

U.S. House of Representatives

Committee on the Judiciary

Washington, DC 20515-6216

One Hundred Fifteenth Congress

July 12, 2017

The Honorable Jeff Sessions, Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, NW
Washington, D.C. 20530

Dear Attorney General Sessions,

Last summer, Donald Trump, Jr. met with a Kremlin-connected attorney in an attempt to obtain information “that would incriminate Hillary.” Earlier this year, on May 12, 2017, the Department of Justice made an abrupt decision to settle a money laundering case being handled by that same attorney in the Southern District of New York.¹ We write with some concern that the two events may be connected—and that the Department may have settled the case at a loss for the United States in order to obscure the underlying facts.

Accordingly, we respectfully request information about the settlement of *United States v Prevezon Holdings Ltd., et al.* (SDNY No. 13-CIV-6326). An explanation for your decision to settle just two days before trial was set to begin is long overdue.

On June 9, 2016, Donald Trump, Jr., Jared Kushner, and Paul Manafort met with Natalia Veselnitskaya—a Russian lawyer described to the Trump campaign as a “Russian government attorney who is flying over from Moscow.”² An intermediary promised that Ms. Veselnitskaya would provide the campaign with “official documents and information that would incriminate Hillary and her dealings with Russia and would be very useful” to then-candidate Donald Trump.³ The offer was “part of Russia and its government support for Mr. Trump.”⁴ That the President’s inner circle was willing to accept this kind of assistance from a foreign adversary is, at best, deeply troubling.

According to emails released by Mr. Trump, this meeting was delayed at least once because “the Russian attorney” was “in court.”⁵ We now understand that Ms. Veselnitskaya was otherwise engaged as counsel for Denis Katsyv, owner of Prevezon, and that she could not meet

¹ Natasha Bertrand, “The offer was too good to refuse”: A major Russian money-laundering case was unexpectedly settled in New York, *BUS. INSIDER* (May 23, 2017).

² Jo Becker, Adam Goldman, and Matt Apuzzo, *Russian Dirt on Clinton? ‘I Love It,’ Donald Trump Jr. Said*, *N.Y. TIMES* (July 11, 2017); Harriet Alexander, *‘I love it’: Donald Trump Jr forced to publish email exchange with response to offer of ‘Kremlin’ information on Hillary Clinton*, *TELEGRAPH* (July 11, 2017).

³ *Id.*

⁴ *Id.*

⁵ *Id.*

with Mr. Trump because she was scheduled to be in federal court defending her client against charges of fraud and money laundering.⁶

Before President Trump summarily fired him, Preet Bharara, U.S. Attorney for the Southern District of New York, explained the *Prevezon* case this way:

In 2007, a Russian criminal organization engaged in an elaborate tax refund fraud scheme resulting in a fraudulently-obtained tax refund of approximately \$230 million from the Russian treasury....

Members of the criminal organization, and associates of those members, have also engaged in a broad pattern of money laundering in order to conceal the proceeds of the fraud scheme. In a complex series of transfers through shell corporations, the \$230 million from the Russian treasury was laundered into numerous accounts in Russia and other countries....

PREVEZON HOLDINGS laundered these fraud proceeds into its real estate holdings, including investment in multiple units of high-end commercial space and luxury apartments in Manhattan, and created multiple other corporations, also subject to the forfeiture action, to hold these properties.⁷

The facts underlying the *Prevezon* case—including the death of Sergei Magnitsky, the Russian lawyer who uncovered the fraud, in a Russian prison—led to the passage of unprecedented sanctions against the Russian officials thought to be complicit.⁸

Nevertheless, two days before trial was set to begin, the Department agreed to settle this \$230 million case for less than \$6 million and no admission of wrongdoing. Ms. Veselnitskaya told one Russian news outlet that the penalty was so light that it seemed “almost an apology from the government.”⁹

In light of recent reporting about Ms. Veselnitskaya, and the troubling timing of her activities in New York, we request answers to the following questions:

1. Was Natalia Veselnitskaya involved at any point in the settlement negotiations of *U.S. v Prevezon Holdings Ltd.*?

⁶ Natasha Bertrand and Sonam Sheth, *Trump's campaign team met with a Russian lawyer believed to work 'at the behest' of the Kremlin*, BUS. INSIDER (July 8, 2017).

⁷ Press Release, *Manhattan U.S. Attorney Announces Civil Forfeiture Complaint Against Real Estate Corporations Allegedly Involved in Laundering Proceeds of Russian Tax Refund Fraud Scheme*, Office of the U.S. Atty. for the Southern District of New York, Sept. 30, 2013.

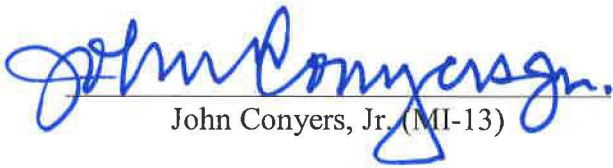
⁸ The Russia and Moldova Jackson-Vanik Repeal and Sergei Magnitsky Rule of Law Accountability Act of 2012, Pub. L. 112-208, 126 Stat. 1496.

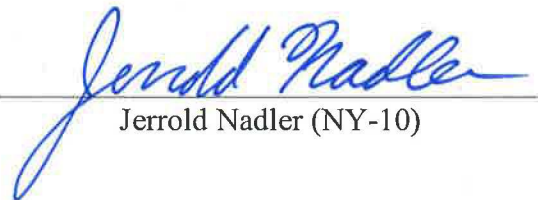
⁹ Oleg Fochkin, *We have made a difficult, but absolutely the right decision*, IZVESTIA, May 14, 2017.

2. Why was the case settled for \$6 million just two days before trial was scheduled to begin? Please provide us with the prosecution files and any other explanatory materials related to the settlement.
3. Was there any contact between President Trump, White House personnel, the Trump family, or the Trump campaign with the Department of Justice regarding the *Prevezon* case? If so, please provide details and copies of these communications and any related documents.
4. It is well known that both of the President's adult sons were actively involved in the transition process, and particularly in interviewing and vetting candidates for cabinet positions. Did you discuss the *Prevezon* case with anyone associated with the transition team at any point during the time you were under consideration for Attorney General?
5. In correcting your testimony to the Senate Committee to the Judiciary, you acknowledged that you had held two meetings with Russian Ambassador Sergey Kislyak.¹⁰ Later, in testimony before the Senate Select Committee on Intelligence, you described a possible third meeting at the Mayflower Hotel.¹¹ Did you discuss the *Prevezon* case with Ambassador Kislyak, or any other Russian official, at any time?

Thank you for your prompt attention to this matter. We note that, as of this writing, the Department owes us a response to at least twelve other outstanding letters. We ask that you respond to each of these requests for information as soon as possible. In any event, we ask that you respond to this letter no later than July 26, 2017.

Sincerely,


John Conyers, Jr. (MI-13)


Jerrold Nadler (NY-10)


Zoe Lofgren (CA-19)

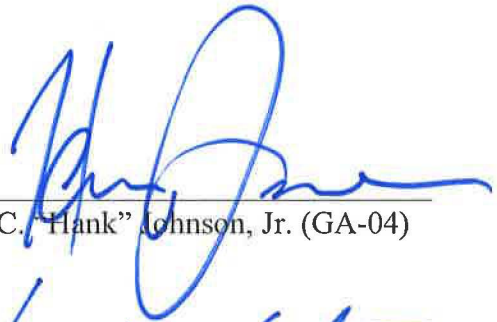

Sheila Jackson Lee (TX-18)

¹⁰ Letter from U.S. Attorney General Jeff Sessions to Sen. Charles Grassley, Chairman, S. Comm. on the Judiciary, and Sen. Dianne Feinstein, Ranking Member, S. Comm. on the Judiciary, Mar. 6, 2017.

¹¹ *Open Testimony of Attorney General of the United States, Jeff Sessions*, before the S. Select Comm. on Intelligence, June 13, 2017 (statement of U.S. Attorney General Jeff Sessions).



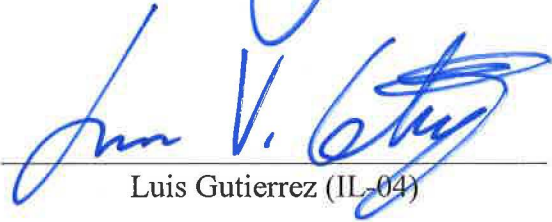
Steve Cohen (TN-09)



Henry C. "Hank" Johnson, Jr. (GA-04)



Ted Deutch (FL-22)



Luis Gutierrez (IL-04)



Karen Bass (CA-37)



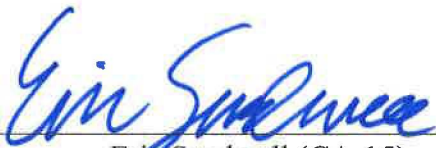
Cedric Richmond (LA-02)



Hakeem Jeffries (NY-08)



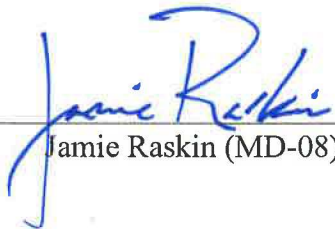
David N. Cicilline (RI-01)




Eric Swalwell (CA-15)



Ted Lieu (CA-33)




Jamie Raskin (MD-08)



Pramila Jayapal (WA-07)

Letter to AG Sessions
July 12, 2017
Page 5



Bradley Scott Schneider (IL-10)

cc: Chairman Bob Goodlatte, House Committee on the Judiciary