

Judge allows Giuliani associate Lev Parnas to remain free on bail, prosecutors reveal \$1 million payment from lawyer for indicted Ukraine oligarch

 [cnbc.com/2019/12/17/prosecutor-seek-to-revoke-lev-parnas-bail-cite-firtash-payment.html](https://www.cnbc.com/2019/12/17/prosecutor-seek-to-revoke-lev-parnas-bail-cite-firtash-payment.html)

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- A federal judge on Tuesday rejected prosecutors' requests that he revoke the \$1 million release bond for Lev Parnas, an associate of President Donald Trump's personal lawyer Rudy Giuliani.
- Prosecutors said he failed to disclose a \$1 million transfer from a lawyer for Ukraine oligarch Dmytro Firtash, who faces criminal charges in the United States.
- Parnas is charged with violating U.S. campaign finance laws by allegedly funneling foreign donations to candidates for federal and state offices to win potential influence.

Lev Parnas arrives at Federal Court on December 17, 2019 in New York City.

Stephanie Keith | Getty Images

A federal judge on Tuesday rejected a call by prosecutor to yank the \$1 million release bond for Lev Parnas, an associate of President Donald Trump's personal lawyer Rudy Giuliani, saying alleged misstatements by Parnas to authorities about his financial assets were not necessarily intentional.

"I think the strict conditions that exist [for bail] are appropriate," Judge Paul Oetken said at a hearing in U.S. District Court in Manhattan, as he declined to jail Parnas pending trial on charges of violating federal campaign finance laws.

Parnas, who played a role in Giuliani's efforts in Ukraine that have sparked an impeachment crisis for Trump, currently is required as part of his bail to remain in his Florida home, and be electronically monitored. His release bond is secured by \$200,000 in cash.

Prosecutors contend that the Ukraine-born Parnas, who is accused of funnelling foreign money to American candidates, misled authorities about his financial assets when he sought release on bail after his arrest in October.

They say his omissions and other factors, including Parnas' failure to disclose payments he was receiving from a law firm, make him a flight risk.

At Tuesday's hearing, prosecutors revealed that Parnas' previously nondisclosed assets included a \$1 million transfer from a lawyer for Ukraine oligarch Dmytro Firtash, who faces criminal charges in the United States, a month before Parnas was arrested.

"We believe he was trying to set up a way to flee," said Assistant U.S. Attorney Rachel Donaleski of Parnas. "Mr. Parnas poses an extreme risk of flight."

"Even now the government isn't clear how much money he has," Donaleski said.

"We still have serious questions as to how Mr. Parnas is getting his money."

But Joseph Bondy, Parnas' lawyer, said that Parnas had won a visa lottery to immigrate to the United States from the Soviet Union, and is "a proud citizen of the United States of America and continues to be."

"He has five children who are still in the home and one who is in a law firm," Bondy said. "Not once has he ever tried to flee."

"If he was trying to go anywhere it would be to go to Washington, D.C., and speak to Congress," said Bondy.

Last month, Bondy said that Parnas was willing to testify before Congress as part of an ongoing impeachment proceeding against Trump.

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Parnas would testify that California Republican Rep. Devin Nunes met with former Ukraine prosecutor Victor Shokin in Vienna in late 2018 about a probe of former Vice President Joe Biden and his son Hunter Biden, according to Bondy.

The judge, Oetken, said, "The government points to several factors and they are concerning. ... They focus on the financial statements and alleged misstatements made."

"There's certainly lots of suspicious activity here ... but I don't know if that's a clear and intentional misstatement," Oetken said.

"I find that they're not obvious misstatements," said the judge as he allowed Parnas' bail to continue.

Firtash, who is free on \$74 million bail in Vienna while fighting extradition to the U.S. on charges of bribing Indian officials for a mining deal, has ties to Trump's one-time presidential campaign manager, Paul Manafort, who himself is serving a federal prison term for crimes related to his work for a pro-Russia political party in Ukraine.

Before their joint arrest, Parnas and his associate, Igor Fruman, were helping Giuliani with efforts to spark an investigation by Ukraine into Joe Biden — who is currently the front-runner for the 2020 Democratic presidential nomination — and Hunter Biden, who had served on the board of a Ukraine gas company.

Trump's own direct request to Ukraine's president for such a probe, while withholding U.S. military aid to that nation, led to ongoing impeachment proceedings against the president in the House of Representatives.

Parnas is charged with funneling foreign donations to candidates for federal and state offices to win potential influence. Fruman and Parnas have pleaded not guilty.

When he was arrested with Fruman, Parnas told U.S. Justice Department officials as part of his request for bail that he and his wife had around \$450,000 in total assets and income, prosecutors have said.

But the couple actually had significantly more assets, prosecutors claimed in a court filing last week.

Those assets included a \$1 million transfer from a Russian bank account in September, they said. That money came from Firtash's lawyer, prosecutors disclosed for the first time Tuesday.

Prosecutors also alleged that Parnas lied or failed to disclose work and the payment from Firtash.

Parnas' lawyer Bondy said that the \$1 million transfer was a loan sent by a Swiss lawyer named Ralph Isenegger for Parnas' wife, Svetlana, so that the couple could purchase a house.

Bondy said that Parnas received a letter on Wednesday asking for the loan back, adding that he believes that Parnas "burned that bridge" with Firtash by offering to speak out to Congress.

"Mr. Parnas has absolutely no continuing relationship with Mr. Firtash and he has no interest in continuing the relationship," Bondy said.