



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )  
 )  
Global Energy Producers, LLC, *et al.* ) MUR 7442  
 )

**STATEMENT OF REASONS OF COMMISSIONERS  
SHANA M. BROUSSARD AND ELLEN L. WEINTRAUB**

The Federal Election Commission has been tasked with overseeing the civil enforcement of the Federal Election Campaign Act, as amended (the “Act”).<sup>1</sup> While enforcement of the Act can sometimes involve seeking civil penalties, the core of the Commission’s mission is to promote transparency and integrity in our elections. It is this aspect of our mission, the responsibility to ensure the accurate public disclosure of funds raised and spent to influence federal elections that is truly unique. Thus, the Commission has an obligation to ensure that the public has access to accurate and complete information concerning election spending.<sup>2</sup>

In this matter, the Complaint alleged that Igor Fruman and Lev Parnas used Global Energy Producers, LLC (“GEP”), a company they jointly controlled,<sup>3</sup> and Aaron Investments I, LLC, a company controlled by Parnas and his wife,<sup>4</sup> as conduits to make contributions to America First Action, Inc. (“AFA”). This was accomplished through the sale or refinancing of a Florida property owned by Seafront Properties LLC (“Seafront Properties”), an entity whose ownership and funding sources remain unclear, even after extensive criminal proceedings.<sup>5</sup> Fruman and Parnas have individually been the subject of criminal trials, and have pleaded guilty or been convicted at trial of numerous charges, some unrelated to the allegations in this Complaint, and others related to violations under the Act.<sup>6</sup>

<sup>1</sup> *Enforcement*, FEC.gov, <https://www.fec.gov/legal-resources/enforcement/>.

<sup>2</sup> *See Mission and History*, FEC.gov, <https://www.fec.gov/about/mission-and-history/>.

<sup>3</sup> Compl. ¶ 7 (July 26, 2018); GEP, Parnas and Fruman Resp. at 4 (Oct. 14, 2018) (“Joint Resp.”); Delaware Dep’t of State, Division of Corporations, <https://icis.corp.delaware.gov/eCorp/EntitySearch/NameSearch.aspx> (search for “Global Energy Producers”).

<sup>4</sup> Florida Dep’t of State, Division of Corporations, <http://search.sunbiz.org/Inquiry/CorporationSearch/ByName> (search for “Aaron Investments I, LLC”) (indicating administrative dissolution in 2019); *see also* Supp. Compl. at 2 n.1 (June 20, 2019). Parnas attests that he and his wife controlled the Aaron LLC account. *See* Joint Supp. Resp., Parnas Supp. Aff. ¶ 10.

<sup>5</sup> First General Counsel’s Report (“FGCR”) at 5 (noting that Fruman’s brother, Steven Fruman, is listed on loan documents as Seafront Properties’ “manager” but that its ultimate ownership remains unknown).

<sup>6</sup> *See generally*, *U.S. v. Parnas*, No. 19 CR 725 (S.D.N.Y.); FGCR at 6-7 (summarizing criminal proceedings). As OGC noted, Fruman pleaded guilty to one count of soliciting a foreign national for contributions and donations in connection with federal and state elections. *U.S. v. Parnas*, Minute Entry, Change of Plea Hearing (Sept. 10, 2021), Judgment in a Criminal Case (Jan. 21, 2022) (sentencing Fruman to one year and one day and assessing a \$10,000 fine). Parnas was convicted of conspiracy to make contributions by a foreign national, solicitation of a foreign national, aiding and abetting the

Our Office of General Counsel (“OGC”) reviewed all of the materials available to it from the criminal trial, and concluded that the Commission’s interests in transparency and disclosure had not been fully vindicated. OGC recommended that the Commission find reason to believe that GEP, Igor Fruman and Lev Parnas knowingly and willfully violated 52 U.S.C. § 30122 by making contributions in the name of another and permitting their names to be used to effect contributions.<sup>7</sup> It then proposed an extremely limited investigation into the ownership of Seafront Properties and the true source of the contributions made from the proceeds of the loan on the condo owned by Seafront Properties. OGC’s recommendation contained careful analysis of the violations at issue and what remained to be resolved, and we voted to support it. Unfortunately, the Commission failed to garner sufficient votes to find reason to believe, investigate the allegations, and complete the record.<sup>8</sup> As a result, the public record will remain incorrect and inaccurate. AFA has never reported receiving contributions of funds from Fruman, Parnas, their siblings, Aaron Investments I, LLC, or Seafront Properties.<sup>9</sup> The American public should not have to cross-check disclosure reports against criminal trial transcripts to ensure their accuracy.

Further, the evidence introduced at trial indicated the presence of additional contributions charged to an American Express card belonging to FD Import & Export Corp. (“FD Import”), a company with connections to Igor and Steven Fruman,<sup>10</sup> which appear to have been later repaid not only with proceeds from the loan on the condo owned by Seafront Properties, but also with foreign funds provided by Andrey Muraviev,<sup>11</sup> a foreign national described by the Department of Justice as a Russian oligarch.<sup>12</sup> Communications introduced at trial between Muraviev, Fruman, and Parnas made it abundantly clear that the money being wired was intended to cover contributions made by Parnas and Fruman, and that it was coming from Muraviev, a foreign national.<sup>13</sup> The Act’s clear prohibitions on contributions in the name of another and foreign national contributions are among the most serious violations within the Commission’s jurisdiction.<sup>14</sup> Yet despite the information introduced at Parnas’s trial clearly indicating that Fruman and Parnas made contributions using funds that did not belong to them, the Commission failed to garner sufficient votes to take any further action.<sup>15</sup> To be clear, this in

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making of contributions by a foreign national, conspiracy to make contributions in the name of another, making false statements, and falsification of records. *U.S v. Parnas*, Verdict Form (Oct. 22, 2021).

<sup>7</sup> See FGCR at 25-30.

<sup>8</sup> Certification (“Cert.”), ¶1. (May 24, 2022).

<sup>9</sup> See *FEC Receipts: Filtered Results*, FEC.GOV, [https://www.fec.gov/data/receipts/individual-contributions/?contributor\\_namew=igor+furman&committee\\_id=C00637512&contributor\\_name=Global+energy+producers&contributor\\_name=Igor+fruman&contributor\\_name=aaron+llc&contributor\\_name=aaron%2C+llc&contributor\\_name=fruman&contributor\\_name=igor+furman&contributor\\_name=lev+parnas&contributor\\_name=muraviev&contributor\\_name=parnas&contributor\\_name=seafront&min\\_date=01%2F01%2F2018&max\\_date=12%2F31%2F2018](https://www.fec.gov/data/receipts/individual-contributions/?contributor_namew=igor+furman&committee_id=C00637512&contributor_name=Global+energy+producers&contributor_name=Igor+fruman&contributor_name=aaron+llc&contributor_name=aaron%2C+llc&contributor_name=fruman&contributor_name=igor+furman&contributor_name=lev+parnas&contributor_name=muraviev&contributor_name=parnas&contributor_name=seafront&min_date=01%2F01%2F2018&max_date=12%2F31%2F2018).

<sup>10</sup> See *U.S. v. Parnas*, No. 19 CR 725 (S.D.N.Y.), Trial Ex. 43-A-20 (showing a “Loan Agreement” that Steven Fruman signed on behalf of FD Import as “Manager” to secure \$500,000 from Muraviev, as discussed further below); Trial Ex. 48-A-26 (same except Steven Fruman signed as “Director” of FD Import); Trial Transcript 949:8-10 (Espinoza, Direct) (“Trial Tr.”) (Steven Fruman is the primary cardholder on the FD Import corporate credit card); Trial Tr. 952:15-17 (Espinoza, Direct) (Steven Fruman is the account holder for FD Import’s Chase bank account used to pay off 99% of FD Import’s credit card); Trial Ex. 1403 at 2 (summary exhibit showing “Sources of Payment on FD Import Export Amex Credit Card Balance”).

<sup>11</sup> FGCR at 37-42.

<sup>12</sup> Press Release, U.S. Dep’t of Justice, Russian Oligarch Charged with Making Illegal Political Contributions (Mar. 14, 2022), <https://www.justice.gov/usao-sdny/pr/russian-oligarch-charged-making-illegal-political-contributions>.

<sup>13</sup> See FGCR at 40-41.

<sup>14</sup> 52 U.S.C. §§ 30121, 30122.

<sup>15</sup> Cert. ¶1.

no way exonerates the respondents for the activities established at trial. But as a result, the record will remain undeveloped and unclear concerning the true sources of those funds.

The prohibitions on foreign national contributions and contributions made in the name of another are integral to ensuring transparency and integrity in our elections. The violations at issue were sizable, the record clearly indicated that the Act had not only been violated but had been knowingly violated, and OGC had a clear and measured plan to use minimal resources to vindicate the Commission's interests and clarify the public record. Sadly, yet unsurprisingly, these significant violations have been brushed aside, and vital information concerning the sources of funds affecting federal elections remains unavailable to the American public.

July 1, 2022  
Date

  
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Shana M. Broussard  
Commissioner

July 1, 2022  
Date

  
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Ellen L. Weintraub  
Commissioner