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U.S. Says Billionaire Deripaska Laundered Putin's Cash – FT

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Oleg Deripaska. **Mikhail Metsel / TASS**

The United States believes that sanctioned Russian oligarch Oleg Deripaska laundered money for President Vladimir Putin, The Financial Times reported Friday, citing a U.S. Treasury letter to Deripaska's lawyers explaining the sanctions.

The Trump administration imposed sanctions on Deripaska and two dozen other tycoons and officials in April 2018 in retaliation for what it called Russia's "malign activity around the globe." Deripaska sued the United States in 2019, asking OFAC, the Treasury Department's office overseeing sanctions, to provide evidence of him profiting off his ties to Putin.

The OFAC letter to Deripaska's lawyers cited by the FT states that, in 2016, Deripaska "was reportedly identified as one of the individuals holding assets and laundering funds on behalf of Russian President Vladimir Putin."

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The U.S. Treasury's office also claimed that Deripaska's business activity was used at least once in 2011 as a cover to facilitate the transfer of Putin's personal funds. It also said that Deripaska allegedly canceled the listing of sanctioned automaker Gaz in 2017 to "hide" Putin's money laundering through it.

In total, OFAC provided six justifications for blacklisting Deripaska, all containing the word "reportedly" and "reported."

OFAC clarified in the letter, dated Jan. 22, 2020, that it provided only "releasable" non-privileged and unclassified justifications for sanctioning Deripaska.

Deripaska told the FT that the allegations were "guesses, rumors and balderdash." The Kremlin denied that Putin had laundered money through Deripaska, the newspaper's Moscow bureau chief Henry Foy tweeted Friday.

A U.S. court may rule on the case in about 18 months, after Deripaska's lawyers and OFAC exchange counter-arguments, the FT cited the tycoon as saying.

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