

# United States Senate

COMMITTEE ON FOREIGN RELATIONS

WASHINGTON, DC 20510-6225

May 10, 2018

George A. Sorial  
Executive Vice President and Chief Compliance Counsel  
The Trump Organization  
725 Fifth Ave  
New York, NY 10022

Dear Mr. Sorial:

I write to express my concern over recent actions taken by your firm and its representatives in Panama. On April 10, the Associated Press reported that on March 22, lawyers representing your firm delivered a letter to President Juan Carlos Varela asking him to ignore Panama's separation of powers and intervene in a judicial dispute that would directly affect your firm's operations.<sup>1</sup> The letter further suggests that actions by Panama's courts may violate the U.S.-Panama Bilateral Investment Treaty and that your firm may seek legal recourse against the Panamanian government.

Because President Trump retains ownership of your firm, the letter raises serious conflict of interest questions that could impinge on the United States' ability to conduct effective foreign policy. Even if the Panamanian government rightfully refuses to intercede in judicial proceedings, the letter's threatening tone may suggest to the Panamanian government that improper, and perhaps illegal, actions are effective means of influencing U.S. policy toward the country. The letter's reference to the bilateral investment treaty insinuates that President Varela's response could affect official U.S.-Panamanian relations. Furthermore, the letter gives the American and Panamanian publics new reason to question whether any future government actions that benefit your firm's operations in Panama do so at the expense of the public interest.

Given the possibility that some may confuse the President's private business interests with those of the U.S. government, I hope that you will clarify your position on this matter. To that end, I ask that you answer the following questions:

1. Did the attorneys who sent the letter consult you about it prior to sending it to President Varela on March 22? If so, did you approve of sending the letter? If not, when did you first become aware of the letter?
2. Has your firm communicated with the U.S. State Department about your dispute with the owners of the Bahia Grand hotel, whether the actions of the Panamanian government are consistent with the U.S.-Panama Bilateral Investment Treaty, or any other issues? If so, please provide copies of that communication.

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<sup>1</sup> Juan Zamorano and Stephen Braun, "Trump's Company Asked Panama President to Help in Hotel Spat," *Associated Press*, Apr. 10, 2017.

3. What procedures have you put in place to ensure that communications between your firm or your firm's representatives and foreign governments are reviewed to meet the promise your firm announced on January 11, 2017, namely, "to ensure that The Trump Organization businesses are operating at the highest levels of integrity and are not taking any actions that actually exploit, or even could be perceived as exploiting, the Office of the Presidency"?<sup>2</sup> Did you follow those procedures with respect to the March 22 letter by your Panamanian lawyers?
4. Since January 20, 2017, has your firm or any of its representatives sent any other letters to foreign governments? If so, please provide copies of those letters.

I appreciate your prompt attention to this matter, and given the timely nature of this inquiry, I ask that you respond by May 21.

Sincerely,



Robert Menendez  
Ranking Member

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<sup>2</sup> Morgan, Lewis & Bockius LLP, Conflicts of Interest and the President, Jan. 11, 2017 at 3.