personal bank account or in an account in his wife's name. In total, Cohen received more than \$2.4 million in interest payments from Taxi Operator-1 between 2012

and 2016. Cohen did not inform his accountant of this arrangement or provide him with documentation in support of these loans and interest payments, and intentionally reported none of that income to the IRS in order to hide it and evade paying taxes. (PSR ¶¶ 20-23.)

Cohen also concealed more than \$1.3 million in income he received from another taxi operator to whom Cohen leased some of his New York taxi medallions ("Taxi Operator-2"). This income took two forms. First, in 2012, Taxi Operator-2 paid Cohen a bonus of at least \$870,000 to induce Cohen to allow him to operate some of Cohen's taxi medallions. Cohen did not report \$710,000 of this bonus payment. (PSR ¶ 25). In addition, Cohen arranged with Taxi Operator-2 to receive a portion of the medallion income personally – as opposed to having the income paid to Cohen's medallion entities. That is, while most of the medallion income was paid to Cohen's medallion entities – whose bank statements were provided to his accountant for the purpose of calculating the income for these entities and preparing Cohen's tax returns – certain income was provided by Taxi Operator-2 directly to Cohen personally and deposited into his personal account. Cohen again chose not to notify his accountant of this arrangement or identify this additional income to be reported. (PSR ¶ 26).

Finally, Cohen hid several other sources of income from his accountant and the IRS. For example, in 2014, Cohen received \$100,000 for brokering the sale of a piece of property in a private aviation community in Florida. In 2015, Cohen made approximately \$30,000 in profit from the sale of a rare and highly valuable French handbag. In 2016, Cohen received more than \$200,000 in consulting income from an assisted living company. Cohen reported none of this to the IRS or his accountant. (PSR ¶ 27.)

Cohen's evasion of these taxes was willful. In his sentencing submission and his submissions to the Probation Department in connection with the preparation of the PSR, Cohen

repeatedly attempted to minimize the seriousness of his decision not to report millions of dollars of income over a period of years by blaming his accountant for not uncovering the unreported income. Specifically, Cohen's submission to the Probation Department asserted that "all relevant bank records were provided annually by Cohen to [his accountant] for the relevant years." (PSR at 45). Cohen repeats these efforts to blame his accountant in his sentencing submission:

Michael's case stands out for comparative purposes in that a failure to reasonably identify all income to a tax preparer *who received all client-related bank statements* is quite different in kind from the sophisticated and complex schemes typical of criminal tax evasion cases.

(Def. Mem. at 15) (emphasis added). Cohen's assertions are simply false. As the Government was prepared to prove at trial, the defendant did *not* provide his accountant with "all client-related bank statements" (Def. Mem. at 15 n.8), and the information Cohen did provide to his accountant could not have led his accountant to uncover the unreported income. Between 2014 and 2016, but not for 2012 or 2013, Cohen provided his accountant with certain bank records and instructed his accountant to identify potential tax deductions. Cohen's accountant did not go through Cohen's bank statements looking for potential sources of income, nor did Cohen ever request this. Indeed, Cohen routinely refused to pay for any work by his accountant not specifically approved by Cohen.

In addition, even if Cohen's accountant had gone beyond the agreed scope of the assignment, the accountant was not provided with records that would have allowed him to reasonably identify the unreported income. Specifically, the bank records Cohen provided to his accountant were limited to monthly statements and did not include images of deposited checks or deposit slips. The records thus included reference to certain "deposit" or "credit" entries in particular amounts, but did not include additional detail that would have allowed the accountant to identify the source of these deposits or credits. For example, a page from Cohen's bank records from May 12, 2015 included a \$15,312.50 "deposit." While the Office's investigation identified

this as a loan interest payment from Taxi Operator-1 to Cohen, his accountant had no information indicating the source of the deposit, nor that it concerned interest income that source was paying to Cohen. In sum, any bank records provided by Cohen to his accountant “were insufficient for [the accountant] to identify additional sources of income absent additional information from Cohen.” (PSR at 47.) As the Probation Department noted in evaluating Cohen’s efforts to blame his accountant for Cohen’s voluntary and intentional efforts to evade taxes, “the defendant’s contention that he provided the accountant with all relevant bank records appears to minimize his responsibility in the instant offense and attempts to place the burden on his accountant.” (PSR at 46).

Finally, not only did Cohen fail to identify the unreported income for Accountant-1, on at least two occasions Cohen took steps to conceal the interest income he was receiving from Taxi Operator-1. Specifically, in a memorandum that Cohen’s accountant prepared in 2013 when Cohen became a client, the accountant flagged the fact that a personal financial statement prepared by Cohen’s prior accountant “shows Loans Receivables of \$4,250,000, but there is no related interest income reported on your 2012 personal income tax returns relative to this loan.” Cohen and his accountant did not discuss the “loans receivables” further at the time because Cohen told his accountant he did not ask for and would not pay for the memorandum. Later, when Cohen’s accountant was helping him prepare an updated personal financial statement to provide to Bank-2, discussed below, in connection with the renegotiation of certain medallion loans, Cohen crossed out the “loans receivable” line item altogether from his personal financial statement, leading his accountant to conclude that the entry was mistaken and there was no outstanding personal loan, or that it had been paid off, neither of which was true.

3. Cohen's False Statements to Financial Institutions

In December 2015, Cohen contacted a bank ("Bank-3") to apply for a home equity line of credit ("HELOC"). In his application for the HELOC, Cohen made false statements about his net worth and monthly expenses. Specifically, Cohen failed to disclose more than \$20 million in debt he owed to another bank ("Bank-2"), and also materially understated his monthly expenses to Bank-3 by omitting at least \$70,000 in monthly interest payments due to Bank-2 on that debt. (PSR ¶ 34). These statements were the latest in a series of false statements Cohen made to financial institutions in connection with credit applications.

By way of background, by February 2013, Cohen had obtained a \$14 million line of credit from another bank ("Bank-1"), collateralized by his taxi medallions.² In November 2014, Cohen refinanced this medallion debt at Bank-1 with Bank-2.³ The transaction was structured as a package of individual loans to the entities that owned Cohen's New York medallions, totaling more than \$20 million, and personally guaranteed by Cohen. Following the closing of these loans, the \$14 million line of credit with Bank-1 was closed. (PSR ¶¶ 28-30.)

In 2013, Cohen made a successful application to Bank-3 – the bank to which he later would make false statements in connection with the HELOC application – for a mortgage on his Park Avenue condominium. In that application, Cohen did not disclose the \$14 million line of credit he had with Bank-1 at the time. (PSR ¶ 31.)

In February 2015, Cohen attempted to secure financing from Bank-3 to purchase a summer home for approximately \$8.5 million. Once again, he concealed the \$14 million line of credit,

² Cohen separately maintained a \$6.4 million medallion-related loan with Bank-1. This loan was disclosed in Cohen's subsequent credit applications to Bank-2 and Bank-3.

³ Bank-2 shared the debt with a New York-based credit union, pursuant to a participation agreement. For ease of reference, this memorandum will simply refer to the debt at Bank-2.

which by this point took the form of the \$20 million in refinanced loans with Bank-2. In connection with the summer home application, Cohen had to go to great and deliberate lengths to keep the debt hidden from Bank-3. Specifically, in connection with this proposed transaction, Bank-3 obtained a personal financial statement that Cohen had provided to Bank-2 in connection with the \$20 million refinancing with Bank-2 in 2014. This personal statement listed the \$14 million line of credit Cohen was seeking to refinance and increase with Bank-2. A representative of Bank-3 specifically asked Cohen about the \$14 million line of credit reflected on that statement (which, as noted, had not been reflected on Cohen's 2013 application to Bank-3 for a mortgage). Cohen falsely stated that the \$14 million line of credit was undrawn and that he would close it. In truth, Cohen had effectively overdrawn the line of credit, by swapping it out for a fully drawn, larger \$20 million loan from Bank-2. Moreover, when Bank-3 informed Cohen that it would only provide financing if Cohen closed the line of credit, Cohen lied again, misleadingly stating in an email that "[t]he medallion line was closed in the middle of November 2014." (PSR ¶¶ 32-33.)

This series of lies culminated in Cohen's application for a HELOC. As noted, Cohen failed to disclose the more than \$20 million in refinanced medallion liability on that application, and Bank-3 had no reason to question Cohen about the omission of this liability, because he had affirmatively told the bank that the \$14 line of credit was closed.

In addition to failing to disclose more than \$20 million in medallion liability, Cohen also intentionally omitted the tens of thousands in monthly interest payments he was making on that debt. Cohen's monthly cash flow or "debt ratio" of expenses to income was a core component of Bank-3's underwriting processes that considered an applicant's ability to make loan payments and guard against the bank's need to enter into lengthy foreclosure proceedings. In evaluating prospective loans, Bank-3 typically required that a borrower's monthly expenses represent no more

than 45 percent of his monthly income. Based on the incomplete information contained in the HELOC application, Cohen's debt ratio appeared to be below the benchmark set by Bank-3. Had Cohen truthfully disclosed his expenses, including the extent of the monthly interest payments he was required to make to Bank-3, Cohen's debt ratio would have significantly exceeded the benchmark. In April 2016, Bank-3 approved Cohen for a \$500,000 HELOC, which it would not have approved but for Cohen's concealment of truthful information about his financial condition. (PSR ¶¶ 34-35.)

Notably, each of the foregoing false statements involved Cohen overstating his assets or understating his liabilities, as in these instances it served his purposes to appear to have a higher net worth. In contrast, when it served Cohen's purposes to understate his net worth to financial institutions, he did so by concealing income and assets from his creditors. Specifically, documents and witness interviews from the Government's investigation revealed that in 2017 and early 2018, Cohen wanted Bank-2 to restructure his more than \$20 million in medallion debt on terms more favorable to Cohen. Cohen thus shifted gears, halting monthly payments to Bank-2 and falsely representing orally and in writing that he had a negative net worth and less than \$1.5 million in cash, despite his receipt of nearly \$4 million in "consulting" fees between January 2017 and March 2018. By early April 2018, Bank-2 and Cohen reached a deal in principle, premised on Bank-2's receipt of an updated personal financial statement confirming, in writing, the negative financial information represented by Cohen. On April 9, 2018, the FBI executed a series of search warrants on Cohen, including at his residence, hotel, and office, which put him on notice that he was being investigated for, among other things, bank fraud and explicitly referenced Bank-2. Following the execution of the warrants, counsel for Cohen informed Bank-2 that Cohen would be unable at that time to provide the previously promised updated personal financial statement. To save the deal,

Cohen agreed to post his Park Avenue residence as collateral, which he had previously refused to do. An updated financial statement Cohen provided at closing reflected a positive \$17 million net worth in addition to previously undisclosed liquid assets, a nearly \$20 million increase from the false financial information Cohen had provided to Bank-2 just weeks earlier in the negotiations.

Thus, the false statement to Bank-3 to which Cohen pleaded guilty was far from an isolated event: It was one in a long-series of self-serving lies Cohen told to numerous financial institutions.

4. Cohen's Illegal Campaign Contributions

On approximately June 16, 2015, Individual-1, for whom Cohen worked at the time, began an ultimately successful campaign for President of the United States. Cohen had no formal title with the campaign, but had a campaign email address, and, at various times advised the campaign, including on matters of interest to the press. Cohen also made media appearances as a surrogate and supporter of Individual-1. (PSR ¶ 39).

During the campaign, Cohen played a central role in two similar schemes to purchase the rights to stories – each from women who claimed to have had an affair with Individual-1 – so as to suppress the stories and thereby prevent them from influencing the election. With respect to both payments, Cohen acted with the intent to influence the 2016 presidential election. Cohen coordinated his actions with one or more members of the campaign, including through meetings and phone calls, about the fact, nature, and timing of the payments. (PSR ¶ 51). In particular, and as Cohen himself has now admitted, with respect to both payments, he acted in coordination with and at the direction of Individual-1. (PSR ¶¶ 41, 45). As a result of Cohen's actions, neither woman spoke to the press prior to the election. (PSR ¶ 51).

Cohen Causes the Magazine to Pay Woman-1

In approximately June 2016, a model and actress ("Woman-1") began attempting to sell

her story of her alleged extramarital affair with Individual-1. Woman-1 knew that the story would be of considerable value because of Individual-1's candidacy for president. Woman-1 retained an attorney ("Attorney-1") to represent her in this matter. (PSR ¶ 41).

Attorney-1 then contacted the editor-in-chief ("Editor-1") of a popular tabloid magazine ("Magazine-1") and offered to sell the story to Magazine-1. The Chairman and Chief Executive Officer ("Chairman-1") of the media company that owns Magazine-1 ("Corporation-1") had a prior relationship with Individual-1 and Cohen. In August 2014, Chairman-1 had met with Cohen and Individual-1, and had offered to help deal with negative stories about Individual-1's relationships with women by identifying such stories so that they could be purchased and "killed." Consistent with that offer, after Editor-1 told Chairman-1 about Woman-1's story, they contacted Cohen to tell him about the offer. (PSR ¶¶ 40-41).

At Cohen's urging and with his promise that Corporation-1 would be reimbursed, Editor-1 began negotiating the purchase of Woman-1's story. On August 5, 2016, Corporation-1 entered into an agreement with Woman-1 to acquire the "limited life rights" to the story of her relationship with "any then-married man," in exchange for \$150,000 and a commitment to feature her on two magazine covers and publish over one hundred magazine articles authored by her. The agreement's principal purpose was to suppress Woman-1's story so as to prevent the story from influencing the election. (PSR ¶¶ 41-42).

Between August 2016 and September 2016, Cohen agreed with Chairman-1 to assign the rights to the non-disclosure portion of Corporation-1's agreement with Woman-1 to Cohen for \$125,000. Cohen then incorporated a shell entity called "Resolution Consultants LLC" to be used in the transaction. Both Chairman-1 and Cohen ultimately signed the agreement, and a consultant for Corporation-1, using his own shell entity, provided Cohen with an invoice for the payment of

\$125,000. That assignment was never completed, however. (PSR ¶¶ 43-44).

Cohen Pays Woman-2

On October 8, 2016, an agent for an adult film actress (“Woman-2”) informed Editor-1 that Woman-2 was willing to make public statements and confirm on the record her alleged past affair with Individual-1. Chairman-1 and Editor-1 contacted Cohen and put him in touch with Attorney-1, who was also representing Woman-2. Over the course of the next few days, Cohen negotiated a \$130,000 agreement with Attorney-1 to purchase Woman-2’s silence. Cohen received a signed confidential settlement agreement and a separate side letter from Attorney-1. (PSR ¶ 45).

Cohen did not immediately execute the settlement agreement, nor did he pay Woman-2. On the evening of October 25, 2016, with no final deal in place with Woman-2, Attorney-1 told Editor-1 that Woman-2 was close to completing a deal with a media outlet, under which she would make her story public. Editor-1 texted Cohen that “[w]e have to coordinate something on the matter [Attorney-1 is] calling you about or it could look awfully bad for everyone.” Chairman-1 and Editor-1 then called Cohen through an encrypted telephone application. Cohen agreed to make the payment and then called Attorney-1 to finalize the deal. (PSR ¶ 46).

On October 26, 2016, Cohen emailed an incorporating service to obtain the corporate formation documents for another shell corporation, Essential Consultants, LLC, which he had incorporated a few days prior. That afternoon, he directed that \$131,000 from his HELOC – the same HELOC he had obtained by means of false statements, *see* p. 8-10, *supra* – be deposited into an account he had just opened in the name of Essential Consultants LLC. The next day, Cohen wired \$130,000 from that account to Attorney-1. On the wire form, Cohen falsely indicated that the purpose of the wire was to pay a “retainer.” On November 1, 2016, Cohen received copies of the final, signed confidential settlement agreement and side letter agreement from Attorney-1.

(PSR ¶¶ 47-50).

After the election, Cohen sought reimbursement for election-related expenses, including the \$130,000 payment he had made to Woman-2. Cohen presented an executive of the Company with a copy of a bank statement reflecting the \$130,000 wire transfer. Cohen also requested reimbursement of an additional \$50,000, which represented a claimed payment for campaign-related “tech services.” Executives of the Company agreed to reimburse Cohen by adding \$130,000 and \$50,000, “grossing up” that amount to \$360,000 for tax purposes, and adding a \$60,000 bonus, such that Cohen would be paid \$420,000 in total. Executives of the Company decided to pay the \$420,000 in monthly installments of \$35,000 over the course of a year. (PSR ¶¶ 52-53).

At the instruction of an executive for the Company, Cohen sent monthly invoices to the Company for these \$35,000 payments, falsely indicating that the invoices were being sent pursuant to a “retainer agreement.” The Company then falsely accounted for these payments as “legal expenses.” In fact, no such retainer agreement existed and these payments were not “legal expenses” – Cohen in fact provided negligible legal services to Individual-1 or the Company in 2017 – but were reimbursement payments. Cohen then received the \$420,000 during the course of 2017. (PSR ¶¶ 54-56).

5. *Cohen’s False Statements to Congress*

Cohen also deliberately made false statements to the Congress. The offense conduct regarding Cohen’s false statements is set forth in the sentencing submission being filed by the SCO in 18 Cr. 850 (WHP). (*See also* PSR ¶¶ 62-73).

B. *Cohen’s Meetings with Law Enforcement*

Since his guilty plea, Cohen has provided information to various law enforcement entities,

including representatives of this Office and the SCO. As set forth in the submission being filed by the SCO in 18 Cr. 850 (WHP), this Office understands that the information provided by Cohen to the SCO was ultimately credible and useful to its ongoing investigation.

To be clear, neither the SCO nor this Office is making a motion under U.S.S.G. § 5K1.1. No such motion is being made because, as detailed herein, Cohen repeatedly declined to provide full information about the scope of any additional criminal conduct in which he may have engaged or had knowledge. However, this Office acknowledges and agrees that Cohen's provision of information to the SCO in connection with its investigation is a mitigating factor that the Court should consider in imposing sentence. Indeed, Cohen's provision of information to the SCO is the reason that this Office is not seeking a Guidelines sentence here, but rather is acknowledging that a modest variance is appropriate.

While Cohen's provision of information to the SCO merits credit, his description of his actions as arising solely from some "personal resolve" – as opposed to arising from the pendency of criminal charges and the desire for leniency – ignores that Cohen first reached out to meet with the SCO at a time when he knew he was under imminent threat of indictment in this District. As such, any suggestion by Cohen that his meetings with law enforcement reflect a selfless and unprompted about-face are overstated.

With respect to Cohen's provision of information to this Office, in its two meetings with him, this Office assessed Cohen to be forthright and credible, and the information he provided was largely consistent with other evidence gathered. Had Cohen actually cooperated, it could have been fruitful: He did provide what could have been useful information about matters relating to ongoing investigations being carried out by this Office. But as Cohen partially acknowledges, it was *his* decision not to pursue full cooperation, and his professed willingness to continue to provide

information at some later unspecified time is of limited value to this Office, both because he is under no obligation to do so, and because the Office's inability to fully vet his criminal history and reliability impact his utility as a witness.

Indeed, his proffer sessions with the SCO aside, Cohen only met with the Office about the participation of others in the campaign finance crimes to which Cohen had already pleaded guilty. Cohen specifically declined to be debriefed on other uncharged criminal conduct, if any, in his past.⁴ Cohen further declined to meet with the Office about other areas of investigative interest. As the Court is undoubtedly aware, in order to successfully cooperate with this Office, witnesses must undergo full debriefings that encompass their entire criminal history, as well as any and all information they possess about crimes committed by both themselves and others. This process permits the Office to fully assess the candor, culpability, and complications attendant to any potential cooperator, and results in cooperating witnesses who, having accepted full responsibility for any and all misconduct, are credible to law enforcement and, hopefully, to judges and juries. Cohen affirmatively chose not to pursue this process. Cohen's efforts thus fell well short of cooperation, as that term is properly used in this District.⁵

For this reason, Cohen is not being offered a cooperation agreement or a 5K1.1 letter.

⁴ At the time that Cohen met twice with this Office, through his attorneys, he had expressed that he was considering – but not committing to – full cooperation. Cohen subsequently determined not to fully cooperate.

⁵ Cohen's provision of information to the Office of the New York Attorney General ("NY AG") warrants little to no consideration as a mitigating factor. This Office's understanding is that the information Cohen provided was useful only to the extent that he corroborated information already known to the NY AG. More importantly, Cohen provided information to the NY AG not as a cooperating witness who was exposing himself to potential criminal or civil liability but instead as a witness who could have been compelled to provide that testimony. Fulfilling that basic legal responsibility voluntarily does not warrant a reduced sentence – particularly when one waits until he is charged with federal crimes before doing so. Similarly, this Office's understanding is that the New York State Department of Taxation and Financial Services ("NYSDTF") subpoenaed Cohen for information about the payment of *his own state taxes*, and any claimed "cooperation" with NYSDTF appears to consist solely of providing that entity information that they would otherwise have obtained via subpoena.

Within the confines of the SCO investigation itself, the Office does not dispute that Cohen's assistance to the SCO was significant. But because Cohen elected not to pursue more fulsome cooperation with this Office, including on other subjects and on his own history, the Office cannot assess the *overall* level of Cohen's cooperation to be significant. Therefore, the Office submits that, in fashioning a sentence on *its* case, the Court afford Cohen credit for his efforts with the SCO, but credit that accounts for only a modest variance from the Guidelines range and does not approach the credit typically given to actual cooperating witnesses in this District.

APPLICATION OF THE SENTENCING GUIDELINES

A. The Probation Department's Calculation

The Office agrees with the Probation Department's calculation of the total offense level as 24, *see* PSR ¶ 110, and the Criminal History Category as I, *see* PSR ¶ 114. Based upon these calculations, Cohen's advisory Guidelines range is 51 to 63 months' imprisonment. (PSR ¶ 174.)

B. Cohen's Challenges to the Guidelines Calculation

Cohen challenges the Probation Department's calculation on two grounds. (Def. Mem. at 22-26.) Each claim is meritless.

1. The PSR's Grouping Analysis is Correct

Cohen claims that the Probation Department's grouping of the tax evasion counts with the other counts in Information 18 Cr. 602 was incorrect because the counts are not "closely related." This argument is contrary to the text of the applicable Guidelines and controlling Second Circuit precedent.

The PSR groups all eight counts in Information 18 Cr. 602 pursuant to U.S.S.G. § 3D1.2, which provides that "[a]ll counts involving substantially the same harm shall be grouped together

into a single Group.”⁶ Subsection (d) of the Guideline specifies that “substantially the same harm” includes “[w]hen the offense level is determined largely on the basis of the total amount of harm or loss.” U.S.S.G. § 3D1.2(d). The subsection also includes a list of specifically enumerated Guidelines that are to be grouped. *Id.* All three of the Guidelines at issue here – U.S.S.G. § 2B1.1, which applies to the false statements count, § 2C1.8, which applies to the illegal campaign contribution counts, and § 2T1.1, which applies to the tax evasion counts – are included on that list. Thus, using the plain text of the Guidelines, all of the offenses here should be grouped.⁷ The commentary to the Guidelines further supports this conclusion. It states that “counts involving offenses to which different offense guidelines apply are grouped together under subsection (d) if the offenses are of the same general type,” and further specifies that “[t]he ‘same general type’ of offense is to be construed broadly.” U.S.S.G. § 3D1.2 app. n. 6.

Second Circuit case law supports the plain-text reading of the Guidelines. The Second Circuit has held that Section 3D1.2(d) must be used to group tax crimes with fraud and other offenses for which the offense level is principally determined by the amount of loss. *United States v. Gordon*, 291 F.3d 181, 192 (2d Cir. 2002); *see also United States v. Fitzgerald*, 232 F.3d 315, 320 (2d Cir. 2000) (holding that tax evasion, fraud and conversion should be grouped under Section 3D1.2(d) because they are offenses of the same general type); *United States v. Petrillo*,

⁶ The false statements to Congress count charged in 18 Cr. 850 does not group with the other counts, but it does not affect the Guidelines calculation. (PSR ¶ 88).

⁷ Cohen argues that the listing of specific Guidelines in this subsection does not make grouping mandatory. *See* Def. Mem. at 23 (citing *United States v. Napoli*, 179 F.3d 1, 9 n.4 (2d Cir. 1999)). But saying that grouping is not *mandatory* does not mean that it is not *appropriate* – particularly where, as here, the Guidelines in question are each ones in which the offense level is determined largely on the basis of the total amount of loss. *See Napoli*, 179 F.3d at 9 n.4 (citing as an example where grouping would not be appropriate fraud and drug counts, because one measures harm by dollar losses whereas the other measures harm by drug weights). Here, each of the listed offenses measures harm by dollar amounts, meaning that *Napoli*, cited by Cohen, actually supports the Office’s position.

237 F.3d 119, 124-25 (2d Cir. 2000) (holding that tax evasion and mail fraud should be grouped under Section 3D1.2(d)); *United States v. Bernstein*, 43 Fed. App'x 429, 431 (2d Cir. 2002) (affirming grouping of mail fraud and tax fraud offenses under Section 3D1.2(d)).⁸

Cohen attempts to distinguish *Petrillo*, arguing that the tax and mail fraud offenses in that case were factually intertwined and that it was decided at a time when the tax and fraud tables had the same thresholds. (Def Mem. at 24). But even if *Petrillo* were read as limited to the facts of that case, *Gordon* resolves any uncertainty. Analyzing *Petrillo* and *Fitzgerald*, the Second Circuit held in *Gordon* that even if those cases do not require grouping under Section 3D1.2(d), the structure of the Guidelines does in fact “require” that “crimes falling within the special category of quantifiable-harm offenses” be grouped under § 3D1.2(d). *Gordon*, 291 F.3d at 193. That was so even though, at the time, the tax and fraud offense tables no longer had identical thresholds. Nevertheless, the Circuit held that the district court committed clear and obvious error by not applying Section 3D1.2(d) to group the fraud and tax evasion offenses in that case. *Id.*⁹

Moreover, Cohen’s position – that the campaign finance and false statements counts should group, but the tax evasion counts should not – does not make sense. All three sets of counts are offenses for which the offense level is based principally on a quantifiable amount of harm or loss, and qualify as offenses of “the same general type” as each other. But even if the foregoing precedent were set aside, and the phrase “general type” were construed narrowly so that tax crimes were not of the same general type as false statements or campaign finance offenses, then the false

⁸ Cohen argues that the “vast majority of Circuit courts” have held otherwise, citing *United States v. Doxie*, 813 F.3d 1340, 1345 (11th Cir. 2016). But as *Doxie* recognizes, the Second Circuit has concluded that “fraud counts and tax counts should be grouped together under § 3D1.2(d).” *Id.* at n.3. That holding is binding here in the Second Circuit.

⁹ The concurrence in *Gordon* cited by Cohen did not command a majority of the panel and thus is not controlling precedent.

statements and campaign finance crimes would similarly not be of the same “general type.” Indeed, the false statements and campaign finance crimes are no more similar as a general matter or related as a factual matter than the tax crimes are with the other offenses. Thus, there is no rational basis to group some but not all of the offenses in this case.¹⁰

2. The Guidelines Enhancements Are Not “Overlapping”

In the plea agreement, the parties have stipulated that two-level enhancements are warranted for both (i) Cohen’s used of “sophisticated means,” and (ii) his use of his “special skill” as a licensed attorney in a manner that significantly facilitated the commission and concealment of his crimes. The PSR also applies these enhancements. (PSR ¶¶ 92, 94). While not contesting their applicability as a legal matter, Cohen argues that they address overlapping conduct, such that the resulting Guidelines range overstates the offense. (Def. Mem. at 24-25). This argument is meritless. The “sophisticated means” and “special skill” enhancements address different aspects of Cohen’s conduct, and each serves a unique purpose under the Guidelines.

The “sophisticated means” enhancement is addressed to Cohen’s use of complex means to carry out and disguise his crimes. For example, Cohen created shell companies for his commission of the campaign finance crimes, including one shell entity (Resolution Consultants) for use in the transaction with Woman-1 and another shell entity (Essential Consultants) for use in the transaction with Woman-2. (PSR ¶¶ 43, 47.) Cohen also agreed to structure the reimbursement for his payment to Woman-2 in monthly installments, and to disguise those payments by creating fake invoices that referenced a non-existent “retainer.” (PSR ¶ 54.) These actions clearly constitute the use of “sophisticated means,” and Cohen does not and cannot argue to the contrary. *See, e.g.*, U.S.S.G. § 2B1.1 cmt. n. 9(B) (“[c]onduct such as hiding assets or transactions, or both,

¹⁰ If that were the case – that *none* of the counts grouped – then the total offense level would likely be 27, yielding a much higher Guidelines range of 70 to 87 months’ imprisonment.

through the use of fictitious entities [or] corporate shells . . . ordinarily indicates sophisticated means”); *United States v. Amico*, 416 F.3d 163, 169 (2d Cir. 2005) (creation of false bank documents, appraisals, and blueprints constituted sophisticated means); *see also United States v. Regensberg*, 381 F. App’x 60, 62 (2d Cir. 2010) (creation of fake loan documents and fraudulent earnings statements constituted sophisticated means).

By contrast, the “special skill” enhancement is directed at a different aspect of Cohen’s conduct – his use of his education, training, and licensure as an attorney to facilitate and conceal the campaign finance crimes. For example, in order to facilitate the hush money payment to Woman-2, Cohen used his skills and experience as an attorney to negotiate and finalize a settlement agreement with Woman-2, which included both a principal agreement and a separate side letter that was designed specifically to conceal the identities of the parties. (PSR ¶ 45). Moreover, Cohen’s role as the attorney for one of the individuals involved in both settlement agreements allowed him to use his position to attempt to cloak his criminal conduct under the veil of attorney-client privilege. Indeed, in conversations he recorded with reporters, he claimed that beyond his public statements on the matter, he could not answer questions about his role in the payments because of attorney-client privilege. This sort of conduct implicates the “special skill” enhancement. *See, e.g., United States v. Mancuso*, 428 Fed. Appx. 73, 2011 WL 2580228, at *7 (2d Cir. June 30, 2011) (enhancement warranted where attorney used legal skills to create a power of attorney, draft a backdated partnership agreement, and form a company in furtherance of the offense); *United States v. Kelly*, 147 F.3d 172, 178 (2d Cir. 1998) (defendant used his skill as an experienced attorney to prepare an assignment of income in an effort to avoid income tax).

These two enhancements are thus directed at different actions that carry unique harms. For that reason, Cohen’s argument that the enhancements are “overlapping” and should thus be

discounted is meritless. *See, e.g., United States v. Minneman*, 143 F.3d 274, 283 (7th Cir. 1998) (rejecting “double-counting” argument where the special skill adjustment focused on the defendant’s use of his legal training, while the sophisticated means enhancement was based on his use of multiple accounts and corporate names); *United States v. Rice*, 52 F.3d 843, 851 (10th Cir. 1995) (noting that “[t]he purpose of the special skill enhancement is to punish those criminals who use their special talents to commit crime,” whereas the sophisticated means enhancement is “designed to target criminals who engage in complicated criminal activity because their actions are considered more blameworthy and deserving of greater punishment than a perpetrator of a simple version of the crime”).

C. The Probation Department’s Recommendation

Taking into account the factors set forth in 18 U.S.C. § 3553(a), including Cohen’s age and background, the nature and circumstances of his offenses, and the need to avoid unwarranted sentencing disparities, the Probation Department recommends a sentence of 42 months’ imprisonment and a \$100,000 fine. (PSR at 53-54.) The Probation Department’s recommendation does not, however, consider Cohen’s provision of information to the SCO.

DISCUSSION

A. A Substantial Term of Imprisonment Is Warranted

As set forth herein, consideration of the factors set forth in 18 U.S.C. § 3553(a) weighs heavily in favor of a substantial term of imprisonment. In particular, the nature and seriousness of the offenses and the need to promote respect for the law and afford adequate deterrence are especially weighty considerations.

1. The Nature and Seriousness of the Offenses

In his submission, Cohen states that “the facts and circumstances surrounding this case are

unique and unprecedented.” (Def. Mem. at 28-29.) That may be so, but it is not exclusively for the reasons given by Cohen. It is also unique because Cohen managed to commit a panoply of serious crimes, all while holding himself out as a licensed attorney and upstanding member of the bar. His offenses strike at several pillars of our society and system of government: the payment of taxes; transparent and fair elections; and truthfulness before government and in business.

First, Cohen’s commission of two campaign finance crimes on the eve of the 2016 election for President of the United States struck a blow to one of the core goals of the federal campaign finance laws: transparency. While many Americans who desired a particular outcome to the election knocked on doors, toiled at phone banks, or found any number of other legal ways to make their voices heard, Cohen sought to influence the election from the shadows. He did so by orchestrating secret and illegal payments to silence two women who otherwise would have made public their alleged extramarital affairs with Individual-1. In the process, Cohen deceived the voting public by hiding alleged facts that he believed would have had a substantial effect on the election.

It is this type of harm that Congress sought to prevent when it imposed limits on individual contributions to candidates. To promote transparency and prevent wealthy individuals like Cohen from circumventing these limits, Congress prohibited individuals from making expenditures on behalf of and coordinated with candidates. Cohen clouded a process that Congress has painstakingly sought to keep transparent. The sentence imposed should reflect the seriousness of Cohen’s brazen violations of the election laws and attempt to counter the public cynicism that may arise when individuals like Cohen act as if the political process belongs to the rich and powerful.

Cohen’s submission suggests that this was but a brief error in judgment. Not so. Cohen knew exactly where the line was, and he chose deliberately and repeatedly to cross it. Indeed, he

was a licensed attorney with significant political experience and a history of campaign donations, and who was well-aware of the election laws.¹¹ In fact, Cohen publicly and privately took credit for Individual-1's political success, claiming – in a conversation that he secretly recorded – that he “started the whole thing . . . started the whole campaign” in 2012 when Individual-1 expressed an interest in running for President. Moreover, not only was Cohen well aware of what he was doing, but he used sophisticated tactics to conceal his misconduct. He arranged one of the payments through a media company and disguised it as a services contract, and executed the second non-disclosure agreement with aliases and routed the six-figure payment through a shell corporation. After the election, he arranged for his own reimbursement via fraudulent invoices for non-existent legal services ostensibly performed pursuant to a non-existent “retainer” agreement. And even when public reports of the payments began to surface, Cohen told shifting and misleading stories about the nature of the payment, his coordination with the candidate, and the fact that he was reimbursed.

This was not a blind act of loyalty, as Cohen has also suggested. His actions suggest that Cohen relished the status of ultimate fixer – a role that he embraced as recently as May 2018.¹² Cohen was driven by a desire to further ingratiate himself with a potential future President—for whose political success Cohen himself claimed credit—and arranged for the payments in an attempt to increase his power and influence. Indeed, after Cohen caused the media company to

¹¹ Cohen was previously the subject of an FEC complaint for making unlawful contributions to Donald Trump's nascent campaign for the 2012 presidency. The complaint was dismissed for jurisdictional reasons, but it certainly put Cohen on notice of the applicable campaign finance regulations. See *In the Matter of Donald J. Trump, Michael Cohen, et al.*, MUR 6462 (Sept. 18, 2013).

¹² Michael Cohen (@michaelcohen212), Twitter (May 8, 2018, 6:19 PM), <https://twitter.com/michaelcohen212/status/971933570146201600?lang=en> (thanking @CNN “for your accurate depiction of me and my role for our @POTUS @realDonaldTrump! #loyalty #RayDonovan #fixer”). The phrase “#RayDonovan” is a reference to the fictional “fixer” character on the Showtime television crime drama *Ray Donovan*.

make an illegal expenditure, in a secretly recorded meeting Cohen took credit for the payment and assured Individual-1 that he was “all over” the transaction. And after making the payment to the second woman, and after Individual-1 was elected President, Cohen privately bragged to friends and reporters, including in recorded conversations, that he had made the payment to spare Individual-1 from damaging press and embarrassment.

Cohen’s criminal violations of the federal election laws were also stirred, like his other crimes, by his own ambition and greed. During and after the campaign, Cohen privately told friends and colleagues, including in seized text messages, that he expected to be given a prominent role and title in the new administration. When that did not materialize, Cohen found a way to monetize his relationship with and access to the President. Cohen successfully convinced numerous major corporations to retain him as a “consultant” who could provide unique insights about and access to the new administration. Some of these corporations were then stuck making large up-front or periodic payments to Cohen, even though he provided little or no real services under these contracts. Bank records reflect that Cohen made more than \$4 million dollars before the contracts were terminated.

Second, Cohen undertook similar acts of deception in his private life. He concealed significant amounts of income from the IRS, and lied about his financial status in his dealings with banks. These offenses warrant significant punishment. For at least half a decade, Cohen willfully evaded paying taxes. Cohen, who himself studied tax in law school and displayed an awareness of complicated tax laws in real estate transactions, took purposeful steps to avoid paying taxes on millions of dollars in income over a five-year period. He made private loans at double-digit interest rates and did not report the millions of dollars in income it generated. The fact that these loans were cash generators was not lost on Cohen: At one point, he offered to sell the loans to other

investors. Cohen also failed to report hundreds of thousands of dollars in consulting income and legal work, and underreported payments he received from his ownership of taxi medallions.

Cohen's sentencing memorandum attempts to downplay the seriousness of this conduct, labeling it "unsophisticated" because this case does not involve unreported cash transactions, offshore accounts, phony deductions, or obstructive conduct. (Def. Mem. at 14.) But the nature of Cohen's criminal conduct is apparent from the manner in which he dealt with his own accountant: Cohen provided incomplete information to his accountant, lied about the existence or value of certain assets and income sources, and rebuffed questions that would have revealed income he deliberately concealed. Moreover, Cohen's crimes were not ones of necessity. To the contrary, he relied on his unreported income to maintain his opulent lifestyle and purchase luxury items. Indeed, in some years, the amount of money that Cohen spent on expenses – including credit card bills, fine art purchases, and payments for private school – exceeded the gross amount of income listed on Cohen's tax returns.

Third, Cohen similarly flouted his obligation to be truthful in business when seeking financing. To secure loans, Cohen falsely understated the amount of debt he was carrying, and omitted information from his personal financial statements, to induce a bank to lend based on incomplete information. To explain why he submitted a false statement to a bank that failed to disclose more than \$20 million in liabilities as well as tens of thousands in monthly expenses, Cohen notes that it was his private banker who provided Cohen with an inaccurate application, which Cohen failed to correct. But this was no mere error of omission: As noted above, Cohen was specifically asked about the omission, and covered it up by misleadingly telling Bank-3 that the liabilities had been expunged, when in fact they had been re-established at another bank. This false statement was the latest in a series of false statements Cohen had made to this banker and

others. *See* p. 8-11, *supra*. And indeed it was one of these prior false statements – in which Cohen told the banker that he had closed the \$14 million line of credit in question – that led the banker to omit that liability from the draft of his application.

Cohen is loath to acknowledge these false statements to banks. Likewise at his guilty plea proceeding, the Court had to press Cohen to acknowledge that he understood he was lying to a bank. This signals that Cohen's consciousness of wrongdoing is fleeting, that his remorse is minimal, and that his instinct to blame others is strong. While he has legally accepted responsibility, the Court should consider at sentencing these transparent efforts at minimizing Cohen's false statements and criminal conduct. As the Probation Department recognized in rejecting these arguments, Cohen is attempting "to lessen [his] culpability and place the burden on Bank-3." (PSR at 48.)¹³

Finally, Cohen has pled guilty to making false statements to Congress in connection with a congressional investigation. This offense is described in detail in the SCO's sentencing submission.

Taken alone, these are each serious crimes worthy of meaningful punishment. Taken together, these offenses reveal a man who knowingly sought to undermine core institutions of our democracy. His motivation to do so was not borne from naiveté, carelessness, misplaced loyalty, or political ideology. Rather, these were knowing and calculated acts – acts Cohen executed in

¹³ In a further attempt at undermining the seriousness of this offense, Cohen observes that there has been no monetary loss to any bank. (Def. Mem. at 18.) Financial loss, however, should not be the only measure of the seriousness of the offense. Cohen's argument fails to recognize the important federal interest at stake, which is reflected in the purpose and history of 18 U.S.C. § 1014. Section 1014 was designed to "protect federally insured institutions from losses stemming from false statements or misrepresentations that mislead the institutions into making financial commitments, advances, or loans," and thereby to "protect the integrity of the system of credit generated and maintained by federally insured banks." *United States v. Zahavi*, No. 12 Cr. 288 (JPO), 2012 WL 5288743, at *2 (S.D.N.Y. Oct. 26, 2012). If borrowers obtain loans based on false information, and cannot fulfill their obligations, that can have tremendous negative effects on lenders and the banking system as a whole.

order to profit personally, build his own power, and enhance his level of influence. The nature and seriousness of each of Cohen's crimes warrant a substantial sentence in this case. *See* 18 U.S.C. § 3553(a)(1), (2)(A).

2. The Need to Promote Respect for the Law and to Afford Adequate Deterrence

The need for the sentence to promote respect for the law and to afford adequate deterrence further supports imposition of a significant sentence of imprisonment. Congress provided for strong criminal sanctions as a general deterrent to tax evasion, false statements to financial institutions, and campaign finance violations. Given the magnitude and brazenness of the conduct in this case, the interests of deterrence are best served by the imposition of a substantial term of imprisonment.

Cohen's years-long pattern of deception, and his attempts to minimize certain of that conduct even now, make it evident that a lengthy custodial sentence is necessary to specifically deter him from further fraudulent conduct, whether out of greed or for power, in the future. Certainly, Cohen has no prior convictions, and is well-educated and professionally successful. Generally, such characteristics suggest that a defendant is unlikely to re-offend in the future. But where, as here, the nature, multitude, and temporal span of criminal behavior betray a man whose outlook on life was often to cheat – an outlook that succeeded for some time – his professional history and lack of prior convictions are not a significant mitigating factor.

For much the same reasons, the time-served sentence that Cohen seeks would send precisely the wrong message to the public. General deterrence is a significant factor here. Campaign finance crimes, because they are committed in secret and hidden from the victims, are difficult to identify and prosecute. Nonetheless, they have tremendous social cost, described above, as they erode faith in elections and perpetuate political corruption. Effective deterrence of

such offenses requires incarceratory sentences that signal to other individuals who may contemplate conduct similar to Cohen's that violations of campaign finance laws will not be tolerated. Particularly in light of the public interest in this case, the Court's sentence may indeed have a cognizable impact on that problem by deterring future candidates, and their "fixers," all of whom are sure to be aware of the Court's sentence here, from violating campaign finance laws.

Additionally, a significant sentence of imprisonment would also generally deter tax evasion and other financial crimes by sending the important message that even powerful individuals cannot cheat on their taxes and lie to financial institutions with impunity, because they will be subject to serious federal penalties. This is particularly important in the context of a tax evasion prosecution. Hundreds of billions of dollars are lost annually because people like Cohen – who otherwise take full advantage of all that taxes bring, such as schools, paved roads, transit systems, and Government buildings – shirk their responsibilities as American taxpayers. Meaningful sentences – that is, ones that, through their terms, speak loudly and clearly – must be given in cases like this one so that others are forewarned of the consequences for engaging in tax crimes. As the United States Sentencing Commission has explained, "[b]ecause of the limited number of criminal tax prosecutions relative to the estimated incidence of such violations, deterring others from violating the tax laws is a primary consideration underlying these guidelines. Recognition that the sentence for a criminal tax case will be commensurate with the gravity of the offense should act as a deterrent to would be violators." U.S.S.G. Ch. 2, Part T, intro. Cmt. Where the incidence of prosecution is lower, the level of punishment must be higher to obtain the same level of deterrence. *See generally* Louis Kaplow and Steven Shavell, "Fairness Versus Welfare," 114 Harv. L. Rev. 961, 1225-1303 (2001); *see also United States v. Hassebrock*, 663 F.3d 906, 922 (7th Cir. 2011) (affirming as reasonable a within-Guidelines 32-month sentence for a tax

evader when the district court explained that “a sentence of probation would not promote respect for the law, but encourage people to flaunt it”). Indeed, “[s]tudies have shown that salient examples of tax-enforcement actions against specific taxpayers, especially those that involve criminal sanctions, have a significant and positive deterrent effect.” Joshua D. Blank, *In Defense of Individual Tax Privacy*, 61 Emory L.J. 265, 321 (2011-2012). Our system of voluntary compliance would be undermined if wealthy and successful individuals such as Cohen come to believe that the most severe sanctions that they will face, in the relatively unlikely case that they are caught cheating on their taxes, are the payment of back taxes, interest, and penalties. The Guidelines therefore recognize the harm tax crimes inflict on society and recommend prison sentences for cases like this one.

In sum, the nature of Cohen’s conduct underscores the need for a substantial period of incarceration as a means both to promote respect for the law and to deter future abuses by other individuals seeking improperly to influence the electoral process, evade taxes, or lie to financial institutions. 18 U.S.C. § 3553(a)(2)(A) & (a)(2)(B).

B. Cohen’s Request for a Sentence of Time Served is Meritless

In his submission, Cohen requests a sentence of time served, which would effectively be a sentence of a matter of hours – 99.5% lower than what the Sentencing Guidelines and Probation Department recommend. When considering “the kinds of sentences available,” 18 U.S.C. § 3553(a)(3), this Court should view with great skepticism a request for a non-incarceratory sentence when the Guidelines recommend a substantial prison term. *See United States v. Goldberg*, 491 F.3d 668, 673 (7th Cir. 2007) (“When the guidelines, drafted by a respected public body with access to the best knowledge and practices of penology, recommend that a defendant be sentenced to a number of years in prison, a sentence involving no . . . imprisonment

can be justified only by a careful, impartial weighing of the statutory sentencing factors.”). Cohen presses four principal arguments in support of his request, but none warrants the extraordinary variance that he seeks.

First, Cohen argues that the emotional toll of his convictions on him and his family, the loss of his law license and other business, and civil tax penalties, “amount[] to an alternative form of punishment,” which warrants a sentence of time served. (Def. Mem. at 26.) They do not. Congress, through the Guidelines, has pointedly addressed and rejected this “I’ve been punished enough” argument from privileged citizens who bemoan the collateral consequences of a guidelines sentence to persons like themselves. *See* 28 U.S.C. § 994(d) (“The Commission shall assure that the guidelines and policy statements are entirely neutral as to . . . socioeconomic status of offenders.”); U.S.S.G. § 5H1.10 (socioeconomic status not relevant); *see also* U.S.S.G. § 5H1.2 (vocational skills and education not ordinarily relevant); U.S.S.G. § 5H1.5 (employment record not ordinarily relevant); U.S.S.G. § 5H1.6 (family ties and responsibilities not ordinarily relevant). The federal courts have repeatedly agreed. *See, e.g., United States v. Prosperi*, 686 F.3d 32, 47 (1st Cir. 2012) (“[I]t is impermissible for a court to impose a lighter sentence on white-collar defendants than on blue-collar defendants because it reasons that white-collar offenders suffer greater reputational harm or have more to lose by conviction.”); *United States v. Musgrave*, 761 F.3d 602, 608–09 (6th Cir. 2014) (impermissible for the district court to rely heavily on the fact that the defendant had already “been punished extraordinarily” through years of legal process, the loss of his CPA license, and his felony conviction).

There is nothing about Cohen’s family circumstances warranting the extraordinary sentence that he seeks. On the contrary, rather than a factor warranting any decreased imprisonment, Cohen’s education, resources and opportunities should, in the event that they are

relevant at all, weigh in favor of holding him to an exacting standard. Cohen did not need to commit the crimes that he did, yet he committed them for personal gain. He was motivated in part by greed and the desire to live an opulent and lavish lifestyle. And for all of Cohen's outward rectitude, he has lived a double life, which weighs heavily against a variance. While Cohen has submitted letters describing his good nature, the evidence collected and witnesses interviewed in this investigation paint a decidedly different picture – a picture of someone who was threatening and abusive when he wanted to get his way. For instance, in 2015, Cohen threatened a journalist for investigating a negative story about Individual-1, telling him:

I will make sure that you and I meet one day while we're in the courthouse. And I will take you for every penny you still don't have. And I will come after your [employer] and everybody else that you possibly know. . . . So I'm warning you, tread very fucking lightly, because what I'm going to do to you is going to be fucking disgusting. You understand me?¹⁴

On another call – which Cohen secretly recorded – with bankers from Bank-2 with whom Cohen was seeking to renegotiate his medallion debt on terms more favorable to him, Cohen threatened:

I'm gonna teach [the bank and its government conservator] a lesson they've never seen before in their life. Because I'm gonna hit everybody up with a lawsuit that's gonna spin everyone's head. And I'm looking forward to that, by the way. And I'm not saying it as a threat. It's a fact.

Cohen himself said in an interview in 2011 that, "If you do something wrong, I'm going to come at you, grab you by the neck and I'm not going to let you go until I'm finished."¹⁵ These are just a few of the many examples of Cohen's abuse of both his standing as an attorney and his relationship to a powerful individual – examples of the type of conduct that is repugnant from anyone, let alone an attorney of the bar. They stand in marked contrast to the letters of support for

¹⁴ The full recording is available at: www.npr.org/player/embed/615843930/615845621.

¹⁵ See ABC News, *Meet Michael Cohen* (Apr. 16, 2011), available at: <https://abcnews.go.com/Politics/donald-trumps-political-pit-bull-meet-michael-cohen/story?id=13386747>.

Cohen.

On balance, like most others who stand before this Court for sentence, Cohen is neither all good nor all bad. His personal interactions in private life should not be this Court's principal consideration. Rather, it is Cohen's serious crimes that should be the Court's lodestar.

Second, in support of his argument for a time-served sentence, Cohen makes mention of his financial support and fundraising for his children's former school, as well as his support for other charitable causes. (Def. Mem. at 9-11.) But charitable "and similar prior good works are not ordinarily relevant in determining whether a sentence should be outside the applicable guideline range." U.S.S.G. § 5H1.11. For good reason: Prior charitable works, however commendable and extensive, by professionally successful defendants rarely, if ever, are materially mitigating factors at sentencing because courts recognize that it is not extraordinary for such defendants to be involved in charities and to have strong professional and personal relationships. *See, e.g., United States v. Barbera*, No. 02 Cr. 1268 (RWS), 2005 WL 2709112, at *12-13 (S.D.N.Y. Oct. 21, 2005); *see also United States v. Fishman*, 631 F. Supp. 2d 399, 403 (S.D.N.Y. 2009) (a defendant's "good name and good works" should not serve as "the human shield he raises to seek immunity or dramatic mitigation of punishment when he is caught"). Moreover, it is no doubt far easier to give generously to charities when the donor is simultaneously evading the payment of taxes on millions of dollars in income. Cohen was, in effect, donating other people's money. As Chief Judge McMahon has explained, "Using other people's money to do what qualifies as good works by your likes and then suggesting to me that I give you credit for the fact that you didn't use the money to buy a Lamborghini is something that I find and have always found to be contemptible, especially since all too frequently charity is a means to bolster the esteem in which one is held by others." *United States v. Binday*, 12 Cr. 152 (CM), Dkt. 349, at 44-45.

Third, in support of his request for a time-served sentence, Cohen cites several cases in which the defendant received little or no jail time. (Def. Mem. at 15-17, 19-20.) The cases selected by Cohen do not bear any particular factual similarity to the instant case. Indeed, in none of the cases cited by Cohen did the defendant commit the particular array of crimes that Cohen has. As set forth below, the Court can just as easily identify numerous examples of cases where more substantial sentences were imposed. Thus, the cases cited by Cohen do not provide a template for sentencing in this matter, and the Court must decide it based on the particular facts and circumstances of this case.

For instance, Cohen highlights *United States v. Lacy Doyle* as a case in which Judge Carter imposed a non-incarceratory term of four years' probation. Cohen fails, however, to acknowledge that the advisory guidelines range in that case was just 6 to 12 months' imprisonment based on a guilty plea to one count of subscribing to a false and fraudulent tax return for a single year.¹⁶ Cohen also highlights the sentence imposed in the prosecution of Earl Simmons, a tax evasion case in which the defendant received a year of imprisonment. In that case, Judge Rakoff focused on the need for imprisonment in tax evasion cases, regardless of their complexity, to ensure general deterrence: "People who are considering tax evasion . . . greatly exaggerate their chances of getting away with it That is why prison is important." Sent. Tr. at 32, *United States v. Earl Simmons*, 17 Cr. 172 (JSR) (S.D.N.Y. Mar. 23, 2018) (ECF No. 39). While it is true that the methods by which Simmons evaded taxes may have been more complex than here, both men made the calculated decision that they could get away with not paying taxes. Finally, in contrast to Simmons, tax evasion is but one of the crimes for which sentence is to be imposed in this case.

Cohen also overlooks several tax evasion cases in which courts have recently imposed

¹⁶ In addition, because the advisory guidelines in *Doyle* were in Zone B, a term of probation was considered explicitly authorized. U.S.S.G. § 5B1.1(a)(2).

custodial terms. See *United States v. Trupin*, 475 F.3d 71, 76 (2d Cir. 2007) (holding that seven-month prison sentence for multi-year tax evasion scheme with a tax loss of \$1.2 million failed to reflect seriousness of offense, observing that a tax evader, in effect, “steal[s] from his fellow taxpayers through his deceptions”); Sent. Tr. at 22-23, *United States v. Joseph Ciccarella*, 16 Cr. 738 (AKH) (S.D.N.Y. March 3, 2017) (imposing an 18-month sentence for a defendant who caused a tax loss between \$250,000 and \$550,000, noting that “the obligation to pay taxes is basic to our civilization”). Finally, in *United States v. Erwin Mayer*, 09 Cr. 581 (WHP), this Court imposed a custodial term of imprisonment on a cooperating defendant whose level of cooperation was described as “unequaled in [that] case, and essentially in any other white-collar case, in which the[] experienced prosecutors had been engaged.” Sent. Tr. at 32, *United States v. Erwin Mayer*, 09 Cr. 581 (WHP) (S.D.N.Y. Aug. 19, 2014) (ECF No. 849). In imposing a custodial sentence on such a cooperating defendant, this Court noted the “need in these kinds of cases for general deterrence.” (*Id.*)

Cohen also asserts that “numerous allegations of unpaid taxes are routinely asserted by the IRS outside of the criminal context,” and cites to news articles about individuals who failed to pay their taxes. (Def. Mem. at 16-17.) But Cohen did not just fail to pay assessed taxes. He willfully evaded taxes by hiding entire income streams over a period of years. His acts were fraudulent and evasive, and not the product of mistake, negligence, or a failure of his accountant. Cohen’s suggestion that his case should have been handled outside the criminal process ignores the fact that his tax crimes were uncovered in the midst of an investigation of his numerous *other* crimes. And his complaints about pre-charge process ignore the fact that Cohen was well aware he was under investigation for months before he was charged, and his counsel was given several opportunities to present to the Office as to why he should not be charged and in fact made such a

presentation. Finally, Cohen's complaints about process and his attempts to blame his accountant make evident the need for an incarceratory sentence to reflect what Cohen still plainly does not perceive: His actions were not just technically criminal, but serious offenses against the Government and the public.

The two unlawful campaign contribution cases cited by Cohen are similarly of little value in crafting an appropriate sentence here. (Def. Mem. at 19.) The defendants in those cases made excessive contributions through straw donors, but the amounts of money involved were less substantial, and the effect of the crimes were less severe. Cohen's crimes are particularly serious because they were committed on the eve of a Presidential election, and they were intended to affect that election. Thus, the gravity of the offense is considerably greater than the offenses committed in *United States v. Dinesh D'Souza*, No. 14 Cr. 34 (RMB), or *United States v. Jia Hou and Xing Wu Pan*, No. 12 Cr. 153 (RJS). Moreover, neither case related to the making of a coordinated expenditure – a different offense under the campaign finance laws.

Cohen omits the numerous campaign finance cases, including many more analogous to the facts here, where substantial custodial sentences were imposed for campaign finance offenses. See, e.g., *United States v. Stephen Stockman*, No. 17 Cr. 116 (S.D. Tex. 2018) (defendant sentenced to 120 months' incarceration for making excessive campaign contributions, wire fraud, money laundering, and filing false tax returns); *United States v. Tyler Harber*, No. 14 Cr. 373 (LO) (E.D. Va. 2015) (defendant sentenced to 24 months' incarceration following guilty plea for making coordinated expenditures and false statements to the FBI); *United States v. John Rowland*, No. 14 Cr. 79 (JBA) (D. Conn. 2015) (defendant sentenced to 30 months' incarceration for making illegal campaign contributions, falsifying records, and causing false statements to be made to the FEC); *United States v. Joseph Bigica*, No. 2:12 Cr. 318 (FSH) (D.N.J. 2012) (defendant sentenced to 60

months' incarceration following guilty plea to tax violation and conduit scheme involving \$98,600 in illegal contributions); *United States v. Robert Braddock, Jr.*, No. 3:12 Cr. 58 (LRH) (D. Conn. 2013) (defendant sentenced to 38 months' incarceration following jury trial involving nearly \$28,000 conduit scheme). As these cases amply demonstrate, custodial sentences for serious violations of the campaign finance laws are a regular occurrence, and the Court should impose such a sentence here for the reasons stated above.

Lastly, Cohen places heavy reliance on his provision of information to law enforcement. (Def. Mem. at 1-5). To be sure, this case is in some respects unique, and Cohen's decision to plead guilty and provide information to law enforcement in matters of national interest is deserving of credit. Indeed, it is the principal reason the Office is not seeking a Guidelines sentence here. But as noted in more detail above, Cohen was well aware of the standard debriefing process in which cooperators in this District regularly participate, and declined to participate. While he answered questions about the charged conduct, he refused to discuss other uncharged criminal conduct, if any, in which he may have participated. This precludes him from being given credit for "substantial assistance" and obtaining a 5K1.1 letter. The Court should not sentence Cohen as if he has one. That is, the credit given to Cohen should not approximate the credit that a witness with a cooperation agreement and a 5K1.1 letter would merit.

Finally, Cohen's further assertion that he is deserving of leniency because he "could have fought the government and continued to hold the party line, positioning himself for a pardon or clemency" reflects a continuation of his mindset that, at his own option, he is above the laws reflected in his crimes of conviction. (Def. Mem. at 5). Every defendant in every criminal case has the right to fight the charges against him. But where, as here, the evidence of their guilt is overwhelming, defendants often make the choice to plead guilty. After cheating the IRS for years,

lying to banks and to Congress, and seeking to criminally influence the Presidential election, Cohen's decision to plead guilty – rather than seek a pardon for his manifold crimes – does not make him a hero.

CONCLUSION

For the reasons set forth above, the Office respectfully requests that this Court impose a substantial term of imprisonment, one that reflects a modest variance from the applicable Guidelines range. The Office also requests that the Court impose forfeiture in the amount of \$500,000, and a fine.

Dated: December 7, 2018
New York, New York

Respectfully submitted,

ROBERT KHUZAMI
Acting United States Attorney

By: Nicolas Roos
Andrea M. Griswold
Rachel Maimin
Thomas McKay
Nicolas Roos
Assistant United States Attorneys

Mr. CLOUD. All right. I'll give that to you in a second.

OK. This memo states that you committed four distinct Federal crimes over a period of several years. You were motivated to do so by personal greed and repeatedly used your power to influence for deceptive ends. It goes on to say that you were—that they each involved — they were distinct in their harms, but bear a common set of characteristics, that they involved deception and were each motivated by personal greed and ambition.

There's a lot we don't know in regards to this investigation, but here's what we do know: We know that you were expecting a job at the White House and didn't get it; you made millions lying about your close access to the President; you have a history of lying for personal gain, including—that's banks, about your accountant, to law enforcement, and your family, the Congress, the American people.

The Southern District of New York — you said that you did all this out of blind loyalty to Mr. Trump, but your sentencing memo states this: "This was not an act out of blind loyalty, as Cohen suggests. Cohen was driven by a desire to further ingratiate himself with the potential future President for whom political success Cohen himself claimed credit for."

Now, we're in a search for truth, and I don't know, Chairman, how we're supposed to ascertain the truth in this quagmire of a hearing when the best witness we can bring before us has already been convicted of lying before us.

And what's sad is the American people have seen this play out before. We have people in prominent positions fail, and then a couple years later, they get a book deal. Now you're set to go to jail for a couple years and come out with a multimillion book deal. That's not bad living.

And so my question is, is, will you today—will you today to—commit to donate any further proceeds to book deals, to film reviews, to charity?

Mr. COHEN. No.

Mr. CLOUD. Thank you. I yield my time.

Mr. MEADOWS. Will the gentleman yield? Will the gentleman yield?

Mr. COHEN. May I — may I finish?

Mr. MEADOWS. Will the gentleman yield?

Mr. CLOUD. Yield to Mr. Meadows.

Mr. COHEN. Mr. Chairman, may I finish my—

Mr. MEADOWS. Mr. Cohen—

Mr. COHEN. May I finish—

Mr. MEADOWS. Mr. Cohen, he's yielded to me, and so—

Mr. COHEN. I didn't finish my — my response.

Mr. MEADOWS. Listen, everything's been made—

Mr. COHEN. I'm asking, Mr. Chairman. Mr. Chairman, may I finish my response, please?

Chairman CUMMINGS. I'll let you respond, but answer his question, please.

Mr. MEADOWS. Mr. Cohen, everything's been made of your lies in the past. I'm concerned about your lies today. Under your testimony just a few minutes ago, to me, you indicated that you had contracts with foreign entities, and yet, we have a truth in testi-

mony disclosure form, which requires you to list those foreign contracts for the last two years, and you put NA on there. And it's a criminal offense to not have that accurately. So when were you lying, either in the testimony to me earlier today, or when you filled out the form?

Chairman CUMMINGS. The gentleman's time has expired.

Mr. Cohen, you may answer his question and then whatever you wanted to say on that other one.

Mr. COHEN. His question, unfortunately, I don't have an answer for his question. But as it—

Mr. MEADOWS. No, no, no, no, no. Mr. Chairman?

Mr. COHEN [continuing]. as it relates—

Chairman CUMMINGS. The gentleman is out of order. He said he does not have an answer.

Mr. MEADOWS. Mr. Chairman, when we were in the majority, with all due respect, Mr. Chairman, hold on.

Chairman CUMMINGS. Regular order. The gentleman has just said he doesn't have an answer. And you have gone over your time.

Ms. FOXX. Well, he's under oath.

Mr. MEADOWS. He's under oath to tell the truth. One of them is not accurate, Mr. Chairman.

Chairman CUMMINGS. You will—you will have time to ask the question.

Mr. JORDAN. Mr. Chairman, just a question. Mr. Chairman, just a question.

Chairman CUMMINGS. Mr. Raskin? Mr. Raskin.

Mr. RASKIN. Mr. Cohen, thank you for your composure today. Our colleagues are not upset because you lied to Congress for the President; they're upset because you stopped lying to Congress for the President.

Now, you've described the Trump campaign as a once-in-a-lifetime, money-making opportunity, the greatest infomercial of all time, I think you said. And this may be the most trenchant observation of your whole testimony. Do you think the Trump campaign or Presidency ever stopped being about making money for the President, his family, and his organization?

Mr. COHEN. Yes.

Mr. RASKIN. When did it stop being that?

Mr. COHEN. When he won the election.

Mr. RASKIN. And what did it become about at that point?

Mr. COHEN. Then it had to be about figuring out what to do here in Washington.

Mr. RASKIN. Can you carefully explain to America how the hush-money payments to Karen McDougal and Stormy Daniels worked? Can you carefully explain what catch-and-kill is?

Mr. COHEN. Sure. I received a phone call regarding both Karen McDougal, as well as Stormy Daniels, obviously different times, stating that there were issues that were going to be damaging to Mr. Trump. With the Stormy Daniels, it started in 2011, when she wanted to have something removed from a website, and that was the first time I met Keith—I spoke with Keith Davidson, her then-acting attorney, and we were successful in having it taken down from the website.

It wasn't until years later did — right — by around the time of the campaign, did they come back and they ask, what — what are you going to do now, because she's back on the trail, trying to sell the story, at which point in time, David Pecker, on behalf of the National Enquirer, reached out to her and her attorney, in order to go take a look at lie detector tests that would prove that she is telling the truth. They then contacted me and told me that she was telling the truth. At which point, again, all the time——

Mr. RASKIN. She took a lie detector test?

Mr. COHEN. She allegedly took a lie detector test and was seen by an employee of the National Enquirer, at which point in time I went straight into Mr. Trump's office and I explained why this time it's different than another time.

Mr. RASKIN. Okay. Now, when you say "different than another time," were there other women paid sexual hush-money by Donald Trump or his organization? Was this a standard operating practice?

Mr. COHEN. No.

Mr. RASKIN. So you're not aware of any other cases where it had taken place?

Mr. COHEN. I'm not aware of any other case that Mr. Trump paid. So which brings us to the Karen McDougal. He was supposed to pay. He was supposed to pay \$125,000 for the life story of Karen McDougal. For whatever the reason may be, he elected not to pay it. David Pecker was very angry because there was also other monies that David had expended on his behalf. Unfortunately, David never got paid back for that either.

Mr. RASKIN. So David Pecker had done this in other cases of other mistresses or women?

Mr. COHEN. Other circumstances, yes.

Mr. RASKIN. Okay.

Mr. COHEN. Not all of them had to do with women.

Mr. RASKIN. Are you aware of anything that the President has done, at home or abroad, that may have subjected him to, or may subject him to extortion or blackmail?

Mr. COHEN. I am not, no.

Mr. RASKIN. Okay. Are you aware of any videotapes that may be the subject of extortion or blackmail?

Mr. COHEN. I've heard about these tapes for a long time, had many people contact me over the years. I have no reason to believe that that tape exists.

Mr. RASKIN. In December 2015, Donald Trump was asked about his relationship with Felix Sater, a convicted felon and real estate developer, and he replied, Felix Sater, boy, have to even think about it, I'm not that familiar with him. Why did Trump endeavor to hide his relationship with Felix Sater, and what was his relationship?

Mr. COHEN. Well, he certainly had a relationship. Felix was a partner in a company called Bayrock that was involved in the deal of the Trump Soho Hotel, as well as, I believe, the Trump Ft. Lauderdale project. Why did he want to distance himself? That's what Mr. Trump does. He distances himself when things go bad for someone. And at that point in time, it was going bad for Mr. Sater.

Mr. RASKIN. You said you lied to Congress about Trump's negotiations to build his Moscow tower, because he made it clear to you

that he wanted you to lie. One of the reasons you knew this is, because, quote, "Mr. Trump's personal lawyers reviewed and edited my statement to Congress about the timing of the Moscow tower negotiations before I gave it." So this is a pretty breathtaking claim, and I just want to get to the facts here. Which specific lawyers reviewed and edited your statement to Congress on the Moscow tower negotiations, and did they make any changes to your statement?

Mr. COHEN. There were changes made, additions. Jay Sekulow, for one——

Mr. RASKIN. Were there changes about the timing? The question——

Chairman CUMMINGS. The gentleman's time has expired.

You may answer that question.

Mr. COHEN. There were——there were several changes that were made, including how we were going to handle that message. Which was——

Chairman CUMMINGS. Mr. Groth — were you finished?

Mr. COHEN. Yes. The message, of course, being the length of time that the Trump Tower Moscow project stayed and remained alive.

Mr. RASKIN. That was one of the changes?

Mr. COHEN. Yes.

Chairman CUMMINGS. Mr. Grothman?

Mr. GROTHMAN. Yes, first of all, I'd like to clear up something, just a little something that bothers me. You started off your testimony, and you said, I think in response to some question, that President Trump never expected to win. I just want to clarify that I dealt with several—President Trump several times as he was trying to get Wisconsin. He was always confident. He was working very hard, and this idea that somehow he was just running to raise his profile for some future adventure, at least in my experience, is preposterous. I always find it offensive when anti-Trump people imply that he just did this on a lark and didn't expect to win.

But be that as it may, my first question concerns your relationship with the court. Do you expect—I mean, right now, I think you're sentenced to 3 years, correct?

Mr. COHEN. That's correct.

Mr. GROTHMAN. Do you expect any time, using this testimony, other testimony, after you get done doing whatever you're going to do this week, do you ever expect to go back and ask for any sort of reduction in sentence?

Mr. COHEN. Yes. There are ongoing investigations currently being conducted that have nothing to do with this committee or Congress, that I am assisting in, and it is for the benefit of a Rule 35 motion, yes.

Mr. GROTHMAN. So you expect, and perhaps what you testify here today will affect going back and reducing this, what we think is a relatively light, three-year sentence? You expect to go back and ask for a further reduction?

Mr. COHEN. Based off of my appearance here today?

Mr. GROTHMAN. Well, based upon whatever you do between now and your request for——

Mr. COHEN. The Rule 35 motion is in the complete hands of the Southern District of New York. And the way the Rule 35 motion

works is, what you're supposed to do, is provide them with information that leads to ongoing investigations. I am currently working with them right now on several other issues of investigation that concerns them, that they're looking at. If those investigations become fruitful, then there is a possibility for a Rule 35 motion. And I don't know what the benefit in terms of time would be, but this congressional hearing today is not going to be the basis of a Rule 35 motion. I wish it was, but it's not.

Mr. GROTHMAN. I'd like to yield some time to Congressman Jordan.

Mr. JORDAN. I yield to the gentleman from North Carolina.

Mr. MEADOWS. Mr. Cohen, I'm going to come back to the question I asked before, with regards to your false statement that you submitted to Congress. On here, it was very clear, that it asked for contracts with foreign entities over the last two years. Have you had any foreign contract with foreign entities, whether it's Novartis or the Korean airline or Kazakhstan BTA Bank? Your testimony earlier said that you had contracts with them. In fact, you went into detail——

Mr. COHEN. I believe it talks about lobbying. I did no lobbying. On top of that they are not government——

Mr. MEADOWS. In your testimony — I'm not asking about lobbying, Mr. Cohen.

Mr. COHEN. They are not government agencies. They are privately and——

Mr. MEADOWS. Do you have—do you have foreign contracts——

Mr. COHEN [continuing]. publicly traded companies.

Mr. MEADOWS. Do you have foreign contracts?

Mr. COHEN. I currently have no foreign contracts.

Mr. MEADOWS. Did you have foreign contracts over the last two years?

Mr. COHEN. Foreign contracts?

Mr. MEADOWS. Contracts with foreign entities, did you have contracts?

Mr. COHEN. Yes.

Mr. MEADOWS. Yes?

Mr. COHEN. Yes.

Mr. MEADOWS. Why didn't you put them on the form? It says it's a criminal offense to not put them on this form for the last two years. Why did you not do that?

Mr. COHEN. Because those foreign companies that you're referring to are not government companies.

Mr. MEADOWS. It says nongovernmental, Mr. Cohen. You signed it.

Mr. COHEN. They're talking about me as being nongovernmental.

Mr. MEADOWS. And right. It says foreign agency—It says foreign contracts. Do you want us to read it to you?

Mr. COHEN. I read it and it was reviewed by my counsel, and I am a nongovernment employee. It was not lobbying, and they are not foreign contracts.

Mr. MEADOWS. It has nothing to do with lobbying. It says it's a criminal offense to not list all your foreign contracts. That's what it says.

Mr. COHEN. Well, then, I'm going to take a look at it before I leave——

Mr. MEADOWS. No, you've——

Mr. COHEN [continuing]. and I will — and hopefully I will amend it prior to leaving, because that's not the way I read your document.

Mr. MEADOWS. You know, it's just one more example, Mr. Cohen, of you skirting the truth.

OK, I want to ask one other question.

One other question, Mr. Cohen. It's my time, not yours.

Were you advised, or was your counsel advised to withhold your written testimony to the latest possible date as John Dean said last night on CNN?

Mr. COHEN. Was it my what?

Mr. MEADOWS. Were you advised, or was your counsel advised, to withhold your written testimony to this committee, at the latest possible date to give it to this committee, at the latest possible date as John Dean said that he advised you? Yes or no?

Mr. COHEN. No. We were——

Mr. MEADOWS. He never advised you?

Mr. COHEN. We — John Dean? I've never spoken with John Dean.

Mr. MEADOWS. Has he spoken to your attorney?

Mr. COHEN. I—I don't know. I've never spoken to John Dean.

Mr. MEADOWS. Well, ask your attorney. He's right there behind you.

Mr. COHEN. We were working last night till — till 11, 12 at night, and it——

Mr. MEADOWS. You've known that you've been coming for some time. I——

Chairman CUMMINGS. You may answer the question. Answer the question, if you recall.

Mr. COHEN. We were working till 11, 12 last night to finish everything.

Mr. MEADOWS. So you were writing it last night, Mr. Cohen?

Mr. COHEN. We were making edits——

Mr. MEADOWS. Don't give me that bull.

Mr. COHEN. We were making edits all the way through the night.

Chairman CUMMINGS. I recognize Mr. Rouda.

Mr. COHEN. I'm sorry.

Mr. ROUDA. Thank you, Mr. Chairman.

Mr. Cohen, in November 2013, President Donald Trump testified under oath in a lawsuit related to the failed real estate project Trump International Hotel and Tower in Ft. Lauderdale. During the deposition, President Trump was asked about his knowledge of Felix Sater, a Russian-born real estate developer and convicted member of the Russian Mafia, who, according to press reports, pled guilty for his role in a 40 million stock manipulation scheme.

And it's worth noting and it's well-publicized the direct relationship between the Russian Mafia and the Kremlin. Over the years, President Trump was asked how many times he interacted with convicted Russian mobster Felix Sater. In 2013, President Trump testified that, quote, "not many. If he were sitting in the room right now, I really wouldn't know what he looked like," unquote.

Mr. Cohen, as you previously testified, isn't it true that President Trump knew convicted Russian mobster Felix Sater in 2013 when he made that statement?

Mr. COHEN. Yes.

Mr. ROUDA. Isn't it true that, because of Mr. Sater's relationship to the Trump Organization, that he had an office in the Trump Tower?

Mr. COHEN. And on the 26th floor, Mr. Trump's—

Mr. ROUDA. And the 26th floor is important why?

Mr. COHEN. Because it's Mr. Trump's floor.

Mr. ROUDA. So he had an office on the same floor as President Trump?

Mr. COHEN. In fact, his office, when he left, became my office.

Mr. ROUDA. And isn't it also true that convicted Russian mobster Sater even had business cards indicating that he was a senior advisor to Donald Trump as reported by The Washington Post?

Mr. COHEN. Yes.

Mr. ROUDA. Did convicted Russian mobster Sater pay rent for his office?

Mr. COHEN. No, he did not.

Mr. ROUDA. So, based on these facts, isn't it true that President Trump misled, at best, or worst, lied under oath?

Mr. COHEN. Yes.

Mr. ROUDA. In December 2015, President Trump was asked again about his relationship to convicted Russian mobster, Mr. Sater by a reporter for the Associated Press. He stated, quote, "Felix Sater, boy, I have to even think about it," unquote. He added, quote, "I'm not that familiar with him," unquote. Mr. Cohen, where would we find business records that explained the President's relationship to the convicted Russian mobster Felix Sater? Would those be in the Trump Organization's files?

Mr. COHEN. They'd be in the Trump Organization's files. There would be CCs to Bayrock, which was the name of Mr. Sater's company. I suspect on Mr. Sater's email address, possibly hard files in possession of Mr. Sater.

Mr. ROUDA. And when you say "in possession of the Trump Organization," where?

Mr. COHEN. It depends upon who the attorney was that was working on it. Now it would probably be in a box offsite. They have a storage facility that they—

Mr. ROUDA. OK.

Mr. COHEN [continuing]. put old files.

Mr. ROUDA. In addition to convicted Russian mobster Sater, do you know of any other ties to convicted or alleged mobsters President Trump may have?

Mr. COHEN. I am not aware.

Mr. ROUDA. Isn't it true that many people with ties to Russia ultimately bought condos in Trump properties usually for cash, and if so, how many are we talking? 10, 20, 50, hundreds?

Mr. COHEN. I'm not—honestly, sir, I'm not aware of any. You know, the statement that was—you're referring to, I believe, is made by either Eric or Don. And I don't agree with it.

Mr. ROUDA. So are you aware of any cash purchases by Russian oligarchs and family members of Trump properties?

Mr. COHEN. I'm not aware of that. I can tell you, when you say cash, if you mean walking in with a satchel of rubles, the answer is, I've never seen that happen. I've never heard of it.

I will tell you, when we sold Mr. Trump's property in Palm Beach, the home for \$95 million, it came in by wire, and that came from Mr. Rybolovlev's bank account.

Mr. ROUDA. One other question. You also talked about President Trump doing negotiations throughout the campaign, regarding the Trump Tower in Moscow. Was he directly involved in those negotiations, and if so, how do you know?

Mr. COHEN. Well, the answer is yes. And as it relates to negotiations, it was merely followups as to what's currently happening, what's happening with Russia, meaning he wanted me to give him a status report. The problem with this is that the project never advanced because they were unable—Mr. Sater was unable to provide me with proof that somebody owned or controlled a piece of property that we can actually build on.

Chairman CUMMINGS. The gentleman's time has expired.

Mr. ROUDA. Thank you.

Chairman CUMMINGS. Mr. Amash?

Mr. AMASH. Mr. Cohen, why did Mr. Trump choose to hire you, and why did he trust you with the various tasks that you performed for him?

Mr. COHEN. I don't know, sir. You would have to ask him that question.

Mr. AMASH. Well, we've heard here that you have bad character. You've admitted to that over the years. You have no idea why he chose to hire you?

Mr. COHEN. In 2006, I was asked by Don Jr. to come meet with his father; I did. He then followed up by asking if I would take a look at an issue that was occurring at Trump World Tower with the board. I went ahead and I looked into it, and I found that the statements that the board were making about Mr. Trump were inaccurate.

And the reason Don came to me is because I had an apartment there for investment. My parents had an apartment there, my in-laws lived there, friends of mine, we all bought as a big block from a brokerage company, and we got a good price on each unit. And we ultimately turned over the board, and I became, actually, the treasurer of the board because the out-of-control spending was going to put the building into bankruptcy, and I was proud to say that within a year, we had plus a million dollars, versus minus 1.3.

At the end of the day, Mr. Trump appreciated that, and he tasked me with something else. It was to handle a problem that Don Jr. had created in terms of a business, a license deal. And we resolved that.

And then on top of that, the third time, Mr. Trump had asked me to take a look at the third Trump Entertainment Resort Chapter 11 reorganization, because he had a series of questions that he wanted answered. And I read these two stack books, gave him the answers that he needed, and with that, he—and the next time I was sitting in his office, and he asked me if I was happy at the sleepy old firm that I was with. I said yes. He said, Would you rather work for me? And I asked, Are you offering me a job? And

he said, Yes. And we negotiated, and I actually never went back to my office.

Mr. AMASH. All right. You suggested that the President sometimes communicates his wishes indirectly. For example, you said, quote, "Mr. Trump did not directly tell me to lie to Congress, that's not how he operates," end quote. Can you explain how he does this?

Mr. COHEN. Sure. It would be no different if I said, That's the nicest looking tie I've ever seen, isn't it? What are you going to do, are you going to fight with him? The answer is no. So you say, yes, it's the nicest looking tie I've ever seen. That's how he speaks. He doesn't give you questions. He doesn't give you orders. He speaks in a code, and I understand the code because I've been around him for a decade.

Mr. AMASH. And it's your impression that others who work for him understand the code as well?

Mr. COHEN. Most people, yes.

Mr. AMASH. Mr. Cohen, I don't know whether we should believe you today, but I'm going to ask you this one last question. What is the truth that you know President Trump fears most?

Mr. COHEN. That's a tough question, sir. I don't—I don't—I don't have an answer for that one. What does he fear most?

Mr. AMASH. What's the truth that he fears most? From your perspective. And again, I don't know whether we should believe you here today, but—

Mr. COHEN. It's a tough question, sir. I don't know how to answer that question.

Mr. AMASH. All right. Let me ask you this: What principles have you chosen to follow in your life, and do you wish to follow different principles now?

Mr. COHEN. I've always tried to be a good person. I've tried to be a great friend. There were many, I think over 40 statements written in my support to the sentencing judge. I have friends who I treat incredibly well that I know for over 40 years. And I treat people, after 40 minutes, the same exact way.

Am I perfect? No. Do I make mistakes? Yes. Have I made mistakes? Absolutely. I'm going to pay the consequences for it.

But all I would like to do is be able to get my life back, to protect my wife and my children, support, and grow old. That's pretty much where I'd like to be.

Mr. AMASH. And you feel you're following a different set of principles now than you followed throughout your life?

Mr. COHEN. I do. And I'm trying. I'm trying very hard. I thank you for your questions. Some of the other ones really make it difficult to try to, you know, show some redemption. But, you know, I am trying. I am trying.

Mr. AMASH. All right. Thank you.

Mr. COHEN. Thank you.

Chairman CUMMINGS. Ms. Hill.

Ms. HILL. Thank you, Mr. Chairman.

I want to mention really quick a clarification on the truth and testimony form. The mention was around whether it talks about foreign entities at all. And the question is, in fact, whether witnesses have any contracts or payments originating with a foreign

government. It does not cover all foreign entities, just foreign government entities.

So, Mr. Cohen, what I'd like to ask you to do is review this issue over lunch with your attorneys. And if you need to amend your form, we ask that you do that before the conclusion of today's hearing.

Also, I represent a purple district. I did not come here for partisan bickering. In fact, I actively wanted to avoid it. So when I ask these questions today, it is not as someone who has a vendetta against the President. It's as someone who comes from generations of servicemembers who swore an oath to obey the orders of the President of the United States and who, along with myself and every single other person up here, swore to uphold and defend the Constitution of the United States.

My forefathers served their country, they served their Commander in Chief, and they served the idea that America is free and just and that the law of the land rules us all, especially those in the highest levels of our government.

So I ask these questions to help determine whether our very own President committed felony crimes while serving in the Oval Office, including efforts to conceal payments that were intended to mislead the public and influence the outcome of an election. I hope to God that is not the case.

So, Mr. Cohen, on January 22, 2018, just days after the Wall Street Journal broke the story that Mr. Cohen paid \$130,000 to Stephanie Clifford to silence her during the 2016 Presidential campaign, a nonprofit watchdog called Common Cause filed a complaint with the Department of Justice and FEC alleging the payment to Ms. Clifford may have represented an illegal in-kind contribution to the Trump campaign. I ask that their complaint be entered into the record.

Chairman CUMMINGS. So ordered.

[The information referred to follows:]



Holding Power Accountable

805 Fifteenth Street NW, Suite 800
Washington, DC 20005
202.833.1200

www.commoncause.org

January 22, 2018

Hon. Rod J. Rosenstein
Deputy Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue NW
Washington DC 20530-0001

Dear Deputy Attorney General Rosenstein:

Common Cause requests that the Department of Justice exercise its authority to investigate whether Donald J. Trump's campaign committee, Donald J. Trump for President, Inc., the Trump Organization, and/or unknown persons ("John Doe") violated reporting requirements and contribution limits and restrictions of the Federal Election Campaign Act (FECA), 52 U.S.C. § 30101, *et seq.*

Given Attorney General Sessions' recusal from any investigations of any matters related in any way to the 2016 campaigns for President of the United States, we have not addressed this letter to the Attorney General.

The attached complaint, filed on this date with the Federal Election Commission (FEC), details the relevant facts establishing a reason to believe that a payment of \$130,000 from Essential Consultants LLC to Ms. Stephanie Clifford in October 2016 was an unreported in-kind contribution to Donald J. Trump for President, Inc., and an unreported expenditure by the committee—because the funds were paid for the purpose of influencing the 2016 presidential general election—in violation of the campaign finance reporting requirements established by 52 U.S.C. § 30104(b).

If the Trump organization was the source of the \$130,000 payment, then the Trump Organization made, and Donald J. Trump for President, Inc. received, a corporate contribution in violation of 52 U.S.C. § 30118(a). If John Doe was the source of the \$130,000 payment, then John Doe made, and Donald J. Trump for President, Inc. received, an excessive in-kind contribution in violation of 52 U.S.C. § 30116(a)(1)(A) or a corporate contribution in violation of 52 U.S.C. § 30118(a).

Although the Federal Election Commission (FEC) has exclusive jurisdiction over civil enforcement of the campaign finance laws, 52 U.S.C. § 30109(a), the Department of Justice has its own separate responsibility to enforce the campaign finance laws against "knowing and willful" violations. 52 U.S.C. § 30109(d); *see generally* FEDERAL PROSECUTION OF ELECTION OFFENSES (7th ed. May 2007) (DOJ HANDBOOK).

The DOJ HANDBOOK takes particular note of the fact that Congress increased criminal penalties for campaign finance violations as part of the Bipartisan Campaign Reform Act of 2002 (BCRA). As the Handbook states, at pp. 198-99:

BCRA significantly enhanced the criminal penalties for knowing and willful violations of the Federal Election Campaign Act. BCRA did so in response to identified anti-social consequences, namely, corruption and the appearance of corruption arising from FECA violations, and their adverse effect on the proper functioning of American democracy....

In view of the enhanced criminal penalties for FECA crimes and the legislative history supporting their enactment, it is the Justice Department's position that all knowing and willful FECA violations that exceed the applicable jurisdictional floor specified in the Act's criminal provision should be considered for federal prosecution....

The violations of federal campaign finance law alleged in the attached complaint undermine the integrity of democracy in the United States.

In addition to the violations of the Federal Election Campaign Act alleged in the attached complaint, the Department of Justice is responsible for enforcing 18 U.S.C. § 1001, which prohibits anyone in any matter within the jurisdiction of the executive branch of government from knowingly and willfully falsifying, concealing or covering up any material fact—i.e., prohibits a candidate for federal office from causing an incomplete or incorrect disclosure report to be filed with the FEC in order to cover up a material fact.

We urge the Department of Justice to investigate all possible violations of the Federal Election Campaign Act and other federal laws in this matter.

Respectfully submitted,



Common Cause, by
Paul S. Ryan
Vice President, Policy and Litigation
805 Fifteenth Street, NW, Suite 800
Washington, DC 20005
(202) 833-1200

Copy to:

John P. Cronan, Acting Assistant Attorney General, Criminal Division
AnnaLou Tirol, Acting Chief, Public Integrity Section

BEFORE THE FEDERAL ELECTION COMMISSION

COMMON CAUSE
805 Fifteenth Street, NW, Suite 800
Washington, DC 20005
(202) 833-1200

PAUL S. RYAN
805 Fifteenth Street, NW, Suite 800
Washington, DC 20005
(202) 833-1200

v.

MUR No. _____

DONALD J. TRUMP FOR PRESIDENT, INC.
725 Fifth Avenue
New York, NY 10022

THE TRUMP ORGANIZATION
725 Fifth Avenue
New York, NY 10022

JOHN DOE, unknown source of funds paid by Essential Consultants LLC

COMPLAINT

1. This complaint is filed pursuant to 52 U.S.C. § 30109(a)(1) and is based on information providing reason to believe that Donald J. Trump's campaign committee, Donald J. Trump for President, Inc. (FEC I.D.#C00580100), the Trump Organization, and/or unknown persons ("John Doe") violated reporting requirements and contribution limits and restrictions of the Federal Election Campaign Act (FECA), 52 U.S.C. § 30101, *et seq.* and Commission regulations.
2. Specifically, based on publicly available data and published reports, complainants have reason to believe that the payment of \$130,000 from Essential Consultants LLC to Ms. Stephanie Clifford was an unreported in-kind contribution to President Trump's 2016 presidential campaign committee, Donald J. Trump for President, Inc., and an unreported

expenditure by the committee—because the funds were paid for the purpose of influencing the 2016 presidential general election. *See* 52 U.S.C. §§ 30101(8)(A) (defining “contribution”) and 30101(9)(A) (defining “expenditure”); *see also* 52 U.S.C. § 30104(b) (requiring reporting of “contributions” and “expenditures” by political committees).

3. Regardless of the source of the funds paid to Ms. Stephanie Clifford (including, *e.g.*, if Donald J. Trump provided the funds), complainants have reason to believe that Donald J. Trump for President, Inc. failed to report its receipt of the \$130,000 in-kind contribution and failed to report its \$130,000 expenditure to Ms. Stephanie Clifford in violation of 52 U.S.C. § 30104(b).
4. Complainants have reason to believe that the Trump Organization made, and Donald J. Trump for President, Inc. received, a corporate contribution in violation of 52 U.S.C. § 30118(a).
5. Complainants have reason to believe that John Doe made, and Donald J. Trump for President, Inc. received, an excessive in-kind contribution in violation of 52 U.S.C. § 30116(a)(1)(A) or a corporate contribution in violation of 52 U.S.C. § 30118(a).
6. “If the Commission, upon receiving a complaint . . . has reason to believe that a person has committed, or is about to commit, a violation of [the FECA] . . . [t]he Commission shall make an investigation of such alleged violation” 52 U.S.C. § 30109(a)(2) (emphasis added); *see also* 11 C.F.R. § 111.4(a).
7. “A ‘reason to believe’ finding followed by an investigation would be appropriate when a complaint credibly alleges that a significant violation may have occurred, but further investigation is required to determine whether a violation in fact occurred and, if so, its

exact scope.” FEC, Statement of Policy Regarding Commission Action in Matters at the Initial Stage in the Enforcement Process, 72 Fed. Reg. 12545 (March 16, 2007).

FACTS

8. On January 12, 2018, the *Wall Street Journal* reported that Michael Cohen arranged for the payment of \$130,000 to adult film actress Stephanie Clifford, known professionally as “Stormy Daniels.”¹
9. Mr. Cohen worked as “top attorney” at the Trump Organization “from 2007 until after the election,” serves as Donald J. Trump’s personal attorney, and referred to himself in a January 2017 interview as the “fix-it guy.”² Mr. Cohen was an agent of Mr. Trump and the Trump Organization in October 2016.
10. According to the *Wall Street Journal*, Ms. Clifford has alleged that she had a sexual encounter with Mr. Trump in 2006 and “had been in talks with ABC’s ‘Good Morning America’ in the fall of 2016 about an appearance to discuss Mr. Trump.”³
11. Mr. Cohen created Essential Consultants LLC on October 17, 2016 and used a bank account linked to the entity to pay Ms. Clifford.
12. This payment of \$130,000 was part of an agreement by which Ms. Clifford would be precluded from publicly discussing alleged sexual encounters between her and Mr. Trump.

¹ Michael Rothfeld and Joe Palazzolo, “Trump Lawyer Arranged \$130,000 Payment for Adult-Film Star’s Silence,” THE WALL STREET JOURNAL, January 12, 2018, *available at* <https://www.wsj.com/articles/trump-lawyer-arranged-130-000-payment-for-adult-film-stars-silence-1515787678>.

² *Id.*

³ *Id.*

13. Although the alleged sexual affair between Mr. Trump and Ms. Clifford occurred in 2006, the nondisclosure agreement was reached less than one month before the 2016 Presidential election.
14. The source of the \$130,000 paid from Essential Consultants LLC to Ms. Clifford is currently unknown.

SUMMARY OF THE LAW

15. The term “contribution” is defined in FECA to mean “any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office.” 52 U.S.C. § 30101(8)(A)(i) (emphasis added); *see also* 11 C.F.R. §§ 100.51–100.56.
16. As used in the definition of “contribution,” the phrase “anything of value” includes “all in-kind contributions.” The “provision of any goods or services without charge or at a charge that is less than the usual and normal charge for such goods or services is a contribution.” 11 C.F.R. § 100.52(d)(1).
17. The term “expenditure” is defined in FECA to mean “any purchase, payment, distribution, loan, advance, deposit, or gift or money or anything of value, made by any person for the purpose of influencing any election for Federal office.” 52 U.S.C. § 30101(9)(A)(i) (emphasis added); *see also* 11 C.F.R. §§ 100.110–100.114.
18. As used in the definition of “expenditure,” the phrase “anything of value” includes “all in-kind contributions.” The “provision of any goods or services without charge or at a charge that is less than the usual and normal charge for such goods or services is an expenditure.” 11 C.F.R. § 100.111(e)(1).
19. Any expenditure that is “coordinated” with a candidate is an in-kind contribution to the candidate and must be reported as a contribution to and expenditure by that candidate’s

authorized committee. "Coordinated" means made in cooperation, consultation or concert with, or at the request or suggestion of, a candidate, a candidate's authorized committee or an agent thereof. 11 C.F.R. § 109.20.

20. Commission regulations provide that "agent" means "any person who has actual authority, either express or implied," to engage in campaign spending and other specified campaign-related activities. *See* 11 C.F.R. §§ 109.3 and 300.2(b).
21. The authorized committee of a candidate for federal office must report to the Commission the identification of each person who makes a contribution to the committee with an aggregate value in excess of \$200 within an election cycle. 52 U.S.C. § 30104(b)(3)(A).
22. The authorized committee of a candidate for federal office must report as a designated category of receipt "contributions from the candidate." 11 C.F.R. § 104.3(a)(3)(ii).
23. The authorized committee of a candidate for federal office must report to the Commission the name and address of each person to whom an expenditure in an aggregate amount in excess of \$200 within the calendar year is made by the committee. 52 U.S.C. § 30104(b)(5)(A).
24. Generally, federal candidates may make "unlimited expenditures from personal funds." 11 C.F.R. § 100.10.
25. Expenditures of a candidate's personal funds must be reported to the Commission as in-kind contributions to the candidate's campaign. *See, e.g.*, FEC Advisory Opinion 1990-09.

26. Corporations and labor organizations may not make contributions to federal candidates, and federal candidates may not accept contributions from corporations or labor organizations. 52 U.S.C. § 30118(a).
27. No individual may make contributions to federal candidates that, in the aggregate, exceed \$2,700 per election. 52 U.S.C. § 30116(a)(1)(A).⁴

CAUSES OF ACTION

COUNT I:

DONALD J. TRUMP FOR PRESIDENT, INC. FAILED TO REPORT RECEIPT OF A \$130,000 IN-KIND CONTRIBUTION AS WELL AS A \$130,000 EXPENDITURE IN VIOLATION OF THE FEDERAL ELECTION CAMPAIGN ACT

28. In October 2016, Michael Cohen was an agent of Donald J. Trump. Based on published reports, there is reason to believe that Mr. Cohen's payment of \$130,000 to Ms. Stephanie Clifford was for the purpose of influencing the 2016 presidential election and, therefore, constituted an "expenditure" by Mr. Trump or an "expenditure" coordinated with Mr. Trump—and, therefore, constituted an in-kind "contribution" to and an "expenditure" by Mr. Trump's authorized campaign committee, Donald J. Trump for President, Inc.
29. Under FECA, Donald J. Trump for President, Inc. was required to report to the Commission the identification of each person who makes a contribution to the committee with an aggregate value in excess of \$200 within an election cycle. 52 U.S.C. § 30104(b)(3)(A).

⁴ As prescribed by statute under 52 U.S.C. § 30116(c), the \$2,000 limit has been adjusted for changes in the cost of living at the beginning of every odd-numbered year since 2002, most recently in February 2017. *See* FEC, Price Index Adjustments for Contribution and Expenditure Limitations and Lobbyist Bundling Disclosure Threshold, 82 Fed. Reg. 10904, 10906 (Feb. 16, 2017).

30. Under FECA, Donald J. Trump for President, Inc. was required to report to the Commission the name and address of each person to whom an expenditure in an aggregate amount in excess of \$200 within the calendar year is made by the committee. 52 U.S.C. § 30104(b)(5)(A).
31. Based on published reports and review of FEC records, there is reason to believe that Donald J. Trump for President, Inc. failed to report its receipt of this \$130,000 contribution in violation of 52 U.S.C. § 30104(b)(3)(A).
32. Based on published reports and review of FEC records, there is reason to believe that Donald J. Trump for President, Inc. failed to report this \$130,000 expenditure in violation of 52 U.S.C. § 30104(b)(5)(A).

COUNT II:

THE TRUMP ORGANIZATION MADE, AND DONALD J. TRUMP FOR PRESIDENT, INC. RECEIVED, A CORPORATE CONTRIBUTION IN VIOLATION OF THE FEDERAL ELECTION CAMPAIGN ACT

33. In October 2016, Michael Cohen was an agent of Donald J. Trump. Based on published reports, there is reason to believe that Mr. Cohen's payment of \$130,000 to Ms. Stephanie Clifford was for the purpose of influencing the 2016 presidential election and, therefore, constituted an "expenditure" by Mr. Trump or an "expenditure" coordinated with Mr. Trump—and, therefore, constituted an in-kind "contribution" to and an "expenditure" by Mr. Trump's authorized campaign committee, Donald J. Trump for President, Inc.
34. In October 2016, Michael Cohen was an agent of the Trump Organization. Based on published reports, there is reason to believe that the Trump Organization was the source of the \$130,000 paid to Ms. Clifford.
35. Federal law prohibits corporations from making contributions to federal candidates. 52 U.S.C. § 30118(a).

36. If the Trump Organization was the source of the \$130,000 paid to Ms. Clifford, the Trump Organization made, and Donald J. Trump for President, Inc. received, a corporate contribution in violation of 52 U.S.C. § 30118(a).

**COUNT III:
JOHN DOE MADE, AND DONALD J. TRUMP FOR PRESIDENT, INC. RECEIVED, AN EXCESSIVE OR
CORPORATE CONTRIBUTION IN VIOLATION OF THE FEDERAL ELECTION CAMPAIGN ACT**

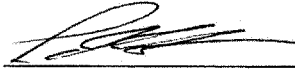

37. In October 2016, Michael Cohen was an agent of Donald J. Trump. Based on published reports, there is reason to believe that Mr. Cohen's payment of \$130,000 to Ms. Stephanie Clifford was for the purpose of influencing the 2016 presidential election and, therefore, constituted an "expenditure" by Mr. Trump or an "expenditure" coordinated with Mr. Trump—and, therefore, constituted an in-kind "contribution" to and an "expenditure" by Mr. Trump's authorized campaign committee, Donald J. Trump for President, Inc.
38. Federal law prohibits individuals from making contributions to federal candidates in excess of \$2,700 per election. 52 U.S.C. § 30116(a)(1)(A).
39. Federal law prohibits corporations from making contributions to federal candidates. 52 U.S.C. § 30118(a).
40. Based on published reports, there is reason to believe that John Doe was the source of the \$130,000 paid to Ms. Clifford.
41. If John Doe was the source of the \$130,000 paid to Ms. Clifford and John Doe is an individual, then John Doe made, and Donald J. Trump for President, Inc. received, a contribution in violation of the \$2,700 limit established by 52 U.S.C. § 30116(a)(1)(A).
42. If John Doe was the source of the \$130,000 paid to Ms. Clifford and John Doe is a corporation, then John Doe made, and Donald J. Trump for President, Inc. received, a corporate contribution in violation of 52 U.S.C. § 30118(a).

PRAYER FOR RELIEF

43. Wherefore, the Commission should find reason to believe that Donald J. Trump for President, Inc., the Trump Organization, and/or John Doe violated 52 U.S.C. § 30101, *et seq.*, and conduct an immediate investigation under 52 U.S.C. § 30109(a)(2). Further, the Commission should determine and impose appropriate sanctions for any and all violations, should enjoin respondent(s) from any and all violations in the future, and should impose such additional remedies as are necessary and appropriate to ensure compliance with the FECA.

January 22, 2018

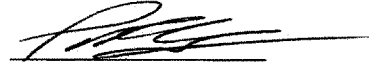
Respectfully submitted,


Common Cause, by
Paul S. Ryan
805 Fifteenth Street, NW, Suite 800
Washington, DC 20005
(202) 833-1200
Paul S. Ryan
805 Fifteenth Street, NW, Suite 800
Washington, DC 20005
(202) 833-1200

VERIFICATION

The complainants listed below hereby verify that the statements made in the attached Complaint are, upon their information and belief, true. Sworn pursuant to 18 U.S.C. § 1001.

For Complainants Common Cause and Paul S. Ryan



Paul S. Ryan

Sworn to and subscribed before me this 22nd day of January 2018.

Karen B. Watson
Notary Public



Ms. HILL. On February 13, 2018, Mr. Cohen, you sent a statement to the reporters that said, quote, "I used my own personal funds to facilitate a payment of \$130,000 to Ms. Stephanie Clifford, and neither The Trump Organization nor the Trump campaign was party to the transaction with Ms. Clifford and neither reimbursed me for the payment either directly or indirectly." Was the statement false?

Mr. COHEN. The statement is not false. I purposefully left out Mr. Trump individually from that statement.

Ms. HILL. OK. Why did you say it that way?

Mr. COHEN. Because that's what was discussed to do between myself, Mr. Trump, and Allen Weisselberg.

Ms. HILL. So it was carefully worded?

Mr. COHEN. Yes, ma'am.

Ms. HILL. Great.

Mr. Cohen, a reporter for the magazine Vanity Fair has reported that she interviewed you the very next day, on February 14, 2018, about the payment and reimbursement. And she wrote, quote, "Last February 14, I interviewed Cohen in his office about the statement he gave the FEC in which he said Trump didn't know about the Stormy payment or reimbursed him for it."

Do you recall this meeting with the reporter?

Mr. COHEN. I do.

Ms. HILL. The reporter also wrote, "Trump called while I was there. I couldn't hear much, but he wanted to go over what the public messaging would be."

Is that accurate?

Mr. COHEN. It is.

Ms. HILL. Did the President call you while you were having a meeting with the reporter?

Mr. COHEN. Yes.

Ms. HILL. Did the President call you to coordinate on public messaging about the payments to Ms. Clifford in or around February 2018?

Mr. COHEN. Yes.

Ms. HILL. What did the President ask or suggest that you say about the payments or reimbursements?

Mr. COHEN. He was not knowledgeable of these reimbursements, and he wasn't knowledgeable of my actions.

Ms. HILL. He asked you to say that?

Mr. COHEN. Yes, ma'am.

Ms. HILL. Great.

In addition to the personal check for \$35,000 in July 2017, is there additional corroborating evidence that Mr. Trump, while a sitting President of the United States, directly reimbursed you hush money as part of a criminal scheme to violate campaign finance laws?

Mr. COHEN. There are 11 checks that I received for the year. The reason why 11, because, as I stated before, one had two checks.

Ms. HILL. And you have copies of all of those?

Mr. COHEN. I can get copies. I'd have to go to the bank.

Ms. HILL. So we will be able to get copies of all 11 checks that Mr. Trump provided to you as part of this criminal scheme?

Mr. COHEN. It's either from his personal account, as what was demonstrated in the exhibit, or it would come from the Donald J. Trump account, the trust account.

Ms. HILL. Thank you, Mr. Cohen.

I yield back the remainder of my times.

Chairman CUMMINGS. Mr. Gibbs.

Mr. GIBBS. Thank you, Mr. Chairman.

You know, I've just been sitting here. I'm new to the committee. I'm not an attorney. Sometimes, Mr. Cohen, it sounds like, from your answers, you are either incompetent or are a liar. I think maybe I can be a better attorney. I don't know.

I'm looking through this. You come in here, and you rail on the President of the United States, Commander in Chief, while he's over across the Pacific Ocean trying to negotiate a deal to make this world safer.

And, Mr. Chairman, just having this committee at this time when the Commander in Chief is out of the country is just — it's just — I think is a new precedent.

But you call him a racist, a cheat, and, you know, you attacked his character. And I've been with the President a little bit and I didn't see that in the President. I see a President who's very sincere, who's trying to make this country better for every American.

And for you to come in here and do that, repentance on your part is really unbelievable. Real repentance would be go serve your time and don't come back here and make allegations toward a man you can't substantiate.

Now, I'm looking here from the remarks from the prosecutor of the Southern District of New York. False statements to bank three, which Cohen pleaded guilty, was far from an isolated event. It was one of a long series of self-serving lies Cohen told numerous financial institutions.

Earlier in your testimony, I think I heard you say it only is a home equity loan. But apparently the prosecutors in New York think that there's other financial things that you did.

You also, they said, managed to commit a series of crimes all with holding himself out as a licensed attorney and upstanding member of the bar.

Also, the Southern District prosecutor said that — wrote that your consciousness of wrongdoing is fleeting, that your remorse is minimal, and that your instinct to blame others is strong.

So I'm kind of left here why—you worked for the President for 10 years before he was President. If you have any sense of integrity like you're trying to tell us you have now, if it was that bad, why didn't you leave? You weren't stuck there because of financial reasons. You had ways to leave. You're an attorney.

And so that's just kind of, you know — the President's working tirelessly, and you come and make these allegations, and you could have left any time you want. It looks like to me you're trying to save face.

And with the other questions that came out here was it looks like to me you're going to have a very lucrative deal at some point in your life, because you don't look like you're close to retirement. You're going to have some type of lucrative deal.

And so one of my questions is, and it's come up a little bit, talks with you and your attorney. And there's been talks about Members of Congress and staff. And you said there was some discussions.

Was any of those discussions that you or your attorneys had with Members of Congress or staff or prosecutors to give considerations to favor or other considerations to you or your family in the future?

Mr. COHEN. No. The conversations were about the topics, because there were things that originally we could not speak about at the request of — whether it was the special counsel's office or the Southern District or any of the other agencies, including the House Select Intel or the Senate Select Intel.

Sir, just for your personal edification here, I was asked to come here. Your chairman sent a letter to Mr. Davis, and I accepted. So I'm here voluntarily.

Mr. GIBBS. I understand that.

Mr. COHEN. And if you believe that I'm——

Mr. GIBBS. It's my time. I understand. I think it's a political theater.

Mr. COHEN. Sir, if you believe — it's not political theater for me. And I take no pleasure in saying anything negative about Mr. Trump.

You've met him for a short period of time. I've been with him for over a decade. I've traveled with him internationally. I've spent dinners with him. It doesn't make me feel good about what's going on here.

And as far as saving face, I'm not sure how being in front of the world, being called a tax cheat——

Mr. GIBBS. Well, this world today, with these lucrative book deals, movies that come about, I think you'll be pretty good in about five years.

I yield the rest of my time to the ranking member.

Mr. JORDAN. I thank the gentleman for yielding.

Earlier you said you started the campaign?

Mr. COHEN. That's correct, in 2011.

Mr. JORDAN. You started the campaign for President of the United States for Donald Trump?

Mr. COHEN. I certainly did, sir.

Mr. JORDAN. Now, that's news.

Mr. COHEN. ShouldTrumpRun.com.

Mr. JORDAN. Wow.

Mr. COHEN. 2011. It was my idea. I saw a document in the newspaper that said, Who would you vote for in 2012? Six percent of the people said——

Mr. JORDAN. Michael Cohen. Michael Cohen.

Mr. COHEN. Michael Cohen.

Six percent of the people turned around and said they'd vote for Donald Trump.

Mr. JORDAN. The reason Donald Trump is President is because of Michael Cohen?

Mr. COHEN. So I went into his office, and I said to him, "Mr. Trump, take a look at this."

And he goes, "Wow, wouldn't that be great." And with that is where it all started.

Mr. JORDAN. Yes. OK. Like, I'm sure — I'm sure he had never thought of anything like that until you came along.

Mr. COHEN. No, I didn't say that either.

Mr. JORDAN. Let me ask you one question. I got eight seconds. I got eight seconds.

What did you talk to Mr. Schiff about?

Mr. COHEN. I spoke to Mr. Schiff about topics that were going to be raised at the upcoming hearing.

Mr. JORDAN. Whoa. Not just what time to show up. Actually what you're going to talk about?

Chairman CUMMINGS. The gentleman's time has expired.

Mr. JORDAN. Wow.

Chairman CUMMINGS. Mr. Sarbanes. Mr. Sarbanes.

Mr. SARBANES. Thank you, Mr. Chairman.

Thank you, Mr. Cohen.

I know the other side is suggesting that you are an incorrigible liar and that you're lying here today. I can't think of anything you have to gain at this point from lying. I mean, they talk about book deals and other things that you want to do. But I see a lot more that you could lose by telling the truth today given the threats and other things that have been made against you and your family. So that's how I'm interpreting it. And, of course, you brought documents with you as well to bolster the credibility of your testimony.

I did want to go back to an earlier line of questioning regarding the preparation of your testimony before you came before the Intelligence Committee. You talked about a meeting at the White House where the testimony was being reviewed. And I think you said there it was at least one White House attorney, Jay Sekulow, who was there, and you acknowledged that there was some edits that were made to your testimony.

So on that topic, who at the White House reviewed your testimony?

Mr. COHEN. I don't know the answer to that. The document was originally created by myself along with my attorney at the time from McDermott Will & Emery. And there was a joint defense agreement, so the document circulated around. I believe it was also reviewed by Abbe Lowell, who represents Ivanka and Jared Kushner.

Mr. SARBANES. Why did you provide the testimony to the White House?

Mr. COHEN. It was pursuant to the joint defense agreement that we were all operating under.

Mr. SARBANES. What were the edits that came back substantively on the testimony?

Mr. COHEN. I'm sorry. I don't know, sir. I'd have to take a look at the document.

Mr. SARBANES. Did you have a—do you have a reaction to why there might not have been, in a sense, a protest to what was going to be false testimony that was going to be provided?

Mr. COHEN. No, sir, because the goal was to stay on message. It's just limit the relationship whatsoever with Russia. It was short. There's no Russian contacts. There's no Russian collusion. There's no Russian deals. That's the message. That's the same message that existed well before my need to come and testify.

Mr. SARBANES. So it's an example of where this idea, this mentality of you toe the line, whatever the story line or the narrative of the day or the month or the year is going to be, you toe that line whether it results in false testimony or not.

Mr. COHEN. I toed the party line, and I'm now suffering. And I'm going to continue to suffer for a while, along with my family, as a result of it. So yes.

Mr. SARBANES. Let me switch gears quickly before my time expires. And you may not have direct knowledge of some of these things, but you're offering us some very helpful perspective on how the Trump world operates.

And, frankly, another reason I find your testimony fairly compelling and credible is because a lot of the things you're describing, a lot of the behavior you're describing, is very consistent with what we all see every single day. So it's not a leap for us to arrive in the same place and perspective that you have presented.

I'm interested in some of the activities around the inaugural committee, the inauguration of the President. There was an article that appeared in ProPublica, it's a watchdog group, about some negotiation on pricing of things at the Trump Hotel, where it looks like the rental that was being quoted was substantially even double what you would expect to pay according to what the market should bear. And so, in a sense, the Trump Hotel was up-charging to the inaugural committee.

Mr. COHEN. Even I couldn't afford to stay there.

Mr. SARBANES. Yeah.

And so I'm just curious. Do you have a sense of whether that kind of a practice is something that is consistent or inconsistent? Is it possible that that kind of up-charging could be done inside a Trump operation?

Mr. COHEN. It did happen.

Chairman CUMMINGS. The gentleman's time has expired.

Mr. COHEN. And what I can say to you is I wasn't part of the inaugural committee. I raised a lot of money for the inauguration, but I was not part of it. And there was a lot of things in that actually, that issue is something that's also, obviously, we've read about in the paper being investigated at the current moment.

Mr. SARBANES. Thank you.

Chairman CUMMINGS. Mr. Higgins.

Mr. HIGGINS. Thank you, Mr. Chairman.

Mr. Cohen, it's on my heart to tell you, sir, that — and I'm sorry for what your family is going through. I feel for your family.

Mr. COHEN. Thank you.

Mr. HIGGINS. The word tells us clearly that a man's mouth is his destruction and his lips are the snare of his soul. And I see you, a man trapped in that.

However, I must tell you that I've arrested several thousand men and you remind me of many of them. The ones that immediately become humble and remorseful at the time they're actually booked, and while they're incarcerated they're quite penitent, and then return to their former selves when they're back on the street.

So respectful to your family and what they're going through, I owe you the honesty to tell you that that's my sense of you, good sir.

I'm going to give you another opportunity to respond to what you brushed off earlier regarding your own statement during this testimony from C-SPAN notation at 2 hours and 50 seconds in.

You stated regarding your credibility that you're being accused of having no credibility, that it is exactly for that reason I spent the last week searching boxes to find the information that I did so that you don't have to take my word for it. I want you to look at the documents and make your own decisions.

Now, the documents you're referring to, Mr. Cohen, are the documents that you submitted in your — with your testimony today. Is that correct?

Mr. COHEN. That is correct.

Mr. HIGGINS. You believe those documents to be worthy of evidence for this oversight hearing today?

Mr. COHEN. I leave that to you to decide.

Mr. HIGGINS. And I ask you again sir, and please don't be incredulous, this is a serious question, where are those boxes that contain documents worthy of evidence to be presented to Congress? And why have they not been turned over to investigating authorities looking into some of the many criminal activities that you're allegedly cooperating in? Where are these boxes? Who knows—where is this treasure of evidence?

Mr. COHEN. The boxes that I'm referring to were boxes that were in my law office when the FBI entered and seized documents when I was moving—

Mr. HIGGINS. Mr. Chairman, I move that the investigating authorities have noted what the gentleman had just stated and that actions be taken for those boxes to be seized and reviewed based upon a proper warrant signed by a sitting judge.

You noted earlier today, Mr. Cohen, quite incredulously, one of my colleagues asked you regarding the television deal, you expressed wonderment that your predicament could possibly get you on television. It certainly got you on television today, has it not, sir?

Mr. COHEN. Sir, I was on television representing Mr. Trump going back into 2011.

Mr. HIGGINS. Well, I didn't know who you were until today, really. Until the FBI raided your home, most of America didn't know who you were.

How many attorneys do you think Mr. Trump has had through the course of his career? Quite a few, I would imagine. You're just one that's in a trap right now. And I understand you're trying to get out of it. You're in a bind.

But I ask you, good sir, have you discussed film and book deals with your stated current attorney, Mr. Davis, Lanny Davis?

Mr. COHEN. With Mr. Davis?

Mr. HIGGINS. Yes.

Mr. COHEN. No. But I have been approached by many people who are looking to do book deals, movie deals, and so on. So the answer to that is yes.

Mr. HIGGINS. This is your right as an American. But it leads me back to my instinct that compares you to many of the men that I have arrested during the course of my career.

Mr. COHEN. With all due respect, sir—

Mr. HIGGINS. Mr. Chairman, I ask that our primary hearing to introduce the Oversight Committee, the 116th Congress, to the American people, has manifested in the way that it obviously is. This is an attempt to injure our President, lay some sort of soft cornerstone for future impeachment proceedings. This is the full intent of the majority.

I yield my remaining 30 seconds to the ranking member.

Mr. JORDAN. Mr. Cohen, earlier you said the United States Southern District of New York is not accurate in that statement.

Mr. COHEN. I'm sorry. Say that again.

Mr. JORDAN. Earlier you said that the United States Southern District of New York Attorney's Office, that statement is not accurate. You said it's not a lie. You said it's not accurate. Do you stand by that?

Mr. COHEN. Yes, I did not want a role in the new administration.

Mr. JORDAN. So the court's wrong?

Mr. COHEN. Sir, can I finish, please?

Mr. JORDAN. Sure.

Mr. COHEN. I got exactly the role that I wanted. There is no shame in being personal attorney to the President. I got exactly what I wanted. I asked Mr. Trump for that job, and he gave it to me.

Mr. JORDAN. All I'm asking, if I could—and I appreciate it, Mr. Chairman — you're saying that statement from the Southern District of New York attorneys is wrong.

Mr. COHEN. I'm saying I didn't write it, and it's not accurate.

Mr. JORDAN. All right. Thank you.

Chairman CUMMINGS. Mr. Welch.

Mr. WELCH. Thank you.

One of the most significant events in the last Presidential campaign, of course, was the dump of emails stolen from the Democratic National Committee, dumped by WikiLeaks.

Mr. Cohen, during your opening statement, which was at the height of the election, you testified you were actually meeting with Donald Trump in July 2016 when Roger Stone happened to call and tell Mr. Trump that he had just spoken to Julian Assange. Is that correct?

Mr. COHEN. That is correct.

Mr. WELCH. All right. And you said that Mr. Assange told Mr. Trump about an upcoming—quoting your opening statement—quote, “massive dump of emails that would damage Hillary Clinton's campaign.”

So I want to ask you about Roger Stone's phone call to the President.

First of all, was that on Speakerphone? Is that what you indicated?

Mr. COHEN. Yes. So Mr. Trump has a black Speakerphone that sits on his desk. He uses it quite often because with all the number of phone calls he gets.

Mr. WELCH. All right. Now, in January of this year, 2019, the New York Times asked President Trump if he ever spoke to Roger Stone about these stolen emails, and President Trump answered, and I quote, “No, I didn't. I never did.”

Was that statement by President Trump true?

Mr. COHEN. No, it's not accurate.

Mr. WELCH. And can you please describe for us, to the best of your recollection, you were present, exactly what Mr. Stone said to Mr. Trump?

Mr. COHEN. It was a short conversation, and he said, Mr. Trump, I just want to let you know that I just got off the phone with Julian Assange, and in a couple of days there's going to be a massive dump of emails that's going to severely hurt the Clinton campaign.

Mr. WELCH. And was Mr. Trump and Mr. Stone aware of where those emails came from?

Mr. COHEN. That, I'm not aware of.

Mr. WELCH. Did Mr. Trump ever suggest then or later to call the FBI to report this breach?

Mr. COHEN. He never expressed that to me.

Mr. WELCH. Did the President at that time or ever since, in your knowledge, indicate an awareness that this conduct was wrong?

Mr. COHEN. No.

Mr. WELCH. The reason I ask is because on July 22, on the eve of the Democratic convention, WikiLeaks published, as you know, the 20,000 leaked internal DNC emails.

Could your meeting with Mr. Trump have been before that date?

Mr. COHEN. Yes.

Mr. WELCH. So Mr. Trump was aware of the upcoming dump before it actually happened?

Mr. COHEN. Yes.

Mr. WELCH. And is there any recollection——

Mr. COHEN. No, sir, I don't know whether he knew or not, and I don't believe he did, what the sum and substance of the dump was going to be, only that there was going to be a dump of emails.

Mr. WELCH. And he was aware of that before the dump occurred, correct?

Mr. COHEN. Yes, sir.

Mr. WELCH. All right. And are there any records that would corroborate the day of this meeting? Calendars, perhaps.

Mr. COHEN. I'm not in possession. But I believe, again, this is part of the special counsel. And they are probably best suited to corroborate that information.

Mr. WELCH. Was anyone else present in the room during the call?

Mr. COHEN. I don't recall for this one, no, sir.

Mr. WELCH. Is there anyone else the committee should talk to about the President's knowledge of the WikiLeaks email dump?

Mr. COHEN. Oh, again, when he called, Rhona Graff yelled out to Mr. Trump, Roger's on line 1, which was regular practice.

Mr. WELCH. And that's his assistant?

Mr. COHEN. That's his — yes.

Mr. WELCH. All right. And during a news conference on July 27, 2016, then candidate Trump publicly appealed to Russia to hack Hillary Clinton's emails and make them public. He stated, and I quote, "Russia, if you're listening, I hope you're able to find the 30,000 emails that are missing."

Now, going back to Mr. Stone's phone call to the President, do you recall if Mr. Trump had knowledge of the WikiLeaks dump at the time of his direct appeal to Russia?

Mr. COHEN. I am not.

Mr. WELCH. But the call with Mr. Stone, you believe, was before—

Mr. COHEN. Yes.

Mr. WELCH [continuing]. this 27th—

Mr. COHEN. Yes. I'm sorry. I thought you were talking about a different set of documents that got dumped.

So I was in Mr. Trump's office. It was either July 18th or 19th. And, yes, he went ahead. I don't know if the 35,000—or 30,000 emails was what he was referring to, but he certainly had knowledge.

Mr. WELCH. All right. Thank you.

Just one last question.

Mr. Raskin had been asking you some questions. And one of the things in your answer was that Mr. Pecker expended other moneys to protect Mr. Trump.

Can you elaborate on what some of those other activities were?

Mr. COHEN. Sure. There was the story about Mr. Trump having a love child with an employee—with an employee. And, actually, the husband of that employee works for the company as well. And there was an elevator operator who claims that he overheard the conversation taking place between one of Mr. Trump's other executives and somebody. And he ended up paying like \$15,000 in order to buy that story to find out whether it was true or not.

And that's just one example of things that David had done over the years. It was the reason why, in the recording, when David was looking to become the CEO of Time magazine, we were concerned about—we'll call it the treasure trove of documents that had been created over the years that, if he left, somebody could open up the key to a drawer and find all this information. So we were going to look to buy all of those life rights and so on.

Chairman CUMMINGS. The gentleman's time has expired.

Mr. Norman.

Mr. NORMAN. Mr. Cohen, thank you for testifying. I join Congressman Higgins in feeling for your family. They have no part in this.

You know, I've heard all the testimony, and I'm trying to decide what Clay is trying to decide. Are you really sorry for what you did or you just got caught?

And the thing that amazed me is that in your opening statement—which, let me quote, "Last fall I pled guilty in Federal court to felonies for the benefit of, at the direction of, and in coordination with Individual 1." Was that the President?

Mr. COHEN. Yes, sir.

Mr. NORMAN. OK. Your crimes were of your own to benefit yourself. Go through—

Mr. COHEN. Some of them, yes.

Mr. NORMAN. No. Go through all the ones with the real estate, with the banks. On your HELOC loan, you failed to disclose more than \$20 million in debt. You failed to disclose \$70,000 in monthly payments. On your \$14 million line of credit, you failed to disclose that you had drawn on that.

So this was all for yourself. This wasn't for the benefit of President Trump. This was to benefit Michael Cohen. So that's my question. Did you just get caught?

And you worked for this man for 10 years, Mr. Cohen. You came in here with these — with these — he's a conman. He's a cheat.

This is the very man that — didn't you wiretap him illegally? Did you not wiretap President Trump without his knowledge?

Mr. COHEN. I did record Mr. Trump in a conversation, yes.

Mr. NORMAN. Is that lawyer-client privilege? Is that something that an honest guy would do, an honest lawyer?

Mr. COHEN. I actually never thought that this was going to be happening and that that recording even existed. I had forgotten.

Mr. NORMAN. But you did it.

Mr. COHEN. Yes, I did.

Mr. NORMAN. Have you ever—

Mr. COHEN. I had a reason for doing it.

Mr. NORMAN. What was your reason?

Mr. COHEN. Because I knew he wasn't going to pay that money. And David Pecker had already chewed me out on multiple occasions regarding other moneys that he expended.

Mr. NORMAN. But this is a man that you trusted, you'd take a bullet for, you secretly recorded.

Let me ask you this, Mr. Cohen. Have you done—have you legally or illegally recorded other clients?

Mr. COHEN. I have recordings of people, yes.

Mr. NORMAN. Legally or illegally?

Mr. COHEN. I believe that they're legal.

Mr. NORMAN. Did you tell him?

Mr. COHEN. In New York State you don't have to do that.

Mr. NORMAN. So you did didn't tell him?

Mr. COHEN. No, I did not.

Mr. NORMAN. OK.

Mr. COHEN. Sometimes I also used the recordings for contemporaneous notetaking instead of writing it down. I find it easier.

Mr. NORMAN. If the shoe were reversed, would you like your trusted lawyer recording you?

Mr. COHEN. I probably would not, no.

Mr. NORMAN. No, sir. It's untrustworthy. It's something people just would not do.

Now, your bank loans that I just ran down, did you ever default on any of those loans?

Mr. COHEN. No, sir.

Mr. NORMAN. So the bank didn't take any loss?

Mr. COHEN. No bank has — I am not in default. I have never filed a bankruptcy. The HELOC you're referring to, I replaced that from a different HELOC, paid it off. There is—I owe no banks any money.

Mr. NORMAN. How about your medallion taxicab. Did they—did you have to sell that?

Mr. COHEN. I'm still — well, the ones in Chicago, yes, I do have to sell. However, New York, the answer is no, I don't. And they are—the industry is going through a major, major correction because of ride sharing. It's changed a lot of things.

Mr. NORMAN. The value of it has.

Mr. COHEN. Yes, sir.

Mr. NORMAN. Right.

Has the — so no bank — would the banks make you a loan again based on your record?

Mr. COHEN. Actually, they did. They did post the — yes, the bank actually redid, and they refinanced the entire package——

Mr. NORMAN. Currently?

Mr. COHEN [continuing]. post this, yes.

Mr. NORMAN. OK. Have they never had to do loan loss reserve for the projected losses?

Mr. COHEN. I don't know what they did. But it's still the same amount. I didn't get the benefit of it, no, sir.

Mr. NORMAN. Most likely they did. I was on an audit committee.

Mr. COHEN. They may have — they may have done that, sir. But that's for their own banking, not for me.

Mr. NORMAN. No, it's by law. They have to — if they suspect you of lying, which you admitted to, if they suspect you of maybe not being able to make a loan payment, they have to have a loan loss reserve that's 125 percent of what you — if it's \$20 million, they have to post in their account \$20 million plus. So they get no interest on it.

You know who pays for that? The American public who deals with that bank.

Mr. COHEN. Yes, but, sir, I'm not in default. And I'm current on each and every one of those medallion loans. And I've never owed any money to First Republic Bank. In fact, at the time that I had the HELOC, I had more cash sitting in that same bank than——

Mr. NORMAN. OK. Last question. I'm out of time.

Mr. COHEN [continuing]. than the HELOC and my mortgage combined.

Mr. NORMAN. Have you ever been to Prague?

Mr. COHEN. I've never been to Prague.

Mr. NORMAN. Never have?

Mr. COHEN. I've never been to the Czech Republic.

Mr. NORMAN. Yield the balance of my time.

Chairman CUMMINGS. Ms. Speier.

Ms. SPEIER. Thank you, Mr. Chairman.

And thank you, Mr. Cohen.

On page five of your statement, you say, and I quote, "You need to know that Mr. Trump's personal lawyers reviewed and edited my statement to Congress about the timing of the Moscow Tower negotiations."

Who were those attorneys?

Mr. COHEN. Jay Sekulow — from the White House?

Ms. SPEIER. Yes.

Mr. COHEN. Jay Sekulow. I believe Abbe Lowell as well.

Ms. SPEIER. And do you have a copy of your original statement that you can provide to the committee?

Mr. COHEN. I can try to get that for you.

Ms. SPEIER. All right. If you would do that.

The letter of intent for the Moscow tower was in the fall of 2015, correct?

Mr. COHEN. Correct.

Ms. SPEIER. Was there an expiration date on that letter of intent?

Mr. COHEN. There was no expiration date.

Ms. SPEIER. So it could technically still be in effect today?

Mr. COHEN. No, it's been terminated.

Ms. SPEIER. It has been terminated?

Mr. COHEN. Yes, ma'am.

Ms. SPEIER. OK. Did Mr. Trump tell you to offer Vladimir Putin a free penthouse?

Mr. COHEN. No, ma'am. That was——

Ms. SPEIER. So where did that come from?

Mr. COHEN. That was Felix Sater. It was a marketing stunt that he spoke about.

Ms. SPEIER. So Felix Sater had suggested to you that Mr. Trump offer a penthouse to Mr. Putin.

Mr. COHEN. Yes, because it would certainly drive up the price per square foot. No different than in any condo where they start listing celebrities that live in the property.

Ms. SPEIER. In 2016, did you travel to Europe?

Mr. COHEN. Yes.

Ms. SPEIER. Did you meet with persons associated with the Moscow tower project?

Mr. COHEN. No.

Ms. SPEIER. It was for personal or——

Mr. COHEN. Personal. My daughter was studying at Queen Mary in London.

Ms. SPEIER. So you did not meet with any Russians?

Mr. COHEN. No.

Ms. SPEIER. There is an elevator tape that has been referenced as a catch and kill product. It was evidently of Mr. Trump and a woman, presumably Mrs. Trump. Is that correct?

Mr. COHEN. Are we talking about in Moscow or the Trump Tower elevator tape?

Ms. SPEIER. There's an elevator tape that went up for auction——

Mr. COHEN. Yes.

Ms. SPEIER [continuing]. ostensibly in 2016. Is that correct?

Mr. COHEN. Yes, I've heard about this.

Ms. SPEIER. And who is on that tape?

Mr. COHEN. It's Mr. Trump with Melania.

Ms. SPEIER. And what happened in that tape?

Mr. COHEN. The story goes that he struck Melania while in that elevator, because there's a camera inside, which I'm not so sure — actually, I'm certain it's not true. I've heard about that tape for years. I've known four or five different people, including folks from AMI, who have——

Ms. SPEIER. So — but there was some tape that went up for auction, correct?

Mr. COHEN. I don't believe that auction was real, and I don't believe anybody — I don't believe Mr. Trump ever struck Mrs. Trump ever. I don't believe it.

Ms. SPEIER. And are you aware of anyone purchasing that tape, then?

Mr. COHEN. I don't believe it was ever purchased.

Ms. SPEIER. So you never saw this tape?

Mr. COHEN. No, ma'am. And I know several people who went to go try to purchase it for catch and kill purpose. It doesn't exist. Mr. Trump would never—in my opinion, it's — that's not something that he——

Ms. SPEIER. Good to know. Good to know.
Is there a love child?

Mr. COHEN. There is not, to my — to the best of my knowledge.

Ms. SPEIER. So you would pay off someone to not report——

Mr. COHEN. It wasn't me, ma'am. It was AMI. It was David Pecker.

Ms. SPEIER. So he paid off someone about a love child that doesn't exist?

Mr. COHEN. Correct. It was about \$15,000.

Ms. SPEIER. OK.

How many times did Mr. Trump ask you to threaten an individual or entity on his behalf?

Mr. COHEN. Quite a few times.

Ms. SPEIER. Fifty times?

Mr. COHEN. More?

Ms. SPEIER. A hundred times?

Mr. COHEN. More.

Ms. SPEIER. Two hundred times?

Mr. COHEN. More.

Ms. SPEIER. Five hundred times?

Mr. COHEN. Probably, over the — over the 10 years.

Ms. SPEIER. Over the 10 years, he asked you——

Mr. COHEN. And when you say threaten, I'm talking with litigation or an argument with——

Ms. SPEIER. Intimidation?

Mr. COHEN [continuing]. a nasty reporter that has—is writing an article.

Ms. SPEIER. What do you know about—let's go to your tapes. You said there's probably 100 tapes?

Mr. COHEN. Voice recordings.

Ms. SPEIER. Voice recordings. And will you make them available to the committee?

Mr. COHEN. If you would really like them.

Chairman CUMMINGS. We would.

Ms. SPEIER. Did Mr. Trump——

Mr. COHEN. Don't you have to gavel that, sir?

Sorry.

Chairman CUMMINGS. We would.

Ms. SPEIER. Did Mr. Trump tape any conversations?

Mr. COHEN. Not that I'm aware of, no.

Ms. SPEIER. Were you involved in the \$25 million settlement to Trump University?

Mr. COHEN. I had a role in that, yes.

Ms. SPEIER. Who paid the settlement?

Mr. COHEN. I believe it was Mr. Trump. I don't know the answer to that.

Ms. SPEIER. You don't know the answer, but you were involved in the——

Mr. COHEN. Yes, in a different aspect.

Ms. SPEIER. There's some reference to a businessman in Kansas being involved in that. Are you familiar with that?

Mr. COHEN. I'm not familiar with that, no.

Ms. SPEIER. All right. Finally, in my 13 seconds left, what do you want your children to know?

Mr. COHEN. That I am sorry for everything, and I am sorry for the pain that I've caused them, and I wish I can go back in time.

Ms. SPEIER. Thank you. I yield back.

Chairman CUMMINGS. The gentlelady's time has expired.

To the members of the committee, before we go to Ms. Miller, for your—so that you can plan—properly plan, there's a vote apparently coming up in about 10 to 20 minutes. And what we will do is we will recess, and we will come back — listen up — 30 minutes after the last vote begins. Got that? Not it ends, 30 minutes after it begins. And we'll do that promptly. All right?

All right. Mrs. Miller.

Mrs. MILLER. I am very disappointed to have you in front of this committee today. Quite frankly, this isn't the reason the people of West Virginia sent me to Congress. I find this hearing not in the best interest of the American people. This is another political game with the sole purpose of discrediting the President.

If it was not already obvious, there are members here with the singular goal in Congress to impeach President Trump. To achieve this goal, they will waste not only precious taxpayer dollars, but also time in this committee and Congress as a whole. In fact, they will go so far as to bring a convicted felon in front of our committee.

We are supposed to take what you say, Mr. Cohen, at this time about President Trump as the truth. But you're about to go to prison for lying. How can we believe anything you say? The answer is we can't.

This begs the question, why are those in the majority holding this hearing?

I am appalled. We could be focused on actual issues that are facing America, like border security, neonatal abstinence syndrome, or improving our Nation's crumbling infrastructure. Instead, the Democrats are trying to grasp at straws.

Let's talk about this witness. From his sentencing hearing in the Southern District of New York, Judge Pauley stated, "Mr. Cohen pled guilty to a veritable smorgasbord of fraudulent conduct: Willful tax evasion, making false statements to a financial institution, illegal campaign contributions, and making false statements to Congress. Each of the crimes involved deception, and each appears to have been motivated by personal greed and ambition."

This is who we have in front of us today in our committee, someone who is about to be sent to prison for three years for evading his taxes, deceiving a financial institution, lying to Congress, among other counts.

One of the most appalling facts about this hearing is that Mr. Cohen has used his experiences with President Trump, both before and after he was elected, for his own greed and profit.

I'd like some yes-or-no answers.

Isn't it true you tried to sell a book about your time with President Trump entitled "Trump Revolution: From the Tower to the White House, Understanding Donald J. Trump"?

Mr. COHEN. Yes. That happened early on when I was still even part, I believe, of the RNC.

Mrs. MILLER. And this book deal, which you had with Hatchet Books, was worth around \$500,000. Isn't that correct?

Mr. COHEN. No, more, ma'am.

Mrs. MILLER. How much more?

Mr. COHEN. I think it was about 750.

Mrs. MILLER. Wow.

Mr. COHEN. I did turn it down.

Mrs. MILLER. Mr. Cohen, given that you continue to profit publicly discussing your time with Mr. Trump, I worry that this committee hearing the majority has given you will only serve as a platform for you to continue to lie and sensationalize and exaggerate wherever it suits you.

Do you plan to pursue another book deal about your experiences?

Mr. COHEN. Yes.

Mrs. MILLER. I would presume this book would be a little different than your latest pitch. But your new angle might please some new fans. Anything to sell books.

Mr. Chairman, we've canceled hearings on child separation and on other issues that are close to my heart for this media circus. What a waste of time and money for a man who has gladly exploited the name of the President to promote his own name and fill his own pockets. It pains me that we are sitting here adding another chapter to his book.

Thank you. And I yield the remainder of my time to Mr. Jordan.

Mr. JORDAN. I thank the gentlelady for yielding.

Earlier, Mr. Cohen, the gentlelady from California talked about this tape.

Mr. COHEN. I'm sorry, sir. I can't hear you.

Mr. JORDAN. Earlier the gentlelady from California talked about this tape, this elevator tape, that you said does not exist.

Mr. COHEN. That's correct. I do not believe it exists.

Mr. JORDAN. But is it also your testimony that the Trump team was willing to pay to make sure a story about a nonexistent tape never became public?

Mr. COHEN. No, sir, that's not what — that's not what I said.

Mr. JORDAN. They were willing to stop a false tape?

Mr. COHEN. We looked—we learned that this tape was potentially on the market and that it existed. And so what we did is exactly what we did with all the other catch and kill. We looked for it. And if, in fact, that it did exist, we would have tried to stop it. That's what I would have done.

Mr. JORDAN. It's a false tape. Is it not?

Mr. COHEN. But it's a false tape. I've never—

Mr. JORDAN. Got it.

Mr. COHEN [continuing]. heard it. And I can assure you one thing about Mr. Trump. Many things, he would never ever do something like that. I don't see it.

Chairman CUMMINGS. Ms. Kelly.

Ms. KELLY. Thank you, Mr. Chair.

Mr. Cohen, I'd like to ask you more about the details of the \$130,000 payment you made to Stephanie Clifford, the adult film actress known as Stormy Daniels, in order to purchase her silence shortly before the 2016 election.

First, according to documents filed by Federal prosecutors in New York, you created a shell company called Essential Consultants, LLC. Is that correct?

Mr. COHEN. It's correct.

Ms. KELLY. And you created this company for the purpose of making the payment to Ms. Clifford. Is that correct?

Mr. COHEN. Amongst other things, yes.

Ms. KELLY. You then used a home equity line of credit to fund the account in the name of Essential Consultants, LLC. Is that correct?

Mr. COHEN. That's correct.

Ms. KELLY. You then wired \$130,000 to the attorney representing Ms. Clifford at that time and wrote in the memo field for the wire the word, quote, "retainer." Is that correct?

Mr. COHEN. Correct.

Ms. KELLY. Can you tell us why you decided to use this complicated process to make this payment?

Mr. COHEN. Well, starting an LLC is not a sophisticated means. LLC, you call up a company, you pay for it, and they open it for you.

And the reason that I used the home equity line of credit as opposed to cash that I had in the same exact bank was I didn't want my wife to know about it, because she handles all of the banking. And I didn't want her coming to me and asking me what was the \$130,000 for.

And then I was going to be able to move money from one account to the other and to pay it off, because I didn't want to have to explain to her what that payment was about.

I sent it to the IOLA account, the interest on a lawyer's account, to Keith Davidson in California, Ms. Daniel's attorney. He would hold it in escrow until such time as I received the executed NDA, nondisclosure agreement.

Ms. KELLY. Did Mr. Trump know you were going through this process to hide the payment?

Mr. COHEN. Yes.

Ms. KELLY. Why not just use Mr. Trump's personal or company bank account to make the payment? Why was the distraction so important beside you not wanting your wife to know?

Mr. COHEN. What his concern was was that there would be a check that has his very distinct signature onto it. And even after she cashed the check, all you need to do is make a photocopy of it and it's kind of proof positive on exactly what took place.

So here the goal was to keep him far away from it as possible.

Ms. KELLY. Can anyone corroborate what you have shared with us?

Mr. COHEN. Absolutely.

Ms. KELLY. And that is?

Mr. COHEN. Keith Davidson, Allen Weisselberg, President Trump.

Ms. KELLY. OK. Now, let's talk about the reimbursement.

According to Federal prosecutors, and I quote, “After the election, Cohen sought reimbursement for election-related expenses, including the \$130,000 payment.” Prosecutors stated that you, and I quote, “presented an executive of the company with a copy of a bank statement reflecting the \$130,000 wire transfer.” Is that accurate?

Mr. COHEN. That is accurate.

Ms. KELLY. Do you still have a copy of that bank statement?

Mr. COHEN. Yes. It’s actually made part of the exhibit.

Ms. KELLY. So you will provide it to the committee?

Mr. COHEN. Yes, ma’am.

Ms. KELLY. According to Federal prosecutors, executives at the company then, and I quote, “agreed to reimburse Cohen by adding \$130,000 and \$50,000, grossing up that amount to \$360,000 for tax purposes, and adding a \$60,000 bonus such that Cohen would be paid \$420,000 in total. Executives of the company decided to pay the \$420,000 in monthly installments at \$35,000 over the course of a year.” Is that accurate?

Mr. COHEN. That is accurate.

Ms. KELLY. What was the purpose of grossing up the amount, essentially doubling what you had paid to Ms. Clifford and others?

Mr. COHEN. Because if you pay \$130,000 and you live in New York where you have a 50 percent tax bracket, in order to get you 130 back, you have to have 260. Otherwise, if he gave me back 130, I would only — then I’d be out 65,000.

Ms. KELLY. What was the purpose of spreading the reimbursements to you over the 12 monthly installments?

Mr. COHEN. That was in order to hide what the payment was. I obviously wanted the money in one shot. I would have preferred it that way. But in order to be able to put it onto the books, Allen Weisselberg made the decision that it should be paid over the 12 months so that it would look like a retainer.

Ms. KELLY. And did Mr. Trump know about this reimbursement method?

Mr. COHEN. Oh, he knew about everything, yes.

Ms. KELLY. Well, thank you, Mr. Cohen.

So the President not only knew about the payments, he knew and helped to hide the payments and the reimbursements to you.

Mr. COHEN. We discussed it. Everything had to go through Mr. Trump, and it had to be approved by Mr. Trump.

Ms. KELLY. And now you’re going to prison and he’s——

Mr. COHEN. And I’m going to prison, yes, ma’am.

Ms. KELLY. I yield back.

Chairman CUMMINGS. Mr. Armstrong.

Mr. ARMSTRONG. Thank you, Mr. Chairman.

Ms. KELLY. Yes, I yield my time.

Mr. ARMSTRONG. Earlier you had said — I’m assuming New York a one-party consent state. One person can record the other one without it being illegal?

Mr. COHEN. Correct.

Mr. ARMSTRONG. But you also were a member of the New York Bar?

Mr. COHEN. I was, yes.

Mr. ARMSTRONG. How would you rate recording clients in the ethical realm of being a lawyer?

Mr. COHEN. It's not illegal, and I do——

Mr. ARMSTRONG. I'm not asking if it's illegal. I'm asking if it's ethical.

Mr. COHEN. I don't know.

Mr. ARMSTRONG. OK.

Mr. COHEN. That we'd have to leave to the judgment of the Bar Association.

Mr. ARMSTRONG. Well, I think every other lawyer in here knows exactly where it is on the ethical standard.

When you said you had 100 tapes, were any of those tapes of other clients?

Mr. COHEN. Yes.

Mr. ARMSTRONG. And I think this is pretty amazing. I really do. Did any of them waive privilege?

Mr. COHEN. No.

Mr. ARMSTRONG. So five minutes ago, in the middle of our hearing on oversight, you just immediately responded that you would hand over tapes to this committee without any of your previous clients' waiving privilege.

Mr. COHEN. I'm not the only one in possession of those documents. Those documents are in the hands of all——

Mr. ARMSTRONG. Whoever else is in charge of those documents is not my concern. My concern is, I know lawyers that would go to jail before they would violate attorney-client privilege. And in a matter of a second, you just said, absolutely, I will turn those over.

Mr. COHEN. I'm just trying to cooperate, sir.

Mr. ARMSTRONG. At the expense of clients who have never waived privilege.

Mr. COHEN. They're already in the hands, sir, of all of the agencies. I didn't ask people——

Mr. ARMSTRONG. What law enforcement determines to do with something and what you determine to do with something, the client privilege and attorney trust accounts are about the two most sacred things that you can ever do in your entire career as a lawyer.

Mr. COHEN. And, by the way, sir——

Mr. ARMSTRONG. And in a matter of a second you completely——

Mr. COHEN. And by the way, sir, and the tape with Mr. Trump, the reason that it is out there is because Rudy Giuliani waived the privilege.

Mr. ARMSTRONG. I'm not talking about Rudy Giuliani. I'm talking about you. I don't know who's on those tapes. Only you know who's on those tapes. There's 100 of them.

Mr. COHEN. The other one is also subject to an ongoing——

Mr. ARMSTRONG. My point is, within a matter of a second, one second, you took no, absolutely no calculation of your role as those clients' counselor, the role that plays in privacy, and in the role that plays in the solemn vow you took when you passed the bar, when you signed onto the bar, until recently were a member of the bar, and you just immediately said, if it helps me out today in front of TV, yes, absolutely, Mr. Chairman, you can have that. And that just goes into what we're going to talk about next briefly.

We talk about these indictments on tax fraud and bank fraud as if they are isolated incidents. But they're not isolated incidents of bad judgment. These were intricate, elaborate lies that created—that needed to be held with constant—I mean, just constant deceptions of banks, businesses, associates, accountants, potentially your family.

You received over 2.4 million in personal loans from taxi company—taxi medallion company one. And those were loan payments for a business loan, correct.

Mr. COHEN. No, sir.

Mr. ARMSTRONG. You weren't receiving——

Mr. COHEN. Those——

Mr. ARMSTRONG. OK. Go ahead.

Mr. COHEN. Those were payments that were made by the management company that was operating the medallions.

Mr. ARMSTRONG. To you.

Mr. COHEN. To me.

Mr. ARMSTRONG. So and you — those were deposited into your personal account or, in some instances, your wife's account.

Mr. COHEN. It was deposited into the joint checking account of my wife and I that's located at the base of the building that we reside in.

Mr. ARMSTRONG. And were those disclosed on your tax returns?

Mr. COHEN. They are not—they were not disclosed on my tax returns.

Mr. ARMSTRONG. And, in fact, when your accountant talked to you about those deposits, you told him you wouldn't pay for a memo that you didn't ask to be done?

Mr. COHEN. That's inaccurate.

Mr. ARMSTRONG. So the sentencing court in New York has it wrong?

Mr. COHEN. OK. I don't know what Mr. Getzel wrote, my accountant. There are a series of issues regarding his memo, anyway, including the fact that he's almost directed me in an earlier memo to commit fraud.

But putting all that aside with Jeff Getzel, the answer to that is I pled guilty. All right? And I made my mistake, and I'm going, as I've said 100 times now.

I'm not so sure why this singular attack on my taxes. If you want to look at them, I'm more than happy to show them to you. But every single word that's been written about me——

Mr. ARMSTRONG. If the chairman will give me 20 minutes, I've got plenty of other things to talk about.

Mr. COHEN. Every single word that's written about me is not 100 percent accurate.

Mr. ARMSTRONG. All right. I'm going to reclaim my time.

Mr. COHEN. And that's exactly why, when it comes to the credibility, why I asked Mr. Davis and Mr. Monaco to please let's figure out how to——

Mr. ARMSTRONG. But that's my point with the credibility. These aren't isolated—there are not isolated incidents of attack. These were constant deceptions, whether it's rolling over a \$20 million line of credit to a \$14 million credit, you went through great

lengths to conceal that from one bank while at the same time you are reducing your net income to another bank.

These aren't things that happened on January 1 of 1918, January 1 of 1917, January 1 of 1915. These are things that were constantly involved on a—my question is, was it exhausting keeping track of all the lies that you were telling all these people?

Chairman CUMMINGS. The gentleman's time has expired.

You may—

Mr. COHEN. I don't have an answer for him.

Chairman CUMMINGS. Very well.

Mr. DeSaulnier.

Mr. COHEN. Thank you for continuing the narrative.

Mr. DESAULNIER. Thank you, Mr. Chairman.

Mr. Cohen. Good luck on your road to redemption.

Mr. COHEN. Thank you. It's going to be a long way.

Mr. DESAULNIER. Well, the opposite of that is perdition, as I remember, and that's particularly hard on your children. So I wish you well and I wish your family well.

Mr. Cohen, as you've sort of described your road to here, Mr. Cooper asked you when the moment was, or moments, when you decided you needed to change. It strikes me there is a transition that you have illuminated here. Your period of time, the 10 years working for somebody who you admired as a developer. And then when Charlottesville happened and, quite frankly, when the special counsel called you in, obviously, was a key part of it, or you wouldn't be here.

But the in-between part I find really interesting and troubling, at least in terms of appearances and confidence that the American people would have in this institution and democracy, quite frankly.

So during that period of time, I want to ask you about two specific, if we have enough time.

First, the Trump Tower. So you were negotiating for this. As you said, it was to be the tallest building in Europe. In your guilty plea with the special counsel, you quote, say, it quotes, "Cohen asked Individual 1" — is that President Trump?

Mr. COHEN. Yes.

Mr. DESAULNIER. OK. "—about the possibility of President Trump traveling to Russia in connection with the Moscow project and asked a senior campaign official about potential business travel to Russia."

When did this conversation happen? Do you recall?

Mr. COHEN. Early on in the campaign.

Mr. DESAULNIER. And who was the campaign official?

Mr. COHEN. Corey Lewandowski.

Mr. DESAULNIER. What did you discuss in this meeting?

Mr. COHEN. The possibility of which dates that Mr. Trump would have availability if, in fact, that we were going to go over to Russia to take a look at the project. Unfortunately — I'm sorry, sir?

Mr. DESAULNIER. So go ahead. Sorry.

Mr. COHEN. Unfortunately, it never came to fruition because we were never successful in getting the first prong of what I needed, which was ownership or control over a piece of property. And until such time, there was no reason to come up with a date.

But when I first received the information request to go to Russia what I decided to do is I spoke to Mr. Trump about it. He told me to speak to Corey and see what dates might be available if I got the information I needed.

Mr. DESAULNIER. So it stopped because of appearances, or did it stop because the parties decided not to pursue it?

Mr. COHEN. I'm so sorry, I don't understand your question.

Mr. DESAULNIER. So why did the pursuit of the Trump Tower that Mr. Trump has now said, of course, he pursued it, because he thought he might be going back into the development business, why was the reason that the deal stopped?

Mr. COHEN. Because he won the Presidency.

Mr. DESAULNIER. OK. So in that interim period of time, you must admit it looks troubling that now that we know what foreign influence was attempting to do, whether there was collusion or not, it certainly appears troubling that you were — Mr. Trump was part of this negotiation at the same time, what we know, perhaps separately, that the Russians were engaged in our election.

Mr. COHEN. Well, I don't know about them being engaged in the election. I can only talk for myself. Here I would say to Mr. Trump, in response to his question, "What's going on with Russia?" is I'm still waiting for documents. And then that night at a rally, he would turn around and do his battle cry of no Russia, no collusion, no involvement, witch hunt.

Mr. DESAULNIER. OK. On a separate subject but somewhat related, on January 17 of this year The Wall Street Journal published a story stating that your hired John Gauger, the owner of a consulting company who works for Liberty University in Virginia, to rig at least two online polls related to Donald Trump.

Did you hire him?

Mr. COHEN. Those were back in, I believe, 2015?

Mr. DESAULNIER. 2014.

Mr. COHEN. 2014.

Mr. DESAULNIER. 2014. So you did hire him?

Mr. COHEN. Yes, I spoke with Mr. Gauger about manipulating these online polls.

Mr. DESAULNIER. And did he use bots to manipulate the poll?

Mr. COHEN. He used algorithms. And if that includes bots, then the answer is yes.

Mr. DESAULNIER. Yes, that's accurate.

Did the President have any involvement?

Mr. COHEN. Yes.

Mr. DESAULNIER. In directing you to do this?

Mr. COHEN. Yes.

Mr. DESAULNIER. What were the results of the poll?

Mr. COHEN. Exactly where we wanted them to be. In the CNBC poll we came in at No. 9. And the Drudge Report, he was top of the Drudge Report as well, poll.

Mr. DESAULNIER. OK.

Mr. COHEN. Please understand also, the CNBC poll, it was called The Contenders, and it was the top 250 people that they named. And it was supposed to be the top ten most influential people.

Mr. DESAULNIER. Let me just finish with earlier today you directed a comment to my colleagues, and I'm quoting, so correct me

if I got this wrong. You said: The more people who follow Mr. Trump, the more people will be where I am.

Is it your expectation that people in the administration will end up where you are?

Mr. COHEN. Sadly, if they follow blindly, like I have, I think the answer is yes.

Mr. DESAULNIER. Thank you.

Mr. CUMMINGS. The gentleman's time has expired.

Mr. Steube.

Mr. STEUBE. Thank you, Mr. Chairman.

When I ran for Congress I talked about how Washington was broken, but I certainly did not expect the level of political gamesmanship, partisanship, and sheer stagnation of policies that would improve the lives of Americans that I'm witnessing today.

It is terribly disappointing to me that this committee and its chairman chose to spend our time in questioning an individual that has zero probative value and zero credibility instead of spending our limited time focusing on improving the lives of Americans, creating jobs, or streamlining the functioning of our Federal Government.

Yet here we are taking testimony from a convicted liar, and not someone who has just lied to his clients or family or friends, but testimony from an individual who deliberately and premeditatedly lied to this body. He lied to Congress through false statements and written statements. He lied to Congress through his testimony. He then amplified his false statements by releasing and repeating his lies to the public, including the other potential witnesses.

Yet now we on this committee and the American people are expected to believe Mr. Cohen's testimony. I don't know a juror in America that would believe anything Mr. Cohen says given his past actions and lies.

Mr. Cohen, you stood before multiple congressional committees before today and raised your right hand and swore an oath to be honest. Is that correct?

Mr. COHEN. That is correct.

Mr. STEUBE. And you lied to those congressional committees. Is that correct?

Mr. COHEN. Previously?

Mr. STEUBE. Correct.

Mr. COHEN. Yes, sir.

Mr. STEUBE. You stated that Trump never directed you to lie to Congress. Is that correct?

Mr. COHEN. That's correct.

Mr. STEUBE. Therefore, you lied to Congress on your own accord and then admitted to lying to Congress, correct?

Mr. COHEN. I have already stated my piece on that. I knew what he wanted me to do. I was staying on party line.

Mr. STEUBE. But he never directed you to lie to Congress?

Mr. COHEN. He did not use those words, no.

Mr. STEUBE. In your evidence that you provided this committee a mere 2 hours before the hearing started were payments paid made to you by Mr. Trump, correct?

Mr. COHEN. Amongst other things, yes.

Mr. STEUBE. Yet other than your testimony here today there's absolutely no proof that those specific payments were for those specific purposes. Is that correct?

Mr. COHEN. It's my testimony that the check that I produced as part of this testimony, the \$35,000 and then the second check that's signed by Allen Weisselberg and Don Trump, Jr., were 2 checks out of the 11 that were meant for the reimbursement of the hush money payment to Stormy Daniels.

Mr. STEUBE. So in your testimony, on page 13, you claim, and I quote, "Mr. Trump directed me to use my own personal funds from a home equity line of credit to avoid any money being tracked back to him that could negatively impact his campaign." Do you have any proof of this direction?

Mr. COHEN. Just the payment, sir.

Mr. STEUBE. So no email?

Mr. COHEN. Mr. Trump doesn't have email.

Mr. STEUBE. So no recording?

Mr. COHEN. I do not have recordings, no.

Mr. STEUBE. No text message?

Mr. COHEN. Mr. Trump doesn't text message.

Mr. STEUBE. So no direction other than your testimony today that that's what the payment was for?

Mr. COHEN. And the fact that I paid on his behalf, at his direction, the money to Keith Davidson's IOLA account. You're right, there's no other documentation I have.

Mr. STEUBE. So nothing that you produced as part of your exhibits proved that President Trump directed you in any way to make that payment?

Mr. COHEN. I don't even know how to answer that, sir.

Mr. STEUBE. Well, it's pretty simple. There's nothing in the evidence that shows, in the exhibits that you provided today, that show that Trump directed you to make those payments.

Mr. COHEN. Other than the nondisclosure agreement that has been seized by government authorities and is widely shown. I don't believe there's anybody out there that believes that I just decided to pay \$130,000 on his behalf.

Mr. STEUBE. Well, you were his attorney for over 10 years.

Mr. COHEN. That doesn't mean that I'd pay \$130,00.

Mr. STEUBE. Well, it doesn't also mean that he wasn't paying you for representation of counsel.

Mr. COHEN. OK.

Mr. STEUBE. How did President Trump even know you had a HELOC?

Mr. COHEN. I'm so sorry, sir?

Mr. STEUBE. How did President Trump even know had you a HELOC?

Mr. COHEN. Because we discussed it. Because I told him the same thing, that I didn't want my wife to find out about it.

And one additional. Rudy Giuliani himself came out and expressed that Mr. Trump reimbursed me for the money that was spent to pay Stormy Daniels.

Mr. STEUBE. And did you tell Chris Cuomo that you had no access to Mr. Trump during October and November 2016?

Mr. COHEN. I'm sorry, I don't know what you're referring to.

Mr. STEUBE. Your interview with Chris Cuomo.

Mr. COHEN. I would need to see the document.

Mr. STEUBE. Did you also tell Chris Cuomo that you made these payments without telling Mr. Trump because you wanted to protect Mr. Trump?

Mr. COHEN. And I was protecting Mr. Trump.

Mr. STEUBE. And you told him that you made these payments without telling him?

Mr. COHEN. When I said that—if that's what I said to Chris Cuomo, yes, that was my line.

Mr. STEUBE. And if this unsupported claim was true then it would be part of an ongoing investigation as evidence of a crime and the Department of Justice would not let you discuss it during your testimony here today. Is that correct?

Mr. COHEN. I don't know.

Chairman CUMMINGS. The gentleman's time has expired.

Did you answer?

Mr. COHEN. Yes, I did want to say one last thing.

Not only did I lie to the American people, I lied to the First Lady, when the President called me and I was sitting in a car with a friend of mine and he had me speak to her and explain to the First Lady.

So the answer is you're not accurate, and I don't feel good about any of this, and this was not my intention.

Sorry.

Chairman CUMMINGS. Mrs. Lawrence.

Mrs. LAWRENCE. Thank you, Mr. Chairman.

I just want to put on the record, as being a Black American and having endured the public comments of racism from the sitting President, as being a Black person, I can only imagine what's being said in private. And to prop up one member of our entire race of Black people and say that that nullifies that is totally insulting. And in this environment of expecting a President to be inclusive and to look at his administration speaks volumes.

So I have some questions. I want to talk to you about this intimidation of witness. Mr. Cohen, you were initially scheduled to testify before the House Oversight Committee on February the 7th, but your legal team delayed your testimony, quoting ongoing threats against your family from the President and attorney Giuliani. Is that correct?

Mr. COHEN. Yes, ma'am.

Mrs. LAWRENCE. And then, on November 29, after you admitted that the President's negotiations over a real estate project in Russia continued well through the summer before the 2016 election, President Trump called you, quote, "a weak person" and accused you of lying.

And then, on December 16, 2018, after you disclosed that it was the President who directed you to arrange hush money payments to Stormy Daniels and Karen McDougal to conceal his extramarital affairs, he called you, the President of the United States, a rat.

Mr. Cohen, why do you feel or believe that the President is repeatedly attacking you? You are stating that you feel intimidated, asking us to protect you, following your cooperation with law enforcement.

Mr. COHEN. When you have access to 60-plus million people that follow you on social media and you have the ability within which to spark some action by individuals that follow him, and from his own words that he can walk down Fifth Avenue, shoot someone, and get away with it, it's never comfortable when the President of the United States—

Mrs. LAWRENCE. What do you think he can do to you?

Mr. COHEN. A lot. And it is not just him. It's those people that follow him and his rhetoric.

Mrs. LAWRENCE. What is a lot?

Mr. COHEN. I don't know. I don't walk with my wife if we go to a restaurant or we go somewhere, I don't walk with my children, I make them go before me, because I have fear. And it is the same fear that I had before when he initially decided to drop that tweet in my cell phone.

I receive some, and I'm sure you'll understand, I receive some tweets, I receive some Facebook Messenger, all sorts of social media attacks upon me, whether it's to private direct message, that I have had to turn over to Secret Service, because they are the most vile, disgusting statements that anyone can ever receive. And when it starts to affect your children, that's when it really affects you.

Mrs. LAWRENCE. On January 20, 2019, Mr. Giuliani called your father-in-law, quote, "a criminal" and said that he may have ties to organized crime.

Mr. Cohen, do you believe that the President and Mr. Giuliani publicly targeted your father-in-law as an effort to intimidate you? Can you elaborate, why is your father-in-law being pulled into this?

Mr. COHEN. I don't know the answer to that. My father-in-law was in the clothing business, came to this country because in 1972–73 the expulsion of Jews from the Ukraine. He came here to this country. He worked hard, and he is now enjoying his retirement.

Never in my life did I think that Mr. Trump would do something so disgraceful, and he is attacking him because he knows I care about my family. And to hurt me, he is trying to hurt them.

Interestingly enough, my father-in-law's biggest investments happen to be in a Trump property. So it just doesn't make any sense to me.

Mrs. LAWRENCE. I want to be clear, any efforts to prevent a witness from testifying in front of Congress is against the law. I want to be real clear about that. And as the chairman has said, retaliating against witnesses and threatening their family and members is a textbook mob tactic that does not benefit the President of the United States or this country.

And I want to be on the record, this hearing is not about discrediting the President. It is about the oath of office that we take as Members of Congress to have checks and balances and to meet the laws and the policies of this country to serve.

Thank you, and I yield back.

Chairman CUMMINGS. Mr. Roy.

Mr. ROY. Mr. Cohen, I, too, want to offer my heartfelt thoughts for your family and what they're going through. I know it's tough. And for your time here today. I know it's tough for you to stand here in front of this committee.

The chairman suggested you volunteered to come here. You testified that you were asked to come here. Is it correct you were asked to come here, yes or no?

Mr. COHEN. Yes.

Mr. ROY. The combined total of the crimes for which you were sentenced would bring a maximum of 70 years, yes or no?

Mr. COHEN. Yes.

Mr. ROY. Yet you are going to prison for three years, yes or no?

Mr. COHEN. Yes.

Mr. ROY. The prosecutors of the Southern District of New York say: To secure loans, Cohen falsely understated the amount of debt he was carrying and omitted information from his personal financial statements to induce a bank to lend on incomplete information. You told my colleague here today that you did not commit bank fraud.

Not parsing different statutes, which I understand could be only for clarify, are you or are you not guilty of making false statements to a financial institution, yes or no?

Mr. COHEN. Yes, I pled guilty.

Mr. ROY. You said clearly to Mr. Cloud and Mr. Jordan that the Southern District of New York lawyers were being untruthful in characterizing your desire to work in the administration. Do you say again that the lawyers of the Southern District of New York are being untruthful in making that characterization, yes or no?

Mr. COHEN. I'm saying that's not accurate.

Mr. ROY. OK. So you're saying they're being untruthful.

Mr. COHEN. I'm not using the word untruthful, that's yours. I'm saying that that's not accurate. I did not want a role or a title in the administration.

Mr. ROY. I'm sure the lawyers—

Mr. COHEN. I got the title that I wanted.

Mr. ROY. I'm sure the lawyers at the SDNY appreciate that distinction.

Question, you testified today you have never been to Prague and have never been to the Czech Republic. Do you stand behind that statement?

Mr. COHEN. Yes, I do.

Mr. ROY. I offer into the record an article in known conservative news magazine Mother Jones by David Corn in which he says he reviewed his notes from a phone call with Mr. Cohen, and Mr. Cohen said, quote, "I haven't been to Prague in 14 years. I was in Prague for one afternoon 14 years ago," end quote.

Question, you, as my friend Mr. Armstrong rightly inquired, offered to the committee taped information involving clients with the bat of an eye. Do you stand behind that, yes or no?

Mr. COHEN. I'm sorry, I don't understand. You said it so fast.

Mr. ROY. You, as my friend Mr. Armstrong rightly inquired, offered to this committee taped information involving your clients with the bat of an eye. Do you stand behind that offer?

Mr. COHEN. If the chairman asks me, I'll take it under advisement now, and it is not a problem in terms of attorney-client privilege, yes, I will turn it over.

Mr. ROY. You, as my friend Mr. Meadows pointed out, misled this committee even today in a written submission that contra-

dicted your testimony. You have suggested you are going to review that. Are you going to review it in our next break to correct the record, yes or no?

Mr. COHEN. Yes.

Mr. ROY. Question, you helped out the President's campaign or were involved in the campaign as a representative, as a spokesman, even in your words today. It was your idea for the campaign dating back to 2011. Is that accurate, yes or no?

Mr. COHEN. Yes.

Mr. ROY. 2011 is a year that sticks in my head, for it's the year my daughter was born, and it was the year I was diagnosed with cancer. I was not then pushing for Donald Trump to be President. I was fighting cancer.

Even in 2016, I was publicly backing a certain Republican from Texas. Some might guess who it was. But you, you were all in. And you either wanted Donald Trump to be your President because it would be good for the country or you did it for your own personal advancement or both. Sort of the two options.

Real Americans in my district and across the country wanted the President to be President not in any way because he's perfect, but rather because they are sick and tired of this hellhole. They supported the President because they are sick and tired of the games that we are seeing here today. They are sick and tired of politicians who refuse to secure the border, balance our budget, restore healthcare freedom, and then get the hell out of their way so they can lead their life. They are mystified that we amass about \$100 million of debt per hour, which means we have blown through \$300, \$400, \$450 million during this charade in amassing debt—\$450 million. They're sick and tired of a Democrat Party that willfully ignores cartel-driven asylum crisis on our border that endangers American citizens and the migrants who seek to come here.

Just yesterday in Eagle Pass, Texas, Border Patrol agents arrested an MS-13 gang member. In McAllen, Texas, Federal authorities are offering a reward for a man tied to Mexico's Gulf Cartel for his alleged roles in various murders, kidnappings, and home invasions in south Texas. A mass Honduran migrant rush at the Texas border forced brief closure of the Laredo port.

This is this week. This is what we're ignoring. This is not what we are doing for the American people while we engage in this charade. This is not what the American people send us here to do. This is an embarrassment for our country.

I talked to my beautiful wife back in Dripping Springs, Texas, just before the hearing. I said, "Don't bother watching." She said, as I roughly expected, "Don't worry, I won't. I have more important things to do." And she, like the rest of the American people, have a hell of a lot more important things to do than to watch this. I said, "Amen, darling."

I can't help but think that that is what the majority of the American people are thinking while watching this unbelievable circus.

I yield back.

Chairman CUMMINGS. Ms. Plaskett.

Ms. PLASKETT. Thank you, Mr. Chairman.

I have got a lot to do, as well. I have got houses and schools to help rebuild in the Virgin Islands, expansion of voting rights, edu-

cational opportunities, criminal justice reform. Thank God the Democratic majority can walk and chew gum at the same time. So we're here with you right now.

Mr. COHEN, you learned well in the 10 years that you worked with Donald Trump. What was your position with the GOP in the — up to eight months ago?

Mr. COHEN. I was vice chair of the RNC Finance Committee.

Ms. PLASKETT. You were vice chair of finance of the Republican National Committee, right?

Mr. COHEN. Correct.

Ms. PLASKETT. OK.

Mr. COHEN. I do want to say, I was a Democrat until Steve Wynn found out I was a Democrat and made me switch parties.

Ms. PLASKETT. That would be the smart thing to do.

Mr. COHEN. He said it wasn't right for a Democrat to be the vice chair.

Ms. PLASKETT. Good. Let's get to—I only have a little bit of time.

On behalf of the many Members here who have expressed to your family our apologies to your family, but I want to apologize for the inappropriate comments and tweets that have been made by other Members of this body. And as a former prosecutor and as former counsel on House Ethics, I think that at the very least there should be a referral to the Ethics Committee of witness intimidation or tampering under U.S.C. 1512 of my colleague Matt Gaetz, and it may be possibly him being referred for a criminal prosecution. So I want to put that on the record.

On May 2, 2018, the President's personal attorney, Rudy Giuliani, who was his personal attorney like you, appeared on FOX News and referred to the President's reimbursement to you for the \$130,000 payment for Stephanie Clifford as part of a retainer.

And on May 3, 2018, one day after Mr. Giuliani's appearance, the President tweeted, and I quote, "Mr. Cohen, an attorney, received a monthly retainer not from the campaign and having nothing to do with the campaign, from which he entered into through reimbursement a private contract between two parties known as a non-disclosure agreement or NDA."

The Office of Government Ethics, which is the agency which the Federal Government with responsibility over what the President needs to report publicly about his assets, was puzzled by this, it seems, and they were skeptical that a retainer was actually in place and asked to see the retainer agreement on call of May 8 with the President.

The President's personal counsel, Sheri Dillon, replied that she would, and I quote, "not permit OGE staff to read the agreement because it is privileged." Ms. Dillon would not even let OGE staff come to her office to review the retainer agreement.

Mr. Cohen, in a court filing made in August of last year Federal prosecutors stated that, quote, "In truth and in fact, there was no such retainer agreement." Mr. Cohen, did you ever have a retainer agreement in place with the President for the payment to Ms. Clifford?

Mr. COHEN. No.

Ms. PLASKETT. So was Mr. Giuliani's statement inaccurate?

Mr. COHEN. Yes.

Ms. PLASKETT. Was Ms. Dillon's statement about the retainer agreement inaccurate?

Mr. COHEN. I'm sorry, Ms. Dillon's statement is?

Ms. PLASKETT. About the retainer agreement, is it inaccurate?

Mr. COHEN. And her statement is what?

Ms. PLASKETT. And her statement to them was, quote, "not to permit OGE staff to read the agreement because it is privileged."

Mr. COHEN. There was no agreement.

Ms. PLASKETT. And is the President's tweet or his statement accurate?

Mr. COHEN. And I'm sorry, one more time?

Ms. PLASKETT. And his statement was, Mr. Cohen, an attorney, received a monthly retainer not from the campaign and having nothing to do with the campaign from which he entered into through a reimbursement.

Mr. COHEN. That's not accurate.

Ms. PLASKETT. You have mentioned some individuals to my colleague from New York, Mr. Connolly, and also in your testimony about Mr. Weisselberg and other individuals, Ms. Rhona. Who are those individuals? Are they with The Trump Organization?

Mr. COHEN. They are.

Ms. PLASKETT. Are there other people that we should be meeting with?

Mr. COHEN. So Allen Weisselberg is the chief financial officer in The Trump Organization.

Ms. PLASKETT. You've got to quickly give us as many names as we can so we can get to them.

Mr. COHEN. Yes, ma'am.

Ms. PLASKETT. Is Ms. Rhona, what is Ms. Rhona's—

Mr. COHEN. Rhona Graff is the—Mr. Trump's executive assistant.

Ms. PLASKETT. And would she be able to corroborate many of the statements that you have made here?

Mr. COHEN. Yes. She was—her office is directly next to his, and she's involved in a lot that went on.

Ms. PLASKETT. OK. Mr. Cohen, when the President's lawyers were having the discussions with the Office of Government Ethics in 2018 did they reach out to you to talk with you about these payments?

Mr. COHEN. No, ma'am.

Ms. PLASKETT. And what did you—did you share anything with them otherwise in any other conversation?

Mr. COHEN. I do not recall, no.

Ms. PLASKETT. Can the committee obtain more information about these facts by obtaining testimony and documents from the White House, The Trump Organization, and the President's attorneys?

Mr. COHEN. I believe so.

Ms. PLASKETT. Mr. Chair, I think that those are the individuals that we should be speaking with. And I yield back at this time.

Chairman CUMMINGS. The committee will now stand in recess again. We will come back — listen up — 35 minutes, 35 minutes after the last vote begins.

So for Mr. Cohen, Mr. Cohen, we are talking about probably about an hour or so.

Mr. COHEN. Thank you so much.

[Recess.]

Chairman CUMMINGS. Ladies and gentlemen, we will come to order.

Mr. Cohen, I want to finalize this issue relating to your truth in testimony form. The form requires you to list your contracts or payments originating from a foreign government, not from all foreign entities.

We said we would give you a chance to consult with your attorneys. Have you done that, and do you have any additional information?

Mr. COHEN. So my four attorneys continue to believe, as they did before, that the language of the truth in testimony form, which I was given and signed just right before this hearing and which requires disclosure of any contracts or payments from foreign governments in the last two years, did not apply to my work for BTA Bank, which is a Kazakh-owned entity.

They advised that had entities been intended for disclosure that word would have been in the disclosure definition. However, if the committee's counsel has a different view, that I should disclose my contract with BTA Bank, we'd be willing to do that.

Chairman CUMMINGS. All right. Now——

Mr. MEADOWS. Mr. Chairman?

Chairman CUMMINGS. Let me finish.

Mr. MEADOWS. Sure.

Chairman CUMMINGS. I want to understand clearly. You sought the advice of your counsel. Is that right?

Mr. COHEN. That's correct.

Chairman CUMMINGS. And your counsel advised you to say what you just said. Is that right?

Mr. COHEN. That's correct.

Chairman CUMMINGS. And you know that to be the truth. Is that right?

Mr. COHEN. Yes, sir.

Chairman CUMMINGS. I will yield to the gentleman from North Carolina.

Mr. MEADOWS. I thank the chairman for his courtesy.

Mr. Chairman, instead of making points of order and going back and forth on this, perhaps a way to solve this is for the chairman to request Mr. Cohen give to this committee all the foreign payments that he has received over the last two years, whether they're an entity or a government. Because we have a strong belief, Mr. Chairman, there's over \$900,000 that came from the Government of Kazakhstan on behalf of Mr. Cohen, and it is either the truth, the whole truth, or nothing but the truth.

And the rules, Mr. Chairman, really look at foreign payments that come from or with foreign governments. And the bank he is talking about is owned 81 percent by the Kazakhstan Government.

Chairman CUMMINGS. Reclaiming my time, reclaiming my time, and then we're going to move on.

What I will take — first of all, let me be clear, I said to Mr. Cohen that if he came in here and lied I would nail him to the cross.

Didn't I, did I tell you that?

Mr. COHEN. Yes, you did more than once.

Chairman CUMMINGS. All right. So if there's any ambiguity I want that to be cleared up.

I have no problem in working with you to make sure that's straightened out, because I don't want it to be a thing where he thinks one thing, we think one thing. And we can clear that up, all right?

All right. We have a number of members that have been waiting.

Mr. JORDAN. But just on that subject — thank you, Mr. Chairman.

Chairman CUMMINGS. I yield.

Mr. JORDAN. I don't think we should limit to just it the BTA Bank which has the affiliation with Kazakhstan. I think we should also look at Korea Aerospace Industries, one of his other clients, and any other client that's foreign that may have some connection to that respective country's government. I hope him and his attorneys look at all those and we get the form exactly right as Mr. Meadows wants.

Chairman CUMMINGS. Reclaiming my time. We will take that certainly under advisement. I am a man of my word. We will do—we will work with you and see what we can do to come up with that. I don't think that it's an unreasonable request.

Mr. Khanna. Hello? Mr. Khanna.

Mr. KHANNA. Yes.

Mr. Cohen, I want to focus my questions on the smoking gun document you have provided this committee. This document is compelling evidence of Federal and State crimes, including financial fraud.

You provided this committee with a check from President Donald J. Trump's revocable trust account, which is marked as exhibit 5B. It is a check for \$35,000, and it is dated March 17, 2017, after the President took office. It is right now on the screen. Do you see it, sir?

Mr. COHEN. Yes, sir.

Mr. KHANNA. To be clear, the Trump revocable trust is the trust the President set up to hold his assets after he became President. Is that correct?

Mr. COHEN. I believe so.

Mr. KHANNA. Do you know why you were paid from the trust as opposed to the President's personal account?

Mr. COHEN. I don't know the answer to that.

Mr. KHANNA. Did you think it was odd that he paid you once from his personal account and then he's paying you through the scheme of a trust?

Mr. COHEN. I'll be honest, I was just happy to get the check.

Mr. KHANNA. Today you testified that the check was signed by Donald Trump, Jr., and The Trump Organization CFO, Allen Weisselberg. Is that correct?

Mr. COHEN. That is correct.

Mr. KHANNA. According to the criminal charges against you, you sent monthly invoices containing false information to an individual identified as executive one. Weisselberg is Executive 1, correct?

Mr. COHEN. Yes.

Mr. KHANNA. The criminal charge against you then states that Executive 1 forwarded your invoice to someone referred to as Executive 2. Presumably Donald Trump, Jr., who is signing this check, is Executive 2, correct?

Mr. COHEN. I believe so.

Mr. KHANNA. As Federal prosecutors laid out in their criminal charges, payments like this check resulted in numerous false statements in the books and records of The Trump Organization. And it's important for the American public to understand there's nothing to do with collusion, this is financial fraud, garden variety financial fraud. It was disguised as a payment for legal services to you, but this was not a payment for legal services, was it, Mr. Cohen?

Mr. COHEN. No, sir.

Mr. KHANNA. It could give rise to serious State and Federal criminal liability if a corporation is cooking its books.

Based on your testimony today, Donald Trump, Jr., and Allen Weisselberg directed this payment to you and approved this payment. Is that right?

Mr. COHEN. Mr. Trump initially acknowledged the obligation, the debt. Myself and Allen Weisselberg went back to his office, and I was instructed by Allen at the time that we were going to do this over 12 installments. And what he decided to do then was to have me send an invoice, in which case they can have a check cut. And then, yes, the answer would be yes to your followup.

Mr. KHANNA. And Donald Trump, Jr., obviously signed off on this?

Mr. COHEN. Yes. Well, it would either be Eric Trump, Donald Trump, Jr., and/or Allen Weisselberg, but always Allen Weisselberg on the check.

Mr. KHANNA. And you think Executive 2 is Donald Trump, Jr.?

Mr. COHEN. Yes.

Mr. KHANNA. They knew that this payment was false and illegal, correct?

Mr. COHEN. I can't make that conclusion.

Mr. KHANNA. You told Representative Kelly that the President was aware of this scheme. Is that correct?

Mr. COHEN. That's correct.

Mr. KHANNA. I just want the American public to understand the explosive nature of your testimony and this document. Are you telling us, Mr. Cohen, that the President directed transpection in conspiracy with Allen Weisselberg and his son, Donald Trump, Jr., as part of a civil — criminal — as part of a criminal conspiracy of financial fraud? Is that your testimony today?

Mr. COHEN. Yes.

Mr. KHANNA. And do you know if this criminal financial scheme that the President, Allen Weisselberg, and Donald Trump, Jr., are involved in is being investigated by the Southern District of New York?

Mr. COHEN. I'd rather not discuss that question because it could be part of an investigation that's currently ongoing.

Mr. KHANNA. But I just want the American public to understand that solely apart from Bob Mueller's investigation there is garden variety financial fraud, and your allegation and the explosive smok-

ing gun document suggests that the President, his son, and his CFO may be involved in a criminal conspiracy. And isn't it true, Mr. Cohen, that this criminal conspiracy that involves four people, that there's only one person so far who has suffered the repercussions, and that's why you're in jail?

Mr. COHEN. Will be going to jail, yes.

Mr. KHANNA. There are three other people, though, who were equally involved in this conspiracy.

Mr. COHEN. Yes.

Mr. KHANNA. Is that true?

Mr. COHEN. It is true.

Mr. KHANNA. Thank you, Mr. Cohen.

I yield back my time.

Chairman CUMMINGS. Thank you very much.

Mr. Gomez.

Mr. GOMEZ. Thank you, Mr. Chair.

Mr. Cohen, I'm going to tackle the President's tax returns.

During the 2016 campaign you said you personally wouldn't, quote, "allow him to release those returns until the audits are over," unquote.

For the record, nothing prevents individuals from sharing their own tax returns even while under audit by the IRS. Mr. Cohen, do you know whether President Trump's tax returns were really under audit by the IRS in 2016?

Mr. COHEN. I don't know the answer. I asked for a copy of the audit so that I could use it in terms of my statements to the press, and I was never able to obtain one.

Mr. GOMEZ. OK. So do you have any inside knowledge about what was in the President's tax returns that he refused to release?

Mr. COHEN. I do not.

Mr. GOMEZ. Can you give us any insight into what the real reason is that the President has refused to release his tax returns?

Mr. COHEN. The statements that he had said to me is that what he didn't want was to have an entire group of think tanks that are tax experts run through his tax return and start ripping it to pieces and then he'll end up in an audit and he'll ultimately have taxable consequences, penalties, and so on.

Mr. GOMEZ. So that's an interesting point, that basically he said he didn't want to release his tax returns because he might end up in an audit. So could you presume from that statement that he wasn't under audit?

Mr. COHEN. I presume that he is not under audit.

Mr. GOMEZ. And the reason why I bring this up, because I'm also the only Democrat on this committee that also serves on the Committee of Ways and Means. That's the chief tax-writing committee in the House of Representatives, and it is the only committee in the House of Representatives that has jurisdiction to request an American's tax return, and that includes the President of the United States.

My constituents need to know whether the President has financial ties that are causing him to protect his own bottom line rather than the best interests of this country. Can he be blackmailed because of his financial and business ventures, including by a foreign government?

And I know the opposition, the first thing they're going to ask or say is that he released his financial disclosure form. But I believe that there's other things we can learn from his taxes.

Do you have any idea what we can learn in his tax returns if we actually—we got our hands on them?

Mr. COHEN. No, I have actually—I have seen them, I just have never gone through them. They're quite long.

Mr. GOMEZ. Quite long.

One of the things I also find ironic is the way they're kind of attacking you is to undermine your credibility is—one of the ways—is by saying that you committed bank fraud and tax evasion. And the reason why it is a big deal is that it really goes down to a person's character when it comes to taxes. But yet, the Republican minority has never asked to see his taxes, right? Something that for 40 years, Democrats and Republicans alike, have released their tax returns to prove to the American people that they didn't have financial interests that would be leverageable by a foreign government, but this minority refuses to ask for his tax returns.

I also want to kind of go on. I'm noticing a pattern, I'm noticing a pattern about the President and those in his inner circle. Special Counsel Robert Mueller's team has indicted or received guilty pleas from 34 people and three companies that we know of, the latest being long-term Trump adviser Roger Stone. That group includes six former Trump advisers.

It appears that the President has a fondness for entrusting those who will, one, lie for him, two, break the law for him, three, cheat the system for him. Essentially he wants to surround himself with people who are just like him. Would you agree with that statement?

Mr. COHEN. From the facts and circumstances, it appears so.

Mr. GOMEZ. Mr. Cohen, the American people have a lot of questions when it comes to this President and his conduct, when he went to Helsinki and he bowed before Vladimir Putin, and nobody can really understand why he acts the way he acts. And we believe that the way we get those answers is really looking at everybody that surrounds him, who he has been associated with, and his tax returns, because that is the only way that we can get down to the bottom line.

Thank you, and I yield back.

Chairman CUMMINGS. Thank you.

Mr. MEADOWS. Mr. Chairman? Mr. Chairman, I have a unanimous consent request.

Chairman CUMMINGS. All right. Go ahead.

Mr. MEADOWS. I ask unanimous consent that we read into—or for the record a tweet from Dr. Darrell Scott, which says, “Michael Cohen asked, no, begged me repeatedly, to ask POTUS to give him a job in the administration. He is still lying under oath.” I ask unanimous consent.

Chairman CUMMINGS. Without objection.

[The information referred to follows:]

154



Dr. Darrell Scott ✓

@PastorDScott

Follow



Michael Cohen asked...no, BEGGED me
REPEATEDLY, to ask the POTUS to give him a
job in the Administration! He's STILL lying
under oath!

12:44 PM - 27 Feb 2019

95 Retweets 164 Likes



Mr. MEADOWS. I have one more from Bo Dietl: "Getting sick watching these hearings. I know Michael Cohen personally for many years and he told me several times that he was very angry and upset that he didn't get a post in the White House and that he," quote, "would do what he has to do now to protect his family," close quote. I ask that be——

Chairman CUMMINGS. Without objection.

[The information referred to follows:]

**Bo Dietl** 

@BoDietl

Follow



Getting sick watching these hearings. I know Michael Cohen personally for many years and he told me several times that he was very angry and upset that he didn't get a post in the WH and that he "would do what he has to do now to protect his family " @seanhannity @potus

8:13 AM - 27 Feb 2019

Mr. JORDAN. Mr. Chairman?

Mr. MEADOWS. I thank you.

Mr. JORDAN. Mr. Chairman, two quick ones.

Chairman CUMMINGS. And then, if we have got other ones, we're going to do you, Mr. Ranking Member, and then we'll do the other ones they send, because I have things, too, that I want to get in.

Mr. JORDAN. I ask unanimous consent that an article in Salon magazines written by Stanley Brand, former House counsel to Tip O'Neill, title of the article is, "Oversight committee session with Michael Cohen looks like an illegitimate show hearing."

Chairman CUMMINGS. Without objection, so ordered.

[The article referenced above is available at: <https://theconversation.com/oversight-committee-session-with-michael-cohen-looks-like-an-illegitimate-show-hearing-112253> , reprinted in *Salon Magazine*]

Mr. JORDAN. I ask unanimous consent that a letter that Mr. Meadows and I sent to you, the chairman, requesting that you call Deputy Attorney General Rod Rosenstein to testify at this hearing also be part of the record. Thank you, Mr. Chairman.

Chairman CUMMINGS. It is part of the record.

[The information referred to follows:]

ELIJAH E. CUMMINGS, MARYLAND
CHAIRMAN

ONE HUNDRED SIXTEENTH CONGRESS

JIM JORDAN, OHIO
RANKING MINORITY MEMBER

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225-5051
MINORITY (202) 225-5074
<http://oversight.house.gov>

February 25, 2019

The Honorable Elijah E. Cummings
Chairman
Committee on Oversight and Reform
2157 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

We renew our request that you call Deputy Attorney General Rod Rosenstein to publicly testify before our Committee, and recommend he appears alongside Michael Cohen on Wednesday, February 27, 2019. Cohen has pleaded guilty to crimes of deception and lies, including lying to Congress.¹ In Cohen's sentencing proceeding, two Justice Department components—the U.S. Attorney's Office for the Southern District of New York and the Special Counsel's Office—provided information about the Department's views of Cohen's crimes and conduct. As the Deputy Attorney General, with direct supervision of these entities, only Rosenstein can speak to the views of both Department components.

Rosenstein's appearance would also allow the Committee to continue its ongoing oversight of the Department of Justice. During our joint investigation with the House Judiciary Committee, former FBI general counsel James Baker testified that between May 9 and May 17, 2017, Rosenstein organized a series of meetings with Department officials, including former FBI Deputy Director Andrew McCabe, to strategize methods to get back at the President for firing FBI Director James Comey.² Rosenstein and others contemplated a range of ideas, from Rosenstein wearing a wire to secretly record the President to Rosenstein recruiting cabinet

¹ Press Release, Dep't of Justice, Michael Cohen Sentenced to 3 Years in Prison (Dec. 12, 2018), <https://www.justice.gov/usao-sdny/pr/michael-cohen-sentenced-3-years-prison>.

² See Transcribed Interview of James Baker 7 Day 2, Oct. 18, 2018 (Mr. Baker). I believe there were a couple of different meetings, and they -- I believe there were a couple of different meetings, and each time, I think, it was the day after because I believe the meetings went late into the evening. That's to the best of my recollection. Mr. Jordan. Okay. And is it your understanding that there were multiple meetings that Mr. McCabe, Ms. Page, Mr. Rosenstein had about the potential of recording the President? Mr. Baker. I don't know. I know that they had multiple meetings with the Deputy Attorney General discussing a lot of things in the immediate aftermath of the firing, and I don't specifically remember how many times this was discussed. Mr. Jordan. So, just to be clear, the firing of Mr. Comey took place on May 9th, and then the hiring of the special counsel took place on May 17th. So these numerous meetings and the one you had with Mr. McCabe and Ms. Page took place between the 9th and the 17th? Mr. Baker. I believe that's correct. Id. at 11 (Mr. Baker): "...And then there are these -- some number of conversations with the Deputy Attorney General about what to do next, what needs to be done, and my recollection is numerous topics were discussed, and these were among them. The wearing the wire and the 25th Amendment were one of a list, one or two of a list of things that we were going -- that people were going through to try to figure out what to do...").

The Honorable Elijah E. Cummings
 February 25, 2019
 Page 2


members to invoke the 25th Amendment.³ McCabe, a participant in some of the Rosenstein meetings, is now relating these facts publicly to promote his book.⁴ Rosenstein has disputed McCabe's account.⁵

If you intend to proceed with Michael Cohen as the star witness of the Committee's first big hearing, Members should have an opportunity to assess his credibility. We have asked several times that you request information and documents from the Justice Department about Cohen and his crimes. You have refused to do so. The next best alternative, if the Committee is to have a fair and thorough hearing, is to have a Justice Department witness to speak to these matters. By virtue of his position, Rosenstein is the appropriate witness for this task. We therefore strongly urge you to invite Rosenstein to the Committee's hearing on February 27, 2019. We appreciate your consideration of this request and look forward to hearing from you.

Sincerely,



Jim Jordan
 Ranking Member



Mark Meadows
 Ranking Member
 Subcommittee on Government Operations

³ Transcribed Interview of James Baker 137 Day 1, Oct. 3, 2018 (Baker: "...It was I believe to the best of my recollection it was some combination of them that they told me that there had been a conversation with the DAG about the idea of the DAG wearing a wire into a conversation or conversations with the President."); *Id.* at 143 (Baker: "...The 25th Amendment conversation, my understanding was that there was a conversation in which it was said I believe by the DAG that there were -- that there were two members of the cabinet who were willing to go down this road already..."); U.S. CONST. AMEND. XXV, § 4.

⁴ *McCabe Says He Ordered the Obstruction of Justice Probe of President Trump*, 60 MINUTES (Feb. 14, 2019), <https://www.cbsnews.com/news/andrew-mccabe-says-he-ordered-the-obstruction-of-justice-case-of-president-trump-60-minutes/>.

⁵ Daniel Chaitin, *DOJ Rebuffs Andrew McCabe: Claim that Rod Rosenstein Sought to Oust Trump 'Inaccurate and Factually Incorrect'*, WASH. EXAMINER (Feb. 14, 2019).

Mr. COHEN. Mr. Chairman, can I respond?

Chairman CUMMINGS. Just one second, all right?

The article that Mr. Brand, I just want to deal with this one right away. When we saw that article, Mr. Ranking Member, we knew that it was inaccurate. I mean, just on basics, I mean, that the case is that Mr. Brand's views are definitely distinguishable for what's going on here.

And so we got Irvin B. Nathan, former general counsel of the House from 2007 to 2010, and he says in short, the committee has ample jurisdiction and responsibility to hear and consider the upcoming voluntary testimony of Mr. Cohen. That's dated February 25, 2019.

And I want to enter that into the record. Without objection, so ordered. Where are we?

Ms. Ocasio-Cortez.

Ms. OCASIO-CORTEZ. Thank you, Mr. Chair.

Mr. Cohen, I would like to quickly pick up on some previous lines of questioning before getting into my own. So I may go a little quickly to get it all in in five minutes.

First, my colleague from Vermont had asked you several questions about AMI, the parent company of the National Enquirer, and in that you mentioned a treasure trove, a, quote, treasurer trove of documents in David Pecker's office relating to information assembled from all these catch and kill operations against people who potentially had damaging information on the President. You also mentioned that the President was very concerned about the whereabouts of these documents and who possessed them.

Does that treasure trove of documents still exist?

Mr. COHEN. I don't know. I had asked David Pecker for them.

Ms. OCASIO-CORTEZ. So you would say the person who knows the whereabouts of these documents would be David Pecker?

Mr. COHEN. David Pecker, Barry Levine, or Dylan Howard.

Ms. OCASIO-CORTEZ. OK. Thank you.

Second, I want to ask a little bit about your conversation with my colleague from Missouri about asset inflation. To your knowledge, did the President ever provide inflated assets to an insurance company?

Mr. COHEN. Yes.

Ms. OCASIO-CORTEZ. Who else knows that the President did this?

Mr. COHEN. Allen Weisselberg, Ron Lieberman, and Matthew Calamari.

Ms. OCASIO-CORTEZ. And where would the committee find more information on this? Do you think we need to review his financial statements and his tax returns in order to compare them?

Mr. COHEN. Yes, and you would find it at The Trump Org.

Ms. OCASIO-CORTEZ. Thank you very much.

The last thing here. The Trump Golf organization currently has a golf course in my home borough of the Bronx, Trump Links. I drive past it every day going between The Bronx and Queens. In fact, The Washington Post reported on the Trump Links Bronx course in an article entitled "Taxpayers Built This New York Golf Course and Trump Reaps the Rewards."

That article is where many New Yorkers and people in the country learned that taxpayers spent \$127 million to build Trump Links

in a, quote, “generous deal allowing President Trump to keep almost every dollar that flows in on a golf course built with public funds.” And this doesn’t seem to be the only time the President has benefited at the expense of the public.

Mr. Cohen, I want to ask you about your assertion that the President may have improperly devalued his assets to avoid paying taxes. According to an August 21, 2016, report by The Washington Post, while the President claimed in financial disclosure forms that Trump National Golf Club in Jupiter, Florida, was worth more than \$50 million, he had reported otherwise to local tax authorities that the course was worth, quote, “no more than \$5 million.”

Mr. Cohen, do you know whether this specific report is accurate?

Mr. COHEN. It’s identical to what he did at Trump National Golf Club at Briar Cliff Manor.

Ms. Ocasio-Cortez. To your knowledge, was the President interested in reducing his local real estate bills, tax bills?

Mr. COHEN. Yes.

Ms. OCASIO-CORTEZ. And how did he do that?

Mr. COHEN. What you do is you deflate the value of the asset, and then you put in a request to the tax department for a deduction.

Ms. OCASIO-CORTEZ. Thank you.

Now, in October 2018, The New York Times revealed that, quote, “President Trump participated in dubious tax schemes during the 1990’s, including instances of outright fraud that greatly increased the fortune he received from his parents.” It further stated for Mr. Trump, quote, “He also helped formulate a strategy to undervalue his parents’ real estate holdings by hundreds of millions of dollars on tax returns, sharply reducing his tax bill when those properties were transferred to him and his siblings.”

Mr. Cohen, do you know whether that specific report is accurate?

Mr. COHEN. I don’t. I wasn’t there in the 1990’s.

Ms. OCASIO-CORTEZ. Who would know the answer to those questions?

Mr. COHEN. Allen Weisselberg.

Ms. OCASIO-CORTEZ. And would it help for the committee to obtain Federal and State tax returns from the President and his company to address that discrepancy?

Mr. COHEN. I believe so.

Ms. OCASIO-CORTEZ. Thank you very much. I yield the rest of my time to the chair.

Chairman CUMMINGS. Ms. Pressley.

Ms. PRESSLEY. Thank you, Mr. Chairman.

One more time, Mr. Chairman, I just want to thank you for your leadership and the way in which you comport yourself. And I know there are some that would have you believe that the more you say something the more true it is, but, in fact, this committee, thanks to your leadership and our Democratic majority, has been doing the work of the American people. Before this committee alone we looked at the issue of making election day a Federal holiday, reducing drug pricing, and pursued subpoenas to reunite families, and just recently, before we returned here, tried to pass a universal background check gun bill.

So we are doing the business of the American people, including today. It has been said that the best sunlight—sunlight is said to be the best of disinfectants. Electric light is the most efficient policeman. Well, let there be light, because the point of oversight is for us to pursue the trust, to pursue the truth and justice for the American people, to understand if lies, deceit, and corruption are threatening American democracy and indeed our safety.

Mr. Chairman, charities should not be abused as personal piggy banks. It is both against the law and extremely unfair to charities that play by the rules. A line of questioning that we have not yet addressed and have been glaringly absent in tackling is that of the abuses of the Trump Foundation.

Now, the President's charitable foundation agreed to dissolve in response to an ongoing investigation and lawsuit by the New York attorney general. The New York attorney general found what it called, quote, "clear and repeated violations of State and Federal law, including, quote, repeated and willful self-dealing by the Trump administration"—my apologies, by the foundation.

If I understand your opening statement correctly, in mid-2013 you arranged for a straw purchaser to bid \$60,000 for a portrait of Mr. Trump painted by the artist William Quigley at a charity auction. Is that correct?

Mr. COHEN. That's correct.

Ms. PRESSLEY. Why would the President want to bid up the price of something that he was ultimately paying for?

Mr. COHEN. It was all about ego.

Ms. PRESSLEY. How was it paid for?

Mr. COHEN. I believe it was paid for by a check from the trust.

Ms. PRESSLEY. An abuse. And again, you know, this is not a partisan pursuit here. I think ultimately what we're demonstrating is patriotism. This is about what is right and just for the American people.

Did the straw purchaser purchase the painting and then the foundation funds reimbursed the straw purchaser? Can you explain the mechanics of that payment?

Mr. COHEN. I'm not involved with the foundation.

Ms. PRESSLEY. OK. Did the President know what was happening?

Mr. COHEN. Oh, yes.

Ms. PRESSLEY. And how did you know he knew what was happening?

Mr. COHEN. Because he tasked me to find the straw bidder to ensure that his painting, which was going last in the auction, would go for the highest amount of any of the paintings that had been put on the auction block for the day.

Ms. PRESSLEY. And what happened to the painting?

Mr. COHEN. I believe it's in one of the clubs.

Ms. PRESSLEY. Okay.

According to the New York attorney general, in March 2014 Mr. Trump again used the foundation to pay \$10,000 for the winning bid on another portrait of Mr. Trump that ended up as decor in one of his golf courses in Miami.

Mr. Cohen, are you familiar with that transaction?

Mr. COHEN. Yes.

Ms. PRESSLEY. Are you aware of any other instances where the Trump Foundation was used to benefit the Trump family?

Mr. COHEN. Yes.

Ms. PRESSLEY. Could you elaborate?

Mr. COHEN. So there was a contract that I ended up creating on Mr. Trump's behalf for a Ukrainian oligarch by the name of Victor Pinchuk, and it was that Mr. Trump was asked to come and to participate in what was the Ukrainian-American economic forum.

Unfortunately, he wasn't able to go, but I was able to negotiate 15 minutes by Skype where they would have a camera, very much like the television camera, very much like that one, and they would translate Mr. Trump to the questioner and then he would respond back.

And I negotiated a fee of \$150,000 for 15 minutes. I was directed by Mr. Trump to have the contract done in the name of the Donald J. Trump Foundation, as opposed to Donald J. Trump for services rendered.

Ms. PRESSLEY. Thank you.

Any other abuses of the foundation that you would like to share? Again, it is against the law and again extremely unfair to charities that are playing by the rules.

Mr. COHEN. Not at this time, but if I think of one I'll pass it along.

Ms. PRESSLEY. OK. And then for the balance of my time, would you agree that someone could deny rental units to African Americans, lead the birther movement, refer to the diaspora as shithole countries, and refer to White supremacists as fine people, have a Black friend, and still be racist?

Mr. COHEN. Yes.

Ms. PRESSLEY. I agree.

Chairman CUMMINGS. The gentlelady's time has expired. You may answer the question.

Mr. COHEN. I did. Yes.

Mr. MEADOWS. Mr. Chairman, I have two unanimous consent. Since we're finishing up, before we get done I want to go ahead.

Chairman CUMMINGS. Okay. Just give me one second.

Mr. MEADOWS. Yes, sir.

Chairman CUMMINGS. I wanted to get to Ms. Tlaib and then I'll come to you, OK? They have been waiting here all day.

Ms. Tlaib.

Ms. TLAIB. Thank you, Mr. Chairman.

Thank you, all of you, for centering this committee on our sole purpose, is exposing the truth. And some of my colleagues can't handle the truth, and this is unfortunate because it's the center of what is protecting our country right now.

The people at home are frustrated, Mr. Cohen, and they want criminal schemes to stop, especially those from the Oval Office.

Mr. Cohen, I am upset and know that my residents feel the same way that a man you worked for for the past 10 years is using the most powerful position in the world to hurt our country solely for personal gain. We are upset that some of our colleagues here are so disconnected of what it means to have this President of the United States sending checks to cover bribe payments, not hush payments, bribe payments you made on his behalf, one in 2017 of

March and another August 2017 after he was sworn in as President.

They are upset that while my colleagues are trying to discredit your testimony by some of your own unlawful acts and lies, that they are disconnected with the fact that you were the personal lawyer for this President of the United States, that this President chose you as his legal counsel.

My stance has always been the same, Mr. Chairman, based on the facts, not on future reports that we're all waiting on. My residents back home don't need a collusion clause with a foreign government to know this President, Individual 1, has disregarded the law of the land, the United States Constitution, and that he has misused his pardon powers.

In the sentencing memo, Mr. Cohen, filed by the Federal prosecutors in New York in December of last year they stated, quote, "In particular, and as Cohen himself has now admitted with respect to both payments, he acted in coordination with and at the direction of Individual 1."

Mr. Cohen, as you know, to President Donald J. Trump brand comes first, not the American people. Based on what you know now, based on what we know now, is that Individual 1 used his money, businesses, and platform to enrich himself, his brand, and in the process directed you, Mr. Cohen to commit multiple felonies, and you covered it up, correct?

Mr. COHEN. That's correct.

Ms. TLAIB. You called it protecting his brand, correct?

Mr. COHEN. And him, as well.

Ms. TLAIB. Mr. Cohen, with this, do you think the President of the United States is making decisions in the best interests of the American people?

Mr. COHEN. No, I don't.

Ms. TLAIB. Especially those you said that he used horrible words about, like African Americans, Muslim Americans, and immigrants?

Mr. COHEN. Yes.

Ms. TLAIB. Just to make a note, Mr. Chairman, just because someone has a person of color, a Black person working for them, does not mean they aren't racist. And it is insensitive that some would even say — the fact that someone would actually use a prop, a Black woman in this Chamber, in this committee, is alone racist in itself.

Donald Trump is setting a precedent——

Mr. MEADOWS. Mr. Chairman, I ask that her words be taken down.

Ms. TLAIB. Donald Trump is setting a precedent — I reclaim my time.

Mr. MEADOWS. Mr. Chairman——

Ms. TLAIB. Donald Trump is setting a precedent——

Mr. MEADOWS. Mr. Chairman——

Ms. TLAIB [continuing]. that the highest office can be attained through illegal activity——

Mr. MEADOWS. Mr. Chairman, the rules are clear.

Ms. TLAIB [continuing]. cover up, and hold on to business assets to break campaign finance laws and constitutional clauses.

What we have here, Mr. Chairman, is criminal conduct in the pursuit of the highest public office by Mr. Cohen and Individual 1. I hope that the gravity of this situation hits everyone in this body and in Congress and across this country.

Thank you, Mr. Chairman. I yield the rest of my time.

Mr. MEADOWS. Mr. Chairman, I ask that her words, when she is referring to an individual Member of this body, be taken down and stricken from the record. I'm sure she didn't intend to do this. But if anyone knows my record as it relates, it should be you, Mr. Chairman.

Mr. JORDAN. Mr. Chairman, I would like — I want the words read back.

Chairman CUMMINGS. No, no.

Mr. JORDAN. We want to know exactly what she said about my colleague.

Chairman CUMMINGS. Excuse me.

Would you like to rephrase that statement, Ms. Tlaib?

Ms. TLAIB. Thank you, Mr. Chairman. I can actually read it from here.

Just to make a note, Mr. Chairman, that just because someone has a person of color, a Black person working for them, does not mean they aren't racist. And it is insensitive that someone would even say racist — say it is racist in itself and to use a Black woman as a prop to prove it otherwise.

And I can submit this for the record. If a colleague is thinking that that's what I'm saying, I'm just saying that's what I believe to have happened. And as a person of color in this committee that's how I felt at that moment, and I wanted to express that.

But I am not calling the gentleman, Mr. Meadows, a racist for doing so. I'm saying that in itself it is a racist act.

Mr. MEADOWS. Well, I hope not, Mr. Chairman, because I need to be clear on this particular — Mr. Chairman——

Chairman CUMMINGS. Mr. Meadows, wait a minute.

Mr. MEADOWS. I have defended you of — with false——

Chairman CUMMINGS. Mr. Meadows, I'm the chair.

Mr. MEADOWS. Yes, sir, you are.

Chairman CUMMINGS. Thank you. I will clear this up.

Now, Ms. Tlaib, is it—I want to make sure I understand. You did not — you were not intending to call Mr. Meadows a racist. Is that right?

Ms. TLAIB. No, Mr. Chairman, I do not call Mr. Meadows a racist.

Chairman CUMMINGS. Wait a minute. Hold on.

Ms. TLAIB. I am trying as a person of color, Mr. Chairman, just to express myself and how I felt at that moment. And so just for the record, that's what was my intention.

Chairman CUMMINGS. All right.

Is that all right, Mr. Meadows?

Mr. MEADOWS. Mr. Chairman, there's nothing more personal to me than my relationship — my nieces and nephews are people of color. Not many people know that. You know that, Mr. Chairman. And to indicate that I asked someone who is a personal friend of the Trump family, who has worked for him, who knows this par-

ticular individual, that she is coming in to be a prop? It is racist to suggest that I asked her to come in here for that reason.

Mr. President—the President's own person, she is a family member, she loves this family. She came in because she felt like the President of the United States was getting falsely accused.

And, Mr. Chairman, you and I have a personal relationship that's not based on color, and to even go down this direction is wrong, Mr. Chairman.

Chairman CUMMINGS. First of all, I want to thank the gentleman for what you have stated. If there's anyone who is sensitive with regard to race it is me, son of former sharecroppers that were basically slaves. So I get it.

I listened very carefully to Ms. Tlaib, and I think, and I don't want—I'm not going to put words in her mouth, but I think she said that she was not calling you a racist. And I thought that we could clarify that.

Because, Mr. Meadows, you know, and of all the people on this committee I have said it and got in trouble for it, that you're one of my best friends. I know that shocks a lot of people.

Mr. MEADOWS. And likewise, Mr. Chairman.

Chairman CUMMINGS. Yes. But you are. And I would—and I could see and feel your pain. I feel it. And so—and I don't think Ms. Tlaib intended to cause you that, that kind of pain and that kind of frustration.

Did you have a statement, Ms. Tlaib? I'm going to yield to you. We can just straighten this up.

Ms. TLAIB. No. Thank you, Mr. Chairman.

And to my colleague, Mr. Meadows, that was not my intention, and I do apologize if that's what it sounded like. But I said someone in general. And as everybody knows in this Chamber, I'm pretty direct. So if I wanted to say that I would have, but that's not what I said.

And thank you, Mr. Chairman, for allowing me to clarify.

But again, I said someone. And again, I was not referring to you at all as a racist.

Mr. MEADOWS. Well, I thank the gentlewoman for her comments. I thank the chairman for working to clarify this, and I appreciate the chairman's intervening.

Chairman CUMMINGS. Now, to the gentleman, first of all, thank you for allowing us to resolve that.

The gentleman had asked a little bit earlier—

Mr. MEADOWS. I will withdraw my request.

Chairman CUMMINGS. Oh, you don't want to do the unanimous consent?

Mr. MEADOWS. I need the unanimous consent, but I think I need to officially withdraw my request that it be stricken from the record.

Chairman CUMMINGS. OK, withdraw it. You did it?

Mr. MEADOWS. I did.

Chairman CUMMINGS. All right. Sounds good.

Now I will recognize you for your unanimous consent. I think you want to put in the record some documents.

Mr. MEADOWS. Yes, thank you, Mr. Chairman.

I ask unanimous consent that we put forth in the record the Vanity Fair article which indicates that Michael Cohen must be the most gifted consultant in America, outlining his insights into government healthcare and policy and real estate, suggesting that he is not—it is not a real company, just like he is not a lawyer.

Chairman CUMMINGS. Without objection, so ordered.

[The information referred to follows:]

[The article referenced above is available at: <https://www.vanityfair.com/news/2018/05/michael-cohen-must-be-the-most-gifted-consultant-in-america>]

Mr. MEADOWS. Thank you.

I ask unanimous consent that the L.A. Times article of July 16, 2018, actually be put in the record, which outlines the \$1.2 million payment and their misgivings thereafter.

Chairman CUMMINGS. Without objection, so ordered.

[The article referenced above is available at: <https://www.latimes.com/business/hiltzik/la-fi-hiltzik-novartis-cohen-20180716-story.html>.]

Chairman CUMMINGS. Any other unanimous consent requests?

Mr. HICE.

Mr. HICE. Thank you, Mr. Chairman.

I ask unanimous consent to make the February 9, 2019, Washington Post profile of Michael Cohen, titled “Michael Cohen’s Secret Agenda,” part of the record. This story shows Cohen to be a selfish manipulator who is all about himself. It even has a false anecdote about how he once claimed to deliver his own son, his own baby.

Chairman CUMMINGS. Without objection, so ordered.

[The article may be found at: https://www.washingtonpost.com/graphics/2019/politics/michael-cohens-secret-agenda-as-trumps-fixer/?utm_term=.b39beefbdfce]

Mr. HICE. Thank you, Mr. Chairman.

I ask unanimous consent to make the May 9, 2018, Washington Post article, “South Korean Firm Paid Michael Cohen \$150,000 as it Sought Contract from U.S. Government,” as part of the record. The article reported Korea Aerospace Industries paid a shell company run by Cohen.

Chairman CUMMINGS. Without objection, so ordered.

[The article may be found at: https://www.washingtonpost.com/investigations/south-korean-firm-paid-michael-cohen-150000-as-it-sought-contract-from-us-government/2018/05/09/0ae31788-53b7-11e8-abd8-265bd07a9859-story.html?utm_term=.f63ad297b92d.]

Mr. HICE. Thank you, Mr. Chairman.

I ask unanimous consent to make Michael Cohen’s sentencing statement to the Southern District of New York part of the record. The statement establishes that Michael Cohen continues to falsely blame his crimes on blind loyalty to the President, but only Cohen is to blame for his many false statements to financial institutions and the IRS.

Chairman CUMMINGS. Without objection, so ordered.

[The information referred to follows:]

Michael Cohen - Sentencing Statement

Thank you, your Honor.

I stand before your Honor humbly and painfully aware that we are here today for one reason: Because of my actions that I pled guilty to on August 21, and as well on November 29.

I take full responsibility for each act that I pled guilty to, the personal ones to me and those involving the President of the United States of America. Viktor Frankl in his book, "Man's Search for Meaning," he wrote, "There are forces beyond your control that can take away everything you possess except one thing, your freedom to choose how you will respond to the situation."

Your Honor, this may seem hard to believe, but today is one of the most meaningful days of my life. The irony is today is the day I am getting my freedom back as you sit at the bench and you contemplate my fate.

I have been living in a personal and mental incarceration ever since the fateful day that I accepted the offer to work for a famous real estate mogul whose business acumen I truly admired. In fact, I now know that there is little to be admired. I want to be clear. I blame myself for the conduct which has brought me here today, and it was my own weakness, and a blind loyalty to this man that led me to choose a path of darkness over light. It is for these reasons I chose to participate in the illicit act of the President rather than to listen to my own inner voice which should have warned me that the campaign finance violations that I later pled guilty to were insidious.

Recently, the President Tweeted a statement calling me weak, and he was correct, but for a much different reason than he was implying. It was because time and time again I felt it was my duty to cover up his dirty deeds rather than to listen to my own inner voice and my moral compass. My weakness can be characterized as a blind loyalty to Donald Trump, and I was weak for not having the strength to question and to refuse his demands. I have already spent years living a personal and mental incarceration, which no matter what is decided today, owning this mistake will free me to be once more the person I really am.

Your Honor, I love my family more than anything in the world: My dad who is here today, my mom, my in-laws, siblings, love of my life, my wife Laura, my pride and joy, my daughter Samantha, my son, Jake. There is no sentence that could supersede the suffering that I live with on a daily basis, knowing that my actions have brought undeserved pain and shame upon my family. I deserve that pain. They do not.

I also stand before my children, for them to see their father taking responsibility for his mistakes, mistakes that have forced them to bear a shameful spotlight which they have done nothing to deserve, and this breaks my heart. For me, the greatest punishment has been seeing the unbearable pain that my actions and my associations have brought to my entire family. My mom, my dad, this isn't what they deserve to see in their older age, especially when as a child they emphasized to all of us the difference between right and wrong. And I'm sorry.

I believed during this process that there were only two things I could do to minimize the pain to my family: Admit my guilt and move these proceedings along. This is why I did not enter into a cooperation agreement. I have elected to be sentenced without asking for adjournment. I have given information during countless hours of meetings with prosecutors that have been cited as substantial, meaningful and credible. I have chosen this unorthodox path because the faster I am sentenced, the sooner I can return to my family, be the father I want to be, the husband I want to be, and a productive member of society again. I do not need a cooperation agreement to be in place to do the right thing. And I will continue to cooperate with government, offering as much information as I truthfully possess.

I stand behind my statement that I made to George Stephanopoulos, that my wife, my daughter, my son have my first loyalty and always will. I put family and country first. My departure as a loyal soldier to the President bears a very hefty price.

For months now the President of the United States, one of the most powerful men in the world, publicly mocks me, calling me a rat and a liar, and insists that the Court sentence me to the absolute maximum time in prison. Not only is this improper; it creates a false sense that the President can weigh in on the outcome of judicial proceedings that implicate him. Despite being vilified by the press and inundated with character assassinations over the past almost two years, I still stand today, and I am committed to proving my integrity and ensuring that history will not remember me as the villain of his story. I now know that every action I take in the future has to be well thought out and with honorable intention because I wish to leave no room for future mistakes in my life.

And so I beseech your Honor to consider this path that I am currently taking when sentencing me today. And I want to apologize to my entire family for what my actions have put them through. My family has suffered immeasurably in the home and the world outside. I know I have let them all down, and it will be my life's work to make it right, and to become the best version of myself.

Most all, I want to apologize to the people of the United States. You deserve to know the truth and lying to you was unjust. I want to thank you, your Honor, for all the time I'm sure you've committed to this matter and the consideration that you have given to my future. Again, I want to thank my family, my friends, many who are here today, who are with me, especially all the people who wrote letters on my behalf. In addition, I would like to thank the tens of thousands of strangers who despite not knowing me at all, not knowing me personally have shown kindness and empathy in writing letters to me and offering support and prayer. And I thank you, your Honor, I am truly sorry, and I promise I will be better.

Mr. HICE. I ask unanimous consent to make the August 20, 2018, CNN article, "Fed Scrutinizing Michael Cohen's Former Accountant and Bank Loans," part of the record. Cohen's accountant was subpoenaed to appear before a grand jury and required a lawyer. In his sentencing memo prosecutors said Cohen attempted to blame his tax evasion on his accountant.

Chairman CUMMINGS. Without objection, so ordered.

[The article referenced above is available at: <https://www.cnn.com/2018/08/07/politics/michael-cohen-accountant-subpoena/index.html>.]

Mr. HICE. Two more real quickly.

Chairman CUMMINGS. Sure.

Mr. HICE. I ask unanimous consent to make the February 26, 2019, order filed by the Appellate Division of the State of New York regarding disciplinary proceedings against Michael Cohen part of the record. This order, which proactively applies starting February 28, establishes Cohen committed a serious crime and ceased being an attorney when he was convicted of lying to Congress.

Chairman CUMMINGS. Without objection, so ordered.

[The information referred to follows:]

FEB 28 2019

SUPREME COURT, APPELLATE DIVISION
FIRST JUDICIAL DEPARTMENT

Hon. Dianne T. Renwick,
Sallie Manzanet-Daniels
Angela M. Mazzairelli
Jeffery K. Oing
Peter H. Moulton,

Justice Presiding,

Justices.

-----x

In the Matter of Michael D. Cohen,
(admitted as Michael Dean Cohen),
an attorney and counselor-at-law:

Attorney Grievance Committee
for the First Judicial Department,
Petitioner,

M-4981
M-6557

Michael D. Cohen,
Respondent.

-----x

Disciplinary proceedings instituted by the Attorney
Grievance Committee for the First Judicial Department.
Respondent, Michael D. Cohen, was admitted to the Bar of the
State of New York at a Term of the Appellate Division of the
Supreme Court for the Second Judicial Department on June 24,
1992.

Jorge Dopico, Chief Attorney,
Attorney Grievance Committee, New York
(Raymond Vallejo, of counsel), for petitioner.

Respondent pro se.

Motion Nos. 4981 and 6557 - January 14, 2019

IN THE MATTER OF MICHAEL D. COHEN, AN ATTORNEY

PER CURIAM

Respondent Michael D. Cohen was admitted to the practice of law in the State of New York by the Second Judicial Department on June 24, 1992 under the name Michael Dean Cohen. At all times relevant to this proceeding respondent maintained his principal place of business within the First Judicial Department.

In August 2018, respondent pled guilty to tax evasion, making false statements to a federally insured bank and campaign finance violations. By motion dated October 3, 2018, the Attorney Grievance Committee (Committee) moved for an order striking respondent's name from the roll of attorneys on the ground that he has been disbarred based upon his conviction of a felony, or, in the alternative, determining that the crimes of which he has been convicted constitute "serious crimes."

While the October motion was sub judice, on November 29, 2018, in a separate prosecution, respondent pled guilty to making false statements to the United States Congress. On December 12, 2018, respondent was sentenced on both convictions. By letter to this Court dated December 5, 2018, the Committee advised that it intended to file a supplemental motion to strike based upon this second conviction and asked this Court to hold in abeyance the consideration of the Committee's previously filed motion and

consolidate the two motions in the interest of judicial economy.

Accordingly, by motion dated December 19, 2018, the Committee asks for the same relief as the first motion, i.e. to strike respondent's name from the roll of attorneys based upon his second conviction, or, in the alternative, determining that the crimes of which he has been convicted constitute "serious crimes."

Respondent agreed to be served with both of these motions by email, first class mail and certified mail, return receipt requested. He has failed to submit responses.

On August 21, 2018, respondent pled guilty in the United States District Court for the Southern District of New York to evasion of assessment of income tax liability in violation of 26 USC § 7201 (five counts - for the calendar years 2012-2016); making false statements to a financial institution in connection with a credit decision in violation of 18 USC §§ 1014 and 2; causing an unlawful corporate contribution in violation of 52 USC §§ 30118(A) and 30109(d)(1)(A), and 18 USC § 2(b); and making an excessive campaign contribution in violation of 52 USC §§ 30116(a)(1)(A), 30116(a)(7) and 30109(d)(1)(A), and 18 USC § 2(b), all federal felonies.

On November 28, 2018, respondent pled guilty in the United States District Court for the Southern District of New York to making false statements to the United States Congress in

violation of 18 USC § 1001(a)(2).

On December 12, 2018, respondent was sentenced to three years in prison based upon his first conviction, a two-month concurrent sentence for his second conviction, concurrent three-year terms of supervised release in both cases, and was ordered to pay two fines of \$50,000 each, to forfeit \$500,000 and to pay \$1,393,858 in restitution to the IRS.

By motion dated December 19, 2018, the Committee seeks an order striking respondent's name from the roll of attorneys pursuant to Judiciary Law § 90(4)(a) and (b) and the Rules for Attorney Disciplinary Matters (22 NYCRR) § 1240.12(c)(1) on the grounds that he was automatically disbarred as a result of his conviction of a federal felony that would constitute a felony under New York law (Judiciary Law § 90[4][e]). In the alternative, the Committee seeks an order determining that the crime of which respondent has been convicted constitutes a "serious crime" within the meaning of Judiciary Law § 90(4)(d), immediately suspending him from the practice of law pursuant to Judiciary Law § 90(4)(f) and 22 NYCRR 1240.12(b)(2), and directing him to show cause, following his release from imprisonment, why a final order of censure, suspension or disbarment should not be made pursuant to 22 NYCRR 1240.12(c)(2)(i).

A conviction of a federal felony triggers disbarment by

operation of law if the offense would constitute a felony if committed under New York law (Judiciary Law § 90(4)(e); *Matter of Rosenthal*, 64 AD3d 16, 18 [1st Dept 2009]; *Matter of Kim*, 209 AD2d 127, 129 [1st Dept 1995]). The federal felony need not be a "mirror image" of the New York felony in that it does not have to correspond in every detail, but it must be "essentially similar" (*Matter of Margiotta*, 60 NY2d 147, 150 [1983]; *Matter of Shubov*, 25 AD3d 33 [1st Dept 2005]). Even where the elements of the foreign jurisdiction's statute do not directly correspond to a New York felony, essential similarity may be established by admissions made under oath during a plea allocution, considered in conjunction with the indictment or information (*Matter of Amsterdam*, 26 AD3d 94 [1st Dept 2005]).

As noted, on November 29, 2018, respondent pled guilty to making false statements to the United States Congress in violation of 18 USC § 1001(a)(2). Respondent served on several matters as an attorney to President Donald Trump, when the latter was CEO of the Trump Organization. Respondent was charged in connection with his appearances before the Senate Select Committee on Intelligence (SSCI) and the House Permanent Select Committee on Intelligence. Specifically, it was alleged, and respondent expressly admitted at his plea, that on or about August 28, 2017, he knowingly and willfully made a materially false and fraudulent statement and representation, namely, he

caused to be submitted a written statement to SSCI containing material false statements about: (1) the Moscow Project (a proposed Trump Organization real estate project in Moscow, Russia), (2) discussions with people in the Trump Organization and in Russia about the Moscow Project, and (3) contemplated travel to Russia in connection with the Moscow Project.

The Committee contends that respondent was automatically disbarred because respondent's conviction under 18 USC § 1001(a)(2) (making false statements to the U.S. Congress), if committed in New York, would constitute the felony of offering a false instrument for filing in the first degree in violation of Penal Law § 175.35 (*Matter of Verzani*, 131 AD3d 49 [1st Dept 2015]; *Matter of Hidetoshi Cho*, 77 AD3d 155 [1st Dept 2010]).

18 USC § 1001(a)(2) provides:

"whoever, in any matter within the jurisdiction of the ... Government of the United States, knowingly and willfully... makes any materially false, fictitious, or fraudulent statement or representation" is guilty of a felony.

New York Penal Law § 175.35(1), offering a false instrument for filing in the first degree, declares it is a class E felony when a person:

"knowing that a written instrument contains a false statement or false information, and with intent to defraud the state or any political subdivision, public authority or public benefit corporation of the state, ... offers or presents it to a public office, public servant, public authority or public benefit corporation with the knowledge or belief that it will be filed with, registered or recorded in or otherwise become a part of

the records of such public office, public servant, public authority or public benefit corporation."

"The core of the offense under both statutes is the willful filing in a governmental office of a false statement knowing it to be false" (*Matter of Chu*, 42 NY2d 490, 494 [1977]). As this Court found in *Matter of Silverblatt* (113 AD2d 1, 2 [1st Dept 1985]) "[i]t is beyond cavil that a conviction for making a false statement under 18 USC § 1001 is cognizable as a felony under New York law for purposes of the automatic disbarment statute." Indeed, this Court has repeatedly held that a conviction under 18 USC § 1001 is analogous to a conviction under the New York felony of offering a false instrument for filing in the first degree and, therefore, automatic disbarment is appropriate herein (see *Matter of Stewart*, 42 AD3d 59 [1st Dept 2007]; *Matter of Ramirez*, 7 AD3d 52 [1st Dept 2004]; *Matter of Fier*, 276 AD2d 17 [1st Dept 2000]).

In light of the above, we need not address the issue of whether respondent's earlier conviction for making false statements to a financial institution in connection with a credit decision (which forms the basis of the Committee's first motion to strike) is analogous to a New York felony (see *Matter of Dickstein*, 105 AD3d 77, 80 [1st Dept 2013]).

Accordingly, as respondent ceased to be an attorney upon his federal conviction of making false statements to the United States Congress in violation of 18 USC § 1001(a)(2), the

Committee's motion should be granted to the extent of striking respondent's name from the roll of attorneys and counselors-at-law in the State of New York, nunc pro tunc to November 29, 2018. The Committee's first motion (M-4981) is denied as moot.

All concur.

Order filed. [February 28, 2019]

Motion (M-6557) is granted to the extent that respondent's name is stricken from the roll of attorneys and counselors-at-law in the State of New York pursuant to Judiciary Law § 90(4)(a) and (b) and 22 NYCRR 1240.12(c)(1), effective nunc pro tunc to November 29, 2018, the date respondent ceased to be an attorney as a result of his conviction of the crime of making false statements to Congress in violation of 18 USC § 1001(a)(2), a federal felony. Motion (M-4981) is denied as moot.

Mr. HICE. And finally, Mr. Chairman, I ask unanimous consent to make the July 26, 2018, Washington Post article, “Michael Cohen Secretly Recorded Trump: Does That Make Him a Bad Lawyer,” part of the record. The article describes potential ethical violations of a lawyer, Cohen, recording his client, Trump, without the client’s knowledge.

Chairman CUMMINGS. Without objection, so ordered.

[The article may be found on: https://www.washingtonpost.com/news/the-fix/wp/2018/07/25/michael-cohen-secretly-recorded-trump-does-that-make-him-a-bad-lawyer/?utm_term=.a8b7b4b17413.]

Chairman CUMMINGS. Mr. Norman.

Mr. NORMAN. Thank you, Mr. Chairman.

I ask unanimous consent to make the January 18, 2019, Huffington Post article, “11 Tweets from the Fake Fan Account ‘Stud’ Michael Cohen Paid to Fawn Over Him,” part of the record. The account is described as a place for women who love and support Michael Cohen. “Strong, pit bull, sex symbol, no nonsense, business oriented, ready to make a difference!”

Chairman CUMMINGS. Without objection, so ordered.

[The article referenced above is available at: <https://www.huffpost.com/entry/michael-cohen-women-for-cohen-tweets-n-5c41a28ee4b0bfa693c22b39>.]

Chairman CUMMINGS. Mr. Roy.

Mr. ROY. Thank you, Mr. Chairman.

I would ask unanimous consent to make the April 20, 2018, article in Mother Jones titled “Michael Cohen Says He Has Never Been to Prague, He Told Me a Different Story” part of the record.

Chairman CUMMINGS. Without objection, so ordered.

[The article referenced above is available at: <https://www.motherjones.com/politics/2018/04/michael-cohen-says-hes-never-been-to-prague-he-told-me-a-different-story/>.]

Mr. ROY. Thank you, sir.

Chairman CUMMINGS. Very well.

Mr. Cohen, I have some concluding remarks, but before I do that do you have anything you would like to say?

Mr. COHEN. Yes, yes, Mr. Chairman, I would. I have some closing remarks I would like to say myself. Is this an appropriate time?

Chairman CUMMINGS. You can do it now.

Mr. COHEN. Thank you.

So first I want to thank you, Chairman, because I appreciate the opportunity to share some final thoughts.

I have acknowledged I have made my own mistakes, and I have owned up to them publicly and under oath, but silence and complicity in the face of the daily destruction of our basic norms and civility to one another will not be one of them.

I did things and I acted improperly, at times at Mr. Trump’s behest. I blindly followed his demands. My loyalty to Mr. Trump has cost me everything, my family’s happiness, friendships, my law license, my company, my livelihood, my honor, my reputation, and soon my freedom, and I will not sit back, say nothing and allow him to do the same to the country.

Indeed, given my experience working for Mr. Trump, I fear that if he loses the election in 2020, that there will never be a peaceful transition of power, and this is why I agreed to appear before you today.

In closing, I would like to say directly to the President: We honor our veterans even in the rain. You tell the truth even when it doesn't aggrandize you. You respect the law and our incredible law enforcement agents. You don't villainize them. You don't disparage generals, gold star families, prisoners of war, and other heroes who had the courage to fight for this country.

You don't attack the media and those who question what you don't like or what you don't want them to say. And you take responsibility for your own dirty deeds. You don't use your power of your bully pulpit to destroy the credibility of those who speak out against you.

You don't separate families from one another or demonize those looking to America for a better life. You don't vilify people based on the God they pray to, and you don't cuddle up to our adversaries at the expense of our allies. And, finally, you don't shut down the government before Christmas and New Year's just to simply appease your base. This behavior is churlish. It denigrates the office of the President, and it's simply un-American, and it's not you.

So to those who support the President and his rhetoric, as I once did, I pray the country doesn't make the same mistakes that I have made, or pay the heavy price that my family and I are paying. And I thank you very much for this additional time, Chairman.

Chairman CUMMINGS. Thank you very much. The ranking member has a closing statement.

Mr. JORDAN. Thank you, Mr. Chairman. We know Mr. Cohen has been dishonest in the past—that's why he's going to prison in two months—but there are things today that he said during the several hours of questioning that just don't add up either. He said he never defrauded any bank. He was having a conversation questioning from Mr. Comer. Obviously, that's not true, because he's going to prison for that very offense.

He said today he was a good lawyer who understood the need to represent his client—his client with legal advice, but in his written testimony, he said he never bothered to consider whether payments to women for improper—whether payments to women were improper, much less the right thing to do.

He attested in his signed truth in testimony form, that he did not have any reportable contracts with foreign-government entities. Earlier he admitted to having consulting agreements with at least two foreign entities owned, in part, by foreign governments BTA Bank of Kazakhstan and Korea Aerospace Industries of South Korea.

He said to Chairman Cummings that Donald Trump directed him and the Trump Organization CFO, Allen Weisselberg, to, quote, "go back to his office and figure out how to make a \$130,000 payment," but in his testimony, he says, Mr. Trump directed me to use my own personal funds from the home equity line of credit to avoid any money being traced back to him that could negatively impact the campaign.

And in response to a question about him paying to set up the fake Twitter account, @WomenForCohen, that he didn't direct the commission of that Twitter account. He says, I didn't set that up, and it was done by a young lady that works for the firm, when, in fact, he did ask the IT firm, RedFinch, to set it up, according to the owner of RedFinch. And, finally, he said he didn't want a job with the administration, even though the attorneys with the Southern District of New York stated that this was a fact. When asked about this, they said, I wouldn't call them liars, but that statement is not accurate.

Mr. Chairman, I think maybe more importantly is what we should have been doing today. Mr. Meadows and I sent you a letter asking us—asking you to have Mr. Rosenstein here. I think it's important to know that last week, when you announced that Mr. Cohen was coming this week, just happened to be the very same week that we learned the Deputy Attorney General of the United States was thinking about wearing a wire to record the Commander in Chief, was actually contemplating, talking to cabinet members and invoking the 25th Amendment.

That's what we should be focused on, not this sad display we've had to go through the last several hours. And, again, it's not my words. You can take the words of the former general counsel for the House of Representatives under Tip O'Neill.

So I hope we've learned some things here today. But, Mr. Chairman, as I said earlier, your first big hearing, the first announced witness of the 116th Congress, is a gentleman who is going to prison in two months for lying to Congress. I don't think that's what we should be focused on. I yield back.

Chairman CUMMINGS. Thank you very much.

You know, I've sat here and I've listened to all of this, and it's very painful. It's very painful. You made a lot of mistakes, Mr. Cohen, and you've admitted that. And, you know, one of the saddest parts of this whole thing is that some very innocent people are hurting, too—and you acknowledged that—and that's your family. And so you come here today and you—deep in my heart, I have to—you know, when I practiced law, I represented a lot of lawyers who got in trouble, and you come saying, I have made my mistakes, but now I want to change my life. And, you know, if we—if we as a Nation, did not give people an opportunity, after they made mistakes, to change their lives, a whole lot of people would not do very well.

I don't know where you go from here. As I sat here and I listened to both sides, I just felt as if—and—and, you know, people are now using my words, that they took from me, that didn't give me any credit, we're better than this. We are so much—we really are. As a country, we are so much better than this.

And, you know, I told you, and, and, and, for some reason, Mr. Cohen, I tell my—my children, I say, when bad things happen to you, do not ask the question, Why did it happen to me? Ask the question, Why did it happen for me? I don't know why this is happening for you, but it is my hope that a small part of it is for our country to be better. If I hear you correctly, it sounds like you're crying out for a new normal, for us getting back to normal. It sounds to me like you want to make sure that our democracy stays

intact. When I had the one meeting I had with President Trump, I said to him, the greatest gift that you and I, Mr. President, can give to our children, is making sure that we give them a democracy that is intact, a democracy better than the one that we came upon, and I'm hoping that the things you said today will help us begin to get back there.

You know, I mean, come on now, I mean, when you got, according to The Washington Post, our President has made at least 8,718—8,718 false or misleading statements. That's stunning. That's not what we teach our children. I don't teach mine that. And for whatever reason, you—it sounds like you got caught up in it. You got caught up in it. You got caught up in it. And some kind of way, I hope that you will—I know that it's painful going to prison. I know—I know it's got to be painful being called a rat.

And let me—let me explain. A lot of people don't know the significance of that, but I live in the inner city of Baltimore, all right? And when you call somebody a rat, that's one of the worse things you can call them, because when they go to prison, that means a snitch. I'm just saying. And so the President called you a rat. We're better than that. We really are.

And I'm hoping that all of us can get back to this democracy that we want and that we should be passing on our children, so that they can do better than what we did.

And so you wonder whether people believe you. I don't know. I don't know whether they believe you. But the fact is that you come, you have your head down, and this has got to be one of the hardest things that you could do.

Let me tell you the picture that really, really pained me. You were leaving the prison—you were leaving the courthouse, and I guess it's your daughter had braces or something on. Man, that thing—man, that thing hurt me. As a father of two daughters, it hurt me. And I can imagine how it must feel for you.

But I'm just saying to you, I want to, first of all, thank you. I know that this has been hard. I know that you face a lot. I know that you are worried about your family, but this is a part of your destiny. And hopefully this portion of your destiny will lead to a better—a better—a better Michael Cohen, a better Donald Trump, a better United States of America, and a better world. And I mean that from the depths of my heart.

When we're dancing with the angels, the question will be asked, in 2019, what did we do to make sure we kept our democracy intact? Did we stand on the sidelines and say nothing? Did we play games? And I'm tired of these statements saying—people come in here and say, Oh, oh, this is the first hearing. It is not the first hearing. The first hearing with regard to prescription drugs. Remember? A little girl, a lady sat there, Ms. Worsham, her daughter died because she could not get \$333 a month in insulin. That was our first hearing.

Second hearing, H.R. 1, voting rights, corruption in government. Come on now. We can do more than one thing, and we have got to get back to normal. With that, this meeting is adjourned.

[Whereupon, at 5:20 p.m., the committee was adjourned.]