

“SWEEP UP!” THE RUSSIAN PAYMENTS THAT LED TO TRUMP’S FELONY CONVICTION

There has been a lot of performed ignorance about the origin of the investigation that led to the felony conviction of Donald Trump.

Former Attorney General Jeff Sessions’ spox, Sarah Isgur, quoted Robert Jackson about prosecutors choosing defendants.



Sarah Isgur
@whignewtons

...

If the prosecutor is obliged to choose his cases, it follows that he can choose his defendants. Therein is the most dangerous power of the prosecutor: that he will pick people that he thinks he should get, rather than pick cases that need to be prosecuted... Robert Jackson 1940

5:19 PM · May 31, 2024 · 198.5K Views

Kerri Kupec, the DOJ spox who helped Bill Barr spin key aspects of his unprecedented corruption at DOJ, likewise quoted Jackson.



Kerri Kupec Urbahn
@Kerri_Kupec

...

Since Alvin Bragg in his speech last night mentioned District Attorney Thomas Dewey from the 1930s, I think it's only appropriate to mention US Attorney General Robert Jackson from the 1940s and his warning to federal prosecutors about their capacity to abuse the law. Key excerpts:

“The prosecutor has more control over life, liberty, and reputation than any other person in America. His discretion is tremendous. He can have citizens investigated and, if he is that kind of person, he can have this done to the tune of public statements and veiled or unveiled intimations. Or the prosecutor may choose a more subtle course and simply have a citizen's friends interviewed. The prosecutor can order arrests, present cases to the grand jury in secret session, and on the basis of his one-sided presentation of the facts, can cause the citizen to be indicted and held for trial. He may dismiss the case before trial, in which case the defense never has a chance to be heard. Or he may go on with a public trial. If he obtains a conviction, the prosecutor can still make recommendations as to sentence, as to whether the prisoner should get probation or a suspended sentence, and after he is put away, as to whether he is a fit subject for parole. While the prosecutor at his best is one of the most beneficent forces in our society, when he acts from malice or other base motives, he is one of the worst.”

3:27 PM · May 31, 2024 · 278.7K Views

Both mouthpieces for Trump’s DOJ insinuated that

Alvin Bragg invented this case out of thin air, rather than pursuing the fraud revealed by an investigation that developed – and was substantially interfered with by Barr – while they were at DOJ.

Then, three of the NYT reporters who commented on Trump's wild screed the other day mused about whence this investigation might have come from, with Maggie describing those whose own actions made them targets of the Mueller investigation in the passive voice, "swept up," as she is wont to do (to say nothing about her refusal to discuss the way Trump's pardons silenced key witnesses against him).



May 31, 2024
Benjamin Protes Reporting on the Trump trial



Trump claims that Michael Cohen got into legal trouble not because of his affiliation with the former president, but because of his own crimes. While it's true that Cohen pleaded guilty to personal financial crimes, he was also charged with his role in paying hush money for Trump. And federal prosecutors concluded that Cohen did so at Trump's direction.



May 31, 2024
Michael Rothfeld

Cohen also pleaded guilty to lying to Congress about Trump's efforts to develop a tower in Moscow while running for president, in a case brought by Robert Mueller, the special counsel. It seems unlikely Cohen would have been investigated for his personal business dealings if not for his association with Trump.



May 31, 2024
Maggie Haberman Reporting on the Trump trial

Cohen was swept up in the Mueller investigation along with a number of other Trump allies and advisers. But Cohen was one of the only ones who went to prison.

We know whence the investigation into Cohen, and therefore the investigation into Trump, came from, thanks in part to a media coalition including NYT, because the coalition liberated the warrants used to investigate Cohen.

As the first warrant targeting Michael Cohen, dated July 18, 2017, lays out, the investigation started from information "supplied by" – almost certainly in the form of Suspicious Activity Reports – a bank known to be First Republic

Bank.

10. In or around June 2017, federal agents reviewed information supplied by Bank 1 based on activity that Bank 1 had observed from a number of accounts related to COHEN. According to information provided by Bank 1, COHEN has been a customer since approximately June 2011 and controls several checking and loan accounts, some in his personal name and others in the names of corporate entities. Agents have subsequently reviewed documents and records provided by Bank 1 related to COHEN and these various accounts.

11. According to information provided by Bank 1, on or about October 26, 2016, COHEN opened a new checking account in the name of Essential Consultants, LLC ("Essential Consultants"); COHEN was the only authorized signatory on the account. Corporate records show that Essential Consultants is a Delaware entity formed by COHEN on or about October 17, 2016.

12. According to Bank 1, when COHEN opened the Essential Consultants account, he represented during the course of Bank 1's know your customer ("KYC") procedures that he was opening Essential Consultants as a real estate consulting company to collect fees for investment consulting work. COHEN further represented that he intended to use his experience in real estate to consult on commercial and residential real estate deals, and that his typical clients were expected to be high net-worth domestic individuals. COHEN also represented that his purpose in setting up this account was to keep the revenue from his consulting—which he said was not his main source of income—separate from his personal finances.

This Know Your Customer filing was submitted as an exhibit at the Trump trial.

The entity will be set up to receive consulting fees in the form of wires and ACH – all under 10K 1-2 a month, the wires and fees will be income from consulting work from personal clients, all domestic. He will then internally transfer the funds to his personal account at First Republic. He is setting this account to keep the income from his consulting work separate.

Even the original Stormy Daniels payment violated the representations Cohen made in that KYC statement (as likely explained in still-redacted passages in the warrant affidavit).

As Gary Farro, a witness who had worked at First Republic explained at trial, Cohen denied that the account (and an earlier one, Resolution Consultants, the plan for which he abandoned) had anything to do with political fundraising.

Q Looking now at the question in – labeled number 12. What does that say?

A "Is the entity associated with

political 21 fundraising/political action committee PAC."

Q And what answer is checked?

A "No."

Q And do you know why the form includes a question about political fundraising?

A Because it would be something the bank would want to know.

Q And if somebody checked "yes," is that something that would require additional review by the bank?

A Yes, it would.

[snip]

Q And looking at the questions towards the top third of 3 the page.

In the form does it say – does this have the same question that we saw in the Resolution Consultants form?

It says: "Is the entity associated with political fundraising or political action committee."

A Yes. This is just the digital form of what was provided earlier, which would be the hard copy.

Q What's the answer to the political fundraising question 11 on the form?

A Is "No."

Q Now, turning to the business narrative portion in the middle of the page.

What business narrative is provided for Essential Consultants LLC?

A It's Michael Cohen is opening Essential Consultants LLC as a real estate consulting company to collect fees for investment consulting work he does for real estate deals.

Within days after he set up the account on October 13, 2016, his October 27 transfer to Keith Davidson violated Cohen's claims to be engaging in real estate deals. As Farro explained, had Cohen indicated the transfer had a political purpose, it would have invited more scrutiny from the bank – and possibly a delay in the payment.

Q Did any of the wire transfer paperwork indicate that money was being transferred on behalf of a political candidate?

A No.

Q Would the bank's process for approving the wire transfer be different if Mr. Cohen had indicated that the money was being transferred on behalf of a political candidate?

A We would have additional due diligence.

Q Would that have delayed the transaction?

A It certainly could.

Had it ended with just that hush payment, had the hush payment remained secret, Cohen might have gotten away with it.

But it didn't.

As that first warrant goes on to explain, after Cohen quit Trump Organization and announced he was serving as Trump's personal lawyer, he used *the same account* to accept payment from a bunch of foreign companies, some of them controlled by foreign governments. That led the bank to provide more information – again, almost certainly in the form of SARs – to the Feds.

20. However, records from Bank 1 show substantial transactional activity that appears to be inconsistent with COHEN's KYC representations. Bank 1 records shows that the account received numerous deposits from foreign businesses and entities that do not reflect the stated client profile for the residential and commercial real-estate consulting services ostensibly being provided by Essential Consultants. Moreover, public records, media reports, and other publicly available sources indicate that some of these companies have significant ties to foreign governments or are entities controlled by foreign governments.

The most alarming of those payments involved \$416,665 in payments over five months from Columbus Nova, which is ultimately controlled by Viktor Vekselberg.

i. Deposits by Columbus Nova, LLC

22. According to records obtained from Bank 1 through June 1, 2017, in the first five months of 2017, the Essential Consultants bank account received five deposits, each in the amount of \$83,333 (for a running total of \$416,665). The funds for all five deposits—four of which were wire transfers and one by check—came from an account at another bank held in the name of Columbus Nova, LLC.

23. Public records show that Columbus Nova, LLC is an investment management firm controlled by Renova Group ("Renova"), an industrial holding company based in Zurich, Switzerland. According to public news accounts, Renova is controlled by Viktor Vekselberg, a wealthy Russian national. Public news accounts also report that Vekselberg is an oligarch with various connections to Russian President Vladimir Putin and publicly met with Putin as recently as in or around March 2017.⁷ According to the news articles, Vekselberg and Renova currently are involved in various infrastructure projects in Russia, such as the building of an airport in Rostov in advance of the 2018 FIFA World Cup, which is to be held in Russia. Vekselberg has been involved in various symbolic acts seen to be in the Russian national interest, such as the purchase and repatriation of historic Faberge eggs.⁸

The reason those payments were such a concern is that, as the NYT itself reported on February 19, 2017, Andrii Artemenko (Person 2) and Felix Sater (Person 3) had used Cohen to pitch a "peace deal" for Ukraine to Mike Flynn.

25. According to the article, prior to meeting with Flynn, COHEN had been approached by a Ukrainian politician ("Person 2") and a Russian-American businessman ("Person 3") who had prior business dealings with COHEN and the Trump Organization. According to the news report, Person 3 had previously been responsible for scouting deals in Russia for the Trump Organization through his company. According to the news reporting, COHEN met personally with both Person 2 and Person 3 about the proposal; during the meeting with Person 3, COHEN received the written plan in a sealed envelope.

26. According to *The New York Times*, COHEN has confirmed that he met with Person 2 and Person 3 and received the plan in a sealed envelope. In or around February 2017, COHEN then traveled to the White House and met the President in the Oval Office (the subject of the meeting is unclear). According to COHEN, during that trip, he left the proposal in the office occupied by then-National Security Adviser Flynn. According to *The New York Times*, COHEN stated that he was waiting for a response at the time that Flynn was forced from his post as the National Security Adviser.

27. The United States continues to investigate if any of the payments or financial relationships described above, or other relationships described further below, were connected to COHEN's involvement in the distribution of a plan to lift Russian sanctions.

The warrant affidavit really downplayed the substance of the NYT story, which described Artemenko claiming that the "peace plan" "he had received encouragement for his plans from top aides to Mr. Putin." In the story, Cohen excused chasing a plan with support from Russia based on Artemenko's claim to have proof of corruption implicating then Ukrainian President, Petro Poroshenko.

After speaking with Mr. Sater and Mr. Artemenko in person, Mr. Cohen said he would deliver the plan to the White House.

Mr. Cohen said he did not know who in the Russian government had offered encouragement on it, as Mr. Artemenko claims, but he understood there was a promise of proof of corruption by the Ukrainian president.

"Fraud is never good, right?" Mr. Cohen said.

Cohen's claim that, "Fraud is never good," did not make the warrant affidavit that would set off an investigation that would lead to the conviction of Donald Trump on 34 counts of fraud.

The payments from Columbus Nova – along with payments from Korea Aerospace Industries, Kazkommertsbank, and Novartis – would undoubtedly have resulted in SARs in any case. But given the report on the “peace deal,” it substantiated probable cause to suspect that Cohen was acting as an agent of a foreign power and/or violating FARA, which statutes were two of the four crimes the warrant authorized the FBI to investigate.

4. Based on my training and experience and the facts as set forth in this affidavit, there is probable cause to believe that MICHAEL DEAN COHEN has committed violations of 18 U.S.C. § 1014 (false statements to a financial institution), 18 U.S.C. § 1956 (money laundering), as well as 18 U.S.C. § 951 (acting as an unregistered foreign agent) and the Foreign Agents Registration Act (“FARA”), 22 U.S.C. § 611 *et seq.* There is also probable cause to search the information described in Attachment A for evidence, contraband, fruits, and/or instrumentalities of these crimes, further described in Attachment B.

But false statements to a financial institution were also in there, in part, lying to First Republic about using the Essential Consultants account to pay off porn stars and accept big payments from foreign companies.

Michael Cohen, and so, Donald Trump, was not investigated simply because he had ties to Donald Trump. Claiming he was ignores the public record, including legal and reporting work done by the NYT. It ignores Cohen’s actions, including boneheadedly stupid moves he made as he tried to profit from his proximity to Trump.

He was investigated because he lied to his bank and then, even as he was making public comments about entertaining a “peace deal” with Russian involvement, used the bank account associated with the hush payment to accept big payments from a prominent Russian oligarch.

Importantly, this predication – a SAR implicating a politically exposed person about big payments from a foreign company – is far more than what predicated the investigation, and now six years of non-stop attention from the GOP, into Hunter Biden. That investigation started from a SAR about sex workers, from which an IRS agent fished out Hunter Biden’s name and

then spent seven months digging before using Burisma to predicate a grand jury investigation.

If mouthpieces for Trump's DOJ have a problem with this investigation, then they should be speaking out even more loudly about the investigation into Hunter Biden in which Bill Barr personally tampered.

Update: Corrected an error where I transposed the number of fraud counts Trump was convicted on. It's hard to keep count!

Update: Isgur is out with an op-ed that scolds Hunter Biden he should plead guilty, without noting that to appeal the motion to dismiss based on the reneged plea deal, he can't do that. Isgur also doesn't mention that the gun shop doctored the form.