

United States House of Representatives
Committee on Financial Services
Washington, D.C. 20515

December 1, 2017

The Honorable Rod Rosenstein
Deputy Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Dear Deputy Attorney General Rosenstein:

In July, I wrote to Attorney General Sessions calling on him to recuse himself from any investigation conducted by the Department of Justice (“the Department”) into Deutsche Bank’s (“the Bank”) Russian mirror trading scheme and any probe into loans the Bank provided to the President or his immediate family given his repeated failure to demonstrate impartiality from the President. I did not receive a response. At the time, the U.K. Financial Conduct Authority and the New York Department of Financial Services had each fined the Bank a total of \$630 million for failing to prevent the illicit trading scheme, and a separate settlement citing inadequate anti-money laundering controls was reached by the Board of Governors of the Federal Reserve System. The Department, however, has yet to take action despite having commenced its investigation in 2015, and now, press reports indicate that the Department’s investigation has “gone dormant.”¹ Given Attorney General Sessions’ refusal to recuse himself from the investigation and the apparent delay by the Department to take action against the Bank, I write to request your assurances that the investigation is being carried out to the fullest extent of the law, free from interference, and that it remains a priority for the Department.

As you are no doubt aware, Deutsche Bank has significant and unusual ties to President Trump. Deutsche Bank is President Trump’s largest lender, having lent his companies more than \$360 million. This is despite numerous bankruptcies and a lawsuit Trump filed against the Bank. Putting aside the bizarre circumstances under which the bank continued to lend to Trump, just the size of the loans he has obtained has been described as “somewhat unusual by Wall Street standards.”² Also unusual is his relationship with Rosemary Vrablic, his wealth manager, whom he falsely referred to as the “boss of Deutsche Bank” despite her having no such position as the head of the Bank. The New York Times reported that Vrablic was even in attendance at Trump’s inauguration in January.³

Not only is the President a client of Deutsche Bank, but so too are his daughter, Ivanka Trump, his son-in-law, Jared Kushner, and Kushner’s mother, Seryl Kushner. In fact, the Bank lent Jared Kushner’s real estate company more than \$280 million only one month prior to the 2016 election, which was not properly disclosed. As I noted in my letter to Attorney General Sessions in July, the timing of this loan raises questions about whether lenient treatment of the Bank under

¹ CNN, “Justice investigation into Russian laundering through Deutsche Bank gone quiet,” (November 15, 2017) available at <http://www.cnn.com/2017/11/15/politics/justice-department-investigation-russian-laundering-deutsche-bank/index.html>

New York Times, “Big German Bank, Key to Trump’s Finances, Faces New Scrutiny,” (July 19, 2017) available at <https://www.nytimes.com/2017/07/19/business/big-german-bank-key-to-trumps-finances-faces-new-scrutiny.html>³

Id.

³ Id.

the Trump Administration may have factored into the loan. Given the family's extensive business with the Bank, and the fact that it is one of the only financial institutions known to be willing to conduct business with the President, Trump has a vested interest in ensuring that his Administration takes a light touch in response to any wrongdoing by the Bank, an institution that has faced significant legal challenges in recent years.⁴

Attorney General Sessions, for his part, has not only shown a repeated failure to distance himself from the President in a manner suitable for his position, but has also been directly tied to matters involving potential Russian influence on the Trump campaign. In March, it was revealed that during the presidential campaign, Sessions had two meetings with Russian Ambassador Sergey Kislyak. Neither of these meetings was disclosed by Attorney General Sessions when he applied for his national security clearance, nor when he appeared before the United States Senate for his confirmation hearings. Instead, Attorney General Sessions flatly denied any meetings with Russians, stating "I did not have communications with the Russians."⁵ Just a few weeks ago, it was also revealed that Sessions had attended a March 2016 meeting at which former Trump campaign aide George Papadopolous proposed setting up a meeting between Trump and Vladimir Putin. To add insult to injury, Attorney General Sessions told the House Judiciary Committee that he "had no recollection of this meeting until [he] saw these news reports."⁶

The latest reports that the Department's investigation into Deutsche Bank has "gone dormant" add to my already deep distrust of this Administration. According to one such report, "[p]rosecutors have not made requests for information or witness testimony in several months," and there have been "no settlement talks between the sides despite the bank indicating it is prepared to pay a fine to settle the investigation."⁷

Given the unusual and extensive business the President and his family does with the Bank, the repeated failure of the Attorney General to maintain his independence from the President, and the recent revelations that the investigation into Deutsche Bank has "gone dormant," I ask that you provide answers to the following questions no later than December 15, 2017:

- (1) Is the investigation into Deutsche Bank's role in a \$10 billion Russian mirror trading scheme still ongoing? If not, what is its present status?
- (2) What has Attorney General Sessions' involvement been with the investigation since his appointment?
- (3) Has President Trump, or his immediate family or any other campaign or White House official inquired about or sought to influence the investigation of Deutsche Bank in any way, including any other potential investigations into the Bank?
- (4) Is the Department committed to determining who participated in and who may have benefited from the Deutsche Bank Russian mirror trading scheme?

⁴ Good Jobs First Violation Tracker, Deutsche Bank:

<https://violationtracker.goodjobsfirst.org/prog.php?parent=deutsche-bank>

⁵ CNN, "Washington Post: Sessions discussed Trump campaign with Russian ambassador, per intel intercepts," (July 23, 2017) available at <http://www.cnn.com/2017/07/21/politics/wapo-sessions-discussed-campaign-with-kislyak/index.html>

⁶ Mother Jones, "Jeff Sessions Gets Hammered for Repeatedly Telling Congress 'I Don't Recall' Russia Contacts," (November 14, 2017) available at <http://www.motherjones.com/politics/2017/11/jeff-sessions-gets-hammered-for-repeatedly-congress-i-dont-recall-russia-contacts/#>

⁷ CNN, "Justice investigation into Russian laundering through Deutsche Bank gone quiet," (November 15, 2017) available at <http://www.cnn.com/2017/11/15/politics/justice-department-investigation-russian-laundering-deutsche-bank/index.html>

- (5) Should there be any nexus between Deutsche Bank, the Russian mirror trading scheme and the investigation into Russian interference in the 2016 Presidential election, will the information be provided to Special Counsel Robert Mueller?

I look forward to your prompt response.

Sincerely,


MAXINE WATERS