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9 a.k.a. Stormy Daniels a.k.a. Peggy Peterson

10 **UNITED STATES DISTRICT COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA**

12 STEPHANIE CLIFFORD a.k.a. STORMY
13 DANIELS a.k.a. PEGGY PETERSON, an
14 individual,

15 Plaintiff,

16 vs.

17 DONALD J. TRUMP a.k.a. DAVID
18 DENNISON, an individual, ESSENTIAL
19 CONSULTANTS, LLC, a Delaware
20 Limited Liability Company, MICHAEL
21 COHEN, an individual, and DOES 1
22 through 10, inclusive

23 Defendants.

Case No. 2:18-CV-02217-SJO-FFM

**FIRST AMENDED COMPLAINT
FOR:**

**(1) DECLARATORY
RELIEF/JUDGMENT; AND**

(2) DEFAMATION

DEMAND FOR JURY TRIAL

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1 16. As a result of Ms. Clifford's efforts aimed at publicly disclosing her story
2 and her communications with various media outlets, Ms. Clifford's plans came to the
3 attention of Mr. Trump and his campaign, including Mr. Michael Cohen, an attorney
4 licensed in the State of New York. Mr. Cohen worked as the "top attorney" at the
5 Trump Organization from 2007 until after the election and presently serves as Mr.
6 Trump's personal attorney. He is also generally referred to as Mr. Trump's "fixer."

7 17. After discovering Ms. Clifford's plans, Mr. Trump, with the assistance of
8 his attorney Mr. Cohen, aggressively sought to silence Ms. Clifford as part of an effort
9 to avoid her telling the truth, thus helping to ensure he won the Presidential Election.
10 Mr. Cohen subsequently prepared a draft non-disclosure agreement and presented it to
11 Ms. Clifford and her attorney (the "Hush Agreement"). Ms. Clifford at the time was
12 represented by counsel in California whose office is located in Beverly Hills, California
13 within the County of Los Angeles.

14 18. The parties named in the Hush Agreement were Ms. Clifford, Mr. Trump,
15 and Essential Consultants LLC. As noted above, Essential Consultants LLC ("EC")
16 was formed on October 17, 2016, just weeks before the 2016 presidential election. On
17 information and belief, EC was created by Mr. Cohen with Mr. Trump's knowledge for
18 one purpose – to hide the true source of funds to be used to pay Ms. Clifford, thus
19 further insulating Mr. Trump from later discovery and scrutiny.

20 19. By design of Mr. Cohen, the Hush Agreement used aliases to refer to Ms.
21 Clifford and Mr. Trump. Specifically, Ms. Clifford was referred to by the alias "Peggy
22 Peterson" or "PP." Mr. Trump, on the other hand, was referred to by the alias "David
23 Dennison" or "DD."

24 20. Attached hereto as Exhibit 1 is a true and correct copy of the Hush
25 Agreement, titled Confidential Settlement Agreement and Mutual Release; Assignment
26 of Copyright and Non-Disparagement [sic] Agreement. Exhibit 1 is incorporated herein
27 by this reference and made a part of this Complaint as if fully set forth herein.
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1 21. Attached hereto as Exhibit 2 is a true and correct copy of the draft Side
2 Letter Agreement, which was Exhibit A to the Hush Agreement. Exhibit 2 is
3 incorporated herein by this reference and made a part of this Complaint as if fully set
4 forth herein.

5 22. Importantly, the Hush Agreement imposed various conditions and
6 obligations not only on Ms. Clifford, but also on Mr. Trump. The agreement also
7 required the signature of all parties to the agreement, including that of Mr. Trump.
8 Moreover, as is customary, it was widely understood at all times that unless all of the
9 parties signed the documents as required, the Hush Agreement, together with all of its
10 terms and conditions, was null and void.

11 23. On or about October 28, 2016, only days before the election, two of the
12 parties signed the Hush Agreement - Ms. Clifford and Mr. Cohen (on behalf of EC).
13 Mr. Trump, however, did not sign the agreement, thus rendering it legally null and void
14 and of no consequence. On information and belief, despite having detailed knowledge
15 of the Hush Agreement and its terms, including the proposed payment of monies to Ms.
16 Clifford and the routing of those monies through EC, Mr. Trump purposely did not sign
17 the agreement so he could later, if need be, publicly disavow any knowledge of the
18 Hush Agreement and Ms. Clifford.

19 24. Despite Mr. Trump's failure to sign the Hush Agreement, Mr. Cohen
20 proceeded to cause \$130,000.00 to be wired to the trust account of Ms. Clifford's
21 attorney. He did so even though there was no legal agreement and thus no written
22 nondisclosure agreement whereby Ms. Clifford was restricted from disclosing the truth
23 about Mr. Trump.

24 25. Mr. Trump was elected President of the United States on November 8,
25 2016.

26 26. In January 2018, certain details of the draft Hush Agreement emerged in
27 the news media, including, among other things, the existence of the draft agreement, the
28 parties to the draft agreement, and the \$130,000.00 payment provided for under the

1 draft agreement. Also in January 2018, and concerned the truth would be disclosed,
2 Mr. Cohen, through intimidation and coercive tactics, forced Ms. Clifford into signing a
3 false statement wherein she stated that reports of her relationship with Mr. Trump were
4 false.

5 27. On or about February 13, 2018, Mr. Cohen issued a public statement
6 regarding Ms. Clifford, the existence of the Hush Agreement, details concerning the
7 Hush Agreement, and an attack on Ms. Clifford's truthfulness. He did so without any
8 consent by Ms. Clifford, thus evidencing Mr. Cohen's apparent position (at least in that
9 context) that no binding agreement was in place. Among other things, Mr. Cohen
10 stated: "In a private transaction in 2016, I used my own personal funds to facilitate a
11 payment of \$130,000 to Ms. Stephanie Clifford. Neither the Trump Organization nor
12 the Trump campaign was a party to the transaction with Ms. Clifford, and neither
13 reimbursed me for the payment, either directly or indirectly." Mr. Cohen concluded his
14 statement by stating: "Just because something isn't true doesn't mean that it can't
15 cause you harm or damage. *I will always protect Mr. Trump.*" (emphasis added). This
16 statement was made in writing by Mr. Cohen and released by Mr. Cohen to the media
17 with the intent that it be widely disseminated and repeated throughout the United States.
18 Attached hereto as Exhibit 3 is a true and correct copy of Mr. Cohen's statement.
19 Exhibit 3 is incorporated herein by this reference and made a part of this Complaint as
20 if fully set forth herein.

21 28. Importantly, at no time did Mr. Cohen make a direct assertion that Ms.
22 Clifford did not have an intimate relationship with Mr. Trump. Indeed, were he to
23 make such a statement, it would be patently false. Mr. Cohen's statement was not a
24 mere statement of opinion, but rather has been reasonably understood to be a factual
25 statement implying or insinuating that Ms. Clifford was not being truthful in claiming
26 that she had an intimate relationship with Mr. Trump.

27 29. Because the agreement was never formed and/or is null and void, no
28 contractual obligations were imposed on any of the parties to the agreement, including

1 and/or void because they are illegal, or that they violate public policy. Essential to the
2 “*existence*” of a contract is that the contract have a “lawful object” or lawful purpose.
3 See, e.g., Cal. Civ. Code § 1550. No such lawful purpose existed in the Hush
4 Agreement for at least the following reasons.

5 45. *First*, the Hush Agreement was entered with the illegal aim, design, and
6 purpose of circumventing federal campaign finance law under the Federal Election
7 Campaign Act (FECA), 52 U.S.C. §§ 30101, *et seq.*, and Federal Election Commission
8 (FEC) regulations. The purposes and aims of the FECA include the promotion of
9 transparency, the complete and accurate disclosure of the contributors who finance
10 federal elections, and the restriction on the influence of political war chests funneled
11 through the corporate form.

12 46. In order to effectuate these purposes, FECA imposes various contribution
13 limits, and reporting and public disclosure requirements, on candidates for Federal
14 office, including the office of President of the United States. With regards to the 2016
15 Presidential Election, FECA required that the maximum any “person”—defined to
16 include “an individual, partnership, committee, association, corporation, labor
17 organization, or any other organization or group of persons” —was permitted to
18 contribute to any candidate was \$2,700. 52 U.S.C. §§ 30101(11); 30116(a)(1)(A), (c);
19 see also FEC, Price Index Adjustments for Contribution and Expenditure Limitations
20 and Lobbyist Bundling Disclosure Threshold, 82 Fed. Reg. 10904, 10906 (Feb. 16,
21 2017). Mr. Trump and his campaign for the presidency were subject to FECA and its
22 contribution limit at all relevant times.

23 47. The term “contribution” is defined broadly to include “any gift,
24 subscription, loan, advance, or deposit of money *or anything of value* made by any
25 person *for the purpose of influencing any election for Federal office[.]*” 52 U.S.C. §
26 30101(8)(A) (emphasis added); see also 11 C.F.R. §§ 100.51-100.56. The phrase
27 “anything of value” includes “all in-kind contributions.” 11 C.F.R. § 100.52(d)(1). In
28 other words, “the provision of any goods or services without charge or at a charge that