

Congress of the United States
House of Representatives
Washington, D.C. 20515

January 29, 2019

The Honorable Steven Mnuchin
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Avenue, N.W.
Washington, D.C. 20220

Dear Secretary Mnuchin:

We are writing to formally request documents pertaining to the decision-making process that led to the January 27, 2019, delisting by the Treasury Department's (the "Department") Office of Foreign Assets Control ("OFAC") of En+ Group plc ("En+"), UC Rusal plc ("Rusal"), and JSC EuroSibEnergo ("ESE"). In announcing the decision to lift sanctions on these entities, you stated that "Treasury sanctioned these companies because of their ownership and control by sanctioned Russian oligarch Oleg Deripaska, not for the conduct of the companies themselves. These companies have committed to significantly diminish Deripaska's ownership and sever his control." Under the Terms of Removal, however, Mr. Deripaska's ownership stake, as well as benefits afforded to his associates, family members, and related entities, appears designed to allow him to retain significant influence, if not de facto control, over En+, Rusal, and ESE.

As you know, Oleg Deripaska is a close associate of Russian President Putin with ties to President Trump's former campaign chairman, Paul Manafort, who has been convicted of numerous serious financial crimes uncovered through Special Counsel Robert Mueller's investigation into Russian interference in the 2016 presidential election. At one point, Mr. Manafort owed Mr. Deripaska close to \$20 million and may have leveraged his position as campaign chairman to attempt to negotiate that debt in exchange for providing briefings to Deripaska related to the campaign.¹

Additionally, as stated in the Department's April 6, 2018 press release at the time Mr. Deripaska was sanctioned, "Deripaska has been investigated for money laundering, and has been accused of threatening the lives of business rivals, illegally wiretapping a government official, and taking part in extortion and racketeering. There are also allegations that Deripaska bribed a government official, ordered the murder of a businessman, and had links to a Russian organized crime group."²

The deal would allow Mr. Deripaska to maintain a 44.95 percent ownership stake in En+, the holding company for Rusal and ESE. Further, the agreement reached between the Department and the aluminum companies allows Mr. Deripaska to be discharged of millions in debt by transferring a block of his shares to VTB, a Russian government-owned bank also under U.S. sanctions. Another portion of Mr. Deripaska's shares will transfer to Volnoe Delo, a foundation formed and funded by Mr. Deripaska.³ And, while the aluminum companies agreed to "significant restructuring and corporate governance changes to address the circumstances that led to their designation," on December 27, 2018, Rusal appointed as its chairman Jean-

¹ Sheth, Sonam, Business Insider, "Newly Unsealed Court Filing Shows Paul Manafort was more Indebted to Putin Ally Oleg Deripaska than Previously Known," available at: <https://www.businessinsider.com/court-document-shows-oleg-deripaska-loaned-paul-manafort-10-million-2018-6>. June 27, 2018.

² "Treasury Designates Russian Oligarchs, Officials, and Entities in Response to Worldwide Malign Activity" Press Releases, available at: <https://home.treasury.gov/news/press-releases/sm0338>. April 6, 2018.

³ Vogel, Kenneth P., *The New York Times*, "Deripaska and Allies Could Benefit From Sanctions Deal, Document Shows." Available at: <https://www.nytimes.com/2019/01/21/us/politics/oleg-deripaska-russian-sanctions.html>. January 21, 2019.

Pierre Thomas, an individual who has championed some of the very activity that led to Mr. Deripaska's designation in the first place.⁴

The Terms of Removal are unusual and many questions remain unanswered. For these reasons, the committees are interested in the process that led to the December 19th announcement to delist.

Therefore, in furtherance of our oversight responsibilities, we request that the Treasury Department provide each of our committees with copies of all documents pertaining to the decision-making process, regardless of classification, including but not limited to the intelligence reporting used in making the delisting determination, and any records, meeting minutes, meeting agendas, electronic communications (including instant messaging platforms and email), calendar invitations, memoranda, staff manifests, correspondence, or other communication that reference or relate to Oleg Deripaska and/or Treasury's decision to delist En+, Rusal and ESE. This request also includes, but is not limited to, all documents and records relating to entities and individuals who are affected by or stand to benefit from the delisting of En+, Rusal and ESE, such as other Russian associates or relatives of Oleg Deripaska, the Volnoe Delo foundation, Glencore, VTB Bank, SUAL Partners Limited, Orandy Capital Limited and any and all other participants to the agreement.

Please provide the requested material by no later than the close of business on **February 5, 2019**.

If you have any questions, please contact Financial Services Committee staff at (202) 225-4247.

Sincerely,



Maxine Waters
Chairwoman
Financial Services Committee



Adam B. Schiff
Chairman
Permanent Select Committee on Intelligence



Eliot Engel
Chairman
Foreign Affairs Committee

⁴ Woodruff, Betsy, et.al., *The Daily Beast*, "Deripaska's Rusal Flouts Sanctions Pledge With New Kremlin Stooge." Available at: <https://www.thedailybeast.com/deripaskas-rusal-installs-kremlin-fanboy-as-white-house-aims-to-lift-sanctions>. January 16, 2019.