## The Washington Post

#### **Politics**

# Rick Gates, once the man 'in the corner,' is now a central figure in Mueller investigation

#### By Michael Kranish and Tom Hamburger November 5 at 7:18 PM

Rick Gates was always just outside of the frame of focus: a right-hand man for international political consultant Paul Manafort, a senior aide for Donald Trump's presidential campaign, the deputy chairman of Trump's inaugural committee.

A low-key 45-year-old father of four, he chose to live in Richmond with his family instead of moving to New York City or Washington. His lawyers said his assets are "limited" other than "a single home."

But last week, prosecutors thrust Gates into the forefront of the special counsel's Russia investigation, depicting him as a willing collaborator in a scheme with Manafort to defraud the U.S. government through a web of overseas accounts, laundering millions of dollars and hiding his work as a foreign agent.

Gates, who pleaded not guilty, did not respond to requests for comment. He posted a \$5 million bond and is under house arrest.

Among friends in Richmond, Gates's frequent overseas travel and ties to Russian oligarchs have long been the topics of goodnatured jokes, according to people who know him. But his new high-profile role as a target of special counsel Robert S. Mueller III has revealed startling details about his life.

While Gates listed \$2.2 million in assets in 2011, he filed a 2016 credit application saying he had a liquid net worth of \$25 million and that his wife was worth \$30 million, according to a filing by prosecutors. Gates controlled as many as 30 bank accounts in the past six months, including several in Cyprus in which he held more than \$10 million, according to court documents. In August, his wife transferred more than \$1 million to a joint brokerage account, the filings said.

"That just blew my mind, I couldn't believe it," said one of Gates's associates, who requested anonymity to describe personal interactions with the consultant. The associate, like others who know him, had thought Gates "lived modestly."

None of the charges against Gates allege that he was connected to Russia's meddling in the 2016 election, the main focus of Mueller's investigation. But his nearly year-long presence in Trump's orbit could make him a valuable witness, if he chooses to cooperate.

When Gates appeared in federal court a week ago, he was represented by a public defender, having abruptly parted ways with his former attorney, Michael Dry. Dry did not respond to requests for comment.

He recently hired a new legal team of three former federal prosecutors: Walter Mack, Shan Wu and Annemarie McAvoy. Mack declined to comment.

"This fight is just beginning," Gates spokesman Glenn Selig said.

Gates's attorneys have sought to change the terms of his release, asking the court that he be permitted to make limited international trips. Prosecutors maintained that he is a flight risk, saying that Gates's lawyer notified them Thursday that he had recently obtained a second passport that had not been turned over, as required, when he was charged.

Gates spent much of his career at Manafort's side. After earning degrees in government from the College of William & Mary in 1994 and a master's in public policy from George Washington University, he became a research intern at the political consulting firm co-founded by Manafort.

One of Manafort's partners, Charlie Black, said he was the one who brought Gates into the firm on the recommendation of a friend.

"He turned out to be a good researcher," Black said, adding: "Rick is a very smart, hard-working, unassuming guy."

Manafort introduced him to the highflying and controversial world of international political consulting. Among Manafort's clients have been foreign leaders such as Mobutu Sese Seko of Zaire (now Congo) and Ferdinand Marcos of the Philippines.

Gates left the firm to work for companies in the lottery and gaming business, Black said, but he eventually reunited with Manafort, who was looking to do business in Ukraine.

In 2006, when Gates rejoined him, Manafort had began doing political consulting work for Viktor Yanukovych, an aspiring politician who was seeking the presidency.

While Manafort sought to portray his work as an effort to breed democracy, Yanukovych's Party of Regions was eventually seen as being closely tied to Russian President Vladimir Putin.

According to court documents, Manafort and Gates failed to register as foreign agents while they were working for Yanukovych, as required. When they <u>belatedly reported the work</u> in June, they said that their company had been paid \$17 million between 2012 and 2014. Manafort and Gates funneled millions of dollars from their Ukraine work to banks in Cyprus and then transferred the money to the United States, according to their indictment. Manafort laundered millions of dollars that were spent on luxury items such as homes, cars and antique rugs, prosecutors said. Gates helped set up the various accounts, according to the court filings.

Separately, Manafort and Gates created a \$200 million private equity fund, bringing in a Russian aluminum oligarch named Oleg Deripaska as a major investor. After the 2007 financial crisis, one of the fund's investments in Ukraine failed and Deripaska said in a court petition that he was owed \$19 million. During his effort to regain the funds, Deripaska's lawyer filed a document that said it "appears that Paul Manafort and Rick Gates have simply disappeared." The filings in the case do not indicate that the matter has been resolved.

In 2016, Manafort, who had worked for past Republican presidential candidates including Ronald Reagan and George H.W. Bush, first joined the Trump campaign to lead an effort to track delegates for the GOP nomination. He brought along Gates as his deputy.

The duo initially shared a makeshift office on the fifth floor of Trump Tower, taking over a conference room where a giant map of the United States hung on the wall, marked with the cities and towns where Trump had campaigned.

In May of that year, Manafort and Gates were among the campaign officials who were aware of an effort by foreign policy adviser George Papadopoulos to broker a meeting between Trump and Putin. Papadopoulos <u>pleaded</u> guilty to lying to the FBI as part of the Mueller probe last week.

In an email cited by prosecutors, Manafort wrote to Gates that "we need someone to communicate that [Trump] is not doing these trips. It should be someone low level in the campaign so as not to send any signal."

The email was described to The Washington Post in August by people familiar with its contents.

In a response that prosecutors did not include, Gates wrote back to Manafort that he would get an aide responsible for responding to "all mail of non-importance" to reply.

"Good," Manafort wrote back.

Gates soon was in the center of the swirling conflicts among Trump's top aides. He and Manafort cultivated close relationships with Trump's children as Manafort feuded with campaign manager Corey Lewandowski over strategy and operations. Lewandowski did not respond to a request for comment.

In June 2016, Lewandowski was jettisoned and Manafort assumed control of the campaign, with Gates operating as his No. 2. Together, they orchestrated the GOP convention in Cleveland, oversaw Trump's vice presidential selection process and devised the campaign's strategy for the general election against Democratic nominee Hillary Clinton. In August, however, amid news reports about Manafort's past work for Yanukovych in Ukraine, he resigned from the campaign.

Gates stayed on, working as a liaison between the Republican National Committee and the Trump operation. One former campaign official said it was an uncomfortable period for Gates: he still had supporters and access, but some aides sought to freeze him out of key decisions.

"They didn't want to ask him to leave," said the former senior campaign official, who requested anonymity to discuss internal matters. "So they said, 'Just sit him in the corner. Don't tell him anything. Leave him over there.' He was frozen out. He got caught in purgatory." The former official said Gates got blamed for some things that were the responsibility of Manafort and others. "That's what happens when you are a deputy," the former official said.

By the fall, Gates was on the payroll of the RNC, which <u>paid \$70,000</u> for "political strategy services" between late September and January to a company called Bade LLC that listed as its address Gates's home in Richmond. The same company is listed in court documents as one of the entities that received money from Ukraine.

After Trump won the election, one of his closest friends, Tom Barrack, became Gates's patron. Trump had named Barrack as chairman of the Presidential Inaugural Committee, and Barrack hired Gates to be his deputy. Together, they raised more than \$100 million for the inauguration, helping Gates make connections with a cadre of wealthy, powerful Republicans.

"On the inauguration, as an executive, he was first class," Barrack said.

Gates then emerged in a different forum: as one of four former Trump campaign strategists who founded a new, Trumpblessed issue advocacy group called America First Policies. At one point, he scouted potential office space for the organization. But he was soon edged aside following a Post report about his continued access to White House personnel.

Gates turned again to Barrack, a longtime friend of both Manafort and Trump who is the chairman of Colony NorthStar, a real estate investment company. Barrack hired Gates as a consultant to monitor Washington issues that affected the company.

During the summer, as reports spread that Manafort and Gates were under investigation by Mueller, Gates told associates that he had heard nothing from the special counsel, according to someone familiar with the conversations.

But on Oct. 30, he surrendered to federal authorities in Washington. As word of the indictment spread, his contract with Colony NorthStar was terminated.

Alice Crites, Robert Costa, Rosalind S. Helderman, Spencer Hsu, Anu Narayanswamy, Ashley Parker, Philip Rucker and Matt Zapotosky contributed to this report.

#### **195 Comments**

Michael Kranish is a national political investigative reporter for The Washington Post. He is the co-author of The Post's biography, "Trump Revealed," as well as biographies of John Kerry and Mitt Romney. A Washington-area native, he is also the author of "Flight from Monticello: Thomas Jefferson at War." **Y** Follow @PostKranish

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ndbltwy 51 minutes ago

If the angry white working class man was out to screw America the way they have been screwed for the last 30 years (red, white, yellow, brown all of the working class is screwed) he could not have picked a more perfect candidate than Trump and friends.

Like 🖆 1 Reply 👟 Link 🖘 Report 🎮



**ndbltwy** 1 hour ago I was under the illusion that the USA was so much better

Like 🖆 Reply 👟 Link 🖘 Report 🏲



**very KAKELY** does a Grand Jury find enough evidence for a warrant by federal officials to storm into your house and seize property - and nothing bad happens to you. :D

Keep fighting, Richard. Make me laugh.

Like 🖆 Reply 👟 Link 🖘 Report 🎮



**3isepick** 2 hours ago

Btw, the accounts Gates had in Cyprus were mainly through a bank controlled by Wilbur Ross, the current Secretary of Commerce. The corruption runneth very deep here.

Like 💼 3 Reply 👟 Link 🖘 Report 🎮



**writerswithcats** 1 hour ago And Wilbur just got outed for his involvement in the Paradise Papers. Flood the Swamp. =P

Like 🖆 1 Reply 👟 Link 🖘 Report 🎮



awawa1 2 hours ago (Edited)

Millions in as many as 30 bank accounts in various countries, multiple passports, on the payroll of the RNC last fall. An office in Trump Tower. Worked with Russian oligarchs.

"Gates's attorneys have sought to change the terms of his release, asking the court that he be permitted to make limited international trips."

Good luck with that!

Like 📫 4 Reply 👟 Link 🖘 Report 🎮

#### **really questionmark** 1 hour ago

I have eight bank accounts, and leave the country three times a year.

All that makes me is organized, smart, and lucky.

Like 🖆 Reply 👟 Link 🖘 Report 🆻



sobe53711 1 hour ago

It's on the internet so it must be true.

Like 🖆 Reply 🖌 Link 🖘 Report 🏲



geezer4 3 hours ago

Let them keep their passports, and let them become Snowdenized. Then, at least, we will have clear evidence of their intentions.

Like 💼 Reply 🖌 Link 🖘 Report 🎮



#### silence dogood13 3 hours ago (Edited)

Trump shifts his position about Russian contacts like a greased pig:

1. I know Putin well. He said nice things about me, so why shouldn't I do the same? US-Russian relations need to improve.

2. My campaign had absolutely no contacts with the Russians.

3. I've never met Putin. But he called me a genius. I like that.

4. If my campaign had any contacts with the Russians, they were innocuous.

5. If they had contacts with the Russians, Gates, Manafort, Papadopoulos, Page, Flynn, and Ross were minor players.

6. In the Trump Tower meeting, we were trying to free the orphans.

7. My lawyer, Ty Cobb, said that there have been no reports of my conspiring with the Russians "in the actual facts published to date."

8. In future facts to be published, any of my personal contacts with the Russians were innocuous.

9. OK, if Flynn and Ross weren't minor players, they just went "rogue" on me. I have no knowledge of their actions.

10. I only pick the best people, unless they aren't.

11. By the way, I was a minor player in the campaign. Bannon was in charge.

12. I can contact the Russians about business deals while running for President.

13. I can fire the head of the FBI because of the Russian investigation, and it won't be obstruction because I am Trump the Almighty.

14. How can it be obstruction? I had nothing to hide. In fact, this is the most transparent presidency in the history of mankind.

15. Mueller. if you touch my tax returns or finances. I'll have you fired. But I have nothing to hide.

This could get wild before it gets over.

Like 🖆 5 Reply 👟 Link 🖙 Report 🎮



jyl1st 3 hours ago

Reading WAPO accounts of Russiagate remind me of my first reading the paper during the fall of 1972 through 1974. The reporting is needed now, just like it was then. And, hollywood being hollywood, some screenwriter is already imagining a script but they need to wait, this story is just taking off.

Like 📫 4 Reply 👟 Link 🖘 Report 🎮



silence dogood13 2 hours ago

You and I must be about the same age. The WP was the paper of choice back then.

It feels a lot like Watergate all over again.

Like 🖬 4 Reply 👟 Link 🖘 Report 🎮



writerswithcats 1 hour ago

What's interesting to note is we didn't have the internet back in Watergate days.

Not quite sure the Trumpkins understand THAT either.

Like 🖆 1 Reply 👟 Link 🖘 Report 🎮



nancydrew963 3 hours ago

All roads lead back to Trump. Knowing what we know about the con man, does anyone really think/believe, he's not part of the laundering of millions?

Like 🖬 4 Reply 👟 Link 🖘 Report 🎮



cjw1168 22 minutes ago

He knows the best people, the smartest people...he knows how the system works... apparently contradicting his we are amateurs too stupid to do anything willfully wrong defense.

Like 🖆 Reply 🖌 Link 🖘 Report 🆻



Both of these guys, Manafort and Gates, are trying desperately to do what they can to get out from house arrest. Another interesting thing happening is Oleg Deripaska, the Russian who has a long relationship with Putin and Manafort, plans to offer a stock IPO starting November 8 on the London Stock Exchange. His company is EN+ and is involved in aluminum production and hydro-electric power. It says he wants to raise \$1.5 billion. This is all tied together somehow. Follow the money.

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