

POLITICS

Federal Prosecutors Scrutinize Rudy Giuliani's Ukraine Business Dealings, Finances

Trump lawyer's bank records have been examined; witnesses are questioned about work for a Ukraine mayor, efforts to oust U.S. ambassador



Rudy Giuliani, the former mayor of New York, has been President Trump's personal lawyer since 2018. PHOTO: CARLOS BARRIA/REUTERS

By Aruna Viswanatha, Rebecca Davis O'Brien and Rebecca Ballhaus

Updated Oct. 14, 2019 10:34 pm ET

Federal prosecutors in Manhattan are examining Rudy Giuliani's business dealings in Ukraine, including his finances, meetings and work for a city mayor there, according to people familiar with the matter.

Investigators also have examined Mr. Giuliani's bank records, according to the people.

Witnesses have been questioned about Mr. Giuliani since at least August by investigators, who also want to know more about Mr. Giuliani's role in an alleged conspiracy involving two of his business associates, the people said. The investigation is being led by the U.S. attorney's office in the Southern District of New York.

Mr. Giuliani has denied wrongdoing and on Monday said he hadn't been informed of any investigation. "They can look at my Ukraine business all they want," he said.

It couldn't be determined how far along the investigation stands. The scope of the inquiry also isn't known. Since April 2018, Mr. Giuliani has been President Trump's personal lawyer, work for which he isn't paid.

The investigation into the president's lawyer comes as House Democrats are issuing subpoenas and deposing witnesses in the impeachment probe of Mr. Trump's efforts with Mr. Giuliani to pressure Ukraine to investigate former Vice President Joe Biden, one of the front-runners for the Democratic presidential nomination.

Mr. Giuliani's associates, Lev Parnas and Igor Fruman, were arrested last week on campaign-finance and conspiracy counts. The indictment accuses the two men of misrepresenting the sources of hundreds of thousands of dollars in U.S. campaign contributions they made, including to a former Republican congressman who was part of a lobbying effort to remove the U.S. ambassador to Ukraine that started in the spring of 2018.

Messrs. Parnas and Fruman remain in federal custody on \$1 million bonds, a spokesman for the U.S. attorney's office said, and haven't yet entered pleas. They are scheduled to appear in federal court in Manhattan on Thursday.

Mr. Giuliani for months pushed the administration to remove the ambassador, Marie Yovanovitch, who ultimately was recalled on Mr. Trump's orders in May. Ms. Yovanovitch testified Friday before three congressional committees involved in the impeachment investigation.

Messrs. Parnas and Fruman were also helping Mr. Giuliani investigate work in Ukraine by Mr. Biden's son, Hunter, on Mr. Trump's behalf, and introduced Mr. Giuliani to several current and former senior Ukrainian prosecutors.

Hunter Biden was paid \$50,000 a month to sit on the board of a Ukrainian gas company at a time when his father, President Obama's vice president, was spearheading anticorruption efforts in Ukraine. Mr. Trump and his allies have described that as a corrupt arrangement. Ukrainian officials have produced no evidence of wrongdoing by either Biden, and they both deny they did anything wrong.

Prosecutors' interest in Mr. Giuliani has been previously reported by CNN and other news outlets, but the examination of Mr. Giuliani's bank records and business dealings in Ukraine haven't been reported.

Mr. Giuliani is best known for being mayor of New York during the Sept. 11, 2001, terrorist attacks. Since then, he has built up an international consulting business. Investigators have asked questions about business Mr. Giuliani conducted in Ukraine, where the former mayor began working over a decade ago, say the people familiar with the matter.

That work began shortly after he folded his 2008 Republican presidential campaign, when he announced he would be a strategic adviser to help boxer Vitali Klitschko, known as “Dr. Iron Fist,” root out corruption and win election as the mayor of Kyiv. Mr. Klitschko lost that election but became mayor in 2014 and remains in that post.

After protests in Kyiv in 2014, Mr. Klitschko negotiated a potential contract for Giuliani Security & Safety to restore order in the city. Mr. Giuliani’s fee, roughly \$300,000, was too steep, and the deal wasn’t completed, the Journal previously reported.

Trump and Ukraine: A Guide to the Key Players



VALENTYN OGIRENKO/REUTERS

During visits to Ukraine in 2017, he met with then-President Petro Poroshenko and then-Prosecutor General Yuriy Lutsenko and held meetings on behalf of his private security business in Kyiv and Kharkiv.

In May 2017, Giuliani Security & Safety inked a contract with the city administration of Kharkiv to streamline municipal emergency services, according to the company. A person familiar with the negotiations said Pavel Fuks, a Kharkiv native who had made a

fortune in Russian real estate, paid the contract. Mr. Fuks didn’t respond to a request for comment.

Mr. Giuliani declined to comment on that arrangement.

About a decade earlier, Mr. Fuks had negotiated with Mr. Trump to license the Trump brand for a tower that Mr. Fuks was building, with other partners, in the Russian capital’s Moscow City, Mr. Fuks said at the time. The deal didn’t come together.

Mr. Giuliani said in an interview last week that he met with the Kharkiv mayor and members of the city council on a December 2017 trip. He also met with Mr. Fuks during that trip.

Mr. Giuliani's extensive effort to oust Ms. Yovanovitch was referenced in the indictment of Messrs. Parnas and Fruman. She was removed as ambassador after months of complaints from Mr. Giuliani and others that she was undermining Mr. Trump abroad and obstructing efforts to persuade Kyiv to investigate Mr. Biden, which she denies. She was removed three months before her customary three-year term was to end.

As part of that effort, Mr. Giuliani has said he spoke with the president, Secretary of State Mike Pompeo and an unidentified White House official who asked him to recount the complaints he voiced to the president.

Mr. Giuliani has said that he spoke with Ukrainian prosecutors, including Mr. Lutsenko, as he targeted Ms. Yovanovitch, Mr. Biden and others. Mr. Lutsenko himself was dismissed in August.

—Brett Forrest and Sadie Gurman contributed to this article.

Corrections & Amplifications

Lev Parnas and Igor Fruman have been held in federal custody on \$1 million bonds. An earlier version of this article incorrectly stated they had been released.

Write to Aruna Viswanatha at Aruna.Viswanatha@wsj.com, Rebecca Davis O'Brien at Rebecca.OBrien@wsj.com and Rebecca Ballhaus at Rebecca.Ballhaus@wsj.com