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Pressure Grows With Magnitsky Video

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A video released Tuesday that reveals new information about officials Hermitage Capital suspects were involved in a corruption scheme.

Supporters of Sergei Magnitsky released a new video on Tuesday that offers more details about a purported organized crime group linked to the jail death of the whistle-blowing lawyer, ratcheting up pressure on both the U.S. and Russian governments to seek justice in the case.

U.S. Senator John McCain, co-author of the Magnitsky Act, which would ban officials linked to Magnitsky's death or other human rights violations from entering the United States, presented the video in Washington at a gathering attended by Freedom House director David Kramer and Bill Browder, whose Hermitage Capital had employed Magnitsky at the time of his death.

McCain called on U.S. President Barack Obama to "proscribe" the suspected members of the

crime group, believed to be headed by Dmitry Klyuyev, owner of Universal Savings Bank.

"Public information, much of it uncovered by Magnitsky himself before his arrest in Russia in 2008, suggests that the Klyuyev group colluded with senior Russian officials to engage in bribery, fraud, embezzlement, company thefts and other serious financial crimes," McCain said in a letter to Obama.

"The Klyuyev group's activities appear to put the U.S. and international financial systems at serious risk of abuse," he said.

By invoking Executive Order 13581, Obama could punish the group with the same tools that the U.S. government uses against terrorist organizations.

According to the video, which will be released on YouTube in Russian on Wednesday, the Klyuyev group embezzled and laundered about $800 million through the international banking system. The video connects the group to a raft of violent crimes, kidnappings, acts of extortion and deaths.

The video also says police investigators Pavel Karpov and Artyom Kuznetsov, who arrested Magnitsky, were members of the group.

Magnitsky was jailed in late 2008 after accusing tax and police officials of embezzling a $230 million tax refund owed Hermitage Capital. He died in custody in November 2009 shortly after being badly beaten by prison guards, according to an independent Kremlin human right council investigation.

No one has been punished in connection with the death, and some of the Russian officials involved in the case have received promotions and awards, prompting Magnitsky's supporters to put pressure on Western governments to act.

Obama's administration, hoping to avoid legislation that would inflame relations with Russia, banned about 60 Russians linked to the case in summer 2011. But with no arrests forthcoming in Russia, U.S. lawmakers have gone ahead with the legislation, now before Congress.

Jamison Firestone, Magnitsky's boss at the Firestone Duncan law firm, said the release of the 18-minute video, the latest in an "Untouchables" series produced by Magnitsky's supporters, was not especially timed with the legislation but expressed hope that it would build support among U.S. lawmakers.

"We need an effective deterrent for corrupt Russian officials," Firestone said in e-mailed comments.

The 18-minute video describes Karpov and Kuznetsov police investigators in the Magnitsky case as being part of so-called Klyuyev's organized crime gang, masterminded by the 44-year-old businessman, accused of stealing and laundering billions of rubles from the Hermitage.

According to the video, Klyuyev met all the "key players" — including Karpov and Kuznetsov, lawyer Andrei Pavlov and tax officer Olga Stepanova — at a secret meeting in Cyprus in April 2007 and assigned them tasks aimed at carrying out "the biggest tax refund in the Russian

history" — the $230 million affair involving Hermitage Capital.

The refund money was obtained by subsidiaries that Hermitage lost control over after a police raid in 2007. Later Magnitsky investigated the affair and fell victim of the police officers, Hermitage says.

In 2006, Klyuyev's name surfaced in the case of the iron ore company Mikhailovsky GOK, where he was accused of stealing $1.6 billion in shares from the company belonging to powerful Russian businessman-turned-Georgian politician Boris Ivanishvili.

Klyuyev's involvement was an attempt to destroy the planned sale of Ivanishvili's company to billionaire Alisher Usmanov and his business partner Vasily Anisimov.

Usmanov told Forbes magazine in 2009 that Klyuyev had acted on behalf of another powerful oligarch, whom he refused to name.

Klyuyev told investigators at that time that he was acting on behalf of Renaissance Capital president Oleg Kiselyov. Kiselyov has denied any role in the case.

Klyuyev got a suspended sentence for fraud in the case, which incidentally was investigated by Karpov — who declared that Klyuyev's driver had masterminded the fraud, the video says. The driver was found dead in the Rostov region.

The video also notes previously reported information that Karpov and Kuznetsov were accused of kidnapping a Moscow businessman in 2006. The businessman, Fyodor Mikheyev, said at that time that police officers had demanded $20 million in ransom from his company for his release. He said that the police officers who kidnapped him were acting on orders of Karpov and Kuznetsov, but criminal charges were mysteriously dropped against them.

While in captivity, Mikheyev was guarded by former convict Viktor Markelov, who several years later became the head of the subsidiaries used to funnel the tax refund from Hermitage.

"That proves beyond any shadow of a doubt that all of those officials working with violent criminals are just organized crime," Firestone said.

Markelov admitted to the tax fraud in 2009 and was jailed for five years.

Interior Ministry Investigative Committee spokeswoman Anzhela Kustuyeva said Tuesday that Heritage lawyers should provide their documents to law enforcement officials. "If they have documents concerning certain individuals, they have to send them to the Investigative Committee. We don't work with rumors," she said.

Firestone said the documents would be sent to investigators.

Correction: An earlier version of this article incorrectly attributed to the video the statement, "Klyuyev's involvement was an attempt to destroy the planned sale of Ivanishvili's company to billionaire Alisher Usmanov and his business partner Vasily Anisimov."

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