



### [Two Giuliani Associates Arrested on Campaign Finance Violations](#)

Lev Parnas and Igor Fruman, two businessmen tied to President Trump's personal lawyer Rudy Giuliani, were arrested last week on federal campaign finance violations. The men were apprehended while trying to board an international flight with one-way tickets at Dulles Airport in Virginia. The charges against Parnas and Fruman consist of two counts of conspiracy and one count each of false statements and falsification of business records. Among other things, this includes setting up a company with the purpose of funneling large amounts of foreign money to multiple political action committees (PACs).

The indictment against Parnas and Fruman alleges that they "conspired to circumvent the federal laws against foreign influence by engaging in a scheme to funnel foreign money to candidates for federal and state office so that the defendants could buy potential influence with candidates, campaigns, and the candidates' governments." One of the ways in which they attempted to do so was by setting up a limited liability company (LLC) called Global Energy Producers in order to make \$340,000 in contributions to two PACs. These financial contributions were made to help the two men gain influence with politicians and help them "advance their own personal financial interests and the political interests of Ukrainian government officials, including at least one Ukrainian government official with whom they were working."

Records show that while Parnas and Fruman used wire transfers from a corporate entity to make one of these donations to the America First Action committee, the wire transfer records that became public through a lawsuit showed that the entity reported as making the transaction was not the true source of the money. According to reports, the money for this donation actually came from a different corporate entity, Aaron Investments I, which was managed by Parnas and his wife. Aaron Investments received \$1.2 million from the proceeds of a private mortgage secured by a condo unit in North Miami Beach, which was owned by a separate corporation tied to Fruman. Wire transfer records show that the funds were then sent from Aaron Investments to America First Action, despite the fact that the contribution was ultimately credited to Global Energy Producers.

The two men also allegedly lobbied a previously-serving Congressman to push for the removal of Marie Yovanovitch, who at the time was the United States Ambassador to Ukraine. While the identity of the Congressman is not revealed in the indictment, Federal Election Commission records point to it being former U.S. Rep. Pete Sessions (R-TX), who lost his seat last year in 2018. Yovanovitch was eventually recalled from her post in May of 2019 amid complaints from Giuliani and others, shortly after these efforts by Parnas and Fruman began. Additionally, in President Trump's controversial July call to Ukrainian President Zelensky – which is at the center of the whistleblower scandal – Trump refers to Yovanovitch as "bad news" and states that "she's going to go through some things."

Parnas and Fruman appeared in federal court in Virginia last week. The judge approved a bail package that will require them to each pay a \$1 million bond before they are released and keep them in home detention with GPS monitoring.