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## Manafort Had \$60 Million Relationship With a Russian Oligarch

by AGGELOS PETROPOULOS and RICHARD ENGEL

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LONDON — Paul Manafort, a former campaign manager for President Donald Trump, has much stronger financial ties to a Russian oligarch than have been previously reported.

An NBC News investigation reveals that \$26 million changed hands in the form of a loan between a company linked to Manafort and the oligarch, Oleg Deripaska, a billionaire with close ties to the Kremlin.

The loan brings the total of their known business dealings to around \$60 million over the past decade, according to financial documents filed in Cyprus and the Cayman Islands.

Manafort was forced to resign from the Trump campaign in August 2016, following allegations of improper financial dealings, charges he has strenuously denied. He is now a central figure in special counsel Robert Mueller's investigation into alleged collusion between the Trump campaign and Russia. Investigators have said they are looking into Manafort's financial ties to prominent figures in Russia.

According to company documents obtained by NBC News in Cyprus, funds were sent from a company owned by Deripaska to entities linked to Manafort, registered in Cyprus.



Russian Prime Minister Vladimir Putin speaks with Oleg Deripaska, head of "The base element" company at the International Investment Forum in Sochi on Sept. 19, 2008. © ILIA PITALEV / AFP-Getty Images file

Deripaska's office did not respond to requests for comment.

Manafort's spokesman, Jason Maloni, declined to give specific answers about the loans, but released a statement to NBC News saying, in part, "Mr. Manafort is not indebted to former clients today, nor was he at the time he began working for the Trump campaign."

He later revised the statement, removing that sentence entirely. It now reads: "Recent news reports indicate Mr. Manafort was under surveillance before he joined the campaign and after he left the campaign. He has called for the U.S. Government to release any intercepts involving him and non-Americans in hopes of finally putting an end to these wild conspiracy theories. Mr. Manafort did not collude with the Russian government."

Manafort and Maloni have received subpoenas from Mueller to supply documents and testimony in the case.

Deripaska was described in a 2006 U.S. diplomatic cable as "among the 2-3 oligarchs Putin turns to on a regular basis."

NBC News reported in June that the business relationship between Deripaska and Manafort began in 2007. According to The Wall Street Journal, they worked together to further Russian interests in Georgia.

Manafort then went on to spend nearly a decade working as a consultant for a pro-Russian political party in Ukraine.

The NBC News investigation shows that \$26 million was transferred from Oguster Management Ltd. — which is wholly owned by Deripaska, according to a disclosure filed at the Hong Kong Stock Exchange — to Yiakora Ventures Ltd. Yiakora, according to Cyprus financial documents, is a "related party" to Manafort's many interests on the island, a financial term meaning that Manafort's interests have significant influence over Yiakora.



Paul Manafort checks the teleprompters before Republican presidential candidate Trump's speech at the Mayflower Hotel on April 27 in Washington, D.C. © Chip Somodevilla / Getty Images file

The investigation also confirms a smaller loan of just \$7 million from Oguster to another Manafort-linked company, LOAV Advisers Ltd., a figure first reported by The New York Times. Company documents reviewed by NBC News reveal the entire amount was unsecured, not backed by any collateral.

The \$7 million loan to LOAV had no specified repayment date, while the \$26 million loan to Yiakora was repayable on demand. It's not known if either sum has ever been repaid.

Lawyers specializing in money laundering said the loans appeared unusual and merited further investigation.

"Money launderers frequently will disguise payments as loans," said Stefan Cassella, a former federal prosecutor. "You can call it a loan, you can call it Mary Jane. If there's no intent to repay it, then it's not really a loan. It's just a payment."

The documents go on to reveal loans of more than \$27 million from the two Cyprus entities to a third company connected to Manafort, a limited-liability corporation registered in Delaware.

This company, Jesand LLC, bears a strong resemblance to the names of Manafort's daughters, Jessica and Andrea.

Jesand was used to buy a \$2.5 million condo in New York in 2007, according to a New York City public document. In August 2017, according to another document, Jesand then obtained a loan of more than \$1 million dollars against that property.

Using LLCs to purchase real estate is not necessarily illegal but is considered by money-laundering experts to be a potential red flag.

The \$33 million uncovered by NBC News wasn't the only set of transactions between the two men to pass through Cyprus. According to a related court case, Deripaska invested another \$26 million in a private equity fund earmarked for a Ukrainian telecommunications company.

The legal filing states Deripaska transferred the money through yet another Cypriot company, and claims that Manafort wanted the investments structured as loans "so as to avoid the unnecessary occasioning of Cyprus taxation."

Highly placed government sources in Cyprus said that the island's police — following an official request by U.S. authorities this past summer — are still gathering evidence in this case and have yet to hand it over to American investigators.

After this article was first published, Vera Kurochkina, a spokeswoman for Deripaska, sent NBC News a statement in which she accused the network of trying "to continue damaging Donald Trump's reputation insisting on alleged Russia's collusion." Deripaska's business dealings had no other purpose but the advancement of his commercial business interests, she said, including his contacts with Manafort.

"Mr. Deripaska had no communications, meetings, briefings, or other interactions with Mr. Manafort during, after, or in the run-up to the 2016 Presidential Election," Kurochkina's statement said.

The statement did not challenge any of the specific transactions cited in the article.

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