



January 3, 2018

VIA E-MAIL AND OVERNIGHT MAIL

Mr. Stephen K. Bannon 32 West 40th Street New York, New York 10018 Email: steve@arc-ent.com

Re: Donald J. Trump and Donald J. Trump for President, Inc.

Dear Mr. Bannon:

This law firm is litigation counsel for Donald J. Trump ("Mr. Trump") and Donald J. Trump for President, Inc. (the "Company"). We write in connection with the numerous material breaches of your employment agreement with the Company (the "Agreement"), of which Mr. Trump and his family members are express third-party beneficiaries. ¹

You have breached the Agreement by, among other things, communicating with author Michael Wolff about Mr. Trump, his family members, and the Company, disclosing Confidential Information to Mr. Wolff, and making disparaging statements and in some cases outright defamatory statements to Mr. Wolff about Mr. Trump, his family members, and the Company, knowing that they would be included in Mr. Wolff's book and publicity surrounding the marketing and sale of his book. Your breaches of the Agreement are documented in Mr. Wolff's article on *New York Magazine*'s website, entitled "Donald Trump Didn't Want to Be President," and located at http://nymag.com/daily/intelligencer/2018/01/michael-wolff-fire-and-fury-book-donald-trump.html (the "Article"), among many other similar articles, and in excerpts from Mr. Wolff's upcoming book *Fire and Fury: Inside the Trump White House* (the "Book").

The Agreement <u>restricts your disclosure of Confidential Information</u>, by providing as follows, in pertinent part:

1. <u>No Disclosure of Confidential Information</u>. During the term of your service and at all times thereafter you hereby promise and agree:

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¹ Paragraph 7.d. of the Agreement provides, in pertinent part: "Mr. Trump and each Family Member, Trump Company and Family Member Company is an **intended third party beneficiary** of this agreement. Without limiting the preceding sentence, Mr. Trump, each Family Member, Trump Company and Family Member Company, in addition to the Company, will be **entitled to the benefit of this agreement and to enforce this agreement**." (Emphasis added.)

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- a. not to disclose, disseminate or publish, or cause to be disclosed, disseminated or published, any Confidential Information;
- b. not to assist others in obtaining, disclosing, disseminating, or publishing Confidential Information;
- c. not to use any Confidential Information in any way detrimental to the Company, Mr. Trump, any Family Member, any Trump Company or any Family Member Company;
- d. not to save, store or memorialize any Confidential Information...

"Confidential Information" is defined in the Agreement, in part, as "all information (all information (whether or not embodied in any media) of a private, proprietary or confidential nature or that 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 of any Family Member...". [Agreement, ¶ 7.a.]

"Family Member" is defined in the Agreement as "any member of Mr. Trump's family, including, but not limited to, Mr. Trump's spouse, each of Mr. Trump's children and grandchildren and their respective spouses, including but not limited to Donald J. Trump Jr., Eric F. Trump and Ivanka M. Trump, Tiffany Trump, and Barron Trump, and their respective spouses, children and grandchildren, if any, and Mr. Trump's siblings and their respective spouses and children, if any." [Agreement, ¶ 7.b.]

Paragraph 2 of the Agreement <u>prevents you from disparaging Mr. Trump, his familymembers and the Company</u>, as follows:

2. <u>No Disparagement</u>. During the term of your service and at all times thereafter you hereby promise and agree not to demean or disparage publicly the Company, Mr. Trump, any Trump Company, any Family Member, or any Family Member Company or any asset any of the foregoing own, or product or service any of the foregoing offer, in each case by or in any of the Restricted Means and Contexts and to prevent your employees from doing so.²

² "Restricted Means and Contexts" is defined in the Agreement as "(i) ...any means of expression, including but not limited to verbal, written, or visual, (ii) whether or not preserved in any medium now known or hereafter discovered or invented, including but not limited to audio recording of any type, written text, drawing, photograph, film, video, or electronic device, (iii) in any manner or form, including

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Paragraph 6 of the Agreement <u>prevents you from communicating with the media</u> as follows:

6. <u>No Communications with the Media</u>. In addition, you agree not to communicate, directly or indirectly, with any member of the news media on behalf of, for, or about us, DJT, or any committee or campaign operation connected with DJT, without express written authorization front the Campaign Manager or DJT.

As reflected in the Article and excerpts from the Book, you have breached Paragraphs 1, 2 and 6 of the Agreement by, among other things, communicating with Mr. Wolff about Mr. Trump, his family members and the Company, disclosing Confidential Information, and making disparaging statements about Mr. Trump, his family members and the Company, and communicating with the media.

Remedies for your breach of the Agreement include but are not limited to monetary damages, injunctive relief and all other remedies available at law and equity. Paragraph 8 of the Agreement states, in pertinent part:

a. <u>Consent to Injunction</u>. A breach of any of your promises or agreements under this agreement will cause the Company, Mr. Trump and each other Trump Person irreparable harm. Accordingly, to the extent permitted by law, and without waiving any other rights or remedies against you at law or in equity, you hereby consent to the entry of any order, without prior notice to you, temporarily or permanently enjoining you from violating any of the terms, covenants, agreements or provisions of this agreement on your part to be performed or observed. Such consent is intended to apply to an injunction of any breach or threatened breach.

* * *

c. <u>Damages and Other Remedies</u>. Notwithstanding anything to the contrary, each Trump Person will be entitled to all remedies available at law and equity, including but not limited to monetary damages, in the event of your breach of this agreement. Nothing contained in this agreement will constitute a waiver of any Trump

but not limited to any book, article, memoir, diary, letter, essay, speech, interview, panel or roundtable discussion, image, drawing, cartoon, radio broadcast, television broadcast, video, movie, theatrical production, Internet website, e-mail, Twitter tweet, Facebook page, or otherwise, even if fictionalized, (iv) in any language, or (v) in any country or other jurisdiction." [Agreement, ¶ 1.]

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Person's remedies at law or in equity, all of which are expressly reserved.

Further, as the prevailing party in any litigation arising out of your breach of the Agreement, Mr. Trump and the Company will be entitled to "an award of reasonable legal fees and costs." [Agreement, ¶ 10.c.] (Emphasis added.)

Mr. Trump and the Company hereby demand that you cease and desist from any and all further disclosure of Confidential Information, disparagement of Mr. Trump, his family members, his or their companies, and/or the Company, and communication with the media, including but not limited to Mr. Wolff and any and all other journalists, reports, authors and bloggers.

Please confirm in writing <u>within twenty-four (24) hours</u> of the transmission of this letter that the foregoing demands will be, and are being, fully complied with.

Mr. Trump and the Company retain all rights to pursue legal action against you. Should that occur, they would bring all available causes of action and seek all available legal and equitable remedies, including monetary damages, to the maximum extent permitted by law.

You are officially on notice of the potential dispute and therefore you are required to undertake steps to affirmatively preserve, and not delete, any and all physical and electronic documents, materials, information, and data, including without limitation all forms of written communication including emails, text messages, instant messages (IMs), letters and memoranda, articles, and social media postings (including all drafts as well as final versions of all written communications), as well as all other types of written, physical and digital materials including handwritten notes, typewritten notes, summaries, charts, receipts, audio recordings, video recordings, photographs, illustrations, telephone call logs, calendar entries of all types, financial data and information, etc. that pertain in any way to our clients and/or might otherwise be relevant or related to the foregoing matters. All sources of documents, materials, information, and data should be preserved, including without limitation, physical files, electronic and digital files, computer servers, email servers, backup tapes, cloud storage, personal computers, hard drives, smart phones, tablets, and other types of storage devices including external drives, thumb drives, zip drives, disks and DVDs. Failure to affirmatively preserve such documents and materials could result in severe sanctions imposed by a court which could include, among other remedies, monetary sanctions, evidentiary sanctions, issue sanctions and/or the striking of an answer and entry of a default judgment.

This letter is not intended as a full or complete statement of all relevant facts or applicable law, and nothing herein is intended as, nor should it be deemed to constitute, a waiver

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or relinquishment of any of my clients' rights, remedies, claims or causes of action, all of which are hereby expressly reserved.

Very truly yours,

CHARLES J. HARDER Of

HARDER MIRELL & ABRAMS LLP

cc: Donald J. Trump

Donald J. Trump for President, Inc.