

# **Paul Manafort, Ex-Chairman of Trump Campaign, and Associate Plead Not Guilty to Money Laundering**

WASHINGTON — President Trump's campaign chairman, Paul Manafort, was indicted Monday on charges that he funneled millions of dollars through overseas shell companies and used the money to buy luxury cars, real estate, antiques and expensive suits.

The charges against Mr. Manafort and his longtime associate Rick Gates represent a significant escalation in a special counsel investigation that has cast a shadow over Mr. Trump's first year in office.

The two men appeared in the Federal District Court in Washington on Monday afternoon and pleaded not guilty to all charges.

Separately, one of the early foreign policy advisers to Mr. Trump's presidential campaign, George Papadopoulos, pleaded guilty to lying to the F.B.I. about a contact with a professor with ties to Kremlin officials, prosecutors said on Monday.

The special counsel, Robert S. Mueller III, was assigned in May to investigate whether anyone close to Mr. Trump participated in a Russian government effort to influence last year's presidential election. Monday's indictments indicate that Mr. Mueller has taken an expansive view of his mandate.

The indictment of Mr. Manafort and Mr. Gates makes no mention of Mr. Trump or election meddling. Instead, it describes in granular detail Mr. Manafort's lobbying work in Ukraine and what prosecutors said was a scheme to hide that money from tax collectors and the public. The authorities said Mr. Manafort laundered more than \$18 million.

"Manafort used his hidden overseas wealth to enjoy a lavish lifestyle in the United States without paying taxes on that income," the indictment reads.

Mr. Gates is accused of transferring more than \$3 million from offshore accounts. The two are also charged with making false statements.

“As part of the scheme, Manafort and Gates repeatedly provided false information to financial bookkeepers, tax accountants and legal counsel, among others,” the indictment read.

Mr. Papadopoulos admitted that in a January interview with the F.B.I., he lied about his contacts with a Russian professor, whom he knew to have “substantial connections to Russian government officials,” according to court documents. Mr. Papadopoulos told the authorities that the conversation occurred before he became an adviser to Mr. Trump’s campaign. In fact, he met the professor days after joining the campaign.

The professor took interest in Mr. Papadopoulos “because of his status with the campaign,” the court documents said.

Mr. Manafort and Mr. Gates surrendered to the F.B.I. early on Monday and, through their lawyers, pleaded not guilty to all charges on Monday. The two men, wearing dark blue suits, entered the courtroom with their hands held behind their backs. Money laundering, the most serious of the charges, carries a potential prison sentence of up to 20 years.

Mr. Manafort has expected charges since this summer, when F.B.I. agents raided his home and prosecutors warned him that they planned to indict him. That warning raised speculation that Mr. Manafort might try to cut a deal to avoid prosecution. A senior White House lawyer, Ty Cobb, said last week that the president was confident that Mr. Manafort had no damaging information about him.

People close to Mr. Manafort, including his former business partner Roger J. Stone Jr., have said he had nothing to offer that would help prosecutors build a case against Mr. Trump.

“He’s not going to lie,” Mr. Stone said in September.

Mr. Gates is a longtime protégé and junior partner of Mr. Manafort. His name appears on documents linked to companies that Mr. Manafort’s firm set up in Cyprus to receive payments from politicians and businesspeople in Eastern

Europe, records reviewed by The New York Times show.

Attempts to reach Mr. Gates on Monday were not successful. A spokesman for Mr. Manafort did not immediately respond to a request for comment.

Mr. Manafort, a veteran Republican strategist, joined the Trump campaign in March 2016 to help keep delegates from breaking with Mr. Trump in favor of establishment Republican candidates. Mr. Trump soon promoted him to chairman and chief strategist, a job that gave him control over day-to-day operations of the campaign.

But Mr. Trump fired Mr. Manafort just months later, after reports that he received more than \$12 million in undisclosed payments from Viktor F. Yanukovych, the former Ukrainian president and a pro-Russia politician. Mr. Manafort spent years as a political consultant for Mr. Yanukovych.

American intelligence agencies have concluded that President Vladimir V. Putin of Russia launched a stealth campaign of hacking and propaganda to try to damage Hillary Clinton and help Mr. Trump win the election. The Justice Department appointed Mr. Mueller III as special counsel in May to lead the investigation into the Russian operations and to determine whether anyone around Mr. Trump was involved.

Mr. Trump has denied any such collusion, and no evidence has surfaced publicly to contradict him. At the same time, Mr. Trump and his advisers this year repeatedly denied any contacts with Russians during the campaign, only to have journalists uncover one undisclosed meeting after another.

The New York Times revealed in July that Mr. Manafort and others close to Mr. Trump met with Russians last year, on the promise of receiving damaging political information about Mrs. Clinton.

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