

LAW OFFICES OF
J. WHITFIELD LARRABEE
TRIAL AND APPELLATE LAWYERS
251 HARVARD STREET, SUITE 9
BROOKLINE, MASSACHUSETTS 02445

TELEPHONE: (617) 566-3670
WWW.LARRABEELAW.COM
JWLARRABEE@LARRABEELAW.COM

May 18, 2017

Honorable Robert S. Muller, III, Special Counsel
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, DC 20530-0001

Honorable Channing D. Phillips
United States Attorney for the District of Columbia
United States Attorney's Office
555 4th Street, NW
Washington, DC 20530

Re: *Complaint Against Paul J. Manafort, Jr.*

Dear Special Counsel Muller and U.S. Attorney Phillips:

Enclosed please find a complaint against Paul J. Manafort, Jr. for 1) violation of the Lobbying Disclosure Act (“LDA”), 2 U.S.C. § 1601, et. seq.; 2) violation of the Foreign Agents Registration Act (“FARA”), 22 U.S.C. § 611 et. seq.; 3) money laundering in violation of 18 U.S.C. § 1956 and 18 U.S.C. § 1957; 4) mail and wire fraud in violation of 18 U.S.C. §§ 1341 and 1343; 5) income tax evasion violation of the United States Internal Revenue Code, §§ 7201, 7202 and 7203; 6) criminal conspiracy, and, 7) violation of the Racketeer Influenced and Corrupt Organizations Act (“RICO”), 18 U.S.C. §§ 1961-1968. This complaint falls within the jurisdiction of Special Counsel under Order No. 3915-2017 of the Office of the Deputy Attorney General. In addition to my request for criminal prosecution, I request that the Department of Justice initiate a civil action to require Mr. Manafort to register and disclose his activities as a foreign agent of Russia and Ukraine as required by FARA.

The complaint also falls within the jurisdiction of the Office of the United States Attorney for the District of Columbia based on the alleged failure of Mr. Manafort to file appropriate lobbying reports with the Clerk of the House of Representatives. I have requested that the Clerk of the House of Representatives make a referral to the Office of the United States Attorney for the District of Columbia concerning Mr. Manafort’s failure to comply with the LDA. In addition to my request for criminal prosecution, I request that the United States Attorney’s Office initiate a civil enforcement action to require Mr. Manafort to file appropriate lobbying reports. The lobbying activities of Mr. Manafort are a matter of great public concern. The public interest is harmed so long as he fails to file appropriate lobbying reports.

Honorable Robert S. Muller, III, Special Counsel
Honorable Channing D. Phillips
May 18, 2017
Page 2 of 2

With regard to my request for assistance with civil enforcement of FARA and the LDA, I respectfully request that a representative from each of your offices contact me to discuss these matters. I have some evidence that I would like to share with the Department of Justice.

Thank you for your time and consideration of these matters.

Very truly yours,

A handwritten signature in black ink that reads "J. Whitfield Larrabee". The signature is written in a cursive style with a large, prominent initial "J".

J. Whitfield Larrabee

JWL/hg
Enclosure

UNITED STATES DEPARTMENT OF JUSTICE
WASHINGTON, DISTRICT OF COLUMBIA

J. WHITFIELD LARRABEE)
Complainant)
v.) COMPLAINT
PAUL J. MANAFORT, JR.,)
Defendant)
_____)

INTRODUCTION

1. This is a complaint against Paul J. Manafort, Jr. (“Manafort”). The complaint is based upon evidence that Manafort: 1) failed to properly register as a lobbyist in violation of the Lobbying Disclosure Act (“LDA”), 2 U.S.C. § 1601, et. seq.; 2) failed to register as a foreign agent in violation of the Foreign Agents Registration Act (“FARA”), 22 U.S.C. § 611 et. seq.; 3) engaged in money laundering in violation of 18 U.S.C. § 1956 and 18 U.S.C. § 1957; 4) engaged in mail and wire fraud in violation of 18 U.S.C. §§ 1341 and 1343; 5) failed to file truthful tax returns and evaded income taxes in violation of the United States Internal Revenue Code, §§ 7201, 7202 and 7203; 6) conspired with other individuals to violate federal law, including laws prohibiting money laundering, mail fraud and wire fraud; and, 7) violated the Racketeer Influenced and Corrupt Organizations Act (“RICO”), 18 U.S.C. §§ 1961-1968.
2. Manafort’s failure to file one or more lobbying reports as well as his failure register and make disclosures under the Foreign Agents Registration Act has prevented and is preventing the public from obtaining knowledge of Manafort’s activities as a lobbyist and agent acting on behalf of interests in the Ukraine and Russia.

3. There is substantial evidence that, by engaging in a covert and illegal lobbying campaign and engaging in other illegal activity, Manafort has knowingly and willfully violated the Lobbying Disclosure Act and has undermined the functioning of our democracy.

PARTIES

4. The Complainant is a resident of Massachusetts and is a licensed attorney.
5. The Defendant, Paul J. Manafort, Jr., keeps a residence at 10 Saint James Drive, West Palm Beach, Florida 33418. He has also kept a business or residence at 601 N Fairfax Street, Apt 405, Alexandria, Virginia 22314-2079. Manafort is presently under investigation by the FBI and the Department of Justice pursuant to the United States' probe of Russian interference in the 2016 United States presidential election.

FACTS

6. Beginning at least as early as 2006, Manafort acted as an unregistered agent and lobbyist for the Putin regime in Russia. Working through Russian oligarch Oleg Deripaska ("Deripaska") Manafort worked to promote Russian interests in the United States to the benefit the regime of Vladimir Putin. ^{1 2 3}

¹ Chapell, Bill, Former Trump Campaign Head Manafort Was Paid Millions By A Putin Ally, AP Says <http://www.npr.org/sections/thetwo-way/2017/03/22/521088772/former-trump-campaign-head-manafort-was-paid-millions-by-a-putin-ally-ap-says>

² Associated Press, AP Exclusive: Before Trump job, Manafort worked to aid Putin, <https://apnews.com/122ae0b5848345faa88108a03de40c5a>

³ Donald Trump and Deripaska shared the same N.Y. attorney, Marc Kasowitz. Kasowitz represented Trump in a wide range of litigation matters for over 15 years. Kasowitz currently represents a company, Veleron, that is wholly owned by Deripaska. The relationships between Kasowitz, Deripaska, Trump and Manafort are potential links between the Trump campaign and Russia that are presently under investigation. It is a plausible theory that these individuals facilitated collusion between the Trump campaign and Russia to influence the election. If Manafort so colluded, then his actions in that regard were unethical and criminal.

7. In 2006, Manafort signed a \$10 million yearly contract with Deripaska to carry this plan into action, to act as a foreign agent, and to otherwise aid Deripaska.
8. The Foreign Agents Registration Act, requires individuals acting for political purposes on behalf of or in cooperation with a foreign principal to register with the Justice Department and to publicly disclose their identities, activities and financial information. The purpose is to facilitate evaluation by the government and the American people of the statements and activities of such persons. Willfully failing to register is a felony and can result in up to five years in prison and a fine of up to \$250,000. There is probable cause to believe that Manafort willfully failed to properly register and disclose his activities as a foreign agent of Russia with the Justice Department from at least 2006 to the present.
9. During the time period from 2007 until at least October of 2014, Manafort acted as an foreign agent, lobbyist and political consultant for Viktor F. Yanukovych (hereinafter “Yanukovych”), the former President of Ukraine, for the Party of Regions, Yanukovych’s pro-Russian Ukrainian Party, for the European Centre for a Modern Ukraine, and for their agents and employees. Yanukovych held office from February 25, 2010 until February 22, 2014. There is substantial evidence that Manafort failed to properly register as a foreign agent of Ukraine in violation of FARA.⁴
10. After Yanukovych left office, Ukrainian government investigators, working for Ukraine’s National Anti-Corruption Bureau, conducted an investigation of a corrupt network used by Yanukovych and the Party of Regions to steal or misappropriate assets of the

⁴ On April 13, 2017, it was widely reported in the news media that Manafort’s spokesperson said that he would belatedly register as a foreign agent of Ukraine. More than three weeks have passed and he has failed to so register.

government of Ukraine and of the people of Ukraine so as to improperly influence elections during Yanukovich's administration.

11. The National Anti-Corruption Bureau obtained secret ledgers after Yanukovich left office. These ledgers have become known as the "black ledgers." They made reference to payments made from money that was stolen from the government of Ukraine by the Party of Regions, was otherwise illegally obtained and was improperly concealed.
12. The black ledgers contain twenty two (22) separate references to payments made to Mr. Manafort between 2007 and 2012. The payments to Manafort recorded in the ledgers amount to \$12.7 million.⁵
13. One of Manafort's companies, in filings with the United States Department of Justice, reported receiving \$63,750 from the Party of Regions in the six month period ending in March 31, 2008.
14. There is probable cause to conclude that Manafort and his companies under-reported the amount of money received from the Party of Regions in their filing(s) with the Department of Justice.⁶ There is also substantial reason to believe that Manafort did not disclose all of the income he received from the Party of Regions in income tax returns that he filed with the United States Internal Revenue Service.

⁵ Andrew E. Kramer, *Mike Mcintire and Barry Meier, Secret Ledger in Ukraine Lists Cash for Donald Trump's Campaign Chief*, New York Times, August 14, 2016
http://www.nytimes.com/2016/08/15/us/politics/paul-manafort-ukraine-donald-trump.html?_r=0

⁶ Alina Pastukhova and Kateryna Grushenko, *Paid advisers descend on candidates*, nation, Kyiv Post, November 19, 2009
<https://web.archive.org/web/20091124072239/http://www.kyivpost.com/news/politics/detail/53251/>

15. In April of 2017, the Associated Press reported on newly obtained financial records that confirmed that Manafort's consulting firm received at least \$1.2 million in payments of the funds listed in the black ledgers.⁷
16. There is probable cause to establish that Manafort knowingly received payments of stolen funds or illegally derived funds totaling \$12.7 million based on the numerous references to different payments to him contained in the ledgers, the lack of any substantial reason to falsely list Manafort in the ledgers at the time they were seized or before that time, and Manafort's aid and assistance to Yanukovych and the Party of Nations at times when their criminal activities and corruption were obvious and widely reported.
17. The available evidence establishes probable cause to believe that Manafort has knowingly participated in illegal money laundering involving the transfer of funds that were derived from fraud, funds that were fraudulently concealed from the Justice Department, or funds that were known to have been derived from other criminal activities.
18. Cyprus is an island nation in the eastern Mediterranean. Cypriot banks have a long history of laundering illegal money from Russians involved with corruption and criminality.
19. In 2012, the Cyprus Popular Bank investigated several accounts tied to Manafort for possible money laundering. At least one, of about 15 accounts associated with Manafort in Cyprus, was used to take in millions of dollars from Deripaska. Transactions from some of those accounts raised enough concern for the bank to open an internal

⁷ Gillum, Jack, et al, *AP Exclusive: Manafort firm received Ukraine ledger payout*, http://hosted.ap.org/dynamic/stories/U/US_TRUMP_RUSSIA_MANAFORT?SITE=AP&SECTION=HOME&TEMPLATE=DEFAULT, April 12, 2017

investigation for potential money laundering. Shortly after Manafort learned of the probe, he closed the accounts.

20. Manafort has an expertise in using offshore accounts, companies and banking secrecy laws in Cyprus, Belize and in the Cayman Islands to conceal financial transactions.⁸
21. Manafort has used limited liability companies without any apparent legitimate business purpose to make cash purchases (mortgage free purchases) of multi-million dollar properties in New York, and to then borrow millions of dollars against the very same properties. For one property, loans of \$6.6 million exceeded the value of the property. The loans for this property were obtained from the Federal Savings Bank. The CEO of Federal Savings Bank was a campaign supporter of Donald Trump and is a member of Trump's Economic Advisory Council.
22. Manafort's participation in schemes to use shell corporations, his use of offshore entities, his atypical use of cash transactions in his real estate purchases, his practice of unnecessarily maintaining of numerous bank accounts, his use of tax havens, his unnecessary use of wire transfers, his use of a fraudulent invoice(s), together with the other criminal acts described herein provide reasonable grounds to believe Manafort has engaged in additional fraudulent and criminal activities including, but not limited to, tax evasion, wire fraud, money laundering and racketeering.
23. An invoice recovered and disclosed by the Ukraine National Anti-Corruption Bureau describes the sale of a large of number of computers by Davis Manafort in exchange for

⁸ Aggelos Petropoulos and Richard Engel, *Manafort-Linked Accounts on Cyprus Raised Red Flag*, NBC News, March 29, 2016, <http://www.nbcnews.com/news/world/manafort-linked-accounts-cyprus-raised-red-flag-n739156>

the payment of \$750,000. There is good reason to believe that this invoice was signed by Manafort and was fraudulently produced in order to mask an illegal transfer of funds from the Party of Regions, Yanukovich and/or their agents. It is unlikely that any such computers were sold as described in the invoice, and it is likely that the use of this fraudulent invoice led the underpayment of income taxes in the United States in violation of laws prohibiting tax evasion and the filing of false tax returns. A copy of the invoice is attached to this complaint as Exhibit "A."

24. In a recent real estate transaction concerning a property in Bridgehampton, NY, Manafort used a shell company, Summerbreeze LLC, and other tactics, to hide a complex series of transactions so as to evade the payment of some \$36,000 in taxes. These transactions involved business entities and activities that crossed state lines and utilized United States' mail, telephones and/or other interstate wire.⁹
25. Or about April 28, 2017, Mercury Public Affairs, LLC d/b/a Mercury/Clark & Weinstock ("Mercury") filed a registration statement with the Department of Justice under the Foreign Agents Registration Act.
26. The Mercury FARA registration statement indicates that on March 19, 2013, Manafort and John Vincent "Vin" Weber met with Congressman Dana Rohrabacher in order to lobby on behalf of interests in the Ukraine, including the European Centre for a Modern Ukraine.

⁹ Tom Winter and Kenzi Abou-Sabe, *Feds Subpoena Records for \$3.5M Mystery Mortgage on Manafort's Home*, NBC News, May 16, 2017, <http://www.nbcnews.com/news/us-news/manafort-got-3-5m-mystery-mortgage-paid-no-tax-n759866>

27. The European Centre for a Modern Ukraine, a front organization, was connected to the Party of Regions.
28. Three days after meeting with Congressman Rohrabacher, on March 22, 2013, Manafort and Weber each contributed \$1,000 to Rohrabacher for Congress, Rohrabacher's political fund. These contributions were in furtherance of Manafort's lobbying campaign.
29. Manafort's and Weber's activities included opposing proposed resolutions in the House and Senate calling for the release of former Prime Minister of Ukraine Yulia Tymoshenko. At the time of their meeting with Rohrabacher, Tymoshenko, who had opposed Party of Regions candidate Victor Yanukovich in the 2010 presidential election, was a political prisoner of the Yanukovich regime.
30. Although Mercury filed a House lobbying report in 2014 disclosing lobbying by Vin Weber on behalf of the European Centre for a Modern Ukraine, it did not disclose Manafort's lobbying activities in this filing.
31. Manafort, his partner/deputy Rick Gates, their lobbying firm (Davis Manafort & Freedman, Davis Manafort and/or Davis Manafort International LLC), or other entities over which they exercise control, acting in concert, have coordinated lobbying on behalf of Victor Yanukovich, the pro-Kremlin Ukraine Party of Regions and The European Centre For a Modern Ukraine through Mercury and another lobbying firm, the Podesta Group, Inc.
32. Although he is a paid lobbyist who has received millions from the Party of Regions, Manafort did not file a lobbying report with the Clerk of the House of Representatives in connection with his lobbying of Rohrabacher, either for himself or on behalf of any of his companies, as required by the Lobbying Disclosure Act.

33. The willful failure to disclose lobbying under the Lobbying Disclosure Act is a crime punishable by a fine of up to \$200,000 and imprisonment for up to 5 years. There is probable cause to conclude that Manafort committed one or more crimes in willfully failing to disclose and report his lobbying activities as required by the Lobbying Disclosure Act.

COUNT 1

VIOLATION OF THE LOBBYING DISCLOSURE ACT

34. The allegations in the preceding paragraphs are incorporated by reference as if fully set forth.
35. Having been paid over \$2,500, there is substantial evidence that Manafort failed to register as a lobbyist with the Secretary of the Senate and the Clerk of the House of Representatives within 45 days of making a lobbying contact or being employed or retained to make a lobbying contact, in violation of the registration requirements of 2 U.S.C. § 1603, and other sections of the LDA.
36. There is probable cause to charge Manafort with violating the Lobbying Disclosure Act, as amended.

COUNT 2

VIOLATION OF THE FOREIGN AGENTS REGISTRATION ACT

37. The allegations in the preceding paragraphs are incorporated by reference as if fully set forth.

38. There is substantial evidence that Manafort knowingly and willfully failed register as a foreign agent of Russia and of the Ukraine, and for foreign principals acting of behalf of Russia, the Ukraine and the Ukraine Party of Regions, as required by the Foreign Agents Registration Act.
39. There is probable cause to charge Manafort with willfully and knowingly failing to register as a foreign agent in violation of the Foreign Agents Registration Act.

COUNT 3

MONEY LAUNDERING

40. The allegations in the preceding paragraphs are incorporated by reference as if fully set forth.
41. There is substantial evidence that Manafort knowingly and wilfully participated in financial transactions in which proceeds that were derived from specified unlawfully activity, including but not limited to wire fraud or other forms of fraud, were transferred from the Ukraine to countries outside of the Ukraine and transferred to accounts within the United States. There is substantial evidence that Manafort knowingly and wilfully participated in financial transactions in which proceeds that were derived from specified unlawfully activity, including but not limited to wire fraud, were transferred within the United States and across state lines.
42. There is probable cause to charge Manafort with willfully and knowingly engaging in domestic and international money laundering in violation of 18 U.S.C. § 1956 and 18 U.S.C. § 1957.

COUNT 4

WIRE AND MAIL FRAUD

43. The allegations in the preceding paragraphs are incorporated by reference as if fully set forth.
44. There is substantial evidence that Manafort used the United States mail or telephones, interstate and international wire transfers, and other electronic activities to engage in fraud.
45. There is probable cause to charge Manafort with interstate mail fraud and wire fraud in violation of 18 U.S.C. §§ 1341 and 1343.

COUNT 5

TAX EVASION & TAX CONSPIRACY

46. The allegations in the preceding paragraphs are incorporated by reference as if fully set forth.
47. There is probable cause to establish, or at least there is reason to believe that probable cause will be established after an investigation, that Manafort and business entities under his control have engaged in tax evasion by failing to report income on tax returns and by failing to pay income tax in violation of the United States Internal Revenue Code, §§ 7201, 7202 and 7203.18.
48. There is probable cause to establish, or at least there is reason to believe that probable cause will be established after an investigation, that Manafort, his business associates and the business entities set forth in this complaint have engaged in a civil and criminal conspiracy to evade paying income taxes by conspiring and agreeing to not report income

on their tax returns and by conspiring and agreeing not to pay income tax in violation of the United States Internal Revenue Code, §§ 7201, 7202 and 7203.

COUNT 6

CRIMINAL CONSPIRACY

49. The allegations in the preceding paragraphs are incorporated by reference as if fully set forth.
50. There is substantial evidence that Manafort engaged in a criminal conspiracy to violated and attempt to commit mail fraud, wire fraud, money laundering and other criminal activity.
51. There is probable cause to charge Manafort with criminal conspiracy.

COUNT 7

RACKETEERING

52. The allegations in the preceding paragraphs are incorporated by reference as if fully set forth.
53. There is substantial evidence that Manafort actively participated, aided and assisted a corrupt criminal enterprise engaged in a pattern of criminal activity and organized crime that amounted to Racketeering.
54. There is probable cause to charge Manafort with violating the Racketeer Influenced and Corrupt Organizations Act (RICO), 18 U.S.C. §§ 1961-1968.

WHEREFORE, the Complainant demands:

- A. a full, fair and impartial investigation of this complaint
- B. a complete and thorough presentation of all relevant evidence to a federal grand jury;
- C. appropriate indictments against Manafort based on his violations of federal laws;
- D. such other relief as is just, equitable or proper.

Respectfully submitted,



J. Whitfield Larrabee
Law Office of J. Whitfield Larrabee
251 Harvard Street, Suite 9
Brookline, MA 02446
jw.larrabee@verizon.net
(617) 566-3670

“A”

DAVIS MANAFORT

211 North Union Street, Suite 250 Alexandria, VA 22314

To: NEOCOM SYSTEMS LIMITED
1 Mapp Street, Belize City, Belize

Date: 14 October, 2009

INVOICE # 14/10-2009

Designation of the Products	Quantity	Price, USD	Total cost, USD
AMD Athion 64 FX 62, NVIDIA nForce 590 SLI 2 x 1024Mb DDR2 SATA II 400Gb 7200 3.5 * DVD ±RW dual layer GeForce 7950GX2 ,1024 Realtek ALC85	125	2 000	250 000,00
Intel Core 2 Duo E6300, 1.86 GHz, cache 2Mb NVIDIA nForce4 SLI Intel Edition, 3xPCL, 2 2 x 512Mb DDR2 SATA II 320Gb 7200 rpm 3.5 * DVD ±RW dual layer NVIDIA GeForce 7600GS, 256Mb DDR2 Creative Audigy 4 7.1	200	1 400	280 000,00
AMD Athlon64 4000+, 1024Kb cash S939, Nforce4 Ultra, FSB 400Mhz, USB 2048Mb DDR 300Gb SATAII 1.44 DVD-RW GeForce 7900GT 256Mb, PCI-ex, TV 5.1 sound	176	1 250	220 000,00
Total:			750 000,00

OUR BANK DETAILS:

211 North Union Street, Suite 250
Alexandria, VA 22314
Wachovia Bank
8770 Richmond Highway, VA4020
Alexandria, VA 22309
ABA 051400549
Acc. 2000020636368

Director Paul Manafort



Счем "Davis Manafort" к Neocom Systems Limited