

CHARLES MCGONIGAL'S LONELY PLEA DEAL

Former FBI Assistant Director Charles McGonigal pled guilty to one count of conspiring to violate sanctions today.

Tellingly, the Information doesn't say with whom he conspired.

Remember, he was charged in January with former translator Sergey Shestakov. The acts to which he pled guilty – collecting business intelligence on Oleg Deripaska rival Vladimir Potanin, according to reports from the plea – he was alleged to have done *with* Shestakov and *for* Agent-1, understood to be Yevgeniy Fokin.

19 . In or about August 2021 ,
MCGONIGAL, SHESTAKOV, and Agent-1
drafted and executed a contract (the
“Contract”) . According to the Contract,
a Cyprus corporation (the “Cyprus
Corporation”) would pay a Corporation
based in New Jersey (the “New Jersey
Corporation”) \$51 , 280 upon execution
of the Contract and \$41 , 790 per month
for “business intelligence services,
analysis, and research relevant to [the
Russian Corporation], its business
operations, and shareholders. ” Although
the payments under the Contract in fact
would be made to MCGONIGAL and SHESTAKOV
at the behest of Deripaska , as
negotiated by Agent-1 , none of those
people was named in or was a si gnatory
to the Contract . Pursuant to the
Contract , on August 13, 2021 1 \$51 ,
280 was wired from a Russian bank (the
“Russian Bank”) to the New Jersey
Corporation, to be followed by monthly
payments of \$41, 790 between August 18
and November 18 , 2021.

20 . The New Jersey Corporation was
owned by a friend of MCGONIGAL (the

"Friend") . The Friend had arranged for McGONIGAL to participate in the business of the New Jersey Corporation while McGONIGAL was still serving as SAC with the FBI . The Friend provided McGONIGAL with a corporate email account and a cellphone under a false name, which McGONIGAL at times used, in order to conceal McGONIGAL' s work for the New Jersey Corporation while still employed by the FBI. Wit h respect to the Contract, however, McGONIGAL told SHESTAKOV that he had not informed the Friend that he was using the New Jersey Corporation to receive payment on the Contract . SHESTAKOV subsequently forged the Friend' s signature on the Contract without the Friend' s knowledge or permission . When the Friend questioned McGONIGAL about why the Russian Bank was making payments to the New Jersey Corporation, McGONIGAL told the Friend, in substance and in part, that it was payment for "legitimate" work McGONIGAL was performing for "a rich Russian guy . " The Friend acquiesced in the use of the New Jersey Corporation, and subsequently transferred funds obtained pursuant to the Contract at McGONIGAL' s direction, including to McGONIGAL and SHESTAKOV.

21. From at least in or about August 2021 until in or about November 2021 and in return for the payments specified in the Contract, McGONIGAL sought to gather information about Oligarch-2 and the Russian Corporation . Among other things, McGONIGAL retained subcontractors to assist in this endeavor. With respect to one such subcontractor ("Subcontractor-1n) , McGONIGAL requested a "soup to nuts" investigation of Oligarch-2 and the Russian Corporation . McGONIGAL declined to t ell Subcontractor-1 the identity of his client, despite having an

established relationship with Subcontractor- 1 in which McGONIGAL had identified his prior, lawful client.

Instead, his Information tersely describes that he and others worked for Deripaska.

From in or about August 2021 through in or about November 2021, McGONIGAL and others, acting at the behest of Oleg Deripaska, whom the United States Department of the Treasury's Office of Foreign Assets Control designated as a Specially Designated National on or about April 6, 2018, sought to gather derogatory information about a rival of Deripaska, in violation of IEEPA.

From in or about August 2021 through in or about November 2021, McGONIGAL and others received and routed payments from Deripaska through two corporations, neither of which was registered in the name of McGONIGAL or Deripaska, in an effort to conceal that the payments originated from Deripaska.

Even the press release makes no mention of Shestakov. It only describes McGonigal's conspiracy with Fokin.

In 2021, MCGONIGAL conspired to provide services to Deripaska, in violation of U.S. sanctions imposed on Deripaska in 2018. Specifically, following his negotiations with an agent of Deripaska, MCGONIGAL agreed to and did investigate a rival Russian oligarch in return for concealed payments from Deripaska. As part of their negotiations with Deripaska's agent, MCGONIGAL and the agent attempted to conceal Deripaska's involvement by, among other means, not directly naming Deripaska in electronic communications, using shell companies as counterparties in the contract that

outlined the services to be performed, using a forged signature on that contract, and using the same shell companies to send and receive payment from Deripaska.

Nor is there any hint of cooperation, which you'd think a former FBI Agent might do if there were a co-conspirator still around to cooperate against. According to Innercity Press' live tweet of the hearing, even though Seth DuCharme had recently suggested that both this and his DC case would be resolved in one agreement, this agreement doesn't rule out consecutive sentences, meaning he could face more than the five years he's facing in SDNY. Nor are tax charges off the table.

It's not exactly the kind of sweet plea deal he must have imagined Bill Barr's former fixer, Seth DuCharme might negotiate.