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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
UNITED STATES OF AMERICA,

Plaintiff,

VS. Case No. 1:13-CV-06326 (TPG)  
ECF CASE

PREVEZON HOLDINGS LTD.,  
et al.,

Defendants.  
-----X

VIDEOTAPED DEPOSITION

OF

WILLIAM F. BROWDER

Wednesday, April 15, 2015

30 Rockefeller Plaza

New York, New York

Reported by:  
AYLETTE GONZALEZ, RPR, CLR, CCR  
JOB NO. 91742

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DATE: April 15, 2015

TIME: 9:30 a.m.

Videotaped Deposition of WILLIAM F.  
BROWDER, held at the offices of BAKER BOTTS,  
LLP, 30 Rockefeller Plaza, New York, New  
York 10112, pursuant to NOTICE, before  
AYLETTE GONZALEZ, a Registered Professional  
Reporter, Certified LiveNote Reporter,  
Certified Court Reporter and Notary Public  
of the States of New York and New Jersey.

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A P P E A R A N C E S :

UNITED STATES DEPARTMENT OF JUSTICE

Counsel for Plaintiff

One St. Andrew's Plaza  
New York, New York 10007

BY: PAUL MONTELEONI, ESQ.  
BY: ANDREW ADAMS, ESQ.

BAKER & HOSTETLER  
Counsel for Defendants  
1050 Connecticut Avenue, N.W.  
Washington, District of Columbia 20036

BY: MARK CYMROT, ESQ.  
BY: PAUL LEVINE, ESQ.  
BY: MORITZ ABRAMOVITZ, ESQ.

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A P P E A R A N C E S: (Continued)

BAKER BOTTS  
Counsel for Defendants  
30 Rockefeller Plaza  
New York, New York 10112

BY: SETH TAUBE, ESQ.  
BY: JOYCE YOUNG, ESQ.

KOBRE & KIM  
Counsel for the Witness  
800 Third Avenue  
New York, New York 10022

BY: MICHAEL KIM, ESQ.  
BY: LINDSEY WEISS, ESQ.

ALSO PRESENT:  
LEM LATTIMER, Videographer

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THE VIDEOGRAPHER: This is the  
Tape No. 1 for the videotaped  
deposition of William Browder in the  
matter of United States of America vs.  
Prevezon Holdings Ltd., et al.

We are now going on the record.  
The time is 9:35 a.m.

Will counsel please state their  
appearances for the record.

MR. KIM: This is Michael Kim and  
Lindsay Weiss of Kobre & Kim for the  
witness, William Browder.

MR. MONTELEONI: Paul Monteleoni  
and Andrew Adams for the Southern  
District of New York U.S. Attorney's  
Office.

MR. TAUBE: Seth Taube and  
Joyce Young, Baker Botts, for  
Defendants.

MR. CYMROT: Mark Cymrot and  
Paul Levine for Defendants.

THE VIDEOGRAPHER: Will the Court  
Reporter please swear the witness in.

\*\*\*\*\*

1 WILLIAM F. BROWDER (4/15/15)  
2 W I L L I A M F. B R O W D E R,  
3 called as a witness, having been  
4 first duly sworn by a Notary Public  
5 of the State of New York, was  
6 examined and testified as follows:

7 EXAMINATION BY

8 MR. CYMROT:

9 Q. Mr. Browder, my name is  
10 Mark Cymrot. I represent the Defendants in  
11 this action.

12 You're here pursuant to Subpoena?

13 A. I'm sorry, is that a question?

14 Q. Yes. Are you here pursuant to a  
15 Subpoena?

16 A. Yes.

17 Q. And a court order?

18 A. I think so.

19 Q. Let me show you what I'll mark as  
20 Browder Exhibit 1.

21 MR. KIM: Sorry, Mark, can I do  
22 the confidentiality?

23 MR. CYMROT: Oh, I'm sorry, yes, I  
24 skipped that. Yes.

25 MR. KIM: All right. Sorry about

1 WILLIAM F. BROWDER (4/15/15)

2 that.

3 So this is Michael Kim. So we  
4 still do not have a Confidentiality  
5 Agreement or Order from the court.

6 I'm not faulting anybody, that's just  
7 objectively the situation we're in.

8 It would be our preference to  
9 obviously have this deposition only  
10 when covered by a court ordered  
11 Confidentiality Order. But given that  
12 we're under Subpoena, we will proceed  
13 in the manner that -- that Plaintiff  
14 wishes.

15 And as I understand it, and I  
16 discussed this with Mr. Cymrot before  
17 the deposition began, there are other  
18 people listening in who, I believe,  
19 has identified three names, and I'll  
20 ask him to just state what his  
21 understanding is for the record.  
22 We -- we, on Mr. Browder's part, were  
23 made to understand that certain client  
24 representatives would be attending.

25 I did not understand the word

1 WILLIAM F. BROWDER (4/15/15)  
2 "attending" to mean unnamed persons or  
3 persons I can't verify who's listening  
4 in or listening in. That's fine.  
5 Given we're under Subpoena, we're  
6 willing to proceed based on the  
7 understanding that the contents of  
8 this Subpoena are covered by the same  
9 arrangements that was in the  
10 March 20th letter from us, which was  
11 subsequently agreed to by Defendants,  
12 with the exception that the client  
13 representatives who will be identified  
14 as listening in would be allowed to  
15 access this deposition on the  
16 undertaking by all that the contents  
17 of the deposition will not be passed  
18 on to any other persons pending  
19 further order of the Court.

20 And I think after the deposition  
21 we understand we'll try to get the  
22 Confidentiality Agreement finalized  
23 and submitted to Judge Griesa as soon  
24 as we're able to.

25 MR. CYMROT: Right. I would just



1 WILLIAM F. BROWDER (4/15/15)  
2 say that we've gotten this far in our  
3 discussions as the point where the  
4 judge has before him on the Government  
5 confidentiality proposal the same  
6 issues, so they'll be resolved when he  
7 resolves them.

8 In terms of people looking in,  
9 there are other attorneys and others  
10 associated with our law firm;  
11 Gabriella Volshteyn as client  
12 representative, Nataliya Vaselnitskaya  
13 and Denis Katsyv, the client  
14 representatives. And those are the  
15 ones I'm aware of.

16 But anybody looking in will be  
17 subject to the same restrictions, that  
18 it cannot be used for any other  
19 purpose other than this lawsuit as we  
20 set forth in that letter.

21 MR. KIM: Just one question. Are  
22 you able to verify who's actually  
23 listening and who's not to a degree of  
24 certainty.

25 MR. CYMROT: I am not sitting

1 WILLIAM F. BROWDER (4/15/15)

2 here, no.

3 MR. KIM: Okay. So we object to  
4 proceeding, but given we're under  
5 Subpoena, we'll just note the  
6 objection and proceed as we just  
7 discussed. So thank you. Sorry to  
8 interrupt. Proceed.

9 MR. CYMROT: Okay. Exhibit 1.

10 All right. So I'm marking for  
11 identification as Browder Exhibit 1 a  
12 letter dated December 4, 2012 to the  
13 New York County District Attorney's  
14 office, I believe Mr. Browder signed  
15 this, and attachments.

16 Let's get the Court Reporter to  
17 initial it, I'm sorry.

18 Why don't you use this copy which  
19 has tabs.

20 (Browder Exhibit 1, document Bates  
21 stamped PREV\_000003127\_001 through  
22 '166 was marked for identification, as  
23 of this date.)

24 BY MR. CYMROT:

25 Q. All right. Mr. Browder, can you

1 WILLIAM F. BROWDER (4/15/15)

2 tell us what that letter is?

3 A. Can I correct a statement that you  
4 made, is that --

5 Q. I guess you can.

6 A. This is not a letter that I signed.

7 Q. Who signed it?

8 A. This was signed by Brown Rudnick,  
9 LLP.

10 Q. Do you recognize that as a letter  
11 you authorized?

12 A. This was a letter that I'd  
13 authorized, yes, on -- yeah.

14 Q. Okay.

15 MR. CYMROT: And let me mark as  
16 Exhibit 2 the Verified Claimant, the  
17 original. The original.

18 BY MR. CYMROT:

19 Q. So how did -- while we're waiting  
20 for that, how did that letter come about,  
21 Mr. Browder?

22 A. This letter came about based on  
23 a -- an investigation that we did into the  
24 proceeds of the Magnitsky crime.

25 Q. And who is "we"?

1 WILLIAM F. BROWDER (4/15/15)

2 A. My -- my legal team and myself.

3 Q. And who's your legal team or who  
4 was your legal team at the time?

5 A. My legal team started out with  
6 John Moscow from BakerHostetler and included  
7 Neil Micklethwaite from Brown Rudnick,  
8 Jonathan Weiner from APCO, John Ashcroft from  
9 Ashcroft Associates, various Russian lawyers.

10 Q. Brown Rudnick?

11 A. Brown Rudnick; Neil Micklethwaite I  
12 mentioned.

13 Q. Okay. And who at Hermitage was  
14 working on this?

15 A. Pretty much Vadim Kleiner,  
16 Ivan Cherkasov.

17 Q. And yourself?

18 A. And my-- -- well, yeah.

19 Q. You were working on it, right?

20 A. Yeah.

21 Q. So you sent this letter to the U.S.  
22 Attorney, and what happened next, or it  
23 actually went to the State District Attorney,  
24 correct?

25 A. So John Moscow introduced me to

1 WILLIAM F. BROWDER (4/15/15)  
2 Adam Kaufmann, who was head of investigations  
3 division of the New York District Attorney's  
4 office. I walked it into his office on the  
5 4th of December 2012 or maybe possibly one or  
6 two days later, and then they took up the  
7 case.

8 Q. John Moscow wasn't representing you  
9 at this time?

10 A. No, he wasn't, but he did introduce  
11 me to Adam Kaufmann earlier.

12 Q. When was that?

13 A. I can't recall exactly, but one or  
14 two -- I met Adam Kaufmann through John Moscow  
15 at the Cambridge crime conference in  
16 Cambridge, England.

17 Q. And when was that?

18 A. I can't recall exactly.

19 Q. And John Moscow represented you  
20 for, what, six months in 2007 and '8, was it?

21 A. And sort of informally afterwards,  
22 after we -- after he got called on to another  
23 case and didn't have time for us.

24 Q. Well, all right, we don't need to  
25 get into the subject, but isn't it true that

1 WILLIAM F. BROWDER (4/15/15)

2 you discharged John Moscow and BakerHostetler?

3 A. I wouldn't -- I wouldn't -- no.

4 Q. You stopped relying upon

5 BakerHostetler's advice, correct?

6 A. BakerHostetler -- John Moscow

7 stopped returning our phone calls because he

8 got busy on another case.

9 Q. And you stopped relying upon his

10 advice?

11 A. No, not true.

12 Q. Never, to this day?

13 A. Well, when he became adverse to us

14 in this case, obviously his advice was no

15 longer objective.

16 Q. I see. And when was the last time

17 before -- what would it be, December,

18 November of 2013 that you spoke to

19 John Moscow?

20 A. I don't recall.

21 Q. Years before that?

22 A. I think it was at the Cambridge

23 crime conference that I last spoke to him.

24 Q. Which was when?

25 A. I -- I don't remember which --

1 WILLIAM F. BROWDER (4/15/15)

2 which year it was.

3 Q. 2012, 2011?

4 A. I'd have to --

5 Q. No idea?

6 A. I would have to look at the -- at  
7 the Cambridge crime conference schedule and  
8 see, see when he was there and Adam Kaufmann  
9 was there.

10 Q. So at the time of this letter,  
11 December 4, 2012, you walked into the New York  
12 County District Attorney's office; is that  
13 what I understand?

14 A. That's correct.

15 Q. With whom?

16 A. On my own.

17 Q. I see. And you presented this  
18 letter?

19 A. Correct.

20 Q. And what was that -- what happened  
21 after that?

22 A. At that point they accepted the  
23 letter.

24 Q. And was there a conversation?

25 A. And then perhaps a few weeks later

1 WILLIAM F. BROWDER (4/15/15)

2 I was informed that the -- they were taking up  
3 the case.

4 Q. In the New York County District  
5 Attorney's office?

6 A. That's correct.

7 Q. All right. And what happened in  
8 terms of the case after that?

9 A. They -- I'm trying -- I can't  
10 remember the name of the investigator --  
11 started to do some work on it and then  
12 eventually decided that it was a real case.

13 Q. And when did it get to the U.S.  
14 Attorney's Office?

15 A. After that.

16 Q. When after that?

17 A. I don't recall.

18 Q. How much work was done in the  
19 D.A.'s office in New York?

20 A. I don't work in the D.A.'s office.

21 Q. How much work did they tell you  
22 they did?

23 A. They don't -- I'm not a member of  
24 their staff, they don't -- they don't tell me  
25 what they're doing or not doing.



1 WILLIAM F. BROWDER (4/15/15)

2 Q. After the first conversation, did  
3 you have additional conversations with the  
4 investigator?

5 A. I did.

6 Q. How many?

7 A. I can't recall.

8 Q. Did you record them?

9 A. No.

10 Q. Did you take notes?

11 A. No.

12 Q. So what were they about?

13 A. Just status reports.

14 Q. What did he tell you about the  
15 status?

16 A. They were working on it.

17 Q. Nothing more?

18 A. That it was a real case.

19 Q. How long did the conversations  
20 last?

21 A. I don't recall.

22 Q. No idea; hour, two hours, three  
23 hours?

24 A. No.

25 Q. Less than that?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Less than that.

3 Q. Fifteen minutes?

4 A. Perhaps. I don't recall.

5 Q. How many of these conversations did  
6 you have?

7 A. I don't remember exactly.

8 Q. All right. When did it go to the  
9 U.S. Attorney's Office, approximately?

10 A. After the -- sometime after we  
11 submitted this, but I -- but I can't remember  
12 the dates.

13 Q. I see. How long before it was  
14 filed in federal court?

15 A. It was filed in federal court I  
16 think a year later or some- -- maybe in the  
17 fall of 2013.

18 Q. It was filed in, I believe,  
19 November or December of 2013, so it's about a  
20 year later; so how long before the Complaint  
21 was filed did you first have your conversation  
22 with the U.S. Attorney's Office?

23 A. Quite a bit.

24 Q. Months?

25 A. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Nine months?

3 A. Perhaps.

4 Q. So it was about three months in the  
5 D.A.'s office and then nine months in the U.S.  
6 Attorney's Office?

7 A. I don't know the timing.

8 Q. All right. Who did you talk to in  
9 the U.S. Attorney's Office?

10 A. I spoke to Sharon Levin,  
11 Paul Monteleoni.

12 Q. Did you speak to Todd Hyman, the  
13 investigator?

14 A. He might have been present, but my  
15 first contact was with Sharon Levin.

16 Q. All right. And what were your  
17 conversations with Sharon Levin?

18 A. That they had taken over the case  
19 from the New York D.A.'s office.

20 Q. Anything else?

21 A. That they were proceeding with the  
22 case.

23 Q. Did they tell you that they were  
24 investigating?

25 A. They weren't sharing with me their

1 WILLIAM F. BROWDER (4/15/15)

2 internal conversations.

3 Q. Did they ask you for more  
4 information?

5 A. Not at that meeting.

6 Q. The first meeting?

7 A. At the first meeting they just --  
8 it was just a very simple meeting.

9 Q. So you were there alone?

10 A. I don't remember if anyone was  
11 there with me or not.

12 Q. I see. And there were three people  
13 on the side of the United States?

14 A. There were more than three people,  
15 but I don't know who else was there.

16 Q. I see. Did there come a time when  
17 they --

18 A. Actually let me correct that.  
19 Somebody from the New York D.A.'s office was  
20 there as well.

21 Q. Okay. And who was that?

22 A. That -- I don't remember the name  
23 of the person.

24 Q. Investigator or a lawyer?

25 A. I don't know.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Did they give you cards?

3 A. I don't remember.

4 Q. How many meetings between the first  
5 meeting and the filing of the Complaint did  
6 you have with the U.S. Attorney's Office?

7 A. I can't say for certain, but I  
8 think there was maybe one more in-person  
9 meeting.

10 Q. Other people from Hermitage or your  
11 lawyers meet with the U.S. Attorney's Office  
12 before the case was filed?

13 A. No.

14 Q. So it was just you?

15 A. Yes.

16 Q. Did there come a time when they  
17 asked you for more information other than  
18 what's in this letter?

19 A. Yeah.

20 Q. When was that?

21 A. Spring or summer of 2013, I can't  
22 remember exactly.

23 Q. What did they ask you?

24 A. They asked -- well, they didn't --  
25 didn't ask me personally; they asked people on

1 WILLIAM F. BROWDER (4/15/15)

2 my team for more information.

3 Q. Who did they ask?

4 A. Vadim Kleiner.

5 Q. How did they get to meet people on  
6 your team if they weren't at the meetings?

7 A. I maybe introduced them on the  
8 phone, I don't re- -- I don't recall.

9 Q. So they asked Mr. Kleiner for more  
10 information?

11 A. Yes.

12 Q. What more information?

13 A. I wasn't part of those  
14 conversations.

15 Q. Did their files at Hermitage about  
16 what was given the U.S. Attorney's Office?

17 A. Surely there are files.

18 Q. But you haven't given them to us in  
19 response to the Subpoena; is that right?

20 A. I don't know.

21 Q. Who's responsible for that?

22 A. There's a whole team of people  
23 responsible for that.

24 Q. Well, you're ultimately responsible  
25 for your Subpoena to you, isn't it?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Subpoena is to me.

3 Q. Are you supervising the production  
4 of the documents?

5 A. I've got a whole team of people  
6 who's working on that, and they report to me  
7 from time to time.

8 Q. I see. And have they reported to  
9 you that they provided us with files that you  
10 gave the U.S. Attorney's Office?

11 A. They've reported to me lots of  
12 stuff, but I -- you know, I don't know the  
13 details.

14 Q. I see. So you have no idea what  
15 you gave the U.S. Attorney's Office --  
16 Hermitage gave the U.S. Attorney's Office in  
17 response to their request; is that right?

18 MR. KIM: Objection to form.

19 MR. CYMROT: Yeah, I'll restate  
20 it.

21 Q. You have no idea what Mr. Kleiner  
22 gave to the U.S. Attorney's Office in response  
23 to their request; is that correct?

24 A. That's correct.

25 Q. And he didn't tell you at the time?

1 WILLIAM F. BROWDER (4/15/15)

2 A. He told me he was in conversations,  
3 but he didn't tell me specifically what he was  
4 providing.

5 Q. Did he tell you what the substance  
6 of the conversations was?

7 A. Just backing up different parts of  
8 the Complaint.

9 Q. What parts of the Complaint?

10 A. I don't know.

11 Q. Did you see a draft of the  
12 Complaint before it was filed?

13 A. I think we might have, but I can't  
14 remember for sure.

15 Q. Did you tell the U.S. Attorney's  
16 Office that the allegations in the Complaint  
17 were accurate as far as you knew?

18 A. I was never asked or never told.

19 Q. Did you ever see anything that you  
20 saw in -- you've read the Complaint, correct?

21 A. I have.

22 Q. And did you see anything that --  
23 that you felt was inaccurate?

24 A. No.

25 Q. So as far as you're concerned,



1 WILLIAM F. BROWDER (4/15/15)

2 everything in the original Complaint was  
3 accurate?

4 A. It seemed to me that it was  
5 accurate. I should point out that some --  
6 there -- there are parts of the Complaint that  
7 I wasn't familiar with that I wouldn't -- not  
8 know about.

9 Q. But the parts that you were  
10 familiar with, as far as you're concerned is  
11 accurate?

12 A. The parts I was familiar with  
13 are -- I was thinking is accurate.

14 Q. For instance, Mr. Magnitsky is an  
15 attorney; you think that's accurate?

16 A. He was my attorney.

17 Q. He was your attorney?

18 A. Yes.

19 Q. Acting as --

20 A. Acting in court representing me.

21 Q. I see. And he had a law degree in  
22 Russia?

23 A. I'm not aware that he did.

24 Q. I see. And -- and he had -- he  
25 went to law school?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. He didn't go to law school, he  
4 didn't have a law degree, but he was your  
5 lawyer?

6 A. And he represented me in court.

7 Q. I see.

8 A. I should say represented Hermitage  
9 Fund Companies in court.

10 Q. Okay. And he did other work; he  
11 gave you advice on taxes?

12 A. Correct.

13 Q. And he was given a power of  
14 attorney to do certain things for certain of  
15 your companies, correct?

16 A. I believe so.

17 Q. All right. So he acted not just as  
18 an attorney, he acted in other capacities?

19 MR. KIM: Objection to form.

20 Q. Do you know who drafted the  
21 Complaint?

22 A. I would imagine that the U.S.  
23 attorney drafted the Complaint.

24 Q. And you had no idea what  
25 investigation the U.S. attorney did beyond the

1 WILLIAM F. BROWDER (4/15/15)

2 information that you and Mr. Kleiner gave to  
3 the U.S. attorney?

4 A. I don't work in the U.S. Attorney's  
5 Office.

6 Q. Well, you're aware that Mr. Hyman  
7 says that's the investigation that was done,  
8 took documents from your company, talked to  
9 you and Mr. Kleiner, so this case arises from  
10 your information; that's news to you?

11 A. I don't understand the question.

12 Q. You didn't understand when the  
13 Complaint was being filed that it was based  
14 upon information that you and Mr. Kleiner  
15 provided to the U.S. Attorney's Office?

16 A. Yes.

17 Q. You understood that?

18 A. Yeah.

19 Q. All right. Let me show you the  
20 Complaint we're talking about that I'll mark  
21 as Browder Exhibit 2. It's a Verified  
22 Complaint. It was filed on  
23 September 10, 2013.

24 (Browder Exhibit 2, Verified

25 Complaint, Filed on 9/10/13 was marked

1 WILLIAM F. BROWDER (4/15/15)

2 for identification, as of this date.)

3 BY MR. CYMROT:

4 Q. So Exhibit 2 is the Complaint we've  
5 been talking about, correct?

6 A. This?

7 Q. Yes.

8 A. Yes.

9 Q. And that's the Complaint that you  
10 read and saw nothing inaccurate in it; is that  
11 right?

12 MR. KIM: Objection to form.

13 Q. You could answer.

14 A. Sorry?

15 MR. KIM: When I say objection to  
16 form, that doesn't mean don't answer;  
17 it's just a legal objection I'm  
18 stating to the form of the question.

19 THE WITNESS: Right.

20 A. If -- if we go back to what I said  
21 before, the parts of the Complaint that I'm  
22 familiar with are accurate.

23 Q. And we're talking about that  
24 Complaint, Exhibit 2, right?

25 A. Correct.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Going back to Exhibit 1, which is  
3 the letter to the D.A.'s office, all right?

4 If you take a look at Tab 8.

5 A. Tab A?

6 Q. Eight.

7 A. Eight.

8 Q. Can you tell us what these  
9 documents are, the cover says "Bank  
10 Transactions"?

11 A. Yeah.

12 Q. By the way, if you find some  
13 illegible, that's because that's the way it  
14 was produced to us.

15 So let's start with '3128096. Can  
16 you tell me what that is?

17 A. Where is this?

18 Q. It's the first document. If you  
19 look at the lower right-hand corner, it has  
20 numbers.

21 A. I don't know.

22 Q. Well, who put these documents  
23 together?

24 A. My team.

25 Q. Who on your team?

1 WILLIAM F. BROWDER (4/15/15)

2 A. My lawyers, Vadim Kleiner.

3 Q. And which lawyers?

4 A. My -- I've got a team of Russian  
5 lawyers. I think Neil nickel weight was  
6 involved, his people on his team.

7 Q. Okay. So you have no idea what  
8 this is, it says "Refund decision"; you have  
9 no idea what it is?

10 A. No.

11 Q. And page '97, '097, "Refund  
12 decision," you have no idea what that is?

13 A. No.

14 Q. '98, '99, going all the way through  
15 '102, you have no idea what they are?

16 A. No.

17 Q. So when it comes to a document  
18 that's in Russian -- do you read Russian?

19 A. No.

20 Q. Who do you rely upon if the  
21 translation is in Russian?

22 A. I have a team of people who are  
23 Russian nationals.

24 Q. Working in Hermitage?

25 A. Yep.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. And where are they, in London?

3 A. Yep.

4 Q. Okay. So --

5 A. I should say working in Hermitage  
6 or external counsel from Russia.

7 Q. Right. So you have no idea what  
8 this is?

9 A. No.

10 Q. Is it an official Russian document?

11 A. I don't know.

12 Q. Do you know how you obtained it?

13 A. No.

14 Q. No idea?

15 A. No.

16 Q. Do you know whether it's fake?

17 A. I would assume it's real.

18 Q. But you have any -- any idea  
19 whether it's fake?

20 A. I don't think my team would have  
21 put together fake documents.

22 Q. But you don't know?

23 A. I trust my team to put together  
24 real documents.

25 Q. Do you know where they got them?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. Do you know whether they stole  
4 them?

5 A. I don't think my team -- no. No,  
6 they didn't steal them.

7 Q. Do you know whether they bribed  
8 somebody to get them?

9 A. They didn't bribe anybody to get  
10 them.

11 MR. KIM: Sorry. Objection to  
12 form. What's the "them" we're talking  
13 about.

14 MR. CYMROT: '103, '104, 105 are  
15 examples.

16 Q. Do you have any idea?

17 A. '104; nobody bribed anybody, we  
18 haven't bribed anybody.

19 Q. Well, Mr. Kleiner says he has  
20 contacts within Moscow -- this is in your  
21 books, he has contacts within Moscow and then  
22 he shows up with some documents, right?

23 MR. KIM: Objection to form.

24 Q. Central Bank documents.

25 MR. KIM: Objection to form.



1 WILLIAM F. BROWDER (4/15/15)

2 Q. How did he get them?

3 MR. KIM: Objection to form.

4 Q. How did he get them?

5 MR. MONTELEONI: Could I have a  
6 moment to discuss -- discuss with  
7 counsel whether or not there's a  
8 privilege objection?

9 MR. CYMROT: On whose behalf.

10 MR. MONTELEONI: On behalf of the  
11 U.S.

12 MR. KIM: All right. I think we  
13 should step out because I'm wearing a  
14 microphone.

15 MR. CYMROT: And you're keeping  
16 track of the time, please.

17 THE VIDEOGRAPHER: The time is  
18 10:01 a.m. We are coming off the  
19 record.

20 (Whereupon, an off-the-record  
21 discussion was held.)

22 THE VIDEOGRAPHER: The time is  
23 10:03 a.m. We are back on the record.

24 MR. KIM: Okay. So apologies for  
25 the break. Just on certain topics we

1 WILLIAM F. BROWDER (4/15/15)  
2 want to be prudent and just check if  
3 any party had a privilege objection.  
4 We understand that there is not, so  
5 you can proceed.

6 MR. CYMROT: Is that right.

7 MR. MONTELEONI: That's correct.

8 BY MR. CYMROT:

9 Q. Okay. So the question is, where  
10 did Mr. Kleiner get, for instance, Documents  
11 '104 and '105?

12 A. I don't know.

13 Q. Did he tell you at the time?

14 A. No.

15 Q. Was there a reason he wouldn't tell  
16 you at the time?

17 A. He has lots of sources. I don't  
18 ask him.

19 Q. He has lots of sources in Moscow  
20 that give him information?

21 A. Correct.

22 Q. Is it legal under Russian law for  
23 him to have, for instance, the information on  
24 pages '104 and '105?

25 MR. KIM: Objection to form.

1 WILLIAM F. BROWDER (4/15/15)

2 A. I'm not a lawyer, I don't know the  
3 answer to that question.

4 Q. Would it concern you if it were  
5 legal?

6 A. We try to obey the law in all  
7 situations.

8 Q. Would it concern you if it weren't  
9 legal?

10 A. Would it -- would it -- I'm sorry?

11 Q. Would it concern you if it weren't  
12 legal to have, for instance, the documents  
13 that are on pages '104 and '105?

14 A. Would it concern me? I don't  
15 understand. What are you saying?

16 Q. Would it bother you? Would you --  
17 bother you if you had documents that were  
18 illegal to have under Russian law?

19 A. Sure.

20 Q. It would bother you?

21 A. Um-hum.

22 Q. You wouldn't pass that along to the  
23 United States then?

24 A. If I was aware that it was  
25 violating Russian law I wouldn't.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. But you didn't ask Mr. Kleiner?

3 A. No.

4 Q. So you were sort of closing your  
5 eyes to where he got the information; is that  
6 what you're saying?

7 MR. KIM: Objection to form.

8 A. No.

9 Q. So then why didn't you ask him?

10 A. I didn't.

11 Q. You gave -- you gave this  
12 information and similar information to law  
13 enforcement authorities in Switzerland, in  
14 Latvia, in Russia and other locations and you  
15 didn't check to see whether you had obtained  
16 the information legally --

17 A. No.

18 Q. -- is that your testimony?

19 A. No.

20 Q. Is that a yes, I didn't hear you?

21 MR. KIM: Objection to form of the  
22 question.

23 A. Could you ask the question again?

24 Q. You didn't check whether it was  
25 legal, correct?

1 WILLIAM F. BROWDER (4/15/15)

2 A. I didn't check if it was legal.

3 Q. All right. Let's go to page '111  
4 of the same exhibit.

5 What is this document?

6 A. I don't know.

7 Q. You have no idea?

8 A. No.

9 Q. You gave it to the U.S. attorney?

10 A. Yes.

11 Q. Did you explain it to the U.S.  
12 attorney?

13 A. No.

14 Q. What did you tell the U.S. attorney  
15 about this document?

16 A. Nothing.

17 Q. Just delivered the letter and told  
18 them nothing?

19 A. Correct.

20 Q. And you have no idea who created  
21 this document?

22 A. No.

23 Q. Now these documents that follow,  
24 this document and the ones that follow  
25 supposedly traced money from the Russian

1 WILLIAM F. BROWDER (4/15/15)

2 Treasury into various accounts; you know that,  
3 right?

4 A. Yes.

5 Q. You don't know how the tracing was  
6 done?

7 A. No.

8 Q. Who did it?

9 A. Vadim Kleiner and the team of  
10 lawyers that worked with him.

11 Q. And they never told you how they  
12 did it?

13 A. No.

14 Q. And they never told what you this  
15 document was?

16 A. No.

17 Q. And they never told you how this  
18 document works?

19 A. No.

20 Q. Did they tell you what these  
21 account numbers are, say, in the fourth column  
22 to the left, from the left?

23 A. No.

24 Q. No idea?

25 A. No idea.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. So you yourself have no idea  
3 whether it's accurate that money was traced?

4 A. I relied on the professionalism of  
5 my team who had been very professional over a  
6 long period of time in tracing money.

7 Q. They've "been very professional  
8 over a long period of time in tracing money."

9 Before 2007?

10 A. Yes.

11 Q. What kind of money tracing did they  
12 do before 2007?

13 A. My firm was a shareholder activist  
14 in Russia, and so we were looking at  
15 situations involving fraud, big Russian  
16 companies we invested in, Gazprom, et cetera.  
17 And so the team that I worked with were  
18 involved in those investigations, those  
19 tracings and various actions after those, that  
20 information was gathered.

21 Q. You do know it would be illegal in  
22 Russia for you to be in possession of bank  
23 account information for accounts other than  
24 your own?

25 MR. KIM: Objection to form.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Do you know that?

3 A. No, I didn't know that.

4 Q. You have no idea that bank  
5 information was secret?

6 MR. KIM: Objection to form.

7 A. I had no idea.

8 Q. So anybody can go to Hermitage's  
9 bank in Russia and ask for copies of the  
10 account statements?

11 A. I'm sorry?

12 Q. Did you believe that anybody off  
13 the street could walk into your bank in  
14 Russia, say I want the bank statements for  
15 Hermitage?

16 A. What, is there a question?

17 Q. Yes.

18 A. What's the question?

19 Q. Do you believe that's true?

20 A. No.

21 Q. So there must be some law that says  
22 it's not true, right, that bank information is  
23 not open to the public?

24 MR. KIM: Objection to form.

25 A. I guess it's a practice that bank



1 WILLIAM F. BROWDER (4/15/15)

2 information's not open to the public.

3 Q. You have no idea whether it's a  
4 legal practice or based upon a law or not?

5 A. I'm not a lawyer.

6 Q. So you have no idea about any law?

7 A. I've got ideas about certain laws.

8 Q. And whether your information, your  
9 bank information is secret within Russia, you  
10 have no idea about that law?

11 A. I don't know which countries have  
12 bank secrecy and which ones don't.

13 Q. So as far as you knew, that anybody  
14 could walk up to a bank in Russia and get  
15 account information?

16 A. No.

17 Q. So then how did Mr. Kleiner and  
18 your team get what purports to be or what has  
19 been represented to us to be bank information  
20 on, for instance, page '111 of Exhibit 1?

21 A. I don't know.

22 Q. And you have no idea whether it's  
23 legal or not?

24 A. I have no idea.

25 Q. Do you know whether this document

1 WILLIAM F. BROWDER (4/15/15)

2 was created by a bank?

3 A. I don't know.

4 Q. Was it created by somebody on your  
5 team?

6 A. I don't know.

7 Q. Do you know what information it was  
8 based upon?

9 A. I don't know.

10 Q. Do you know whether they had  
11 account statements?

12 A. I don't know.

13 Q. Do you know whether they knew the  
14 daily balance in those accounts that are  
15 represented here?

16 A. I don't know.

17 Q. So you have no idea whether -- you  
18 have no idea how the money was traced?

19 A. I have -- I have a vague idea, but  
20 not -- not a detailed idea.

21 Q. All right. So what's your vague  
22 idea?

23 A. That the team gathered information  
24 from various sources and were able to connect  
25 the dots to trace the money.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. "Connect the dots."

3 Does it take any amount of  
4 expertise to connect the dots?

5 MR. KIM: Objection to the form.

6 A. I think it takes analysis to  
7 connect the dots.

8 Q. What's Mr. Kleiner's education?

9 A. Ph.D.

10 Q. In what?

11 A. Economics.

12 Q. Is he the one who connected the  
13 dots?

14 A. He and a team of other people  
15 connected the dots.

16 Q. Who specifically did he rely upon  
17 to connect the dots?

18 A. Various lawyers.

19 Q. It was all lawyers?

20 A. Lawyers and people who had  
21 experience in this type of -- lawyers with  
22 experience in this type of issue.

23 Q. He didn't have any bankers,  
24 accountants, anybody of those -- that  
25 background?

1 WILLIAM F. BROWDER (4/15/15)

2 A. I don't know the background of  
3 lawyers before they were lawyers.

4 Q. I see. And you can't tell me a  
5 list of people who worked on connecting the  
6 dots?

7 A. They're lawyers and Vadim --

8 Q. No, the names, names, names, do you  
9 have names?

10 A. Names of lawyers?

11 Q. The names of the people who  
12 connected the dots.

13 A. Sure. We have Vladimir Pastukhov,  
14 he's a lawyer; Edward Hardinov, a lawyer;  
15 Jonathan Weiner, lawyer; Neil Micklethwaite,  
16 lawyer; Olga Bischof, a lawyer; Martin  
17 Gillett, a lawyer; John Ashcroft, lawyer. And  
18 then we also worked with various investigative  
19 reporters.

20 Q. They connect the dots for you,  
21 reporters connected these dots?

22 A. In some cases reporters connected  
23 some dots.

24 Q. I see. And you relied upon  
25 reporters to put together the information

1 WILLIAM F. BROWDER (4/15/15)

2 that's in Exhibit 1, particularly say  
3 page '111?

4 MR. KIM: Objection to form.

5 A. Not on that page, no. I don't even  
6 know what that page says.

7 Q. Well, it's right in front of you.

8 A. I know, but it doesn't mean  
9 anything to me.

10 Q. Did it mean anything to the U.S.  
11 Attorney's Office, as far as you know?

12 A. I don't know.

13 Q. So what reporters did you rely upon  
14 to connect the dots?

15 A. Bill Alpert at Barron's in  
16 New York.

17 Q. Anybody else?

18 A. Roman Onin, Novilla Gazzetta. I  
19 shouldn't say I relied on them; they worked  
20 with our team.

21 Q. Anybody else?

22 A. The Organized Crime and Corruption  
23 Reporting Project.

24 Q. Which you supported with a  
25 substantial amount of money, correct?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. You never contributed any money to  
4 the OCCRP?

5 A. Zero.

6 Q. Zero money?

7 A. Zero.

8 Q. All right. What other reporters  
9 did you rely upon to connect the dots?

10 A. Those were the principal reporters.  
11 If there were others, I don't know their  
12 names.

13 Q. Anybody else help you connect the  
14 dots?

15 A. Yeah. Yeah, we also subpoenaed,  
16 with the help of your colleague, John Moscow,  
17 New York banks, Citibank and JPMorgan in -- I  
18 think it was 2009, 2010 -- 2009.

19 Q. Actually it was somebody else who  
20 actually filed that pleading, correct?

21 A. Someone else filed the pleading,  
22 but BakerHostetler came up with the idea and  
23 helped us prepare the original filings with  
24 the Court.

25 Q. Okay. That was relating to a prior

1 WILLIAM F. BROWDER (4/15/15)

2 fraud, correct?

3 A. No, it was relating to the overall  
4 fraud.

5 Q. The overall fraud includes  
6 230 million, but by your definition 11 point  
7 something million dollars?

8 MR. KIM: Objection to form.

9 Q. A billion dollars, I'm sorry, or a  
10 billion roubles? What does it include? When  
11 you say "the overall fraud," what are you  
12 referring to?

13 A. At the time it was the criminal  
14 enterprise that -- that perpetrated the  
15 \$230 million fraud and other frauds.

16 Q. All right. So going back to this,  
17 anybody else help you connect the dots?

18 A. So the -- yes, the Swiss -- Swiss  
19 Attorney General.

20 Q. I see. Gave you information?

21 A. Correct.

22 Q. I see. Pursuant to a Subpoena --  
23 I'm sorry. Pursuant to a proceeding that you  
24 initiated in Switzerland, correct?

25 A. Correct.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. And you gave that information to  
3 the U.S. Attorney's Office?

4 A. Yes.

5 Q. All right. Was it legal for you to  
6 give it to the U.S. Attorney's Office?

7 MR. KIM: Objection to form.

8 A. I'm not a lawyer, but we asked for  
9 permission from the -- from the prosecutor at  
10 the time and she gave it to us.

11 Q. The prosecutor in Switzerland?

12 A. Correct.

13 Q. And when was that?

14 A. Prior to filing this document.

15 Q. Prior to --

16 A. Prior to December of --

17 Q. -- December of 2012?

18 A. Correct.

19 Q. So is there information in this  
20 document from Switzerland?

21 A. I would assume so.

22 Q. But you don't know?

23 A. No.

24 Q. I see. And you say "she"; who are  
25 you referring to?



1 WILLIAM F. BROWDER (4/15/15)

2 A. Ms. Bino.

3 Q. How do you spell that?

4 A. B-I-N-O.

5 Q. All right. And what was her  
6 position?

7 A. She was a prosecutor.

8 Q. In what capacity, what was her  
9 title?

10 A. Federal prosecutor. I don't know  
11 her title.

12 Q. In what canton?

13 A. We met with her in Losone, so  
14 whatever canton Losone is in.

15 Q. So the Swiss proceeding was a  
16 proceeding that you initiated, correct?

17 MR. KIM: Objection to form.

18 A. Correct.

19 Q. And were you ever told that  
20 information in that proceeding was to be  
21 maintained secret?

22 A. We asked her for permission; she  
23 gave it to us.

24 Q. Were you ever told that information  
25 in that proceeding was by law secret?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Subsequently when the new  
3 prosecutor took over it became secret.

4 Q. It became secret?

5 A. In other words, she gave us  
6 permission.

7 Q. Written permission?

8 A. I don't know whether it was written  
9 or oral.

10 Q. So you --

11 A. We asked --

12 Q. But if it was written, there would  
13 be a document that you should have produced in  
14 response to the Subpoena, right?

15 MR. KIM: Objection to the form.

16 A. If -- I don't know.

17 Q. And you've never seen a letter  
18 giving you permission?

19 A. I don't know whether there was a  
20 letter or not.

21 Q. And you were never told that Swiss  
22 law requires information in that proceeding to  
23 be secret?

24 A. No.

25 Q. And you have a lawyer in

1 WILLIAM F. BROWDER (4/15/15)

2 Switzerland?

3 A. We do.

4 Q. Who's your lawyer in Switzerland?

5 A. It's Lenz -- Lenz & Staehelin.

6 Q. And you said there was a new  
7 prosecutor, it became secret; who was the new  
8 prosecutor?

9 A. Lamal.

10 Q. So as for as you know, you can't  
11 identify within Exhibit 1 any documents that  
12 came from the Swiss proceeding; was that  
13 right?

14 A. I don't know what's in the exhibit.

15 Q. Well, take a look.

16 A. Okay.

17 MR. KIM: For the record, are you  
18 talking about Exhibit 1 to Exhibit 1  
19 or the entire deposition Exhibit 1.

20 MR. CYMROT: The entire deposition  
21 Exhibit 1.

22 MR. KIM: The entire document.

23 MR. CYMROT: Yes.

24 BY MR. CYMROT:

25 Q. Do you know what you obtained from

1 WILLIAM F. BROWDER (4/15/15)

2 Switzerland?

3 MR. KIM: I believe there's a  
4 question pending.

5 MR. CYMROT: I'll withdraw it.

6 Q. Do you know what you obtained from  
7 Switzerland?

8 A. No, not exactly.

9 Q. So you wouldn't know if it were in  
10 here anyway, right?

11 A. No.

12 Q. So why waste time?

13 MR. KIM: It's your time to waste.

14 MR. CYMROT: Don't want to waste  
15 it.

16 MR. KIM: I don't blame you.

17 BY MR. CYMROT:

18 Q. All right. So let's look at -- I  
19 think you have a lot of lines and a lot of  
20 numbers, but they're all meaningless to you,  
21 right?

22 A. I don't know what's in these  
23 documents.

24 Q. All right. Let's take a look at  
25 page '113, just a short sentence, top of the

1 WILLIAM F. BROWDER (4/15/15)

2 page.

3 A. Sure.

4 Q. All right. So it has an account  
5 number from the Russian Treasury, correct?

6 A. Yep.

7 Q. Do you know where that account  
8 number came from?

9 A. No.

10 Q. Do you know if it's legal to have  
11 it?

12 A. No, I don't know if it's legal to  
13 have it.

14 Q. And then there's an account number  
15 for Rilend with Universal Savings Bank; do you  
16 know where that account number came from?

17 A. No.

18 Q. All right. Let's go to, for  
19 instance, '121, same exhibit, Exhibit 1.

20 Do you know what this document is?

21 A. No.

22 Q. Do you know where it was obtained?

23 A. No.

24 Q. Do you know whose hand that is?

25 A. No.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Do you know whether it's legal for  
3 you to have it?

4 A. I don't know.

5 Q. And you didn't ask?

6 A. No.

7 Q. Did Mr. Kleiner get this document?

8 A. I don't know.

9 Q. So let's take a look at the  
10 Verified Complaint. Let's take a look at  
11 paragraph 24.

12 Is it -- 24, you've read that?

13 A. Just give me a chance to read it.

14 Yes.

15 Q. Okay. So it refers to a search of  
16 Hermitage's offices on June 4, 2007, correct?

17 A. Correct.

18 Q. Is it your view that Russia had  
19 absolutely no basis for investigating  
20 Hermitage at that time?

21 MR. KIM: Objection to form.

22 A. Yes, my view.

23 Q. And no basis for investigating you?

24 A. Yes.

25 Q. And no basis for investigating

1 WILLIAM F. BROWDER (4/15/15)

2 Mr. Magnitsky?

3 A. Yes.

4 Q. And that it was solely a political  
5 investigation then?

6 MR. KIM: Objection to form.

7 A. No, I think it was a criminal and  
8 political.

9 Q. Criminal in what sense?

10 A. It was a design to perpetrate a  
11 fraud.

12 Q. In other words, this search, the  
13 sole reason for this search in your view was  
14 to perpetrate the \$230 million fraud that's  
15 described in the Complaint?

16 A. I said that it's political and  
17 fraudulent.

18 Q. Okay. So the fraud is the  
19 \$230 million fraud?

20 A. Correct.

21 Q. And that the investigators went in  
22 with the intent of aiding that fraud; is that  
23 your view?

24 A. Yes.

25 Q. And what's the political angle of

1 WILLIAM F. BROWDER (4/15/15)

2 it?

3 A. I think that I was considered to be  
4 an enemy of the Russian state. And on the  
5 back of that there was sort of a cart blanche  
6 for various arms of the FSB, the Interior  
7 Ministry and criminal elements working with  
8 them to victimize me.

9 Q. All right. So your companies,  
10 while operating in Russia, always paid all the  
11 taxes that were due; is that --

12 A. That's correct.

13 Q. That's correct?

14 And even when a Court found that  
15 there were additional taxes due, you always  
16 paid those taxes?

17 A. Yes.

18 Q. And you, Hermitage, set up a  
19 company called Saturn in a region called  
20 Kalmykia, correct?

21 A. Yes.

22 Q. And what was the business of  
23 Saturn?

24 A. Investments.

25 Q. What does that mean?



1 WILLIAM F. BROWDER (4/15/15)

2 A. Saturn invested.

3 Q. Invested in what?

4 A. Stock market companies.

5 Q. In other words, Hermitage Fund --  
6 let me ask it this way: Where is Kalmykia?

7 A. Kalmykia is a region in southern  
8 Russia.

9 Q. Remote from Moscow?

10 A. Correct.

11 Q. And what was the usefulness of  
12 investing funds in Kalmykia?

13 A. After -- after the Soviet Union  
14 broke up, in order to promote regions of  
15 Russia, a law was passed which allowed regions  
16 to have their own tax regimes similar to what  
17 happens with Delaware or Puerto Rico. And  
18 Kalmykia and about somewhere between ten or 15  
19 other regions set up their own tax incentives  
20 to attract companies to come there.

21 Q. And so you set up Saturn in  
22 Kalmykia to invest in Russian stock market  
23 companies, right?

24 A. I didn't set it up; Hermitage Fund  
25 set it up.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Well, you were the general  
3 director, right?

4 A. No, I was the investment advisor.

5 Q. You were never the general  
6 director?

7 A. I was not the general director --

8 MR. KIM: Objection to form.

9 A. I was not the general director of  
10 the Hermitage Fund.

11 Q. No, you were the general director  
12 of Saturn?

13 A. I was in 2001.

14 Q. And for how long?

15 A. I don't know.

16 Q. So you were the general director of  
17 Saturn when it was set up, correct?

18 A. I'm not sure if I was the general  
19 director of Saturn when it was set up. I was  
20 the general director of Saturn in 2001.

21 Q. I see. As general director, you  
22 were personally responsible for filing the tax  
23 returns, correct?

24 A. That's correct.

25 Q. And personally responsible to make

1 WILLIAM F. BROWDER (4/15/15)

2 sure they were accurate?

3 A. That's correct.

4 Q. And what Saturn was doing, it was  
5 taking stocks that you were investing from  
6 Moscow and holding those stocks, correct?

7 A. Saturn was an investment company  
8 holding shares in Russian stock market-traded  
9 companies.

10 Q. Did it have capital of its own?

11 A. I don't understand the question.

12 Q. Did it have capital to buy stock?  
13 You need money to buy stock, right?

14 A. Correct.

15 Q. The money came from Hermitage Fund,  
16 correct?

17 A. Correct.

18 Q. And --

19 A. Yeah, it came -- it came from -- it  
20 came indirectly from the Hermitage Fund.

21 Q. Through a number of shell  
22 companies, right?

23 MR. KIM: Objection to form.

24 A. No, through one Cyprus-based  
25 company.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. So you created a company in Cyprus?

3 A. I didn't create it.

4 Q. Hermitage created it?

5 A. Hermitage Fund created a company in  
6 Cyprus.

7 Q. And you're the investment advisor  
8 of Hermitage Fund?

9 A. No. I'm the investment advisor to  
10 HSBC Management Guernsey. HSBC Management  
11 Guernsey was the investment manager of the  
12 Hermitage Fund.

13 Q. So you had no idea that Hermitage  
14 Fund was setting up a company in Cyprus?

15 A. No, I knew that.

16 Q. Of course you did, right?

17 A. I knew that.

18 Q. Yeah, you knew that?

19 A. I knew that.

20 Q. You approved the structure?

21 A. I wasn't the one to approve it or  
22 disapprove it. The manager was the  
23 decision-maker.

24 Q. But you made the decision where --  
25 let's put it this way: You agreed with the

1 WILLIAM F. BROWDER (4/15/15)

2 decision?

3 A. I didn't object to the decision.

4 Q. You knew it was happening?

5 A. I was aware of it.

6 Q. And Cyprus, according to you, is a  
7 jurisdiction that often used for money  
8 laundering; that's your view, isn't it?

9 A. No.

10 Q. You've never said that?

11 A. I think many jurisdictions are used  
12 for money laundering.

13 Q. Cyprus being one?

14 A. Cyprus being one of many.

15 Q. But you -- you set up a corporation  
16 there, right?

17 A. Just about every Russian company  
18 set up -- every Russian investor invested  
19 through Cyprus.

20 Q. And not every Russian investor who  
21 invests through Cyprus is doing things  
22 illegally, right?

23 A. There are many legitimate investors  
24 in Cyprus.

25 Q. All right. So Cyprus -- this

1 WILLIAM F. BROWDER (4/15/15)

2 Cyprus company, which was, what, Kone or  
3 Glendora?

4 A. I don't remember the names of the  
5 Cyprus companies.

6 Q. Okay. Was holding Saturn?

7 A. A Cyprus company was holding -- was  
8 the -- was the shareholder in Saturn.

9 Q. Right. And the funds for Saturn's  
10 investment came indirectly from the Hermitage  
11 Fund?

12 A. Correct.

13 Q. Cyprus -- Saturn didn't create any  
14 funds of its own?

15 A. It did through the appreciation of  
16 shares.

17 Q. But in the initial purchase of  
18 shares, it needed to get money from the  
19 Hermitage Fund?

20 A. So the Hermitage Fund funded Saturn  
21 Investments.

22 Q. Right. And then Saturn purchased  
23 stock or Hermitage Fund purchased stock and  
24 transferred it to Saturn?

25 A. Saturn purchased stock.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. All right. And held it and if  
3 there was an appreciation, it would go to the  
4 benefit of Saturn?

5 A. Yes.

6 Q. Fine. And then the taxes due on  
7 that were paid by Saturn?

8 A. Correct.

9 Q. And you were the general director?

10 A. In 2001.

11 Q. And you had to sign the tax  
12 returns?

13 A. I did.

14 Q. Fine. And the tax regimes in --  
15 that were set up in Kalmykia required the  
16 hiring of basically Afghan war veterans who  
17 had disabilities, right?

18 A. No.

19 Q. What did it -- what did it require?

20 A. Could you repeat the question?

21 Q. Yeah. What were the tax regimes  
22 you were relying upon?

23 A. There were -- there were two tax  
24 incentives in Kalmykia. There were two tax  
25 incentives that we relied on or that Hermitage

1 WILLIAM F. BROWDER (4/15/15)

2 Fund relied on. The first was the Kalmykian  
3 tax regime, which allowed the companies to pay  
4 lesser tax than in other regions, and the  
5 handicapped tax benefit which allowed a  
6 reduction in the federal tax rate.

7 Q. In other words, one was that a  
8 majority of your employees in Kalmykia had to  
9 be physically challenged persons?

10 A. Handicapped tax regime required  
11 that more than 50 percent of the employees  
12 qualify under certain rules of definition of  
13 handicapped individuals.

14 Q. Right. And the other tax regime  
15 was that you had to -- Saturn had to invest  
16 in -- in the Kalmykian region, correct?

17 A. No.

18 Q. What was the other tax regime?

19 A. That you had to be registered, had  
20 to subscribe for a public offering, and then  
21 you had to make a -- a regular payment to the  
22 Kalmykian authorities.

23 Q. For the purpose of investing in the  
24 region?

25 A. No.



1 WILLIAM F. BROWDER (4/15/15)

2 Q. You just made a regular payment?

3 A. You make a regular payment on an  
4 annual basis. It could have been a quarterly  
5 basis, I don't remember.

6 Q. For what basis, for what purpose?

7 A. To maintain your tax status.

8 Q. So you represented on the Saturn  
9 tax returns that a majority of your Kalmykian  
10 employees were physically challenged persons?

11 MR. KIM: Objection to the form.

12 Q. Correct?

13 MR. KIM: Is that an exhibit or  
14 you're asking him just to recall.

15 MR. CYMROT: I'm just asking him  
16 to recall.

17 A. Yes.

18 MR. CYMROT: He recalled.

19 MR. KIM: Good recall.

20 MR. CYMROT: Good.

21 BY MR. CYMROT:

22 Q. And you listed those people as  
23 expert analysts division, working in the  
24 expert analyst division; do you remember that?

25 A. No.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. What did you list them as?

3 A. I didn't list them as anything.

4 Q. Well, who did the listing then?

5 A. We contracted out the management of  
6 these companies to Firestone Duncan, an  
7 American law and accounting firm.

8 Q. And you gave power of attorney to  
9 Sergei Magnitsky to file the tax returns  
10 right?

11 A. No.

12 Q. Who did you give a power of  
13 attorney to?

14 A. Firestone -- I don't know who I  
15 gave it to you, but Sergei Magnitsky wasn't  
16 working on -- on this at that time.

17 Q. I see. He was working at Firestone  
18 Duncan, right?

19 A. He was, but not on this situation  
20 until 2002.

21 Q. I see. So in 2001 he wasn't  
22 working on it, but in 2002 he was?

23 A. Yes.

24 Q. And he was the one that filed the  
25 tax returns?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. Who filed the tax returns?

4 A. Some other employees of Firestone  
5 Duncan.

6 Q. When you say he was working on it,  
7 what was he doing it?

8 A. When -- there was a challenge in  
9 the court over -- over the tax payments, so he  
10 represented us in court.

11 Q. And he never had a power of  
12 attorney from you to do the tax returns?

13 A. Not in 2001, not that I'm aware of.

14 Q. How about in 2002?

15 A. I don't think so, but I --

16 Q. 2003?

17 A. I don't know.

18 Q. How about 1999?

19 A. I don't know.

20 Q. Who came up with the idea that you  
21 could use this tax regime?

22 A. This was a common market practice.  
23 There was more than 15,000 companies  
24 registered in Kalmykia doing this, and this  
25 was -- we were advised by Arthur Andersen,

1 WILLIAM F. BROWDER (4/15/15)

2 Firestone Duncan, Ernst & Young and various  
3 other firms that this was a proper way of  
4 organizing our affairs.

5 Q. But the courts in Kalmykia didn't  
6 agree with you, correct?

7 MR. KIM: Objection to form.

8 A. There was -- there was -- they did  
9 and they didn't.

10 MR. CYMROT: So let's have Tab 38.

11 All right. I'm marking as Browder  
12 Exhibit 3 a Decision No. 205,  
13 February 26, 2003; Case  
14 No. A22-1022/02/6/105.

15 Q. I'm handing you the English, and I  
16 think the Russian is attached on the back.

17 (Browder Exhibit 3, document Bates  
18 stamped BrowderDepo0001471 through  
19 '477 was marked for identification, as  
20 of this date.)

21 BY MR. CYMROT:

22 Q. So have you seen this decision  
23 before?

24 A. No.

25 Q. Were you informed of it?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. Do you see on the second page it  
4 says in the middle that -- it names three  
5 employees were engaged with the position of  
6 expert analyst division; do you see that?

7 MR. KIM: Where on the page?

8 A. Where is that?

9 Q. It's -- one, two, three, four,  
10 five, six, seven, eight, nine, ten, 11, --  
11 12 lines down.

12 A. Yes, I see that.

13 Q. You didn't use them as expert  
14 analysts, did you?

15 A. I wasn't managing the employees.

16 Q. Who was managing the employees?

17 A. Firestone Duncan.

18 Q. And who at Firestone Duncan was  
19 managing the employees?

20 A. I don't know.

21 Q. You have no idea who was -- you  
22 were the general director and you have no idea  
23 who was managing these employees?

24 A. That's correct.

25 Q. And it wasn't Mr. Magnitsky?

1 WILLIAM F. BROWDER (4/15/15)

2 A. It wasn't Mr. Magnitsky.

3 Q. I see. And it said that -- if you  
4 go further down, that these three employees  
5 were disabled, they were working at other  
6 locations as physical laborers. Do you see  
7 that?

8 A. Where does it say that?

9 Q. If you go down to "In such  
10 circumstance," last full paragraph, I think.

11 "The arbitration court finds that  
12 all economic activities of 000" -- which is  
13 referring to Saturn -- "was carried out at its  
14 actual address. And the above-specified  
15 persons" -- and it names four of them --  
16 bearing in mind their education and  
17 qualification."

18 A. I'm sorry, I'm having a hard time  
19 finding where you started, if you can just  
20 point it out to me on this document.

21 Q. Right here.

22 A. Okay.

23 Q. "Bukayev has no education or  
24 qualifications. Badykov is a worker.  
25 Byatkiyev is a machine engineer. It had

1 WILLIAM F. BROWDER (4/15/15)  
2 nothing to do with Saturn and were only used  
3 by the Claimant to get the income tax relief."  
4 Do you see that?

5 A. Yes.

6 Q. And that's what the Court found,  
7 right?

8 A. Yep.

9 Q. And then if you go to the last  
10 page, it's decided that there's additional tax  
11 due. Taxing authority had fined the company  
12 basically 903,000 roubles. There were arrears  
13 of 4.6 million roubles. There's penalty  
14 interest of 487,000 roubles, an additional  
15 payment of 252,000 roubles. And in the end,  
16 the Court wiped out the fine and the  
17 additional payment, but said the arrears and  
18 penalty interest were due.

19 Do you see that in the last  
20 paragraph?

21 A. Yes.

22 Q. All right. Did you pay the taxes  
23 that were due?

24 A. I believe -- and I -- I'm -- this  
25 is long, long time ago, that there was an

1 WILLIAM F. BROWDER (4/15/15)

2 appeal.

3 Q. All right. Let's go to the appeal.

4 (Browder Exhibit 4, document Bates  
5 stamped BrowderDepo0001478 through  
6 '484 was marked for identification, as  
7 of this date.)

8 MR. CYMROT: All right. I'm  
9 marking as Exhibit 4 a decision,  
10 May 5, 2003, of the Arbitration Court  
11 of the Republic of Kalmykia.

12 BY MR. CYMROT:

13 Q. Have you ever seen this before?

14 A. No.

15 Q. You were informed of the result?

16 A. No.

17 Q. Well, if you look to the end, the  
18 result is that the decision -- the prior court  
19 decision of February 26, 2003 was upheld; do  
20 you see that?

21 A. Yes.

22 Q. Did you pay this?

23 MR. KIM: Objection to form.

24 Q. Did Saturn pay this?

25 A. Not that I'm aware of.



1 WILLIAM F. BROWDER (4/15/15)

2 Q. You don't think these judges --  
3 there are three judges here, you don't think  
4 they were corrupt, do you?

5 A. I don't know anything about these  
6 judges.

7 Q. You don't have any information to  
8 suggest they were politically motivated, do  
9 you?

10 A. I don't know anything about these  
11 judges.

12 Q. Isn't it true you bankrupted Saturn  
13 rather than pay the taxes?

14 MR. KIM: Objection to form.

15 A. No.

16 Q. Saturn was put into bankruptcy,  
17 wasn't it?

18 A. Not that I'm aware of.

19 Q. These taxes paid?

20 A. There was an audit done by the  
21 federal tax service in 2003 which gave Saturn  
22 a clean audit.

23 Q. On May 5, 2003, the Arbitration  
24 Court of Kalmykia said there were additional  
25 taxes due. Does that override an order, an

1 WILLIAM F. BROWDER (4/15/15)

2 audit?

3 A. Yes.

4 Q. That's your view?

5 A. Yes.

6 Q. Okay. And let's look at the other  
7 company that you've created in Kalmykia. By  
8 the way, did Saturn have income? Must have  
9 had income if it had taxes due?

10 A. I would imagine so.

11 Q. Was the income removed from Russia?

12 A. I don't know. I would imagine so.

13 Q. And what do you have to do, what  
14 did you have to do or what did Saturn have to  
15 do to remove its income from Russia?

16 A. I don't know.

17 Q. Did it have to make representations  
18 to the taxing authority?

19 A. I don't know.

20 Q. Did it have to make representations  
21 to the Central Bank?

22 A. I don't know.

23 Q. By the way, the audit that you  
24 refer to, the federal audit in 2003 of Saturn,  
25 do you have a copy of that?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Not with me.

3 Q. But you should have produced it to  
4 us as part of the Subpoena?

5 MR. KIM: Objection to the form.

6 Q. You didn't produce it to us as part  
7 of the Subpoena. Will you produce it to us?

8 MR. KIM: Objection to form.

9 A. If it's part of the Subpoena, I'm  
10 obliged to then of course.

11 Q. And we can invite you back to ask  
12 you questions about it because it should have  
13 been produced before today.

14 MR. KIM: Objection to form.

15 Actually I'm not sure what I'm  
16 objecting to because it's not a  
17 question.

18 MR. CYMROT: You're objecting to  
19 the fact that we're inviting him  
20 back --

21 MR. KIM: Okay.

22 MR. CYMROT: -- I'm sure. But we  
23 are.

24 BY MR. CYMROT:

25 Q. So, you set up another company,

1 WILLIAM F. BROWDER (4/15/15)

2 Dalnaya Step, D-A-L-N-A-Y-A, Step, correct?

3 A. No.

4 Q. Who set it up?

5 A. Hermitage Fund.

6 Q. And that was through a Cyprus

7 company?

8 A. Correct.

9 Q. So the Cyprus company owned Dalnaya

10 Step, correct?

11 A. It owned some share capital in

12 Dalnaya Step.

13 Q. And what was the business of

14 Dalnaya Step?

15 A. Investments.

16 Q. Again, from Hermitage Fund -- funds

17 to buy the investments came from the Hermitage

18 Fund, directly or indirectly?

19 A. Indirectly.

20 Q. And Dalnaya Step purchased Russian

21 stock basically, right?

22 A. Yes.

23 Q. And then when there was income

24 there were taxes due, correct?

25 A. Correct.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. And you were the general director  
3 of Dalnaya Step?

4 A. In 2001.

5 MR. CYMROT: Let's look at '121.

6 Q. And Mr. Ivan Cherkasov -- I didn't  
7 pronounce that correctly. How do you  
8 pronounce his name?

9 A. That's how you -- you pronounced it  
10 correctly.

11 Q. Oh, okay. He was the general  
12 director also at -- at a certain period of  
13 time?

14 A. I'm not sure.

15 MR. CYMROT: I'm marking as  
16 Exhibit 5 a Spark report for Dalnaya  
17 Step, LLC.

18 (Browder Exhibit 5, Spark Report  
19 for Dalnaya Step, LLC was marked for  
20 identification, as of this date.)

21 BY MR. CYMROT:

22 Q. All right. Does that refresh your  
23 recollection that you were the general  
24 director in 2002?

25 A. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. And Mr. Cherkasov was in 2004?

3 MR. KIM: Can we stop for a  
4 moment? We don't have a copy yet.

5 Thank you.

6 Q. Is that true?

7 A. Is this -- I don't know. I mean,  
8 I --

9 Q. You don't know what that --

10 A. I don't know what a Spark report  
11 is, but I was general director if -- if I --  
12 without confirmation from Ivan, he could be,  
13 could be not.

14 Q. All right. And as general  
15 director, you had personal responsibility for  
16 the tax returns, correct?

17 A. That is correct.

18 Q. Let me go back to Saturn a minute,  
19 because the court found that the employees who  
20 were listed as those with handicaps in fact  
21 did not work for the company or were not  
22 capable of doing the work that the tax returns  
23 said they were capable of doing. You remember  
24 that quote I gave you?

25 A. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. So who signed the tax returns that  
3 made those representations?

4 A. I did.

5 Q. And those were incorrect  
6 representations --

7 A. No.

8 Q. -- according to the court?

9 A. No, but the -- as I mentioned  
10 before, the ultimate decision was with the tax  
11 authority's who gave a clean audit.

12 Q. That tax court found there were  
13 incorrect representations on those tax  
14 returns, weren't there?

15 A. And then the subsequent Plaintiff,  
16 the tax authorities did an audit and found  
17 everything to be correct.

18 Q. So you say, but you haven't given  
19 it to us. According to the court, there were  
20 incorrect representations. That's right, and  
21 that's where we leave it in terms of the  
22 documents we have here today, right?

23 A. I'm sorry. What -- what's the  
24 question?

25 Q. The question is that the court

1 WILLIAM F. BROWDER (4/15/15)

2 found there were improper representations  
3 about the employees of Saturn on the tax  
4 returns?

5 A. Right. You showed me those  
6 documents.

7 Q. Yes. And do you have any  
8 information that would suggest those employees  
9 were capable of being analysts for Saturn?

10 A. I -- I have an audit from the tax  
11 authorities of Kalmykia giving a clean  
12 audit -- giving a clean bill of health to both  
13 companies in late 2003.

14 Q. After the court decided otherwise?

15 A. That's correct.

16 Q. All right. And you're going to  
17 produce that to us?

18 A. Sure.

19 MR. KIM objection to form.

20 Q. Okay. So let's go Dalnaya --  
21 Dalnaya Step. There was a decision  
22 December 9, 2005, which I marked as --

23 MR. CYMROT: -- what, Exhibit 4?

24 THE REPORTER: 5.

25 MR. CYMROT: 5? No, that's --



1 WILLIAM F. BROWDER (4/15/15)  
2 have I marked it yet? I haven't  
3 marked it yet. Let's give you that.

4 (Browder Exhibit 6, document Bates  
5 stamped BrowderDepo0001518 through  
6 '521 was marked for identification, as  
7 of this date.)

8 BY MR. CYMROT:

9 Q. Have you seen this decision before?  
10 It's December 9, 2005, Arbitration Court,  
11 Republic of Kalmykia, and it's Case No.  
12 A22-1398-05-13-172.

13 Actually, read this stuff later.

14 A. What's the question?

15 Q. Have you seen this before?

16 A. No.

17 Q. Were you informed of it?

18 A. No.

19 Q. So this is the first time you're  
20 aware that the Arbitration Court of Kalmykia  
21 found unpaid taxes in the amount of 5155 --  
22 I'm sorry -- 551 million roubles?

23 A. What's the question?

24 Q. Is this the first time that you've  
25 learned that the Kalmykian arbitration court

1 WILLIAM F. BROWDER (4/15/15)

2 found unpaid taxes for Dalnaya Step of  
3 551 million roubles?

4 A. Yes.

5 Q. That's almost, what, \$20 million?

6 A. I don't have my calculator, so...

7 Q. Take my word for it. I checked the  
8 exchange rate and used my calculator. It's  
9 19 million and something.

10 All right. And isn't it true that  
11 after this decision Hermitage bankrupted  
12 Dalnaya Step?

13 A. No.

14 Q. Okay. Let's look at Tab 63.

15 (Browder Exhibit 7, document Bates  
16 stamped BrowderDepo0001522 through  
17 '530 was marked for identification, as  
18 of this date.)

19 BY MR. CYMROT:

20 Q. Have you ever seen this opinion  
21 before?

22 This is Arbitration Court of the  
23 Republic of Kalmykia, June 9, 2007. It's  
24 entitled "Judgment Case No.  
25 A22-941-06-15-133." It is a bankruptcy

1 WILLIAM F. BROWDER (4/15/15)

2 judgment for Dalnaya Step.

3 Do you see that?

4 A. I'm sorry. Where -- where are you  
5 reading from?

6 Q. I'm just reading from the title  
7 "Decree in Bankruptcy Proceedings." It says  
8 that the end order and the judge, Dalnaya  
9 Step, shall be considered an absent debtor.  
10 Absent debtor Dalnaya Step shall be declared  
11 insolvent. A trustee appointed. The  
12 information is to be published. The federal  
13 tax service shall be compensated for -- shall  
14 compensate the trustee.

15 You see that? Three judges.

16 A. Where is that?

17 Q. The last two pages.

18 A. Yes.

19 Q. All right. So Dalnaya Step is put  
20 into bankruptcy. Judgment is entered. You  
21 see that? That's news to you?

22 A. No.

23 Q. Didn't know that?

24 A. No.

25 Q. All right. Did you know that the

1 WILLIAM F. BROWDER (4/15/15)

2 tax authority was the only creditor of Dalnaya  
3 Step?

4 A. I wasn't aware of this judgment, so  
5 I didn't know that.

6 Q. And were you aware -- how did this  
7 get a -- how did this -- let me ask you  
8 another question.

9 Are you aware of an appeal of this  
10 judgment?

11 A. No.

12 Q. Well, let's show you that.

13 MR. CYMROT: 64.

14 (Browder Exhibit 8, document Bates  
15 stamped BrowderDepo0001531 through  
16 '535 was marked for identification, as  
17 of this date.)

18 BY MR. CYMROT:

19 Q. All right. I put in front of you  
20 Exhibit 8, which is a decree, October 22,  
21 2007. Same case number for Dalnaya Step.  
22 Report of the bankruptcy trustee is affirmed.  
23 Bankruptcy -- bankruptcy proceeding against  
24 absent debtor Dalnaya Step shall be concluded.

25 It goes on to describe various

1 WILLIAM F. BROWDER (4/15/15)

2 steps there.

3 But on the first page, last two  
4 sentences, the court found that the UFNS of  
5 Russia for the Republic of Kalmykia was the  
6 only creditor.

7 Do you see that?

8 A. I do.

9 Q. So in other words there were taxes  
10 due. Is that the way you would understand  
11 that?

12 A. Yes.

13 Q. And you were totally unaware of  
14 these events? You weren't aware of this  
15 decree, aware of the appeal, aware of the fact  
16 that Dalnaya Step was placed in bankruptcy,  
17 and that taxes were owed?

18 A. Totally unaware.

19 Q. How would that happen within  
20 Hermitage?

21 MR. KIM objection to form.

22 A. I don't understand your question.

23 Q. How could it happen that one of  
24 your companies is placed in bankruptcy and has  
25 taxes due and you don't even know about it?

1 WILLIAM F. BROWDER (4/15/15)

2 MR. KIM objection to form.

3 A. This wasn't one of our companies at  
4 that point.

5 Q. Whose company was it?

6 A. We had transferred this company to  
7 be liquidated in 2004.

8 Q. Without paying the taxes,  
9 apparently.

10 A. No. We paid the taxes and had it  
11 confirmed.

12 Q. Confirmed by what?

13 A. By the person we transferred the  
14 companies to.

15 Q. Who did you transfer the companies  
16 to?

17 A. We transferred it a firm called  
18 VMRG [sic].

19 Q. What is VMRG?

20 A. Visao Risk Management Group.

21 Q. Visao? How do you spell that?

22 A. V-I-S-A-O.

23 Q. And who runs that group?

24 A. It's run by a man named Jakir  
25 Shaashoua.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Where is he?

3 A. I don't know.

4 Q. Well, where is his company located?

5 A. Moscow.

6 Q. And how did you transfer the  
7 company?

8 A. We registered his -- his corporate  
9 name or his personal name or something.

10 Q. Was there a compensation paid?

11 A. I don't know the details. It  
12 wasn't my responsibility.

13 Q. Whose responsibility was it?

14 A. The manager of the fund HS -- HSBC.

15 Q. HSBC Guernsey?

16 A. Yes.

17 Q. And it was transferred, you said,  
18 to be liquidated?

19 A. Correct.

20 Q. And I think I asked you: Was there  
21 compensation paid?

22 A. I don't know the details.

23 Q. In any case -- do you know a man --  
24 man named Ariel Bus- -- Busaka?

25 A. No.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Busada?

3 A. No.

4 Q. Isn't that a name you use in Red

5 Notice?

6 A. Yes.

7 Q. So you know who that is?

8 A. Yes.

9 Q. So who is it?

10 A. That's Jakir Shaashoua.

11 Q. How do you spell his name,

12 Shaashoua?

13 A. I don't know.

14 Q. So as of October of 2007, there

15 were taxes due -- just a second.

16 When did you make the transfer?

17 MR. KIM objection to form.

18 A. I didn't make any transfer.

19 Q. To Mr. Shaashoua?

20 A. I -- I didn't make any transfer.

21 Q. When did Hermitage transfer Dalnaya

22 Step to Mr. Shaashoua?

23 A. Sometime in 2004.

24 Q. Okay. In 2000- -- thereafter do

25 you know whether Dalnaya Step had any



1 WILLIAM F. BROWDER (4/15/15)

2 business?

3 A. I don't know.

4 Q. Why do you use a pseudonym for  
5 Mr. Shaashoua in your book?

6 A. I used pseudonyms for a lot of  
7 people.

8 Q. Why did you use a pseudonym for  
9 him?

10 A. I don't recall.

11 Q. Is he in danger in some way?

12 A. I don't know.

13 Q. Do you know what -- for -- for what  
14 tax years this \$20 million is due?

15 A. No.

16 Q. Do you know whether it's when you  
17 hold -- held the company?

18 A. I'm sorry.

19 Q. Do you know whether it was due for  
20 time periods when you owned or Hermitage Fund  
21 owned the company?

22 A. I don't know.

23 Q. Well, if you look at the decision  
24 in No. 6.

25 A. In Exhibit 6?

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Yes, Exhibit 6.

3 A. Yes.

4 Q. It says that, as of May 3, 2005, it  
5 is suggested that Dalnaya Step voluntarily pay  
6 the taxes sanctioned in the amount of  
7 91 million roubles.

8 So that would have been for a prior  
9 tax year, wouldn't it?

10 A. I'm not an accountant. I don't  
11 know.

12 Q. You don't have a decision in 2005  
13 for the tax year 2005, do you, to file the tax  
14 for 2005 at the end of 2005?

15 So we're talking about prior tax  
16 years when Hermitage Fund owned this  
17 company --

18 MR. KIM objection to form.

19 Q. -- there were taxes found to be due  
20 by this Court. And that's news to you?

21 A. Yes.

22 Q. And the company ultimately is  
23 bankrupt without paying the taxes. That's  
24 what happened isn't it?

25 A. I don't know.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. So at the time that the search  
3 warrant was executed in June of 2007, the  
4 situation was that the courts had found that  
5 you had taken advantage of the tax regime in  
6 Kalmykia, had taxes due, they were unpaid, the  
7 company was bankrupt.

8 You say that's not a grounds to  
9 conduct an investigation?

10 MR. KIM: Objection --

11 A. So you're --

12 MR. KIM: -- to form.

13 A. -- you're -- you're -- break it  
14 down into smaller pieces. I don't -- I don't  
15 know what you're -- you're trying to say here.

16 Q. What I'm trying to say is you've  
17 said that the investigative authorities had  
18 absolutely no basis for conducting an  
19 investigation of Hermitage Fund in 2007.

20 MR. KIM: Objection to the form.

21 Q. And what these decisions show is  
22 there were false statements on tax returns,  
23 there were taxes due, they went unpaid, and  
24 the company was placed in bankruptcy.

25 MR. KIM: Objection to the form

1 WILLIAM F. BROWDER (4/15/15)

2 and the characterization of the  
3 documents.

4 Q. Don't you agree that that would be  
5 a basis for the investigative authorities to  
6 investigate whether there had been any  
7 wrongdoing?

8 A. In -- in 2006, after I was expelled  
9 from the country, we wrote to the Interior  
10 Ministry and Federal Border Service of Russia  
11 to inquire about whether there was any  
12 criminal investigations open into -- into me  
13 in relation to any activities in the  
14 Federation of Russia in order to determine  
15 whether my expulsion from Russia was due to  
16 any criminal investigations. And we were  
17 informed that there were no criminal  
18 investigations inside the Russian Federation.

19 Q. At that time.

20 A. In 2006.

21 Q. And you're sure they would have  
22 told you?

23 A. Yes.

24 Q. You have that letter?

25 A. I have that letter.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. You haven't given us that letter.

3 I'll tell you, you haven't given us  
4 that letter. So we have to take your word for  
5 it? Is that the idea?

6 A. Well, in -- in due course I'm sure  
7 that, when we get to producing, I think we  
8 produced about half a million documents for  
9 you so far, so I can't tell you what we  
10 will -- we have and haven't produced yet.

11 Q. So if the facts are as the way I  
12 described them, would you dispute that the  
13 investigative -- the Ministry of Interior had  
14 grounds to investigate Hermitage Fund for tax  
15 evasion?

16 A. Yes. Because -- because the facts  
17 how you've -- how you've represented them  
18 aren't correct. There was no -- no  
19 investigation open into me in 2006, and  
20 subsequent to that -- and we've learned this  
21 recently, that some -- that the  
22 investigation -- there had been an  
23 investigation in 2004 that was closed into --  
24 that had looked into Dalnaya Step and had been  
25 closed due to lack of crime. So --

1 WILLIAM F. BROWDER (4/15/15)

2 Q. You have that document?

3 A. Yes.

4 Q. You're going to give us that  
5 document?

6 A. Of course.

7 Q. By the way, Saturn became  
8 Parfenion?

9 A. I don't know.

10 MR. CYMROT: Let's take about a  
11 15-minute break.

12 MR. KIM: Sure.

13 THE VIDEOGRAPHER: The time is  
14 11:10 a.m. We're coming off the  
15 record.

16 (Whereupon, at this time, a short  
17 break was taken.)

18 THE VIDEOGRAPHER: The time is  
19 11:24 a.m. We are back on the record.

20 BY MR. CYMROT:

21 Q. Okay. So, Mr. Browder, the  
22 investigation that led to the search in 2007  
23 started before 2007, didn't it?

24 A. Not that I'm aware of.

25 Q. You weren't aware there was a -- an

1 WILLIAM F. BROWDER (4/15/15)

2 investigation of Hermitage for tax fraud in  
3 2004 and 2005?

4 A. I became aware of that recently.

5 Q. You weren't aware of it at the  
6 time?

7 A. No.

8 Q. But -- so the Ministry of Interior  
9 was investigating Hermitage for tax fraud from  
10 2004 and finally searched its offices with a  
11 search warrant in 2007, correct?

12 A. No.

13 Q. What happened?

14 A. The Interior Ministry was  
15 investigating Hermitage in 2004; closed the  
16 case in 2005.

17 Q. Who told you that?

18 A. I got information in 2000- -- some  
19 recent year.

20 Q. From whom?

21 A. I can't remember where it came  
22 from.

23 Q. So just this amorphous information  
24 that it was closed?

25 A. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. But you don't know whether it's  
3 true for not. It's just what somebody told  
4 you?

5 A. No, no. I'm pretty sure it's true.

6 Q. Was it a person in a position to  
7 know?

8 A. I can't remember.

9 Q. So we have this anonymous person  
10 who says the investigation was closed, but  
11 then there's a search warrant in 2007, and  
12 that we know. So we know that there was an  
13 investigation in 2004 and 2005 and a search  
14 warrant in 2000- -- search warrant executed in  
15 2007, and then we have this amorphous "but I  
16 was told it was close."

17 That's all we know right now; is  
18 that right?

19 MR. KIM: Objection to form.

20 A. No.

21 Q. What more do we know?

22 A. We know that it was closed in 2005.

23 Q. From this source -- unidentified  
24 source says it was closed in 2005?

25 A. Yes.



1 WILLIAM F. BROWDER (4/15/15)

2 Q. No documents?

3 A. There might be.

4 Q. But you don't have any?

5 A. I don't remember.

6 Q. Okay. Was Mr. Shaashoua who bought  
7 Dalnaya Step?

8 A. Yes -- no. His firm did, I think.

9 Q. All right. Well --

10 A. Maybe him. I don't remember.

11 Q. Could you speak up a little?

12 A. I don't know exactly who bought it.  
13 I think it was him or his firm.

14 Q. All right. And when did you first  
15 meet him?

16 A. 1998.

17 Q. And did you do business with him in  
18 any other ways?

19 A. He provided security for Republic  
20 National Bank, who was the business partner of  
21 my investment advisory firm.

22 Q. Mr. Safra. So that -- you met him  
23 through Mr. Safra?

24 A. Correct.

25 Q. Edmond Safra?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Correct.

3 Q. Okay. So he provided security  
4 services, you say?

5 A. Security and risk management  
6 services.

7 Q. All right.

8 A. And -- and various legal services  
9 as well.

10 Q. And you knew him from 2000- -- from  
11 1998 until when?

12 A. I guess till after I was kicked out  
13 of Russia in 2005.

14 Q. You lost touch with him?

15 A. Yes, now I have.

16 Q. When did you lose touch with him?

17 A. I don't -- I don't remember.

18 Q. And so did he do any due diligence  
19 to buy Dalnaya Step?

20 A. I wasn't involved in the si- -- in  
21 the situation.

22 Q. Sale of a company would generally  
23 generate a tax liability, wouldn't it?

24 A. Correct.

25 Q. Do you know whether that tax

1 WILLIAM F. BROWDER (4/15/15)

2 liability was ever paid?

3 A. He confirmed it was.

4 Q. Who confirmed it was?

5 A. Shaashoua.

6 Q. In writing?

7 A. I think so.

8 Q. You've seen the writing?

9 A. I've not personally, but I'm -- I'm  
10 sure someone on my team has.

11 Q. You have the writing?

12 A. I would assume so. I don't know.

13 Q. All right. Well, we'll -- we'd  
14 like that writing also.

15 So in 2005, you were quite a  
16 supporter of Vladimir Putin's, right?

17 A. Correct.

18 Q. And so at the time the  
19 investigation began, it wasn't politically  
20 motivated, because you were a big supporter of  
21 the government at that point?

22 MR. KIM: Objection to form.

23 Q. Isn't that true?

24 A. No.

25 Q. 2004 you weren't a big supporter of

1 WILLIAM F. BROWDER (4/15/15)

2 the government?

3 A. In 2004 I was a big supporter of  
4 the government.

5 Q. And the investigation started at  
6 that time?

7 A. Yeah.

8 Q. So you wouldn't say the  
9 investigation started for political reasons,  
10 right?

11 A. I would say it did.

12 Q. At -- in 2004?

13 A. Yes.

14 Q. Even though you're a big supporter  
15 of the government?

16 A. Yes.

17 Q. What were the political reasons in  
18 2004?

19 A. We were a big critics of corruption  
20 at Gazprom, one of the most important  
21 government-connected companies in the country.

22 Q. And they were criticizing -- the  
23 government was criticizing you for buying  
24 internal shares of Gazprom when you were a  
25 foreign company, right?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. That never happened?

4 A. It did, but not then.

5 Q. I see. When did that happen?

6 A. It happened in 2013.

7 Q. All right. Well, we'll get back  
8 into that.

9 MR. CYMROT: So we need, let's  
10 see, Tab 61.

11 I'm going to mark as Exhibit 9 a  
12 PowerPoint, "Seven Big Myths About  
13 Russia."

14 (Browder Exhibit 9, document Bates  
15 stamped BrowderDepo0001485 through  
16 '517 was marked for identification, as  
17 of this date.)

18 BY MR. CYMROT:

19 Q. Do you recognize this document?

20 Just for the record, it says "By  
21 William Browder, Chief Executive Officer,  
22 Hermitage Capital Management, April 2005."

23 Okay. So do you recognize that  
24 document?

25 A. I do.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. You put it together, right?

3 A. Yes.

4 Q. And I don't want to go through all  
5 of it, but basically the theme here is that  
6 Mr. Putin's critics are wrong about you,  
7 right?

8 A. I think the -- no.

9 Q. Okay. You describe it. What's the  
10 theme?

11 A. The theme is that the Russian  
12 market is overly discounting the negative  
13 sentiment about Putin.

14 Q. Okay. So that the market itself is  
15 more valuable because Putin's doing a good  
16 job?

17 A. No.

18 Q. All right. Explain it to me then.  
19 Why is the market discounting --

20 A. The market is --

21 Q. -- overly discounting?

22 A. The market is overly discounting,  
23 as you just said, the Russian stocks because  
24 they're too pessimistic about Putin's  
25 governing for Russia.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. I see. And so people ought to  
3 invest in Russia. That's kind of the point of  
4 this, right?

5 A. The point of this was that the  
6 market prices should be higher.

7 Q. I see. So that your stocks will be  
8 worth more. Stocks that Hermitage Funds own  
9 will be worth more?

10 A. Yes.

11 Q. And you'll make more money?

12 A. Correct.

13 Q. Okay. Did you know Mr. Kasyanov?

14 A. Vaguely. He was a prime minister  
15 of Russia.

16 Q. Right. Did you have personal  
17 contact with him?

18 A. Recently I have.

19 Q. When was that?

20 A. Three months ago.

21 Q. Where was that?

22 A. In London.

23 Q. And what was the occasion?

24 A. It was the fifth anniversary of  
25 Sergei Magnitsky's death.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. And there was an event?

3 A. Yes.

4 Q. And he was there?

5 A. Yes.

6 Q. And you and he spoke?

7 A. We spoke on the same panel. We --  
8 he joined for dinner afterwards.

9 Q. You had dinner with him?

10 A. I had dinner with him and 30  
11 people.

12 Q. Did you speak to him directly?

13 A. Yes.

14 Q. What did you talk about?

15 A. We talked about the Putin regime.  
16 Talked about Ukraine. Talked about Sergei  
17 Magnitsky.

18 Q. And did you and he agree on these  
19 subjects?

20 A. Yes.

21 Q. You did.

22 Did you know him back when he was  
23 prime minister?

24 A. No.

25 Q. Never met him?



1 WILLIAM F. BROWDER (4/15/15)

2 A. I think I shook his hand once.

3 Q. Did you meet Vladimir Putin at any  
4 point in time?

5 A. Never.

6 Q. Now, when were you denied entry  
7 into Russia?

8 A. November 13, 2005.

9 (Whereupon, an off-the-record  
10 discussion was held.)

11 Q. All right. And when were you  
12 convicted?

13 A. Sometime in July 2013.

14 Q. How about July 11, 2011? No?

15 Is there an appeal you're referring  
16 to?

17 A. (Shaking.)

18 Q. All right. Let me pull it out.

19 (Browder Exhibit 10, document  
20 Bates stamped BrowderDepo0001408  
21 through '470 was marked for  
22 identification, as of this date.)

23 BY MR. CYMROT:

24 Q. You're right; '13.

25 So this is an English translation

1 WILLIAM F. BROWDER (4/15/15)  
2 along with the Russian in the back, a judgment  
3 in the name of the Russian Federation. And if  
4 you go to the end of it, it convicts you of  
5 tax evasion, correct?

6 A. Yes.

7 Q. And you have said many times that  
8 Mr. Magnitsky was convicted posthumously.

9 You've said that?

10 A. Yes.

11 Q. And on the first page it appears  
12 that it's dismissed against Mr. Magnitsky,  
13 correct?

14 A. No.

15 Q. Under paragraph 4 of Article 24 of  
16 the Code of Criminal Procedure of the Russian  
17 Federation.

18 Do you see that?

19 A. Yes.

20 Q. So he wasn't convicted  
21 posthumously, right? You were wrong about  
22 that?

23 A. No. I don't -- I don't read it as  
24 such.

25 Q. Let's see. Well, let's look at the

1 WILLIAM F. BROWDER (4/15/15)

2 sentence which is 28 of 30.

3 A. Where is that?

4 Q. Page 28 of 30. If you look at the  
5 top, there are page numbers on the top.

6 I'd give you a Bates number, but  
7 mine is not Bates-numbered. Just look at the  
8 top of the page there.

9 All right. It says "Sentenced."  
10 So on Bates No. 1434, the sentence only refers  
11 to you, correct?

12 A. I see my name here.

13 Q. "William Felix Browder found guilty  
14 of committing two crimes" and -- and then it  
15 goes on, right?

16 A. Correct.

17 Q. And there's nothing about  
18 Mr. Magnitsky being convicted of anything,  
19 correct?

20 A. I'm not a Russian criminal lawyer,  
21 so I couldn't make a judgment about this --  
22 about this conviction.

23 Q. Well, it appears from these two  
24 entries that you were wrong. That he was  
25 never convicted posthumously, right?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. You -- your sticking to your  
4 position even though the document says  
5 otherwise?

6 A. Yes.

7 Q. Because you're not a Russian  
8 lawyer?

9 A. That's correct.

10 Q. All right. But you have Russian  
11 lawyers working for you, right?

12 A. I do.

13 Q. And they've reviewed this  
14 conviction, and they've said there's somewhere  
15 someplace in this conviction that it refers to  
16 Mr. Magnitsky as being convicted of something?

17 MR. KIM: Objection. I think  
18 communications with his lawyers are  
19 topics that we should not answer.

20 MR. CYMROT: All right.

21 Q. So do you have any basis for saying  
22 that Mr. Magnitsky is convicted of anything?

23 A. Yes.

24 Q. What's that?

25 A. Advice from my lawyers.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Okay. You know, he just claimed  
3 privilege for you.

4 I'm reading the document. It says  
5 "Case is dismissed. The individual decision  
6 to dismiss the crime case on the basis of  
7 paragraph 4 of Article 24."

8 Do you see that?

9 It's at the beginning. Then at the  
10 end, "Sentenced. Only Felix -- William Felix  
11 Browder."

12 You're sticking by your position no  
13 matter what, right?

14 A. Is there a --

15 MR. KIM: Objection to form.

16 A. My analysis is different than  
17 yours.

18 Q. Do you have anything in the  
19 document that you can point me to that  
20 suggests he's convicted?

21 A. I'm not a lawyer.

22 Q. Well, you read English, right?

23 A. I do read English, but I'm not a  
24 specialist on Russian law and Russian proc- --  
25 criminal procedure.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. So based upon what you've read  
3 here, you might question what your lawyers  
4 told you then?

5 A. Without a full analysis, I wouldn't  
6 be able to make a judgment on this document.

7 Q. I see. But you would agree this is  
8 the conviction? This is your conviction?

9 A. Apparently so.

10 Q. Right. And it says what it says,  
11 so we'll let the judge or jury decide whether  
12 Mr. Magnitsky was ever convicted of anything,  
13 right?

14 A. I'm sorry?

15 Q. We'll allow the judge and jury to  
16 decide whether Mr. Con- -- Mr. Magnitsky was  
17 convicted of anything or whether you got it  
18 wrong.

19 MR. KIM: Objection to form.

20 A. What -- what -- so is there a  
21 question?

22 Q. Perhaps you got -- perhaps you got  
23 it wrong. Can you consider that?

24 A. I don't think I got it wrong.

25 Q. You think you ever get anything

1 WILLIAM F. BROWDER (4/15/15)

2 wrong?

3 A. I get lots of things wrong.

4 Q. Okay. Good. It seems like you

5 might have gotten this wrong.

6 When you told people

7 Mr. Magnitsky's a lawyer, did you also tell

8 them he never went to law school and never had

9 a law license?

10 A. I'm sorry. I . . .

11 Q. When you tell -- how many times

12 have you said, "Mr. Magnitsky is a lawyer"?

13 A. I don't know.

14 Q. 50? 100? 200?

15 A. I don't know.

16 Q. Many, many times, right?

17 A. Yes.

18 Q. Have you ever told anybody that he

19 didn't go to law school and didn't have a law

20 degree?

21 A. No.

22 Q. Did you tell them that he was

23 working for you for many years and he was

24 working capa- -- in capacities other than

25 legal?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Yes.

3 Q. Did you tell these gentlemen over  
4 here that?

5 A. Yes.

6 MR. CYMROT: And I was pointing  
7 Mr. Monteleoni.

8 Q. All right. Let's go to the  
9 Complaint.

10 A. Which one? Our Complaint to the  
11 govern -- to the government or the  
12 government's Complaint?

13 Q. The government's Complaint, which I  
14 think is Exhibit 2, right?

15 A. Yes.

16 Q. All right. All right. Take a look  
17 at paragraph 25.

18 So I'll read it. Paragraph 25,  
19 Exhibit 2, the Complaint:

20 "Among the items seized in the  
21 search of Hermitage and Firestone Duncan's  
22 offices were the corporate stamps, the  
23 official charters, the original tax  
24 certificates, and the original registration  
25 certificates, which are defined as corporate



1 WILLIAM F. BROWDER (4/15/15)

2 documents and seals, for Rilend, Parfenion,  
3 and that Makhaon."

4 You see that?

5 A. Yes.

6 Q. And then paragraph 26 says,  
7 "Unbeknownst to Hermitage or HSBC Guernsey,  
8 members of the organization used the seized  
9 corporate documents and seals to fraudulently  
10 reregister ownership of Rilend, Parfenion, and  
11 Ma- -- Makhaon with the Russian corporate  
12 registry." Right?

13 Did I read that right?

14 A. Yes.

15 Q. And then on pa- -- on paragraph 29,  
16 it says, "On information and belief, the  
17 members of the organization have had stolen  
18 the corporate identities of Hermitage  
19 companies, used the seized corporate documents  
20 and seals to forge backdated contracts with  
21 sham commercial counterparts for use in sham  
22 lawsuits against the Hermitage companies."  
23 Right?

24 A. Yes.

25 Q. So, in other words, this is what

1 WILLIAM F. BROWDER (4/15/15)

2 you told the U.S. Attorney's Office, right?

3 A. Yes.

4 Q. And as you describe it, then, the  
5 raid -- through the raid, the Ministry of  
6 Interior got the seals, correct?

7 A. Yes.

8 Q. The June 2007 raid, the Ministry of  
9 the Interior got the seals?

10 A. Yes.

11 Q. And then those seals were the same  
12 seals used to transfer the three Hermitage  
13 companies, Parfenion, Rilend, and Makhaon,  
14 right?

15 A. No. Go back to the -- if you go  
16 back to the -- what you read, let's just read  
17 it again.

18 "25. Among the items seized in the  
19 search for Hermitage and Firestone's offices  
20 were the corporate stamps, the original  
21 charters, the original tax certificates, the  
22 original registration certificates, quote,  
23 corporate documents and seals for Rilend,  
24 Parfenion, and Makhaon." That's -- that's  
25 what I said.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Right.

3 A. And those documents, all those  
4 documents -- some or all of those documents  
5 were used in the fraud.

6 Q. And one of the things that you've  
7 said is the seals were used in the fraud,  
8 right?

9 A. Yes.

10 Q. The seals that were seized by the  
11 Ministry of Interior were used in the fraud.  
12 You said it repeatedly, right?

13 A. I've said the stamps, seals, and  
14 certificates were used in the frauds.

15 Q. But you said the seals were used in  
16 the fraud, correct?

17 A. Correct.

18 Q. But you've known for many years  
19 that there are -- that there is an analysis  
20 that shows the same seals were not used in the  
21 fraud. Isn't that true?

22 A. No.

23 Q. You're not aware of that?

24 A. No.

25 Q. Never heard that?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Vaguely. Never the criminals using  
3 that argument.

4 Q. Really? What criminals?

5 A. Members of the Interior Ministry.

6 Q. Have used that argument?

7 A. Yes.

8 Q. Mr. Kleiner never informed you that  
9 there was a forensic analysis that showed the  
10 same seals were not used?

11 A. No.

12 MR. CYMROT: I need to talk to you  
13 out -- outside.

14 MR. KIM: Okay. Right now?

15 MR. CYMROT: We need a --

16 MR. KIM: We need a break?

17 MR. CYMROT: Yes. Right now.

18 THE VIDEOGRAPHER: The time is --  
19 the time is 11:47 a.m. We are off the  
20 record.

21 (Whereupon, an off-the-record  
22 discussion was held.)

23 THE VIDEOGRAPHER: The time is  
24 11:53 a.m. We are back on the record.

25 BY MR. CYMROT:

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Mr. Browder, let me first ask you  
3 that Mr. Kleiner never told you that he was  
4 aware of a forensic analysis showing that the  
5 same seals were not used.

6 A. Correct.

7 Q. Is that your testimony?

8 A. Correct.

9 Q. I have materials that are unsealed  
10 that I want to examine you about that I can't,  
11 and I'm going to seek to have the Court unseal  
12 those. And I'll proceed with my examination  
13 at this point.

14 MR. KIM: Okay. At least our  
15 position is that the witness has  
16 already testified to what he knows,  
17 and so such documents would not be  
18 relevant. And if you want to ask  
19 other questions about the witness'  
20 knowledge, you're welcome to.

21 MR. CYMROT: Well, it may refresh  
22 his recollection or other things. In  
23 any case, we'll argue about it when  
24 the witness is not here and we're not  
25 wasting his time.

1 WILLIAM F. BROWDER (4/15/15)

2 MR. KIM: Yes.

3 BY MR. CYMROT:

4 Q. All right. So, Mr. Browder, it is  
5 the seals and these other corporate documents,  
6 according to this Complaint, that ties the  
7 Ministry of Interior into the scheme to  
8 defraud. Isn't that true?

9 A. Correct.

10 MR. KIM: Objection to form.

11 Q. And it's the only thing that ties  
12 the Ministry of Interior into the scheme to  
13 steal \$230 million?

14 MR. KIM: Objection to form.

15 A. Incorrect.

16 Q. What else is it?

17 A. Many other things that are listed  
18 in the Complaint.

19 Q. Well, show me something, because  
20 it's the only thing I can find.

21 A. Okay. Why don't we look -- first  
22 of all, I'm not a lawyer here, but let me --  
23 let me try to make the government --

24 Q. Well, it's your story?

25 A. Well, let me -- no, it's the

1 WILLIAM F. BROWDER (4/15/15)

2 government's story.

3 Q. You -- oh, it's the government's  
4 story and you don't support it?

5 A. No. The government is making the  
6 case.

7 Q. I know, but the government --

8 A. I'm -- I'm -- I'm just here to --  
9 you know. Let -- let me --

10 Q. No, let's stick with that point for  
11 a minute, Mr. Browder. This is the  
12 government's case, and I thought you told me  
13 that you read this and everything that you  
14 knew about was accurate?

15 A. I told you that everything that I  
16 was familiar with in this Complaint was  
17 accurate.

18 Q. And the \$230 million theft from the  
19 Russian tref- -- treasury, that's a story that  
20 came from you, and you've told to several law  
21 enforcement agencies, correct?

22 A. Correct.

23 MR. KIM: Objection to form.

24 Q. And you started a proceeding in  
25 Switzerland based upon that story, right?

1 WILLIAM F. BROWDER (4/15/15)

2 MR. KIM: Objection to form.

3 A. Correct.

4 Q. And the seals were part of your

5 story from the very beginning, right?

6 A. The stamps, seals --

7 Q. And other --

8 A. -- certificates --

9 Q. -- other --

10 A. -- and original items of

11 incorporation and also other documents seized

12 from during the raid were part of the fraud.

13 I don't know how the -- exactly how

14 the -- the tactics were used to execute the

15 fraud, but I know many of these documents were

16 used in the fraud.

17 Q. All right. And you're saying

18 they're the same documents and that's what

19 ties the criminal investigation of you into

20 the \$230 million fraud, correct?

21 A. Yes.

22 Q. And so if it wasn't the same

23 documents, then the criminal investigation of

24 you is not tied into the \$230 million fraud,

25 correct?



1 WILLIAM F. BROWDER (4/15/15)

2 MR. KIM: Objection to the form.

3 A. I -- I don't understand the  
4 question.

5 Q. Very simple. What ties the two  
6 events together, the \$230 million fraud and  
7 the criminal investigation of you, are these  
8 corporate documents and seals that are alleged  
9 here to be the same used -- taken from  
10 Hermitage in the search and used in the  
11 \$230 million fraud, correct?

12 MR. KIM: Objection to the form.

13 A. I -- I'm -- I'm still having a  
14 tr- -- hard time following you.

15 Q. I just read you three paragraphs --

16 A. Right.

17 Q. -- that say the corporate documents  
18 and seals were seized by the Ministry of  
19 Interior in the search in June of 2007, and  
20 then those same documents and seals were used  
21 to commitment the \$230 million fraud, right?

22 A. We -- yes.

23 Q. We just went through that.

24 A. Yes.

25 Q. Okay. And that is the link between

1 WILLIAM F. BROWDER (4/15/15)  
2 the Ministry of Interior and the investigation  
3 of you and the \$230 million fraud.

4 If the \$230 million fraud were done  
5 with other documents, there is no tie between  
6 the \$230 million fraud and the criminal  
7 investigation of you; isn't that correct?

8 MR. KIM: Objection to form.

9 A. No, no.

10 Q. Why not?

11 A. Your mischaracterizing the whole --  
12 your simplifying and mischaracterizing the --  
13 the whole story.

14 Q. Well, I'm just going on the facts  
15 in the Complaint. The facts in the Complaint  
16 are as we read them.

17 A. You read them selectively without  
18 reading other factual --

19 MR. KIM: I don't think there's a  
20 question pending. I'm starting to  
21 watch a debate. So maybe you can ask  
22 a question.

23 Q. Is there any other tie other than  
24 those documents between the \$230 million fraud  
25 and the Ministry of Interior?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Yes. Give me a moment to find the  
3 relevant paragraph.

4 Q. Go ahead.

5 A. Paragraph 22: "On information and  
6 belief" --

7 Should I read it out loud?

8 Q. Go ahead.

9 A. "-- the \$230 million fraud scheme  
10 began on or about 28 April 2007 when key  
11 members of the organization flew to Larnaca,  
12 Cyprus, to plan the crime. On that date,  
13 Artem Kuznetsov -- who was one of the Interior  
14 Ministry officers, and he was investigating  
15 us -- "and a lieutenant colonel in the Russian  
16 Interior Ministry flew with Dmitry Klyuev, a  
17 convicted fraudster, the owner of universe --  
18 Universal Savings Bank and, on information and  
19 belief, the mastermind of the organization,  
20 from Moscow to Larnaca on a private jet.

21 "On information and belief, they  
22 were met in Larnaca two days later by Pavel  
23 Karpov, then a major in Russia's Interior  
24 Ministry, as well as two lawyers, Andrey  
25 Pavlov and his wife, Yulia Mayorova, all of

1 WILLIAM F. BROWDER (4/15/15)  
2 whom flew together from Moscow on Aeroflot  
3 SU 487.

4 "Pavlov had known Klyuev since 2001  
5 and provided him with legal services from time  
6 to time.

7 "On May 5th and May 6th, 2007,  
8 Interior Ministry officers Kuznetsov and  
9 Karpov and the lawyers Pavlov and Mayorova  
10 returned to Moscow.

11 "On May 8th, 2007, the convicted  
12 fraudster Klyuev was met in Larnaca by Olga  
13 Stepanova, the head of Moscow Tax Office  
14 No. 28, and her then-husband Vladlen Stepanov  
15 flew to Larnaca together on Aeroflot SU 237.

16 "Subsequently, Klyuev, Stepanova,  
17 and Stepanov returned to Moscow.

18 "Approximately one month later, on  
19 or about June 4th, Kuznetsov led approximately  
20 25 officers in a search of Hermitage's office  
21 in Moscow. The officers removed Hermitage's  
22 computer server, virtually all of its  
23 computers, and dozens of boxes of confidential  
24 documents and records.

25 "Later that day, Kuznetsov joined

1 WILLIAM F. BROWDER (4/15/15)  
2 approximately 25 officers in the search of the  
3 offices of Firestone Duncan, a law firm that  
4 advises Hermitage -- HSBC Guernsey and  
5 Hermitage."

6 Let me skip to other relevant parts  
7 of this whole thing.

8 Paragraph 31:

9 "The forged contracts contained  
10 multiple suspicious features. The contracts  
11 between Lotus+ and the Hermitage companies  
12 purported to require prior Lotus+, a company  
13 with a total capital at the time of U.S. \$300  
14 to pay Hermitage companies approximately U.S.  
15 500 million to buy securities.

16 "Additionally, the forged contracts  
17 included extensive confidential information  
18 about the Hermitage companies, including bank  
19 account information, information on assets and  
20 holdings, custodian banks, and addresses of  
21 registration and incorporation of the  
22 Hermitage companies.

23 "Such information was confidential,  
24 but was contained in the records that had been  
25 seized from the Hermitage and Firestone Duncan

1 WILLIAM F. BROWDER (4/15/15)

2 on or about June 4, 2007.

3 "Moreover, although referencing  
4 confidential information, the contracts  
5 contained various mistakes and inaccuracies,  
6 including referencing bank accounts that had  
7 not been opened and using addresses that were  
8 incorrect at the relevant time."

9 I could study this more carefully  
10 to find other links.

11 Q. All right. Well, let's go with  
12 what you said.

13 So, first of all, the investigation  
14 of you started in 2004 not in 2007, right?

15 A. The investigation started in 2004  
16 and closed in 2005.

17 Q. According to some anonymous,  
18 unnamed person, right?

19 A. Wrong. Accorded -- according to my  
20 knowledge.

21 Q. And your knowledge comes from an  
22 anonymous, unnamed person who you won't tell  
23 us who it is because you can't remember,  
24 right?

25 That's what you told us before,

1 WILLIAM F. BROWDER (4/15/15)

2 right?

3 A. I don't recall who -- who told me  
4 that.

5 Q. So this an anonymous, unnamed  
6 person who told you it was closed in 2005  
7 can't be checked, can't be proven. Right?

8 MR. KIM: Objection to form.

9 Q. The investigation started in 2004.  
10 You acknowledge that. So let's go to  
11 Mr. Kuznetsov -- Kuznetsov and Mr. Pavlov.  
12 They are investigators in the Ministry of  
13 Interior, correct?

14 A. Incorrect.

15 Q. What are they?

16 A. Kuznetsov is. Pavlov is a  
17 criminal.

18 Q. I'm sorry. Karpov. I misspoke.  
19 Pavlov is a lawyer, right?

20 A. He was a member of the criminal  
21 enterprise.

22 Q. Exactly. I misspoke. Mr. Karpov.  
23 They're both investigators, right?

24 A. One is a field operative and the  
25 other is a investigator.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Right. As you've told us, there  
3 are a lot of Cyprus corporations, right,  
4 that -- for people investing in Russia?

5 A. Correct.

6 Q. They have good reason to be in  
7 Cyprus, correct?

8 A. Um-hum.

9 Q. So -- that was a yes?

10 A. Yes.

11 Q. All right. So what witness is  
12 going to testify to the fact that  
13 Mr. Kuznetsov went to Cyprus with Mr. Klyuev?

14 A. What witness is going to testify?

15 Q. Yes. What witness?

16 A. I'm -- I'm not sure.

17 Q. All right. So how do you know  
18 Mr. Kuznetsov went with Mr. Klyuev?

19 A. I've seen copy's of travel records  
20 where they were on the same flight.

21 Q. And where did you get those travel  
22 records?

23 A. We got them from an anonymous  
24 source in Moscow.

25 Q. And who's your anonymous source?



1 WILLIAM F. BROWDER (4/15/15)

2 A. I don't know.

3 Q. You don't know?

4 A. No.

5 Q. It's not you're not going to tell  
6 us; you don't know?

7 A. I don't know.

8 Q. This is another mysterious, unnamed  
9 person, right? Another mysterious, unnamed  
10 person gives you documents?

11 A. I -- I would describe this person  
12 as a whistle-blower who gave us documents.

13 Q. I see. But that's just a label.  
14 We don't know the name, we don't know the  
15 address, we don't know who it is, and we don't  
16 know where he got documents and we don't  
17 whether the documents are real, right?

18 A. I don't know.

19 Q. Any of that?

20 A. I don't know.

21 Q. But you relied upon it?

22 A. My team did.

23 Q. And you ultimately went to the U.S.  
24 Attorney's Office and said, "This happened"?

25 MR. KIM: Objection to form.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Right?

3 A. I provided this Complaint to the  
4 U.S. Attorney's Office.

5 Q. With this information, where you  
6 don't know the name of the person who gave you  
7 the information, you don't know where he got  
8 the information, you don't know if -- whether  
9 it's real, and you don't know whether in --  
10 these eventually happened, right?

11 MR. KIM: Objection to form.

12 A. Um-hum. I trusted my team, who did  
13 the analysis of the information and concluded  
14 that it was credible.

15 Q. And do you know how they concluded  
16 it was credible?

17 A. No.

18 Q. So what we have is a story about  
19 people going to Cyprus where Interior Ministry  
20 officers would logically go to conduct an  
21 investigation, different kinds of  
22 investigations, correct?

23 A. No.

24 Q. Why not?

25 A. We have an Interior Ministry

1 WILLIAM F. BROWDER (4/15/15)  
2 officer going to Cyprus on the private jet  
3 of -- of a -- a convicted fraudster who he was  
4 involved in convicting -- or who he -- who he  
5 was investigating then and he was involved in  
6 convicting in a previous criminal case.

7 Q. But that connection comes from an  
8 anonymous source, from documents that you  
9 don't know what they are, you don't know  
10 whether they're real, and you don't know  
11 whether somebody was setting you up, right?

12 MR. KIM: Objection to form.

13 A. I trusted my team to -- to -- to  
14 verify the credibility of those documents.

15 Q. And you haven't given us those  
16 documents, right?

17 A. I think I --

18 Q. Once again.

19 A. No, no. Those documents I think I  
20 have. They're in public domain. Those  
21 documents are on the Russian Untouchables  
22 website, and I think you have them.

23 Q. And that's your website?

24 A. You -- you have the -- you have the  
25 documents from our website, yes.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Okay. So we have, then, a meeting,  
3 you say, of a tax official.

4 MR. KIM: Objection to form. To  
5 the "you say."

6 MR. CYMROT: Im sorry. Correct.

7 Q. The Complaint says that on May 8,  
8 2007, Mr. Klyuev met with Ms. Olga  
9 Stepanov- -- nova -- Stepanova.

10 And how do you know that?

11 MR. KIM: Objection to form.

12 A. How do I know that?

13 Q. Yes. How do you know that? You  
14 told the U.S. attorney this, right?

15 A. No.

16 Q. Who told the U.S. -- U.S. attorney  
17 this?

18 A. We provided information about the  
19 travel records of these individuals to the  
20 U.S. attorney.

21 Q. From an anonymous source of unknown  
22 authenticity, right?

23 A. From a source that my team believed  
24 to be credible.

25 Q. Um-hum. And you have no idea who

1 WILLIAM F. BROWDER (4/15/15)

2 the source was?

3 A. No.

4 Q. Have you introduced this source to  
5 the U.S. Attorney's Office?

6 A. I'm not aware if they have or have  
7 not.

8 Q. Um-hum. So what we have that we  
9 can put our hands on are the seals and the  
10 other documents that we used in the fraud,  
11 right?

12 MR. KIM: Objection to form.

13 Q. You don't know what was said in  
14 these meetings, right?

15 MR. KIM: Objection to form.

16 Q. These alleged meetings?

17 A. No.

18 MR. KIM: Objection to form.

19 Q. You have no idea what was said in  
20 these alleged meetings?

21 A. No.

22 MR. KIM: Objection to form.

23 Q. You don't know if it had to do with  
24 an investigation of Mr. Klyuev, right?

25 A. I'm -- I'm sorry. What's the

1 WILLIAM F. BROWDER (4/15/15)

2 question?

3 Q. Do you know whether these alleged  
4 meetings involved an investigation of  
5 Mr. Klyuev?

6 A. I wasn't at the meetings.

7 Q. You don't know from a -- another  
8 anonymous source?

9 MR. KIM: Objection to form.

10 A. There is -- there are no anonymous  
11 sources about the actual contents of the  
12 meetings.

13 Q. So you don't know if it involved  
14 the \$230 million fraud?

15 A. I don't know.

16 Q. The only thing we know that  
17 definitely involved the \$230 million fraud  
18 were the corporate documents and seals?

19 MR. KIM: Objection to form.

20 A. No. There was also the -- I just  
21 read it to you. Should I read it again?

22 Q. Well, you said --

23 A. I can read it again. It's no  
24 problem.

25 Q. I think we all remember.

1 WILLIAM F. BROWDER (4/15/15)

2 A. Okay.

3 Q. You like reading it?

4 A. I don't -- I don't care.

5 Q. I mean, if it makes you feel  
6 better, you can read it, but I don't think  
7 your -- anybody's forgotten what you read.

8 A. Okay.

9 Q. That there was some information,  
10 but it was incorrect information, right?

11 A. No.

12 Q. That's what you read.

13 A. No, I didn't.

14 Q. You said there were bank accounts  
15 that weren't opened and things like that,  
16 right?

17 A. I'd be --

18 MR. KIM: Objection to form.

19 A. I'd be happy to read it again if --  
20 if you don't un- -- understand what was  
21 writ- -- written there.

22 Q. I understand it, believe me.

23 By the way, how do you know they  
24 even met in -- in Larnaca?

25 We can go back to that.

1 WILLIAM F. BROWDER (4/15/15)

2 How do you -- how do you know

3 Mr. Kuznetsov and Mr. Klyuev or Mr. Pavlov and

4 Mr. -- and Yulia Mayorova met in Larnaca?

5 A. What we do know is that Klyuev and  
6 Kuznetsov traveled on the same flight.

7 Q. That's all you know?

8 A. To -- to Larnaca.

9 Q. Right. All you know is these  
10 people flew on the same flight?

11 A. On the same private jet that  
12 belonged to --

13 Q. No, not as to Mr. Pavlov and the  
14 others. They flew on an Aeroflot flight.

15 A. Right.

16 Q. They happened to be on the same  
17 plane.

18 A. Could be.

19 MR. KIM: Mark, if there's no  
20 question pending, I'd like to just  
21 take two minutes to advise Mr. Browder  
22 about something.

23 MR. CYMROT: Yes.

24 MR. KIM: There's no question  
25 pending.



1 WILLIAM F. BROWDER (4/15/15)

2 MR. CYMROT: Yes.

3 THE VIDEOGRAPHER: The time is

4 12:11 p.m. We are off the record.

5 (Whereupon, at this time, a short  
6 break was taken.)

7 THE VIDEOGRAPHER: The time is

8 12:13 p.m. We are back on the record.

9 BY MR. CYMROT:

10 Q. All right. Mr. Browder, according  
11 to paragraph 22, Mr. Kuznetsov -- Kuznetsov  
12 and Mr. Klyuev flew on a private jet. That's  
13 what it says, right?

14 A. Correct.

15 Q. Did you ever say they travelled on  
16 an Aeroflot flight?

17 THE REPORTER: Excuse me?

18 Q. Did you ever say they flew on an  
19 Aeroflot flight?

20 A. I don't remember.

21 Q. It's possible you said that?

22 A. I don't know.

23 Q. So going back to your  
24 investigation, are you saying there was no  
25 investigation of you in 2006?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Well, we received a document from  
3 the Russian authorities saying that there are  
4 no criminal investigations in 2006.

5 Q. Now, let me show you testimony of  
6 Mr. Magnitsky in -- in 2006.

7 MR. CYMROT: What number are we up  
8 to? What number are we on?

9 (Browder Exhibit 11, document  
10 Bates stamped BrowderDepo0000685  
11 through '690 was marked for  
12 identification, as of this date.)

13 BY MR. CYMROT:

14 Q. So this is a record of evidence,  
15 October 18, 2006. It's an examination of  
16 Mr. Magnitsky.

17 Is that what it appears to be?

18 A. I don't know.

19 Q. Well, take your time to look at it.

20 A. Okay.

21 (Whereupon, an off-the-record  
22 discussion was held.)

23 BY MR. CYMROT:

24 Q. Okay. So let me help you. You see  
25 the top, October 18, 2006?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Um-hum.

3 Q. You see it's -- there's a witness,  
4 Mr. Magnitsky?

5 A. Yes.

6 Q. Do you see on the next page he's  
7 being asked about Saturn Investments?

8 A. Yes.

9 Q. And about you and Mr. Shaashoua?  
10 Do you see that?

11 A. Um-hum.

12 Q. Same subject matter of -- that we  
13 went over from the Kalmykian civil court,  
14 right?

15 A. I'm not sure if it's the same or  
16 not.

17 Q. Well, it's about Saturn, and he's  
18 asking about Mr. S- -- Shaashoua, and he's  
19 asking about power of attorney dated  
20 February 10, 2005, and about him being the  
21 general director of Saturn Investments at that  
22 point.

23 Do you see that?

24 A. Um-hum.

25 Q. Yes?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Yes.

3 Q. Okay. So there was an  
4 investigation in 2006 going on of the same  
5 events that we went over with the civil case,  
6 right?

7 A. I'm not sure if they're the same  
8 events.

9 Q. All right. There was an  
10 investigation of how Hermitage Fund operated  
11 Saturn, and the investigation was going fourth  
12 in 2006, correct?

13 A. I'm not sure that's what this says.

14 Q. What does it say in your view?

15 A. I'm not a lawyer.

16 Q. Well, you can read it, though.

17 A. I'm not a Russian lawyer, and I  
18 don't know the significance of this document.

19 Q. It's only three pages. It's in  
20 English.

21 "Investigator For Particularly  
22 Important Cases of Tax Crimes Investigation  
23 Department."

24 That's what it says, right?

25 A. Um-hum.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. It's questioning Mr. Magnitsky?

3 A. Correct.

4 Q. Did you know about that at the  
5 time?

6 A. No.

7 Q. You had no idea about this in this  
8 2006?

9 A. No.

10 Q. So maybe you were just wrong that  
11 the investigation didn't exist in 2006?

12 A. Or maybe the other information that  
13 I got is correct.

14 Q. But somehow they were still  
15 examining Mr. Magnitsky in 2006?

16 You think the two are consistent?

17 A. I don't understand the question.

18 Q. They were -- they were questioning  
19 about a closed investigation?

20 A. They weren't questioning me.

21 Q. As far as you know, Mr. Magnitsky  
22 was being questioned on an investigation of  
23 Saturn in 2006, right?

24 A. I don't know that.

25 Q. Well, that's what this document

1 WILLIAM F. BROWDER (4/15/15)

2 shows you. This is --

3 A. I don't know -- I don't -- I don't  
4 know anything about --

5 Q. -- what it purports to be.

6 A. I don't know anything about the  
7 providence of this document or the  
8 significance of this document, and I have not  
9 taken any advice on what this means; so it  
10 would be inappropriate --

11 Q. So you're not going to venture an  
12 opinion on it?

13 A. I would -- it would be  
14 inappropriate as a layman to venture an  
15 opinion on what this says.

16 Q. And you're sticking to your view  
17 that the investigation closed in 2005 even  
18 though we have this document?

19 A. Yes.

20 Q. Okay. By the way, if you look in  
21 the middle of the page, the investigator's  
22 question:

23 "Where do you currently work? The  
24 post?

25 "ANSWER: At the moment I'm working

1 WILLIAM F. BROWDER (4/15/15)

2 on a labor contract at CJSC Firestone Duncan  
3 as an auditor."

4 That's his answer, right?

5 A. Um-hum.

6 Q. Yes?

7 A. Yes.

8 Q. You still say he's a lawyer?

9 A. Yes.

10 Q. Have you ever seen Mr. Magnitsky's  
11 signature?

12 A. I probably have, but I...

13 Q. Well, let me show you the last  
14 page, two -- three signatures and then one  
15 different one at the bottom. Three  
16 signatures. That look like Mr. Magnitsky's  
17 signature?

18 A. I don't know.

19 Q. How many times have you seen  
20 Mr. Magnitsky's signature?

21 A. Zero.

22 Q. It says here, paragraph 25, second  
23 sentence: "In denying requests from Hermitage  
24 to return the corporate documents and seals,  
25 the Russian Interior Ministry subsequently

1 WILLIAM F. BROWDER (4/15/15)  
2 confirmed that these documents and seals,  
3 which were seized in the search lead by  
4 Kuznetsov, remained in the custody of his  
5 colleague Karpov."

6 Do you see that?

7 A. I do.

8 Q. Isn't it true, Mr. Browder, that  
9 Mr. Karpov offered to return the documents and  
10 seals and Mr. Kleiner and Mr. Chinesco  
11 [phonetic] -- Kuznetsov told him to keep them  
12 until the end of the investigation?

13 A. I don't know.

14 Q. You've never heard that?

15 A. Vaguely, but I don't know the  
16 details.

17 Q. Vaguely? What have you heard  
18 vaguely?

19 A. I don't -- I mean, I've -- I --  
20 I vaguely recall some conversation of that  
21 nature, but I don't know the details.

22 Q. With whom? Mr. Kleiner?

23 A. I don't even know with whom, at  
24 what point, when.

25 Q. So that somebody told you that



1 WILLIAM F. BROWDER (4/15/15)

2 Mr. Karpov offered to return the seals and  
3 that your colleagues turned them down?

4 A. Perhaps, but...

5 Q. And this is a man who you're saying  
6 used those seals to commit a massive fraud?

7 MR. KIM: Objection to form.

8 A. Yes, I'm saying that.

9 Q. And --

10 A. But I -- no, I'm not -- I'm not  
11 saying that. I'm saying that he -- he used  
12 the seals, the stamps, the certificates of  
13 incorporation, and the other document -- that  
14 whole paragraph that I read to you, along with  
15 a group of coconspirators to commitment the  
16 fraud.

17 Q. Did you tell the U.S. Attorney's  
18 Office that Mr. Karpov had offered to return  
19 the seals and other documents?

20 A. Well, since I'm not acutely aware  
21 of it, I didn't.

22 Q. Somebody else told you -- you said  
23 that somebody told you that Mr. Karpov offered  
24 to return the seals and your colleagues turned  
25 them down.

1 WILLIAM F. BROWDER (4/15/15)

2 MR. KIM: Objection.

3 Characterization.

4 Q. Did you tell the U.S. Attorney's  
5 Office that Mr. Kaffov -- Karpov had offered  
6 to return the seals?

7 A. No.

8 Q. All right.

9 (Whereupon, an off-the-record  
10 discussion was held.)

11 MR. CYMROT: All right. So --  
12 yes. Okay. I'm marking as Exhibit 12  
13 the record of evidence, June 5, 2008,  
14 of Mr. Magnitsky. And it says Bates  
15 number -- it starts at 721.

16 (Browder Exhibit 12, document  
17 Bates stamped BrowderDepo0000721  
18 through '742 was marked for  
19 identification, as of this date.)

20 BY MR. CYMROT:

21 Q. All right. I'm going to direct  
22 your attention to page '727.

23 First of all, Mr. Browder, have you  
24 ever seen this document before?

25 A. No.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. I'm going to direct your attention  
3 to page '727. It's the Bates number on the  
4 right -- lower right-hand side.

5 So I'm going to direct your  
6 attention specifically to what I think is the  
7 fourth paragraph. Starts "in November and  
8 December 2007" and says the following:

9 "In November and December 2007, a  
10 representative of Firestone Duncan Limited,  
11 V.Y. Yelin, visited the investigator,  
12 P.A. Karpov, a few times to retrieve from  
13 Karpov documents and seals impounded during  
14 the search on the 4th of June 2007."

15 "From what V.Y. Yelin said, I'm  
16 aware that P.A. Karpov was also ready to give  
17 out documents and seals of Parfenion Limited  
18 Liability Company, Rilend Limited Liability  
19 Company, and Makhaon Limited Liability  
20 Company; however, V.G. Kleiner and  
21 I.S. Cherkasov requested the seals from Karpov  
22 be not retrieved unless criminal proceedings  
23 are instituted to investigate into illegal  
24 re-registration of the companies and lawsuits  
25 based on forged evidence and powers of

1 WILLIAM F. BROWDER (4/15/15)  
2 attorney, and the documents be received solely  
3 in accordance with the detailed inventory  
4 specif- -- specifying each document transfer.

5 "As a result, those seals and  
6 documents would stay with P.A. Karpov."

7 Do you see that? It goes on.

8 A. Yes.

9 Q. Is this the first time -- it's not  
10 the first time you've heard this, right?

11 You've told us somebody told you  
12 that.

13 A. It's the first time I've read this  
14 document.

15 Q. It's not the first time you've  
16 heard that Karpov offered to return the seals  
17 and your colleagues turned him down, right?

18 A. No. Correct.

19 Q. Okay. And you never told the U.S.  
20 Attorney's Office. We've established that,  
21 right?

22 A. I never told the U.S. Attorney's  
23 Office, correct.

24 Q. Let me go back to a couple points  
25 we handled before.

1 WILLIAM F. BROWDER (4/15/15)

2 You said you worked with reporters.

3 Did you give out information to reporters?

4 A. Could you be more specific?

5 Q. Well, for instance, the information  
6 you got that the Swiss prosecutor said you  
7 could give to the United States. Did you give  
8 it to reporters?

9 A. No.

10 Q. You knew you shouldn't give it to  
11 reporters?

12 A. I don't know whether I should or  
13 shouldn't have, but I didn't.

14 Q. Did you post any of it on your  
15 website?

16 A. No. We posted our Complaint on the  
17 website.

18 Q. Did you -- is any of the  
19 information in Exhibit 1, which was the letter  
20 to the Manhattan D.A. -- was that from the  
21 Swiss prosecutor?

22 A. I don't know.

23 Q. So the Cyprus companies that own  
24 Satin -- Saturn and Dalnaya Step were Kone and  
25 Glendora. You're not aware of that?

1 WILLIAM F. BROWDER (4/15/15)

2 A. I don't know the names of the  
3 companies.

4 Q. All right. So who controlled those  
5 companies, The Cyprus Companies?

6 A. The manager of the fund, HSBC  
7 Management Guernsey.

8 Q. And who gave the manager of the  
9 fund instructions?

10 A. They took decisions on their own.

11 Q. Investment decisions?

12 A. They took investment decisions and  
13 structural decisions.

14 Q. So it wasn't Hermitage Fund that  
15 set up Saturn and Dalnaya Step to take  
16 advantage of the tax regime in Kalmykia, it  
17 was HSBC on their own?

18 A. No, HSBC was the manager of the  
19 Hermitage Fund. The Hermitage Fund didn't  
20 take a decision. It's a -- it's a  
21 corporate --

22 Q. I understand. And you're the  
23 advisor?

24 A. Right. So the advice probab- --  
25 most likely came from -- I don't know exactly,

1 WILLIAM F. BROWDER (4/15/15)

2 but it probably came from professional  
3 accountants and lawyers.

4 Q. That you directed to HSBC Guernsey?

5 A. No.

6 Q. So your role as advisor didn't  
7 include the tax structure in Kalmykia?

8 A. My role as advisor -- as advisor  
9 was focused on picking stocks, doing company  
10 analysis and doing corporate governance  
11 activism. I wasn't a specialist in taxes and  
12 other such things.

13 Q. All right. So that HSBC Guernsey  
14 didn't decide what stocks that these companies  
15 would be investing in, right?

16 A. So I provided the investment advice  
17 to the manager.

18 Q. Right. And they followed your  
19 advice?

20 A. Sometimes, mostly.

21 Q. So HSBC Guernsey is a trustee,  
22 correct?

23 A. No, HSBC Trust Guer- -- HSBC Trust  
24 Company is the trustee. HSBC Management  
25 Guernsey is the investment manager.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. So HSBC Trust Guernsey -- is that  
3 what you said it was?

4 A. Is the trustee.

5 Q. "Is the trustee."

6 And they -- and the trustee  
7 actually has the ownership of the two Cyprus  
8 companies, which are Glendora and Kone?

9 A. The unit trust of which they're the  
10 trustee has the --

11 Q. They're the trust entity?

12 A. No, they're the trustee of a unit  
13 trust.

14 Q. Yes.

15 A. The unit trust owns various assets  
16 directly and through other vehicles.

17 Q. Okay. So the unit trust owned  
18 Glendora and Kone, Cyprus companies?

19 A. Correct.

20 Q. And they owned Saturn and Dalnaya  
21 Step?

22 A. Yes. I believe so, I'm not sure if  
23 those were the two owners, I don't have that  
24 in front of me.

25 Q. And HSBC Guernsey Trust set up a



1 WILLIAM F. BROWDER (4/15/15)

2 trust that also owned Parfenion, Rilend  
3 Makhaon?

4 A. No, HSBC didn't set up a trust.  
5 HSBC --

6 Q. Was the trustee of a trust?

7 A. -- was the trustee that owned --  
8 owned Cyprus Companies. And I can't remember  
9 who the holding companies were who -- who set  
10 up those companies.

11 Q. Okay. So the trust owns Cyprus  
12 Companies, which then owned the Russian  
13 companies?

14 A. Correct.

15 Q. All right. And Parfenion, and  
16 Rilend and Makhaon were the Russian companies?

17 A. Correct.

18 Q. And at the time of the \$230 million  
19 fraud, they had no stock in them?

20 A. Who had no?

21 Q. Parfenion, Rilend and Makhaon?

22 A. Correct.

23 Q. All right. And so the Cyprus  
24 Companies, when these companies were

25 reregistered, lost their money because there

1 WILLIAM F. BROWDER (4/15/15)

2 no assets in the three Russian companies,  
3 correct?

4 A. No.

5 Q. They lost no value, the net worth  
6 of Parfenion, Rilend and Makhaon was zero,  
7 they had no assets, correct?

8 A. No.

9 Q. They had assets?

10 A. Correct.

11 Q. What assets did they have?

12 A. They had bank accounts.

13 Q. Which had no money in them?

14 A. Is that a question?

15 Q. Yes.

16 A. No, they did have money in them.

17 Q. How much money did they have?

18 A. I can't be sure, but I think 10-,  
19 \$15,000.

20 Q. Do you have bank records that show  
21 that?

22 A. I'm not sure.

23 Q. Have you given any bank records of  
24 Parfenion, Rilend and Makhaon to the U.S.  
25 attorney?

1 WILLIAM F. BROWDER (4/15/15)

2 A. I'm not -- I don't know.

3 Q. So when the companies were  
4 reregistered, was there money removed from the  
5 bank accounts?

6 A. I'm not sure.

7 Q. They wanted the companies; they  
8 weren't interested in 10- or \$15,000, right?  
9 They opened new bank accounts, correct?

10 A. Yes.

11 Q. With the reregistered companies?

12 A. Correct.

13 Q. So the 10- or \$15,000 was still  
14 there in the bank accounts, as far as you  
15 know?

16 A. I don't know where that -- what  
17 the -- what the status of that 10- or \$15,000  
18 was.

19 Q. As far as you know, that money was  
20 still there and was not taken when the money  
21 was -- when the banks -- when the companies  
22 were reregistered, correct?

23 A. No.

24 Q. What? Am I wrong or am I right?

25 A. You're wrong.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. You just told me you don't know?

3 A. I don't know.

4 Q. Okay. So the answer is you don't  
5 know?

6 A. I don't know.

7 Q. All right. So the money might very  
8 well have been -- still been there, correct?

9 A. "Very well" suggests that it's  
10 still there. I don't -- I don't know.

11 Q. You don't know either way?

12 A. I don't know either way.

13 Q. As far as you know, that money  
14 wasn't stolen? You don't know?

15 A. I don't know.

16 Q. Okay. So we've established that;  
17 as far as you know, the money wasn't stolen.

18 In which case The Cyprus Companies  
19 didn't lose anything of value?

20 MR. KIM: Objection to form.

21 A. I don't know.

22 Q. Okay. We'll leave it at that.

23 Just to complete the chain, as far  
24 as you know, the trust didn't lose anything,  
25 right?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No, I don't know that.

3 Q. Right. And the money belonged to  
4 the trust; it didn't belong to HSBC Guernsey,  
5 correct?

6 A. It belonged to HSBC Trust Company.

7 Q. A trust that the trust company  
8 oversee as trustee owns -- owned those assets,  
9 the companies and whatever bank accounts they  
10 have?

11 A. The trustee owned them as the  
12 trustee.

13 Q. The trustee was the trustee of a  
14 trust, I think you told me that at the  
15 beginning?

16 A. Right, but the trustee was the  
17 formal owner of the -- of the assets.

18 Q. All right.

19 MR. CYMROT: Why don't we take  
20 lunch. Is this a good time?

21 MR. KIM: Sure, if you want to.

22 THE WITNESS: Can we go until 1:00  
23 just to --

24 MR. KIM: If you want. It's  
25 12:40, if you want to go ten,

1 WILLIAM F. BROWDER (4/15/15)

2 15 minutes s and then we can break.

3 MR. CYMROT: Sure, I'll do it.

4 BY MR. CYMROT:

5 Q. So going back to Exhibit 1, if you  
6 look at Tab 7, there's a chart, correct?

7 A. Correct.

8 Q. You've seen this chart before,  
9 right?

10 A. Yes.

11 Q. Who created this chart?

12 A. Vadim Kleiner.

13 Q. And do you know what from  
14 documents -- from what documents he created  
15 this chart?

16 A. No.

17 Q. And you don't know where he got the  
18 documents that he used to create the chart,  
19 right?

20 A. Right.

21 Q. Right?

22 A. Right.

23 Q. And you don't know whether in  
24 Russia -- there are a number of Russian banks  
25 here, correct?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Correct.

3 Q. Intercommerz, USB, right?

4 A. Correct.

5 Q. Sberbank? You don't know whether  
6 it's legal for Mr. Kleiner to have information  
7 about these accounts from those banks, right?

8 A. I don't know.

9 Q. And then you don't know how he did  
10 the tracing?

11 A. No, I don't know.

12 Q. But you've relied upon it?

13 A. I have.

14 Q. And you've given it to the U.S.  
15 Attorney's Office, right?

16 A. I have.

17 Q. And so, for instance --

18 A. Actually, no, that's incorrect. I  
19 gave it to the New York -- the New York  
20 District Attorney's office.

21 Q. All right. And they gave it to --  
22 as far as you know, they gave it to the U.S.  
23 Attorney's Office?

24 A. That's correct.

25 Q. Let me go back.

1 WILLIAM F. BROWDER (4/15/15)

2 How many times did you meet

3 Todd Hyman?

4 A. Several. I can't remember.

5 Q. More than five?

6 A. I don't recall.

7 Q. Is it more than ten?

8 A. No.

9 Q. Did you talk to him on the  
10 telephone?

11 A. Yes.

12 Q. He had your telephone number?

13 A. I'm not sure how -- how the  
14 telephone connection was made.

15 Q. Did you call him or he call you?

16 A. I don't remember.

17 Q. He had your e-mail address?

18 A. I don't know.

19 Q. Do you have his e-mail address?

20 A. I don't know.

21 Q. Do you have the e-mail address of  
22 anybody in the U.S. Attorney's Office?

23 A. I know for sure I have  
24 Paul Monteleoni's and Sharon Levin's.

25 Q. And you've exchanged e-mails with



1 WILLIAM F. BROWDER (4/15/15)

2 them?

3 A. Yes.

4 Q. On -- approximately how many?

5 A. I don't recall.

6 Q. Hundred?

7 A. I doubt it.

8 Q. Fifty?

9 A. No.

10 Q. But you haven't given those -- you  
11 have those, right, you have access to those  
12 e-mails?

13 A. Yes.

14 Q. You haven't given them to us, so I  
15 can't question you about them today.

16 MR. KIM: Objection to form.

17 A. Isn't there a --

18 Q. Just yes or no for now. If they're  
19 going to claim the privilege, they can --

20 A. I need to get some advice on -- on  
21 whether there's a privilege issue here.

22 MR. MONTELEONI: Let's take a few  
23 moments to discuss.

24 MR. CYMROT: All I'm asking is yes  
25 or no whether he has the e-mails. I

1 WILLIAM F. BROWDER (4/15/15)  
2 mean, the fact that he hasn't produced  
3 them we can get into a fight later  
4 about whether you're going to claim  
5 privilege.

6 And we haven't gotten to privilege  
7 logs, we haven't gotten any of that.

8 MR. MONTELEONI: Fair enough, but  
9 the witness says that he has a concern  
10 that he wants to discuss whether or  
11 not there's something privileged, and  
12 we request an opportunity to discuss  
13 whether or not there's a privilege.

14 MR. KIM: So if you want to take a  
15 break now, I guess --

16 MR. CYMROT: No, that's -- I mean,  
17 why don't you guys do it over lunch.  
18 I'll -- I'll hold the question so that  
19 we can keep going.

20 MR. KIM: Okay.

21 BY MR. CYMROT:

22 Q. All right. So I'm looking at this  
23 chart, which is Exhibit 1, Tab 7, and I see  
24 that between the ZhK account at Sberbank and  
25 the Univers account at Mosstroieconomybank,

1 WILLIAM F. BROWDER (4/15/15)  
2 the amount of money that you're tracing  
3 increases from, in dollars, 33 million to  
4 53 million; do you see that?

5 MR. KIM: Objection to form.

6 Q. So you've got No. 11, 12 million;  
7 No. 12 -- I'm sorry, No. 11 is in roubles,  
8 525, but in dollars the conversion's here,  
9 it's 21 million. Number 12 is 12 million.

10 And then you get down to the next  
11 level, Krainiy Sever Bank, and you've got  
12 26 million, 27 million coming out of Krainiy  
13 Sever Bank; that's 53 million, right?

14 A. Right.

15 Q. Can you explain to us how you would  
16 trace and know that it was the Russian  
17 Treasury money that was going through Krainiy  
18 Sever to Bunicon and Elenast and not some  
19 unassociated, as far as we know clean money,  
20 \$20 million of clean money; can you explain  
21 that?

22 MR. KIM: Objection to form.

23 Q. So you have no information about  
24 that?

25 A. I didn't do the tracing.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. So I have to go to Mr. Kleiner for  
3 that?

4 MR. KIM: Objection to form.

5 Q. Right. I have to ask the question  
6 of Mr. Kleiner?

7 A. I don't know who -- I don't know  
8 who can explain this to you, but I can't.

9 Q. Well, Mr. Kleiner did it, right?

10 A. He did the analysis, correct.

11 Q. So if I want to understand this  
12 chart, shouldn't I be asking Mr. Kleiner?

13 MR. KIM: Objection to form.

14 A. I don't know. You have to decide  
15 in your own team how you want to give your own  
16 explanations.

17 Q. I'm asking for the name of the  
18 person who can explain it me; how you went to  
19 the U.S. Attorney's Office with a case where  
20 there's \$20 million of clean money going into  
21 accounts and you say it's dirty money that  
22 went to our clients.

23 MR. KIM: Objection to form; the  
24 use of "you."

25 A. Is there a question?

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Yes.

3 A. What's the question?

4 Q. How do you explain the \$20 million  
5 in apparently clean money going to Bunicon and  
6 Elenast and the \$800,000 coming out and you  
7 say it had to be dirty money that went to  
8 Prevezon?

9 MR. KIM: Objection to form.

10 Q. Do you have an explanation?

11 A. I didn't do the tracing.

12 Q. But you had the meeting, you've  
13 been the one going around writing books,  
14 touting it, trying to get our client on the  
15 Magnitsky list, haven't you?

16 A. No.

17 Q. You've never tried to put  
18 Mr. Katsyv on the Magnitsky list?

19 A. No.

20 Q. Never talked to anybody about that?

21 A. Not that I'm aware of.

22 Q. Did you talk to the U.S. attorney  
23 about that?

24 A. No.

25 Q. But you did file a lawsuit in

1 WILLIAM F. BROWDER (4/15/15)  
2 New York against Prevezon owned by Mr. Katsyv,  
3 right?

4 A. I filed a -- I provided to the  
5 New York District Attorney's office a  
6 Complaint about suspected money laundering in  
7 New York in which there was -- I asked U.S.  
8 Government to investigate.

9 Q. So you had no idea what the logic  
10 was for saying that where there's \$20 million  
11 of identified clean money going through the  
12 accounts and only \$800,000 coming out, that we  
13 had to say it was dirty money and Mr. Katsyv  
14 got dirty money; you have -- you can't give me  
15 any explanation for that at all?

16 MR. KIM: Objection to form.

17 A. I didn't do the tracing.

18 Q. So you have no explanation? Yes or  
19 no, you have an explanation or you don't?

20 A. I didn't do the tracing.

21 MR. KIM: Objection to form.

22 Q. Do you have an explanation or not?

23 A. Do I have an explanation?

24 MR. KIM: Objection to form. I'm  
25 not sure what we're talking about.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. We're talking about on this chart  
3 showing \$33 million of supposedly Russian  
4 Treasury money going to Krainiy Sever, the  
5 corresponding account, and coming out  
6 \$20 million of -- at least \$20 million of  
7 clean money, at least, and only \$800,000 going  
8 to Prevezon. If there's \$20 million of clean  
9 money going into those accounts, normally  
10 \$800,000 coming out, you have no explanation  
11 for why that had to be Russian Treasury money  
12 that went to Prevezon?

13 A. This is not my area of expertise.

14 Q. I'm asking whether you have any  
15 explanation from anybody?

16 A. I -- I -- I don't have an  
17 explanation.

18 Q. Then who would have the explanation  
19 in your organization?

20 A. I think our entire legal team would  
21 have an explanation.

22 Q. Mr. Kleiner is the one who did  
23 this?

24 A. He was the one who produced the  
25 piece of paper.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Oh, he didn't do the work?

3 A. I think he did it as a member of a  
4 team.

5 Q. I see. So you have the same  
6 disaffection for testifying that you have?

7 MR. KIM: Objection to form.

8 Q. Is that why you're not naming him?

9 MR. KIM: Objection to form.

10 A. No.

11 Q. He's willing to come to New York  
12 and testify?

13 MR. KIM: Objection to form.

14 A. I have no idea what he's willing to  
15 do or not do.

16 Q. He works for you, right?

17 A. No.

18 Q. He works for Hermitage Fund of  
19 which you are the chief executive officer,  
20 right?

21 A. No.

22 Q. Who does he work for?

23 A. He works for Hermitage Capital LLP.

24 Q. Of course. Okay, I keep getting  
25 the entities wrong.



1 WILLIAM F. BROWDER (4/15/15)

2 And you are the CEO of that  
3 company?

4 A. Let me correct myself. He is a  
5 partner at Hermitage Capital LLP.

6 Q. And you're the CEO, right?

7 A. No.

8 Q. Who's the CEO?

9 A. There's a partnership, there's no  
10 CEO of the partnership.

11 Q. I see. Are you willing to advise  
12 Mr. Kleiner he should come to New York and  
13 testify about this?

14 MR. KIM: Objection to form.

15 A. It's not my place to advise him on  
16 what to do or not do. The lawyers will advise  
17 him on what to do or not do.

18 Q. But you wouldn't tell him to come,  
19 would you?

20 MR. KIM: Objection to form.

21 A. I wouldn't tell him to come or not  
22 come. It's not my place to tell him. The  
23 lawyers will advise him on what the -- what  
24 the right --

25 Q. You're not willing to go back and

1 WILLIAM F. BROWDER (4/15/15)  
2 say, Mr. Kleiner, I put my reputation on the  
3 fact that \$20 million came, went into Bunicon  
4 and Elenast and \$800,000 came out and we're  
5 saying it's dirty money, Hermitage has its  
6 reputation on this, I recommend you go to  
7 New York and explain this to these people; you  
8 wouldn't say that?

9 MR. KIM: Objection to form.

10 A. I would go to our lawyers and ask  
11 them to advise him on what the right legal  
12 position is to take in this case.

13 Q. So the answer is no, I wouldn't  
14 give him that advice myself?

15 MR. KIM: Objection to form.

16 A. I would go to our lawyers.

17 MR. CYMROT: I think we better  
18 stop.

19 MR. KIM: Okay.

20 MR. CYMROT: All right.

21 THE VIDEOGRAPHER: The time is  
22 12:50 p.m. We're off the record.

23 (Whereupon, at this time, a lunch  
24 break was taken.)

25

1 WILLIAM F. BROWDER (4/15/15)

2 A F T E R N O O N S E S S I O N

3

4 (Time noted: 1:50 p.m.)

5

6 THE VIDEOGRAPHER: The time is  
7 1:50 p.m. We are back on the record.

8 MR. KIM: Mr. Cymrot, before you  
9 begin your questioning again -- this  
10 is Michael Kim -- over the break, as  
11 we agreed with the Defendants, we  
12 obtained from the Defendants' counsel  
13 a copy of the sealed document that  
14 Mr. Cymrot referred to earlier in the  
15 examination, we've shown it to the  
16 witness.

17 And my understanding is, it does  
18 not refresh the witness's recollection  
19 on any of the answers he gave.

20 But since I'm not the witness,  
21 I'll just ask Mr. Browder to confirm  
22 that for the record?

23 THE WITNESS: I confirm that for  
24 the record.

25 MR. KIM: Thank you. Go ahead,

1 WILLIAM F. BROWDER (4/15/15)

2 Mr. Cymrot.

3 W I L L I A M F. B R O W D E R, resumed

4 and testified as follows:

5 EXAMINATION BY (Cont'd.)

6 MR. CYMROT:

7 Q. Okay. Good afternoon, Mr. Browder.

8 You're still under oath, do you

9 know that?

10 A. I do.

11 Q. All right. So I'm going to show

12 you what we're going to mark as Browder

13 Exhibit 13.

14 (Browder Exhibit 13, Document

15 Entitled "Plaintiff's Responses to

16 Defendants' First Set of

17 Interrogatories" was marked for

18 identification, as of this date.)

19 BY MR. CYMROT:

20 Q. This is "Plaintiff's Responses to

21 Defendants' First Set of Interrogatories."

22 Basically what this is, is a list of questions

23 we gave the Government and they responded.

24 And I want to direct your attention

25 to page 4, which is the response to

1 WILLIAM F. BROWDER (4/15/15)

2 Interrogatory 1.

3 And to summarize it, it says that  
4 tell us what persons have knowledge or  
5 information on certain subjects. And you see  
6 your name there, right?

7 A. Yes.

8 Q. All right. So it says you have  
9 knowledge of the \$230 million fraud,  
10 Defendants' knowledge of the \$230 million  
11 fraud, which would be the Prevezon Defendants  
12 referring to that, membership and operation of  
13 the organization, Defendants' contacts with  
14 the organization and Defendants' knowledge of  
15 the organization and the Defendants' intent to  
16 knowledge for the purpose of the money  
17 laundering statutes, the transfers described  
18 in the Verified Complaint, additional  
19 transfers that support the allegations in the  
20 Verified Complaint, the tracing methodology,  
21 tracing funds from the Russian Treasury to the  
22 Defendants, nature of the businesses operated  
23 by the Defendants, and other information  
24 including information relevant to the gravity  
25 and magnitude of the offense. Do you see

1 WILLIAM F. BROWDER (4/15/15)

2 that?

3 A. I do.

4 Q. All right. So did you talk to the  
5 Government before -- about this answer before  
6 it was given? And it was given in March --  
7 24th of March, 2014. Did you talk to the  
8 Government about this answer before it was  
9 given?

10 A. No.

11 Q. Did they show it to you?

12 A. No.

13 Q. Did they tell you that -- did they  
14 tell you in February of 2014 the judge had set  
15 a trial date of March 30th or 31st of 2014;  
16 did they tell you that?

17 A. Yes.

18 Q. Who told you that?

19 A. I don't recall who, but somebody in  
20 the Government.

21 Q. Well, somebody in the U.S.  
22 Attorney's Office?

23 A. Yes.

24 Q. Was it Mr. Monteleoni?

25 A. Could have been, but it might have

1 WILLIAM F. BROWDER (4/15/15)

2 also been one of the other people in his  
3 office.

4 Q. Okay. And was this a telephone  
5 conversation or an e-mail?

6 A. Telephone conversation.

7 Q. All right. What else was said in  
8 that conversation about the trial date?

9 A. Just that there was a trial date  
10 coming up.

11 Q. Did they ask whether you would  
12 appear as a witness?

13 A. I believe so.

14 Q. And what did you tell them?

15 A. Yes.

16 Q. And did they tell you that they  
17 were informing the judge that you were their  
18 chief witness?

19 A. No.

20 Q. So did you talk about what you  
21 would testify to?

22 A. No.

23 Q. Just you would show up and you  
24 would testify?

25 A. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. And that was -- how long was the  
3 conversation?

4 A. Ten minutes.

5 Q. Approximately when was it?

6 A. Sometime around the time period you  
7 specified.

8 Q. February of 2014?

9 A. Yes, I guess. I mean, I don't  
10 remember the dates, so...

11 Q. Did they express concern about the  
12 trial date?

13 MR. MONTELEONI: To the extent  
14 that this question is just calling for  
15 the witness's impressions of the  
16 opinions and mental impressions of  
17 counsel for the Government I'm going  
18 to request that the witness not answer  
19 on the grounds of work product  
20 protection.

21 Q. Are you going to answer?

22 A. I'm going to respect the  
23 Government's request.

24 MR. CYMROT: Are you instructing  
25 him not to answer?



1 WILLIAM F. BROWDER (4/15/15)

2 MR. KIM: Since a party has  
3 claimed privilege we have no position  
4 on the matter, but I'll instruct the  
5 witness not to answer until the  
6 privilege is resolved.

7 MR. CYMROT: Okay.

8 BY MR. CYMROT:

9 Q. So what information did you tell  
10 the Government that you had about the  
11 Defendants' knowledge of the \$230 million  
12 fraud scheme?

13 A. None.

14 Q. What information did you tell the  
15 Government about Defendants' contacts with the  
16 organization?

17 A. I don't remember.

18 Q. Do you have any information about  
19 Defendants' contacts with this so-called  
20 organization?

21 A. Not -- no specific information.

22 Q. Okay. So to be clear, the  
23 organization is the organization that is  
24 described in the Complaint, the criminal  
25 organization that committed the \$230 million

1 WILLIAM F. BROWDER (4/15/15)

2 fraud, right?

3 A. Right.

4 Q. You understood that?

5 A. Yes.

6 Q. Okay. So you have no specific  
7 information; do you have any general  
8 information about Defendants' contacts with  
9 the organization?

10 A. There was some theories that -- I  
11 can't remember the details, but there were  
12 some theories about their contact with the  
13 organization.

14 Q. Who had these theories?

15 A. People on my legal team.

16 Q. And who are you referring to now?

17 A. Lawyers.

18 Q. Yeah, what lawyers?

19 THE WITNESS: Can I ask a  
20 privilege -- is this a privilege?

21 MR. KIM: You can say the names of  
22 the lawyers.

23 THE WITNESS: Okay.

24 MR. KIM: And I think you've  
25 previously testified.

1 WILLIAM F. BROWDER (4/15/15)

2 THE WITNESS: Right.

3 A. So -- so the -- Edward Hardinov,  
4 Vladimir Pastukhov.

5 BY MR. CYMROT:

6 Q. So they have theories; do they have  
7 any facts to support their theories?

8 MR. MONTELEONI: I'm going to  
9 request that the witness not answer to  
10 the extent that any answer might  
11 reveal communications pertaining to  
12 ongoing criminal investigations.

13 MR. KIM: And on a separate note,  
14 I'm going to instruct the witness not  
15 to answer as to the contents of any of  
16 his discussions with lawyers, which  
17 are attorney-client privileged, which  
18 I believe your last question would  
19 invade that territory.

20 So I would instruct the witness  
21 not to reveal the contents of the  
22 communications, including as to  
23 what -- what, if any, facts they have.

24 MR. CYMROT: Well, Mr.- -- well,  
25 that raises a whole series of

1 WILLIAM F. BROWDER (4/15/15)

2 questions.

3 BY MR. CYMROT:

4 Q. What information do you have about  
5 ongoing criminal investigations relating to  
6 the \$230 million fraud?

7 MR. MONTELEONI: I'm going to  
8 request that the witness not answer  
9 any questions about the witness's  
10 knowledge of ongoing criminal  
11 investigations related to the  
12 \$230 million fraud scheme except to  
13 the extent that that information is  
14 already public. So as to that, he can  
15 answer.

16 MR. KIM: So we have no position  
17 on the matter, but since a party is  
18 claiming a privilege, I will give the  
19 same instruction to the witness.

20 MR. CYMROT: Okay, just so our  
21 position's clear, that if these  
22 privilege claims don't stand up in  
23 court, then Mr. Browder will have to  
24 come back and testify to these things.

25 MR. KIM: Well, there's no sense

1 WILLIAM F. BROWDER (4/15/15)  
2 debating that now. I think there's  
3 another form to debate that, so  
4 continue your questioning.

5 MR. CYMROT: I'm just reserving  
6 our position.

7 MR. KIM: I understand.

8 MR. CYMROT: But I agree with you,  
9 there's no point in debating that.

10 BY MR. CYMROT:

11 Q. All right. What facts do you have  
12 about Defendants' contacts with the  
13 organization?

14 A. None.

15 Q. What facts do you have about  
16 Defendants' knowledge of the organization?

17 A. No.

18 Q. Do you have anybody in the  
19 organization with a theory about Defendants'  
20 knowledge of the organization; yes or no you  
21 can answer that?

22 A. Yes.

23 Q. And who's that?

24 A. Lawyers.

25 Q. And who are they, just the names?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Edward Hardinov and  
3 Vladimir Pastukhov.

4 Q. And have they told you what their  
5 theories are?

6 MR. KIM: Same objection about  
7 privilege, the content of  
8 communications.

9 MR. CYMROT: So you're  
10 instructing -- to be clear, you're  
11 instructing him not to answer?

12 MR. KIM: Correct, I'm instructing  
13 him not to answer this or any other  
14 questions that call for the contents  
15 of his conversations with his lawyers.

16 MR. CYMROT: Okay. So we might  
17 speed this up so I don't have to ask a  
18 whole series of questions, if you'll  
19 agree that anything on the subject  
20 matter you'll give the same  
21 instruction.

22 MR. KIM: No. My objection is  
23 simply to the attorney-client  
24 privilege nature of the contents of  
25 the communications, not to the subject

1 WILLIAM F. BROWDER (4/15/15)

2 matter of what information he  
3 possesses.

4 MR. CYMROT: Then I'll keep asking  
5 questions.

6 BY MR. CYMROT:

7 Q. So it says the Defendants' intent  
8 or knowledge of the purpose -- for the purpose  
9 of money laundering; what do you know about  
10 the Defendants', being the Prevezon companies,  
11 intent or knowledge of the \$230 million fraud?

12 A. So are you asking me based on this  
13 sentence here or the \$230 million fraud?

14 Q. Well, for the purpose of -- let me  
15 interpret that because that's legalese.

16 So the Defendants' intent or  
17 knowledge for hiding the proceeds of the  
18 \$230 million fraud?

19 A. I'm sorry, could you repeat the  
20 question?

21 Q. Sure. I said what facts do you  
22 have related to the Defendants' intent or  
23 knowledge to cover up the proceeds or hide the  
24 proceeds of the \$230 million fraud?

25 A. What I've -- what I've read in the

1 WILLIAM F. BROWDER (4/15/15)

2 Government's Amended Complaint.

3 Q. Well, we've all read that. What do  
4 you have independent of that?

5 A. I don't have personally anything  
6 independent of that.

7 Q. All right. Do people in your  
8 organization have theories about the  
9 Defendants' intent or knowledge for the  
10 purpose of covering up the \$230 million fraud?

11 A. I believe so.

12 Q. And who's that?

13 A. Lawyers.

14 Q. Same lawyers?

15 A. Same lawyers.

16 MR. CYMROT: Are you instructing  
17 him not to answer as to the substance  
18 of those conversations?

19 MR. KIM: There's no question  
20 about it pending, but to --

21 MR. CYMROT: I understand.

22 MR. KIM: -- the extent you ask  
23 it, I'll make the same objection.

24 MR. CYMROT: Okay.

25 BY MR. CYMROT:



1 WILLIAM F. BROWDER (4/15/15)

2 Q. So what did they tell you?

3 MR. KIM: I object on the  
4 attorney-client privilege is.

5 MR. CYMROT: All right, but you're  
6 instructing him not to answer?

7 MR. KIM: I'm instructing him not  
8 to answer that specific question, but  
9 I'm not objecting generally to the  
10 subject matter, you're free to ask  
11 more questions.

12 MR. CYMROT: Understood.

13 BY MR. CYMROT:

14 Q. So did you have conversations with  
15 the Government about the Defendants' knowledge  
16 of the organization?

17 A. Yes.

18 Q. All right. When were those  
19 conversations?

20 A. They were -- they are and were  
21 ongoing.

22 Q. I see. Are you still collecting  
23 information related to this lawsuit?

24 A. If it -- as it becomes available,  
25 sure.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. So you are still collecting  
3 information?

4 A. Any information that becomes  
5 available, yes.

6 Q. Comes available how?

7 A. Through any or -- every and any  
8 means.

9 Q. So do you have people out asking  
10 questions for information?

11 A. There are investigations going on  
12 in other countries.

13 Q. That --

14 A. That involve the Defendants or  
15 information, more information becomes -- is  
16 becoming available.

17 Q. All right. Which countries?

18 MR. MONTELEONI: Again, I'm going  
19 to request that the witness not answer  
20 to the extent that that information is  
21 not already public.

22 MR. CYMROT: I'm asking -- to be  
23 clear, I'm asking what investigations  
24 is he aware of, of the Defendants in  
25 other countries.

1 WILLIAM F. BROWDER (4/15/15)

2 MR. MONTELEONI: Right. And to  
3 the extent that the existence of those  
4 investigations is public he can  
5 answer. And to the extent that it's  
6 not, we're requesting that he not  
7 answer.

8 MR. KIM: So on this, this is --  
9 we have no position on it, but since a  
10 party has claimed privilege over that  
11 potential response to that question,  
12 we will -- I will instruct the witness  
13 not to answer until that's resolved.

14 MR. CYMROT: All right.

15 BY MR. CYMROT:

16 Q. So what information do you have  
17 about other investigations of Prevezon or  
18 Mr. Katsyv?

19 MR. KIM: Isn't that what you just  
20 asked?

21 MR. CYMROT: Same question, yeah.

22 MR. MONTELEONI: To the extent  
23 it's public, you can answer.

24 MR. KIM: The public part of it,  
25 sorry. Go ahead.

1 WILLIAM F. BROWDER (4/15/15)

2 A. So could you just repeat the  
3 question so I know what I'm answering?

4 BY MR. CYMROT:

5 Q. Yes. What information do you have  
6 about investigations in countries other than  
7 the United States about Prevezon or  
8 Mr. Katsyv?

9 MR. KIM: That is public.

10 THE WITNESS: That's public.

11 MR. CYMROT: That is public.

12 BY MR. CYMROT:

13 Q. Well, that's the instruction you've  
14 been given.

15 A. These two people have been -- or  
16 the Prevezon and Katsyv and Litvak are, I  
17 believe, subjects to criminal investigation in  
18 Switzerland.

19 Q. Have they been named as the subject  
20 of that investigation?

21 A. I don't know the formalities of the  
22 Swiss proceeding.

23 Q. Haven't they been denied a role as  
24 interested parties in that proceeding?

25 A. I don't know.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Well, so what makes you believe  
3 that they are under criminal investigation in  
4 Switzerland as I will tell you they've been  
5 denied access to that investigation as  
6 interested parties?

7 MR. KIM: Objection to form.

8 A. Could you rephrase the question,  
9 please?

10 Q. Yes. What makes you believe  
11 they're under criminal investigation in  
12 Switzerland?

13 A. Because their names are on  
14 documents in the court where they're  
15 requesting that Hermitage didn't have access  
16 to the file.

17 Q. Their names are on documents in the  
18 court where Hermitage does not have access to  
19 the file?

20 A. No. Let's just start again.

21 Q. Yes.

22 A. So they -- they -- they made a  
23 filing with the Swiss criminal tribunal to  
24 deny Hermitage access to the criminal case  
25 file, both Mr. Katsyv and Mr. Litvak.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. And from there you conclude they  
3 are under criminal investigation?

4 A. Why would two people unrelated to  
5 this -- so my assumption --

6 MR. KIM: Mr. Browder, you should  
7 answer a question, not ask a question.

8 MR. CYMROT: Yeah, because I'm not  
9 going to answer your questions.

10 MR. KIM: He's not obligated to  
11 answer.

12 THE WITNESS: Sorry. My mistake.

13 BY MR. CYMROT:

14 Q. That's the basis for your  
15 conclusion that they're under criminal  
16 investigation in Switzerland?

17 A. And I -- I'm trying to remember  
18 what other reasons. Off the top of my head I  
19 can't remember any other reasons.

20 Q. All right. What other countries  
21 have them under criminal investigation  
22 according to you?

23 MR. MONTELEONI: To the extent  
24 that it's public.

25 A. They were under criminal

1 WILLIAM F. BROWDER (4/15/15)

2 investigation in Israel for money laundering.

3 Q. And what happened with that?

4 A. Their money was seized and they

5 walked away.

6 Q. They worked out a settlement and

7 then the Court found there was no money

8 laundering?

9 A. I'm not a legal expert, but that's

10 not how I read it.

11 Q. So what did you read?

12 A. That they had to give the money to

13 the Israeli government as a penalty for money

14 laundering.

15 Q. What did you read?

16 A. I read the Israeli money laundering

17 document.

18 Q. Did you read the document that said

19 the banker who supposedly was the one money

20 laundering was acquitted because there was no

21 money laundering?

22 A. That's not how I read it, but I'm

23 not a lawyer.

24 Q. I see. Were you the one that gave

25 that document to the U.S. attorney?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. Who gave that document to the U.S.  
4 attorney?

5 A. Someone on my team.

6 Q. Who? Somebody on your team  
7 provided it?

8 A. Yes.

9 Q. And who provided it to your team?

10 A. I don't know.

11 Q. Who on your team had that document?

12 A. I don't know.

13 Q. Who did you see -- who gave it to  
14 you?

15 A. I don't remember.

16 Q. When did they give it to you?

17 A. I don't remember.

18 Q. You know, we read your book and you  
19 have all sorts of details going back, I don't  
20 know, 15 years about what people were wearing  
21 and what people did and you had a great memory  
22 where it came to things you wanted to talk  
23 about, but you can't even tell me who gave you  
24 a document just, what, last year, this year?

25 A. Is there a question?



1 WILLIAM F. BROWDER (4/15/15)

2 Q. Yeah. You're telling me you can't  
3 remember who gave you that document this year?

4 A. Yes.

5 Q. It was somebody within your  
6 organization?

7 A. Yes.

8 Q. All right. Are you aware of any  
9 other criminal investigations of the  
10 Defendants?

11 MR. MONTELEONI: To the extent  
12 they're public.

13 Q. Or Mr. Katsyv or Mr. Litvak?

14 A. There's no other information that's  
15 not public that I can share.

16 Q. And the information that you got,  
17 you got from the U.S. attorney? In other  
18 words, where did you get the information about  
19 other criminal investigations of the  
20 Defendants, Mr. Katsyv and Mr. Litvak?

21 MR. MONTELEONI: To the extent  
22 that that question is asking about  
23 whether he got information about some  
24 type of nonpublic investigation, if  
25 any, I'm going to request that the

1 WILLIAM F. BROWDER (4/15/15)  
2 witness not answer that question.

3 MR. KIM: So because a party is  
4 claiming privilege over the ans- --  
5 potential answer to that particular  
6 question, I'm going to ask the witness  
7 or instruct the witness not to answer  
8 to the extent it reveals the  
9 information that the U.S. Attorney's  
10 Office just mentioned.

11 MR. CYMROT: So to be clear, if he  
12 didn't get it from you but he got it  
13 from somebody else, you're saying we  
14 can't have that information; you're  
15 asserting what privilege?

16 MR. MONTELEONI: The -- the law  
17 enforcement privilege with respect to  
18 ongoing investigation -- ongoing  
19 criminal investigations that are not  
20 public.

21 MR. CYMROT: And he got the  
22 information from a third party?

23 MR. MONTELEONI: We -- any  
24 information about an ongoing law  
25 enforcement investigation that's not

1 WILLIAM F. BROWDER (4/15/15)  
2 public is something that's covered by  
3 the law enforcement privilege. And  
4 the interaction that he had with that  
5 information and he came into that  
6 investigation any knowledge he may of  
7 that investigation, to the extent that  
8 it's about something that's ongoing,  
9 it's criminal, it's not public under  
10 the law enforcement privilege.

11 MR. CYMROT: Worldwide?

12 MR. MONTELEONI: Well, I guess,  
13 yes, including with respect to --  
14 to -- I mean, if you're asking for a  
15 list of -- of countries, then yes. If  
16 you wanted to ask country by country,  
17 I suppose he could answer on that --  
18 on that basis, but...

19 MR. CYMROT: I'm asking are you  
20 asserting this privilege worldwide,  
21 any law enforcement agency anywhere,  
22 information coming from a third party,  
23 you're claiming the law enforcement  
24 privilege?

25 MR. MONTELEONI: Based on the

1 WILLIAM F. BROWDER (4/15/15)  
2 information that we have, we think  
3 that the answer to questions about the  
4 witness's knowledge of ongoing  
5 nonpublic criminal investigations  
6 conducted by other countries would  
7 implicate the United States's law  
8 enforcement privilege.

9 The United States I can say has  
10 been working with other countries in  
11 conducting investigations and has law  
12 enforcement interests in nonpublic  
13 criminal investigations conducted by  
14 other countries not being jeopardized  
15 by premature disclosure.

16 MR. CYMROT: Okay. And you're  
17 instructing him not to answer on that  
18 basis, right?

19 MR. KIM: This is not my privilege  
20 call, I'm not here to adjudicate.

21 MR. CYMROT: I understand.

22 MR. KIM: I'm just going to  
23 respond to specific questions. I  
24 understand that the last question  
25 elicited a privilege objection, and

1 WILLIAM F. BROWDER (4/15/15)  
2 it's our position and I'm instructing  
3 the witness not to answer while a  
4 party claims privilege until it has  
5 been adjudicated.

6 BY MR. CYMROT:

7 Q. Okay. So let me ask you this: Are  
8 you familiar with a Mutual Legal Assistance  
9 Treaty request from the United States to  
10 Russia?

11 A. I've read about it in -- in either  
12 the Complaint or some of the docket filings.

13 Q. Okay. And do you have any  
14 knowledge about how the Russian Federation  
15 responded to the United States with respect to  
16 that MLAT request?

17 A. I don't.

18 Q. Have you ever seen that MLAT  
19 request?

20 A. No.

21 Q. Have you seen the United States'  
22 request to the Netherlands?

23 A. No.

24 Q. Are you aware of any United States'  
25 request under mutual legal assistance treaties

1 WILLIAM F. BROWDER (4/15/15)

2 to any other country related to this case?

3 A. Only what I've read in the public  
4 documents on the docket.

5 Q. Okay. Are you aware of any other  
6 informal requests from the United States to  
7 other countries in connection with this case?

8 A. No. No.

9 Q. Do you know whether a Grand Jury  
10 has been paneled to investigate the  
11 \$230 million fraud?

12 A. Only what I've read on the public  
13 docket.

14 Q. Have you testified before a Grand  
15 Jury?

16 THE WITNESS: Is this a privilege?

17 MR. CYMROT: No. The witness  
18 doesn't have a privilege.

19 MR. KIM: I think the witness just  
20 asked the question. We're not  
21 asserting a privilege.

22 MR. CYMROT: No, but...

23 MR. MONTELEONI: No, the witness  
24 can answer.

25 A. Okay, no.

1 WILLIAM F. BROWDER (4/15/15)

2 BY MR. CYMROT:

3 Q. Do you know anybody who's testified  
4 before a Grand Jury in connection with the  
5 \$230 million fraud?

6 A. No.

7 Q. So according -- going back to  
8 Exhibit 13, the United States represents that  
9 you have information concerning the transfers  
10 described in to the Verified Complaint; do you  
11 see that?

12 A. Could you just further me to which  
13 subject matter this is?

14 Q. It's No. 7.

15 A. Yes, I see that.

16 Q. Do you have information about the  
17 transfers? Do you know what transfers that  
18 that refers to?

19 A. I'm not sure, no.

20 Q. All right. So generally, it's the  
21 transfers from the Russian Treasury through  
22 the various accounts, the chart that we were  
23 looking at getting to allegedly the Prevezon  
24 accounts with...

25 A. Right.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Do you have any information about  
3 those transfers?

4 A. No.

5 Q. Did you ever tell the United States  
6 you had information about those transfers?

7 A. We provided a Complaint or I should  
8 say actually I -- I submitted a Complaint to  
9 the New York District Attorney's office with  
10 all that stuff attached, so maybe they --

11 Q. But you have no -- you have no  
12 understanding about what those transfers are  
13 or what they mean?

14 A. No. No, I don't.

15 Q. And it says "Additional transfers  
16 that support the allegations in the Verified  
17 Complaint."

18 Now this time I can't help you, I  
19 don't know what additional transfers, but do  
20 you know what additional transfers you're  
21 referring to?

22 A. No.

23 Q. Do you have information about  
24 additional transfers of funds that would  
25 support the allegations in the Verified



1 WILLIAM F. BROWDER (4/15/15)

2 Complaint?

3 A. No.

4 Q. Do you know anything about the  
5 tracing methodology -- methodology tracing  
6 funds from the Russian Treasury to the  
7 Defendants?

8 A. Just what I've read in our  
9 Complaint.

10 Q. In the Exhibit 1 that we looked at  
11 at the beginning?

12 A. I read the text of the Complaint.

13 Q. Of the Verified Complaint?

14 A. I read the text or at least what we  
15 provided to the Govern- -- to the New York  
16 USDA's office and I read the Verified  
17 Complaint.

18 Q. Okay. When you say "our  
19 Complaint," you're talking about the one that  
20 went to the D.A.?

21 A. Correct. The Hermitage Capital  
22 Complaint.

23 Q. All right. You read it, but you  
24 don't really understand it; is that accurate?

25 A. I read it, but I can't explain the

1 WILLIAM F. BROWDER (4/15/15)

2 documents in the back.

3 Q. So information about the nature of  
4 businesses operated by the Defendants, do you  
5 have knowledge about that?

6 A. I have a little bit of knowledge  
7 about that.

8 Q. What do you know about the nature  
9 of businesses operated by the Defendants?

10 A. That the Defendants operate a -- or  
11 I should say the Peter -- or Denis Katsyv  
12 operates a transportation company in Moscow.

13 Q. And what else?

14 A. I think he has a hotel in Kozelsk  
15 or someplace like that.

16 Q. That's in Russia?

17 A. Yes.

18 Q. What else?

19 A. Off the top of my head that's what  
20 I remember.

21 Q. Have you given that information to  
22 the U.S. Attorney's Office?

23 A. I don't remember if I did or  
24 didn't.

25 Q. And how do you know that

1 WILLIAM F. BROWDER (4/15/15)

2 information?

3 A. I read it somewhere.

4 Q. Read it where?

5 A. It's online.

6 Q. What website?

7 A. I don't know.

8 Q. Did you ever meet Denis Katsyv?

9 A. No.

10 Q. Have you --

11 (Whereupon, an off-the-record

12 discussion was held.)

13 MR. CYMROT: I'm told there's a  
14 problem with the audio. We're being  
15 told there's a problem with the audio.

16 (Whereupon, at this time, a short  
17 break was taken.)

18 BY MR. CYMROT:

19 Q. All right. Have you conducted any  
20 investigation of the businesses operated by  
21 Defendants?

22 A. No.

23 Q. Has anybody in your organization?

24 A. Yes.

25 Q. Who is that?

1 WILLIAM F. BROWDER (4/15/15)

2 A. My legal team.

3 Q. And what's the nature of the  
4 investigation?

5 MR. KIM: I give the same  
6 objection, that I believe that  
7 question would call for the contents  
8 of Mr. Browder's conversations with  
9 his legal team and subject to  
10 attorney-client privilege, so I  
11 instruct the witness not to answer  
12 that particular question.

13 Q. Did you give information about the  
14 nature of the businesses operated by  
15 Defendants to the Government?

16 A. Yes.

17 Q. And documents?

18 A. Yes.

19 Q. And what documents are those?

20 A. Information about their  
21 transportation company, et cetera.

22 Q. And where -- where -- and you got  
23 all this information online; is that what  
24 you're saying?

25 A. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Did you get any information from  
3 Dmitry Baranovsky?

4 A. No.

5 Q. You produced documents in response  
6 to a document request for information from  
7 Dmitry Baranovsky and it included all the  
8 property records of Prevezon. Did you get  
9 that from Mr. Baranovsky?

10 A. No.

11 Q. Did you get it from Mr. Stolbunov?

12 A. No.

13 Q. Do you know Mr. Stolbunov?

14 A. No.

15 Q. Andrei Stolbunov?

16 A. I don't know him.

17 Q. Do you know Mr. Baranovsky?

18 A. No.

19 Q. You called him in one of your  
20 pleadings a human rights campaigner; do you  
21 remember doing that?

22 A. Vaguely.

23 Q. And what's the basis for doing  
24 that?

25 A. The -- his background story.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. His background story being he's in  
3 prison for trying to extort \$20 million in  
4 property from Mr. Katsyv; is that the  
5 background story you're talking about?

6 A. No.

7 Q. You're aware that he's been  
8 convicted of extortion, right?

9 A. I am.

10 Q. Not just from Mr. Katsyv on several  
11 occasions at least more than one you're aware  
12 of that?

13 A. No.

14 Q. Have you had any communications  
15 with Mr. Bern move ski?

16 A. No.

17 Q. Have you had any communications  
18 with Andre stove move?

19 A. No.

20 Q. Have you had any communications  
21 with Mr. Pavlov who's in the Complaint?

22 A. No.

23 Q. What made you think about that?  
24 You may have?

25 A. I'm trying to give you a correct

1 WILLIAM F. BROWDER (4/15/15)

2 answer.

3 Q. Do you know whether members of your  
4 team have had communications with  
5 Mr. Baranovsky?

6 A. I'm not aware of them having  
7 communications with him.

8 Q. Do you know whether members of your  
9 team had communications with Mr. Stolbunov?

10 A. I'm not aware.

11 Q. Do you know whether Brown Rudnick  
12 has had communications with Mr. Stolbunov?

13 A. I'm not aware.

14 Q. Do you know whether Mr. Stolbunov  
15 has met with Brown Rudnick?

16 A. I'm not aware.

17 Q. Do you get reports on the  
18 investigation going on by your team in  
19 connection with this case?

20 A. Sometimes.

21 Q. Are they in writing?

22 A. No.

23 Q. Oral?

24 A. Yes.

25 Q. So you intentionally keep them from

1 WILLIAM F. BROWDER (4/15/15)

2 being written down?

3 A. No.

4 Q. So why are they only giving you --

5 you don't exchange e-mails about this case?

6 A. We exchange e-mails about lots of

7 things.

8 Q. And about this case?

9 A. About -- sometimes we do, yes.

10 Q. So there are writings about this

11 case?

12 A. That wasn't your -- that wasn't

13 your question before.

14 Q. All right. Are there any writings

15 that your team has given you about this case?

16 A. Yes.

17 Q. And they're in e-mails?

18 A. I believe so.

19 Q. All right.

20 MR. CYMROT: All right. So let's

21 go to the Amended Complaint, which

22 we're going to mark as a new exhibit.

23 (Browder Exhibit 14, Verified

24 Amended Complaint was marked for

25 identification, as of this date.)



1 WILLIAM F. BROWDER (4/15/15)

2 BY MR. CYMROT:

3 Q. So this is Exhibit 14, the Verified  
4 Amended Complaint, which was filed on  
5 November 5, 2014. All right.

6 You're familiar with that document,  
7 right?

8 A. Yes.

9 Q. You read it more than once, I  
10 imagine?

11 A. What's the question?

12 Q. Have you read it more than once?  
13 You've read it?

14 A. I read the document.

15 Q. Okay. Did you discuss it with  
16 anybody in the U.S. Attorney's Office?

17 A. I don't recall.

18 Q. Did you review it before it was  
19 filed?

20 A. No.

21 Q. Did anybody on your team review it  
22 before it was filed?

23 A. Not that I'm aware of.

24 Q. Let's look at paragraph 39. Okay.

25 Okay. If you look at the last

1 WILLIAM F. BROWDER (4/15/15)  
2 sentence in paragraph 39, it says "During the  
3 relevant period, the head of Moscow, Tax  
4 Office No. 25 was Yelena Khimina, who on  
5 information and belief is a member of the  
6 organization, and the head of the Moscow Tax  
7 Office No. 28 was Stepanova, who had traveled  
8 to Larnaca in May of 2007 and on information  
9 and belief met with Klyuev to plan the  
10 \$230 million fraud scheme."

11 Do you see that?

12 A. I do.

13 Q. Do you know where the -- do you see  
14 that Ms. Khimina is described on information  
15 and belief as a member of the organization; do  
16 you see that?

17 A. Yes.

18 Q. But Ms. Stepanova is not; do you  
19 see that?

20 A. Um-hum.

21 Q. Did you discuss that with the U.S.  
22 Attorney's Office?

23 A. No.

24 Q. So as far as you're concerned,  
25 Ms. Stepanova is not a member of the

1 WILLIAM F. BROWDER (4/15/15)

2 organization?

3 A. No.

4 Q. To be clear, I am correct that in  
5 your view, Ms. Stepanova's not a member of the  
6 organization?

7 A. You're incorrect.

8 Q. I am incorrect.

9 So in your view, Ms. Stepanova is a  
10 member of the organization?

11 A. Yes.

12 Q. And what facts lead you to believe  
13 Ms. Stepanova is a member of the organization?

14 A. Well, there's a number of facts.

15 Q. Go ahead. What are they?

16 A. First of all, she was one of the  
17 people who approved the tax refund in one day,  
18 on November or December 24, 2007. The lar- --  
19 lion's share of the tax refund.

20 Q. Anything else?

21 A. That her husband or ex-husband,  
22 depending on whose version you believe,  
23 received around -- somewhere between 7 and  
24 \$10 million in his account at Credit Suisse  
25 from the fraud -- following the fraud.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Okay. Anything else?

3 A. That the two of them, husband and  
4 wife, purchased real estate in Dubai.

5 Q. Anything else?

6 A. And the travel records of the  
7 Stepanova's -- Stepanova, Stepanova.

8 Q. To Larnaca. The ones we referred  
9 to before?

10 A. Also the travel records to Dubai  
11 and various other places.

12 Q. What other places?

13 A. I don't remember off the top of my  
14 head.

15 Q. Anything else?

16 A. That's all I can recall at the  
17 moment.

18 Q. Okay. So, first of all, you said  
19 this is the Klyuev organization; is that  
20 right?

21 A. That's correct.

22 Q. And who's in the Klyuev  
23 organization?

24 A. Olga Stepanova, Yelena Khimina.

25 Q. Well, these are just the

1 WILLIAM F. BROWDER (4/15/15)

2 functionaries. I mean, who -- isn't that  
3 true? These aren't the planning people?

4 A. Is -- is -- what's the question?

5 Q. Who is -- let me amend the  
6 question.

7 Who's at the top of the Klyuev  
8 organization?

9 A. Dmitry Klyuev.

10 Q. And who are his deputies?

11 A. Andrey Pavlov.

12 Q. Anybody else?

13 A. Yes.

14 Q. Who else?

15 A. Artem Kuznetsov.

16 Q. All right. Anybody else?

17 A. Oleg Urzhumstev.

18 Q. Who is that?

19 A. Oleg Urzhumstev.

20 Q. How do you spell that?

21 A. I don't know.

22 Q. Urzhumstev?

23 A. You can ask your clients. They'll  
24 know.

25 Q. Why would my clients know?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Seems like they would know how to  
3 spell a Russian name like that.

4 Q. That's just a crack, right? You  
5 were just being sarcastic?

6 A. Just -- just...

7 Q. You think it's funny being here,  
8 them having all their property attached in the  
9 United States? It's worth being sarcastic  
10 about? Is that what you think?

11 A. What's the question?

12 Q. Whether you think it's appropriate  
13 to be sarcastic in a situation like this?

14 Do you have an answer for my  
15 question?

16 A. I'm thinking.

17 Q. Of another sarcastic remark?

18 A. No.

19 Q. You're not suggesting  
20 Mr. Urzhumstev has any relationship to  
21 Mr. Katsyv, do you?

22 A. I don't know.

23 Q. What's his profession?

24 A. He's in the Interior Ministry --  
25 was in the Interior Ministry.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Anybody else in the Klyuev  
3 lieutenant circle?

4 A. Yes. Pavel Karpov.

5 Q. Yes?

6 A. Viktor Markelov.

7 Q. The sawmill operator?

8 A. Yes.

9 Q. Who else?

10 A. Vyacheslav Khlebnikov.

11 Q. The other person who was convicted?

12 A. He was convicted, yes.

13 Q. Who else?

14 A. The deputies of Stepanova and  
15 Khimina, whose names escape me at the moment.

16 Q. Anybody else?

17 A. There are probably others, but I  
18 don't have them on top of my hand.

19 Q. Have you traced any of the  
20 \$230 million to Mr. Klyuev?

21 A. It went through Universal Savings  
22 Bank, which was his bank.

23 Q. Any of it stay there and he  
24 pocketed it?

25 A. I don't know.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. You have no information to suggest  
3 that happened, right?

4 A. He was involved in the  
5 money-laundering operations.

6 Q. How was he involved?

7 A. By providing the bank.

8 Q. Did he actually order money moved?

9 A. I don't know what his -- I don't --  
10 I wasn't a witness to his actions.

11 Q. So you don't have any information  
12 about him receiving money or ordering the  
13 movement of money?

14 A. No.

15 Q. Mr. Pavlov, have you traced any  
16 money to the \$230 million fraud to Mr. Pavlov?

17 A. Actually, let me correct my  
18 previous statement. I believe there was some  
19 money that was traced to -- to Klyuev and  
20 Pavlov in site -- into companies they were  
21 involved in in Cyprus.

22 Q. Traced by who?

23 A. By my team.

24 Q. Did you give that information to  
25 the U.S. Attorney's Office?



1 WILLIAM F. BROWDER (4/15/15)

2 A. I don't remember.

3 Q. Is it anywhere in Exhibit 1?

4 A. I don't know.

5 Q. Did you trace any -- well, if it's  
6 not in Exhibit 1, where would it have been  
7 given?

8 A. I don't know.

9 Q. Well, if you look at the tracing  
10 which is exhibit -- Tab 8 -- and take your  
11 time, but it makes no reference, that I'm  
12 aware, to companies being controlled by Klyuev  
13 or Pavlov.

14 A. Which -- which section should I be  
15 looking at?

16 Q. Any section you want, but the  
17 tracing -- the bank transactions are in Tab 8.

18 (Whereupon, an off-the-record  
19 discussion was held.)

20 A. No, you -- not in this -- the  
21 document.

22 THE WITNESS: Could I ask for a  
23 break?

24 MR. CYMROT: Sure.

25 THE VIDEOGRAPHER: The time is

1 WILLIAM F. BROWDER (4/15/15)

2 2:38 p.m. We are off the record.

3 (Whereupon, at this time, a short  
4 break was taken.)

5 THE VIDEOGRAPHER: The time is

6 2:42 p.m. We are back on the record.

7 BY MR. CYMROT:

8 Q. All right. So, Mr. Browder,  
9 there's nothing in Exhibit 1 about any tracing  
10 to Mr. Klyuev or Mr. Pavlov to Cyprus  
11 Companies. So is there somewhere else that  
12 you provided this to the U.S. government?

13 A. No, not -- I don't remember what we  
14 provided in -- in relation to this issue.

15 Q. Do you re -- are you sure there --

16 A. I think I -- let me -- let me  
17 rephrase. I didn't provide anything to the  
18 U.S. government on this issue.

19 Q. Did anybody on your team provide  
20 information to the U.S. government on this  
21 issue?

22 A. Not that I'm aware of.

23 Q. Are you sure that that tracing  
24 occurred to Cyprus Companies for Pavlov and  
25 Klyuev?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Yes.

3 Q. You're sure?

4 A. Yes.

5 Q. And So you have information of that  
6 nature?

7 A. I don't personally. My team has  
8 it.

9 Q. I see.

10 And you haven't produced it to us  
11 one more time; is that right?

12 Was that intentional?

13 A. No.

14 Q. How did you get the information?

15 A. I don't know.

16 Q. Who got the information?

17 A. My team.

18 Q. Who on your team got this  
19 information?

20 A. Lawyers and my staff.

21 Q. What lawyers and what staff?

22 A. Vladimir Pastukhov and Vadim  
23 Kleiner and other lawyers.

24 Q. How much money went to Mr. Klyuev  
25 and Mr. Pavlov?

1 WILLIAM F. BROWDER (4/15/15)

2 A. I don't know.

3 And let me -- let me -- well, yes.

4 I don't know. Let's stick with that answer.

5 Q. Have you traced any money to  
6 Mr. Kuznetsov?

7 A. Not to my personal knowledge.

8 Q. Can you speak up, please.

9 A. Not to my personal knowledge.

10 Q. Have you traced any money from the  
11 \$230 million fraud to Mr. Urzhumstsev?

12 A. Who?

13 Q. This fellow we had this little go  
14 around about how you spell list name.  
15 Urzhumstsev? Urzhumstsev?

16 A. Oh, you mean -- you mean Urzh- --  
17 Urzhumstsev.

18 Q. Urzhumstsev. I won't be able to  
19 spell it in.

20 A. Right. I --

21 Q. Did you trace any money to him?

22 A. Not in my personal knowledge.

23 Q. Trace any money from the fraud to  
24 Mr. Karpov?

25 A. Not to my personal knowledge.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. And Mr. Markelov?

3 A. Yes. He was the -- he was the  
4 owner of the stolen companies.

5 Q. Did you trace any money into a bank  
6 account from Mr. Markelov --

7 A. He was --

8 Q. -- from the \$230 million fraud?

9 A. Yes.

10 Q. How much money?

11 A. About two-thirds of the  
12 \$230 million went to his accounts at USB.

13 Q. Okay. So he was the account holder  
14 at USB for the money that came through USB?

15 A. No. He was the -- he was the owner  
16 of the company -- I believe a director, but  
17 I'm not sure about that -- of -- of the -- he  
18 was the owner of the three stolen Hermitage  
19 companies and director of one of them, I  
20 believe.

21 Q. And did any of the money stay in  
22 bank accounts that he had access to?

23 A. Not to my personal knowledge.

24 Q. Mr. Khlebnikov, the other fellow  
25 who was convicted, did you trace any money to

1 WILLIAM F. BROWDER (4/15/15)

2 him?

3 A. He was the director of one of the  
4 companies that received part of the  
5 \$230 million.

6 Q. And did any money stay in that  
7 account for his use?

8 A. Not to my personal knowledge.

9 Q. Did you trace any money to  
10 Ms. Khimina, the head of Tax Office No. 25?

11 A. Yes.

12 Q. How much money did you trace to  
13 Ms. Khimina?

14 A. I don't remember the exact amount,  
15 but she used money to buy apartments in Dubai  
16 that was wired by Credit Suisse.

17 Q. And how do you trace that back to  
18 the Russian \$230 million fraud?

19 A. I didn't do the tracing.

20 Q. You don't have any idea?

21 A. No.

22 Q. And Mr. -- Ms. Stepanova you say  
23 got money because Mr. Stepanov, her husband,  
24 got money, according to you.

25 A. That's correct.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Right?

3 A. Yes.

4 Q. Right. You say husband or  
5 ex-husband, there's a dispute about that.

6 A. Correct.

7 Q. What's the dispute?

8 A. Whether they're divorced or not.

9 Q. Whether they've ever been divorced?

10 A. Whether they're divorced or not  
11 or -- or legitimately divorced or whether it  
12 means anything.

13 Q. I see. So Mr. Step -- Stepanov  
14 claims they were divorced in the 1990s, right?

15 A. I don't remember when -- when they  
16 were supposed to have been divorced, no. I  
17 don't know the details.

18 Q. I see. You traced any money into  
19 her name?

20 A. No.

21 Q. So it's all to Mr. Stepanov?

22 A. Again, so the -- so you have the  
23 Olga Stepanova, who is the head of Tax Office  
24 No. 28, approving the tax refunds.

25 Q. Right.

1 WILLIAM F. BROWDER (4/15/15)

2 A. And then that money going to  
3 accounts in her husband's name at Credit  
4 Suisse.

5 Q. According to you.

6 A. I'm sorry. I'm sorry.  
7 Ex-husband's name. Excuse me.

8 Q. Husband or ex-husband, depending on  
9 how you resolve the dispute.

10 A. Correct.

11 Q. Okay. So if you look at the  
12 Amended Complaint, paragraph 69. This relates  
13 to the conviction of Mr. Markelov and  
14 Mr. Khlebnikov. And if you look at the  
15 second-to-last sentence, it says, "The verdict  
16 announcing Markelov sentence claim that the  
17 tax authorities were deceived by Markelov and  
18 not complicit."

19 Do you see that?

20 A. Um-hum.

21 Q. That would be refer- --

22 You have to give me a yes for that.

23 A. Oh, I'm sorry. Yes.

24 Q. Okay. So that would be referring  
25 to Ms. Stepanova and Ms. -- Ms. Khimina,



1 WILLIAM F. BROWDER (4/15/15)

2 right?

3 A. Yes.

4 Q. All right. Are you saying that the  
5 judge was corrupt?

6 MR. KIM: Objection to form. You  
7 talking about the Complaint or him?

8 MR. CYMROT: No. I'm talking  
9 about whether he's saying the judge  
10 that made that finding.

11 Q. Are you saying that judge was  
12 corrupt?

13 A. Could you just rephrase.

14 Q. Are you saying that the judge that  
15 made that finding that the tax authorities  
16 were deceived by Markelov and not complicit --  
17 that's contrary to your theory, right? Your  
18 theory is they were complicit?

19 A. Yes. They were complicit.

20 Q. Right. So are you saying that the  
21 judge was corrupt?

22 A. I don't know whether he was corrupt  
23 or whether he was threatened or whether he was  
24 stupid, but he --

25 Q. Do you know?

1 WILLIAM F. BROWDER (4/15/15)

2 A. I don't -- I don't know.

3 Q. Do you know whether he was corrupt?

4 A. I -- I don't know whether he was  
5 corrupt.

6 Q. Do you know whether he was  
7 threatened?

8 A. I don't know whether he was  
9 threatened.

10 Q. Do you know whether he was stupid?

11 A. I don't know whether he was stupid,  
12 but I do know one of the three.

13 Q. Because you want to believe that,  
14 right?

15 You don't have any facts that would  
16 support that, right?

17 MR. KIM: Objection to form. Is  
18 it the last question you want him to  
19 answer, or the --

20 Q. So -- so do you have any facts that  
21 would support that the judge who made that  
22 finding was corrupt, threatened, or stupid?

23 A. The information available on this  
24 case is clear and overwhelming that the tax  
25 authorities were complicit. And for a judge

1 WILLIAM F. BROWDER (4/15/15)

2 to ignore that information, he would have had  
3 to be either corrupt, threatened, or stupid.

4 Q. So let me -- so the information  
5 available on the Markelov case makes it clear  
6 that the tax authorities were complicit?

7 A. No. The information available on  
8 the -- yes. The information that's  
9 available -- the information that's in -- in  
10 the case file makes it pretty clear to me that  
11 the tax authorities were complicit.

12 Q. And you're talking about the  
13 Markelov case file?

14 A. Yes.

15 Q. And you reviewed the Markelov case  
16 file?

17 A. No.

18 Q. But you made the conclusion even  
19 though you didn't review the file?

20 A. I have information from the file  
21 that was presented to me.

22 Q. By whom?

23 A. By my team.

24 Q. The lawyers that you're referring  
25 to?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Yes.

3 Q. And how did they get access to the  
4 criminal file of Mr. Markelov?

5 A. I don't know.

6 Q. Is it legal for them to have that  
7 information?

8 A. They -- I would assume, yes.

9 Q. You're sure about that?

10 A. Yes.

11 Q. And what information are you  
12 referring to?

13 A. I'm referring to checks that took  
14 place -- there's actually docu- -- I can -- I  
15 can read you from the Complaint, if you want.

16 Q. Sure.

17 A. Would that -- would that be helpful  
18 to you?

19 Q. If there's something in the  
20 Complaint you want to refer to, be my guest.

21 A. It might -- might take me a few  
22 minutes to find it, but just bear with me.

23 Q. Well, if you tell me what it is, I  
24 might help you.

25 A. Okay. I want to -- hold on. No,

1 WILLIAM F. BROWDER (4/15/15)

2 I'll find it.

3 Paragraph 42. Should I read it out  
4 loud to you?

5 Q. If you want. It talks about how  
6 the tax authority said they verified.

7 A. Let me read it out loud to you:

8 "In sub- -- in subsequent  
9 investigation, officials of Tax Offices No. 25  
10 and 28 made witness statements claiming that  
11 amended tax returns were submitted in or about  
12 November of 2007 and claim to have taken  
13 certain steps to verify the legitimacy of  
14 claimed losses.

15 "These statements do not appear to  
16 be fully accurate. One official claimed,  
17 among other things, to have checked with the  
18 corresponding tax authorities whether the  
19 Plaintiff's in the sham lawsuits had reported  
20 receivables corresponding to the fraudulently  
21 obtained judgments and have found positive  
22 receivables reported. However, the forms in  
23 Star and grant acts you've actually filed with  
24 the tax authority show zero receivables over  
25 all relevant time periods.

1 WILLIAM F. BROWDER (4/15/15)

2 "One of the judgments on which the  
3 refund applications were based, by its own  
4 terms, did not go into legal effect until  
5 January 11, 2008. Nevertheless, on  
6 December 24, 2007, the same day that the most  
7 of -- of the refund applications were filed  
8 and one business day after the others were  
9 filed, Khimina and Stepanova, as head of  
10 Moscow Tax Office 25 and 28, approved the  
11 \$230 million in refunds which, on information  
12 and belief, amounted to the largest known tax  
13 refund in Russian history."

14 Q. Is that what you're referring to?

15 A. Yes.

16 Q. And this is information your team  
17 got from the tax authorities?

18 A. (No verbal response.)

19 Q. Where did you get this information?

20 A. I don't know.

21 Q. Is it legal for you to have tax  
22 information from taxpayers other than your  
23 own?

24 A. Yes.

25 Q. It's legal?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Yes.

3 Q. Anybody can have access to tax  
4 information in Russia?

5 A. No.

6 Q. So why is it legal for you to have  
7 it?

8 A. Because we got it legally.

9 Q. How did you get it legally?

10 A. I don't know.

11 Q. You're sure you got it legally, but  
12 you don't know how you got it?

13 A. Yes.

14 Q. And what makes you so sure you got  
15 it legally?

16 A. Because I work with reliable people  
17 who do things by the law.

18 Q. Now, Mr. Kleiner, according to your  
19 book, went into Moscow. He has sources, you  
20 say, and he got information.

21 So why wouldn't he tell you who the  
22 sources are if he has information that's  
23 legally obtained?

24 A. What's the question?

25 Q. Why wouldn't he tell you who the

1 WILLIAM F. BROWDER (4/15/15)

2 sources are if he has information that's  
3 legally obtained?

4 A. The question -- you're making an  
5 assumption with a question.

6 Q. I'm quoting your book which says,  
7 "Mr. Kleiner said, 'I have sources in -- in  
8 Moscow, and he came back with information, I  
9 think, from the Central Bank.'"

10 Why would he need sources if it was  
11 legal to have the information?

12 A. Are you asking about this  
13 information or are you asking about different  
14 information?

15 Q. I'm asking about the information in  
16 the book.

17 A. Which -- which information?

18 Q. That Mr. Kleiner got from the  
19 Central Bank --

20 A. Okay --

21 Q. -- from sources?

22 A. Okay. So you're -- you're not --  
23 you're asking about the Central Bank, not --  
24 not about the tax records now.

25 Q. That's right.



1 WILLIAM F. BROWDER (4/15/15)

2 A. Okay. So what is the question  
3 about the Central Bank records?

4 Q. How -- why would he need sources to  
5 get legal information?

6 A. I don't know.

7 Q. Okay. And you have no idea how the  
8 tax information came in possession of your  
9 team because they never do anything wrong,  
10 right?

11 A. I -- I don't know how my team got  
12 this information, and I'm -- I assume and I'm  
13 confident that it was obtained legally.

14 Q. Because that's what you want to  
15 believe. But you can't give us any facts.

16 Give me a fact. Give me a fact.  
17 Rather than your belief, your general belief,  
18 give me a fact that would tell me this stuff  
19 was obtained legally.

20 A. Is that a question?

21 Q. Yes. Give me a fact.

22 A. I have -- I am -- I have no facts  
23 to give you.

24 Q. So the best thing to say was, "I  
25 believe it was obtained legally," right?

1 WILLIAM F. BROWDER (4/15/15)

2 MR. KIM: Objection to the form.

3 A. What's the question?

4 Q. I'll withdraw it.

5 So you claim that Ms. Stepanova got  
6 a lot of money, right?

7 A. I claim that she and her husband  
8 profited from this crime in large amount, yes.

9 Q. Right. And you make the conclusion  
10 that she and her husband profited from the  
11 fact that -- you say -- he got money in his  
12 name?

13 A. That's one of the -- one of the --  
14 one of the assumptions about her wealth.

15 Q. Is -- one of the assumptions is  
16 that he got money from the \$230 million fraud?

17 A. Correct.

18 Q. And the other assumption is they're  
19 still married?

20 A. Another assumption is they live in  
21 a -- in a \$20 million house in Moscow on a  
22 salary of \$38,000 a year.

23 Q. I see. And it shouldn't be very  
24 hard, if she lives there, for somebody to  
25 knock at that -- knock on the door and say,

1 WILLIAM F. BROWDER (4/15/15)

2 "Hello, Ms. Stepanova. We want to ask you  
3 some questions," but nobody's ever done that,  
4 right?

5 A. I'm not sure who has or hasn't  
6 knocked on her door.

7 Q. I see. Has anybody on your team  
8 ever spoken to Ms. Stepanova?

9 A. No.

10 Q. Has anybody on your team ever  
11 observed her at that \$20 million house?

12 A. Nobody on my team has, but I --  
13 I've some -- received information from people  
14 who have --

15 Q. Okay.

16 A. -- observed her.

17 Q. "People." Can you give me some  
18 names?

19 A. Alexander Perepilichny.

20 Q. Who is deceased?

21 A. Correct.

22 Q. Did he give you the information in  
23 writing?

24 A. He gave us a bunch of bank  
25 documents about Ms. -- or Ms. Stepanova's

1 WILLIAM F. BROWDER (4/15/15)

2 husband's account.

3 Q. Right. About the husband's  
4 accounts. But none of these documents  
5 mentioned Ms. Stepanova, correct?

6 A. I'm not sure.

7 Q. Well, why don't we take a look at  
8 them. You sent the documents to the Swiss  
9 authorities, right?

10 A. Correct.

11 MR. CYMROT: Let me mark an  
12 exhibit. This is Exhibit 15. It's a  
13 letter dated 28 January 2011 to the  
14 attorney general of Switzerland and  
15 others. It's signed by Neil  
16 Micklethwaite.

17 (Browder Exhibit 15, document  
18 Bates stamped PREV\_000002326 was  
19 marked for identification, as of this  
20 date.)

21 BY MR. CYMROT:

22 Q. Can you identify that document?

23 (Whereupon, an off-the-record  
24 discussion was held.)

25 A. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 BY MR. CYMROT:

3 Q. All right. Do you recognize it.

4 What is it?

5 A. This is the Complaint that was  
6 filed by Brown Rudnick on behalf of Hermitage  
7 Capital Management to the Swiss attorney  
8 general in January 2011 in relation to the --  
9 part of the --

10 Q. Speak up a little.

11 A. You want me to repeat what I said  
12 or just --

13 Q. No, no. Keep going.

14 A. -- in relation to the money that  
15 showed up in Switzerland from the \$230 million  
16 tax-rebate fraud.

17 Q. Okay. So let's go to the Verified  
18 Complaint first and then go -- did you provide  
19 this Swiss document to the U.S. government?

20 A. I don't remember.

21 Q. Do you know what the -- well, let's  
22 go to the Amended Complaint, paragraph 97.

23 So you say -- you didn't say -- the  
24 U.S. government said. And actually starts in  
25 96 and it's...

1 WILLIAM F. BROWDER (4/15/15)

2 All right. So in 96 it says, "For  
3 example, Arivust Holdings is a Cyprus-based  
4 company with a bank account at Swiss bank  
5 Credit Suisse." Right?

6 A. Um-hum. Yes.

7 Q. And you say -- and, well, the  
8 government says that it was beneficially owned  
9 by Stepanov, that then-husband of Stepanova,  
10 right?

11 A. Yes.

12 Q. All right. And then 97 says  
13 there -- "On February 5, 2008, there was a  
14 wire transfer route -- routed through the  
15 Southern District of New York, the Banca  
16 de Economii account transferred 726,000 to an  
17 account at a Latvian bank in the name of  
18 Nomirex Trading Limited, right?

19 A. Um-hum.

20 Q. And then in two transfers in  
21 February 2008 the Nomirex account transferred  
22 almost 4 million euros to an account in the  
23 name of the British Virgin Island Company  
24 Quartell Trading Limited, which promptly  
25 transferred over 150,000 of that money to

1 WILLIAM F. BROWDER (4/15/15)  
2 Baikonur Worldwide Limited, also a Virgin  
3 Island company.

4 And in five transfers from on or  
5 about May 26, 2008, through on or about  
6 June 17, 2008, Baikonur, which on information  
7 and belief was shared ownership with Quartell,  
8 sent 7.1 million euros to Arivust.

9 And then it concludes that Stepanov  
10 received the 7.1 because, according to the  
11 Complaint, he owned Arivust right?

12 A. That's what it says.

13 Q. Okay. And that information -- does  
14 that information come from this letter -- what  
15 -- what is this? -- which is -- been marked  
16 as Exhibit 15.

17 A. I -- I'm not able to  
18 cross-reference these two documents to -- to  
19 certify that everything there came from one  
20 place or another.

21 Q. And you don't know whether this  
22 information in Exhibit 15 was given to the  
23 U.S. government, right?

24 A. I don't know if it was or wasn't.  
25 Well -- yeah.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. And this information came from  
3 Mr. Pere- -- Perepilichny?

4 A. Perepilichny.

5 Q. Perepilich --

6 A. Perepilichny.

7 Q. I'm sorry. I'll have trouble  
8 saying it.

9 And who was he?

10 A. He was a whistle-blower from  
11 Russia.

12 Q. So he was a whistle-blower. That's  
13 your description of him?

14 A. Yes.

15 Q. What's his first name?

16 A. Alexander.

17 Q. Right. And what job did he have in  
18 Russia?

19 A. He was some type of finan- --  
20 financier.

21 Q. And he got the information from  
22 somebody else, right?

23 A. I believe he got the -- was  
24 managing the accounts of Stepanova.

25 Q. And so was it -- you were going to



1 WILLIAM F. BROWDER (4/15/15)

2 tell me it's legal for him to be managing  
3 accounts of a private client and turn  
4 information over to your organization and  
5 that's legal in Russia?

6 A. I don't know.

7 Q. Are you -- would you be concerned  
8 if it wasn't legal?

9 A. Yes.

10 Q. But you didn't explore whether it  
11 was legal.

12 Is that true? You didn't explore  
13 whether it was legal?

14 A. This had nothing to do with Russia.

15 Q. Well, he was managing the accounts  
16 with --

17 A. He was managing the accounts of --  
18 in Switzerland.

19 Q. I see. Well, we certainly know  
20 that Swiss banking information is secret,  
21 right?

22 A. Right.

23 Q. And he gave you information, right,  
24 banking information?

25 A. Correct.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. So you know it's illegal when you  
3 got it. Isn't that true?

4 A. No.

5 Q. Swiss banking information is  
6 private and subject to privacy laws. He gives  
7 you the information. But what makes it legal  
8 then?

9 A. For who?

10 Q. For you to possess it.

11 A. We didn't disclose any confidential  
12 secrets.

13 Q. You didn't disclose any  
14 confidential secrets? What's this letter all  
15 about?

16 A. This is a letter of complaint to  
17 the Swiss -- to the Swiss government.

18 Q. He disclosed it to you. Isn't that  
19 illegal?

20 A. I don't know.

21 Q. And you didn't explore whether it  
22 was legal or not?

23 A. I assumed it was legal.

24 Q. You assumed it was legal. Even  
25 though it was Swiss -- you're in the finance

1 WILLIAM F. BROWDER (4/15/15)  
2 business. You can just give up client  
3 information and it's legal to anybody in the  
4 world?

5 A. If it's not your client.

6 Q. How many -- but this was his  
7 client.

8 A. He didn't -- are you a- -- so  
9 could -- could you rephrase the question,  
10 please.

11 Q. You're in finance business. You've  
12 been in it for how many years?

13 A. Since 1992.

14 Q. So a lot of years.

15 If you have client information, you  
16 can just give it up to anybody and it's legal?

17 A. I didn't say that.

18 Q. You know it's illegal?

19 A. For who?

20 Q. For you to give up client  
21 information.

22 MR. KIM: Objection to form.

23 A. I wasn't giving any client  
24 information.

25 Q. You know the law because you

1 WILLIAM F. BROWDER (4/15/15)  
2 participated in the industry for years. Your  
3 client information is confidential. Isn't  
4 that true?

5 A. My client information is.

6 Q. And his client information,  
7 Mr. Perepilichny's client information was  
8 private to him and his client. Isn't that  
9 true?

10 A. I don't know what his arrangements  
11 were with his client.

12 Q. You think his arrangement was that  
13 he could just give up what you're claiming is  
14 information about a fraud to you and it's  
15 legal for him to do that?

16 A. I didn't do a legal -- I didn't do  
17 a legal analysis.

18 Q. Are you really serious about this?  
19 Come on. Do we have to fence about this?  
20 You knew it was illegal to receive -- for him  
21 to give up the information, and maybe you had  
22 a little thought about whether it was legal  
23 for you to receive the information, but you  
24 didn't do anything to find out.

25 MR. KIM: Objection to form.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Isn't that the situation?

3 MR. KIM: Objection to form.

4 A. Could you rephrase the question,  
5 please.

6 Q. No.

7 MR. KIM: Okay.

8 Q. You knew it was illegal for him to  
9 give up the information.

10 A. Is that a question?

11 Q. Yes.

12 A. It sounded look a statement.

13 Q. Did you know it was illegal for him  
14 to give up the information?

15 A. No.

16 Q. All right. And that's your --  
17 you're under oath and you're sticking with  
18 that answer.

19 A. I didn't know -- I didn't even  
20 know -- yes -- that that was --

21 Q. You didn't even think about it,  
22 right? You were thrilled to get it. Private  
23 information from a private citizen, and you  
24 were thrilled to get it. Isn't that true?

25 A. What's the question?

1 WILLIAM F. BROWDER (4/15/15)

2 Q. You were thrilled to get it,  
3 weren't you?

4 A. The question was I -- was I  
5 thrilled to get it?

6 Q. Yes.

7 A. I was -- it was a breakthrough in  
8 our investigation to get this information.

9 Q. Right. And you knew it was illegal  
10 for him to give it up, and it was illegal for  
11 you to receive it, but you didn't care because  
12 he's a whistle-blower and that makes it all  
13 okay. Right?

14 MR. KIM: Objection to form to the  
15 multiple questions.

16 A. Could you rephrase the question and  
17 break them down into simple questions.

18 Q. Because, according to you, he's a  
19 whistle-blower, you were happy to get  
20 illegally obtained information, right?

21 MR. KIM: Objection to form.

22 A. Could you rephrase the question,  
23 please.

24 Q. No. Can you answer it?

25 A. I don't understand the question.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. I'll do it one more time, but  
3 you're just fencing and we both know that you  
4 know the answer to this.

5 It was illegal for Mr. Perepilichny  
6 to give up that information from a private  
7 client to you. True?

8 A. I don't know.

9 Q. And you knew it was illegal for you  
10 to obtain the information. Isn't that true?

11 A. No.

12 Q. But you did nothing to find out  
13 whether it was legal or illegal, correct?

14 A. We assumed it was legal.

15 Q. How could it possibly be legal in  
16 your industry?

17 MR. KIM: Objection to form.

18 Q. How could it possibly be legal in  
19 your industry for Mr. Perepilichny to give up  
20 client information?

21 A. Is there another way you can  
22 rephrase that question?

23 Q. No.

24 A. The answer is many ways.

25 Q. Okay. So you pass the in --

1 WILLIAM F. BROWDER (4/15/15)  
2 information along to the Swiss authorities,  
3 right? And you made -- your lawyers made an  
4 argument on your behalf about why this showed  
5 it was money from the \$230 million fraud,  
6 right?

7 A. We've -- the -- the lawyers  
8 representing Hermitage filed a complaint with  
9 the Swiss attorney general on the 28th of  
10 January, 2011, alleging money laundering in  
11 relation to the \$230 million.

12 Q. All right. So let's go to page 3  
13 of the letter.

14 MR. KIM: Talking about  
15 Exhibit 15? That letter?

16 MR. CYMROT: Yes, that's --

17 MR. KIM: Okay.

18 MR. CYMROT: Yes.

19 BY MR. CYMROT:

20 Q. So you describe -- your lawyers  
21 describe red flags: Aikate was established as  
22 a shell company in the British Virgin Islands  
23 on 29 January 2007. BVI is a jurisdiction  
24 that's considered to be a high risk for money  
25 laundering due it's minimal due diligence



1 WILLIAM F. BROWDER (4/15/15)

2 requirements in connection with corporate  
3 registrations."

4 You see where I'm reading?

5 A. I do.

6 Q. You registered companies in the  
7 BVI?

8 A. I have.

9 Q. For the purpose of money  
10 laundering?

11 A. No.

12 Q. So not everybody who registers  
13 companies in the BVI are for -- engaged in  
14 money laundering, right?

15 A. Yes.

16 Q. So how did you establish that  
17 Mr. Stepanov had an interest in Aikate?

18 A. I'd have to go back to the back of  
19 the Complaint to find the documents. Would  
20 you like me to do that?

21 Q. Yes.

22 A. I'm on page 2326 of 2- -- I'm  
23 sorry. I don't know how to refer you to  
24 pages. Is it on the right-hand side or the  
25 left-hand side?

1 WILLIAM F. BROWDER (4/15/15)

2 MR. LEVINE: The left-hand side.

3 Q. The left-hand side.

4 A. On the left-hand side would be  
5 0002438.

6 Q. 2438. Okay. Thank you.

7 All right. And how does this  
8 establish that?

9 A. This is a document from Aikate  
10 Properties signed by the director saying,  
11 "Interior service. I herewith confirm in --  
12 in confidence and on the understanding that  
13 this statement is made on the basis of  
14 information data which I have with respect to  
15 the underwritten company. As on date of this  
16 letter, that name and citizenship, Mr. Vladlen  
17 Stepanov, Russian Federation, passport details  
18 51 No. 2034225 DD 16122003, date of birth 17  
19 July 2 -- 1962, is the sole and ultimate  
20 beneficial owner of Aikate Properties Inc., a  
21 company incorporated in the British Virgin  
22 Islands, and that the above-referenced company  
23 isn't involved in any money-laundering  
24 activities to the best of our knowledge. No  
25 action has been taken to wind up the affairs

1 WILLIAM F. BROWDER (4/15/15)

2 of this company."

3 Q. So where did you get this document?

4 A. Alexander Perepilichny.

5 Q. Did you pay him anything for that?

6 A. No.

7 Q. Anybody pay him anything for that?

8 A. No.

9 Q. And how do you know he didn't  
10 create this document?

11 A. We don't know for sure whether he  
12 did or didn't.

13 Q. Okay. And the signatures, you  
14 don't know whether they are real people or  
15 real signatures?

16 A. I -- I don't know.

17 Q. So he gives you a document out of  
18 the blue, and you're going to rely upon that,  
19 right?

20 A. No.

21 Q. All right. So then how did you  
22 determine whether it was an authentic  
23 document?

24 A. We tried to test different  
25 documents that he gave to us that could be

1 WILLIAM F. BROWDER (4/15/15)  
2 tested, to see whether they were authentic, to  
3 make a generalization about everything he  
4 provided to us.

5 Q. All right. So what did you test?

6 A. We were given information by  
7 Alexander Perepilichny about the real estate  
8 in Dubai that belongs to Vladlen Stepanov, and  
9 we were able to cross-reference that with  
10 Dubai property databases.

11 Q. Anything else?

12 A. We were given information about the  
13 property that Vladlen Stepanov and his wife,  
14 Olga Stepanova, owned in Moscow, and we were  
15 able to cross-reference that with property  
16 databases.

17 Q. And the Moscow property databases,  
18 that's nowhere in this exhibit, right?

19 A. I don't know.

20 Q. You want to check? I mean, I  
21 don't -- I haven't seen it. I've seen Dubai  
22 records that are towards the back here in the  
23 name Mr. Stepanov, but I haven't seen anything  
24 related to Moscow.

25 A. Would you like me to go through the

1 WILLIAM F. BROWDER (4/15/15)

2 document?

3 Q. No. I don't want you to take the  
4 time.

5 You have, you claim, records from  
6 Moscow databases showing Ms. Stepanova --  
7 Stepanova owned property in Moscow. Is that  
8 what you're saying?

9 A. No.

10 Q. That Mr. Stepanov owned property in  
11 Moscow?

12 A. We've -- we have records that show  
13 his properties registered to the name of his  
14 mother.

15 Q. His mother. And there's no record  
16 of Ms. Stepanova having any property in  
17 Moscow, correct?

18 A. No.

19 Q. The assumption is that they're  
20 married, that they share assets, they get  
21 along, and that somehow she will someday  
22 benefit from this property. That's the  
23 assumption?

24 A. Is that a question?

25 Q. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 A. What's the question?

3 Q. What's your assumption?

4 A. Our assumption is that the  
5 property -- the properties in Dubai, the  
6 properties in Moscow, and the bank accounts  
7 are all collectively owned by Olga Stepanova  
8 and her husband Vladlen.

9 Q. And there's no fact that would  
10 support that assumption? That's just your  
11 assumption?

12 A. Yes.

13 Q. Okay. So there's another -- going  
14 back to page 4, there's another reference  
15 to -- there's a reference to Arivust.

16 "Cyprus is another jurisdiction  
17 that's considered to be high risk for money  
18 laundering due to it's low due diligence  
19 requirements in connection with corporate  
20 registrations."

21 A. Could you just alert me to where  
22 you reading from.

23 Q. Paragraph 2.

24 A. Okay.

25 Q. No. 2.

1 WILLIAM F. BROWDER (4/15/15)

2 A. Okay.

3 Q. So you use Cyprus, correct, as a  
4 jurisdiction for corporations, right?

5 A. Correct.

6 Q. And you've told us that you don't  
7 use it for money laundering, right?

8 A. Correct.

9 Q. And So people who use Cyprus don't  
10 necessarily use it for money laundering,  
11 correct?

12 A. Correct.

13 Q. All right. So Arivust -- there's a  
14 similar document in the back for Arivust that  
15 you got from Mr. Perepilichny?

16 A. Correct.

17 Q. And your assumption is that it's a  
18 legitimate document even though you can't do  
19 anything to confirm it other than what you've  
20 described already, right?

21 A. It's -- when we filed the  
22 Complaint; that's correct.

23 Q. Is there anything you can do now?

24 MR. MONTELEONI: A moment to  
25 discuss regarding privilege, please.

1 WILLIAM F. BROWDER (4/15/15)

2 MR. CYMROT: Take a break.

3 THE VIDEOGRAPHER: The time is

4 3:26 p.m. We are off the record.

5 (Whereupon, at this time, a short  
6 break was taken.)

7 THE VIDEOGRAPHER: The time is

8 3:39 p.m. We are back on the record.

9 BY MR. CYMROT:

10 Q. Mr. Browder, I want you to refer to

11 Exhibit 15, page 4. That's where we were.

12 The paragraph -- at the end of paragraph 3.

13 Paragraph 3 refers to two companies, Quartell

14 and Baikonur. All right?

15 And you're saying -- it says here,

16 "Our clients" -- that's Hermitage, right? --

17 "have discovered that both of these accounts

18 are controlled by the same entities."

19 You see that?

20 A. Could you just give me a better --

21 Q. Yeah. It said --

22 A. Which paragraph is it.

23 Q. Paragraph No. 3.

24 A. Okay.

25 Q. It says, "Both of these accounts



1 WILLIAM F. BROWDER (4/15/15)

2 are controlled by the same entities."

3 Wow, wait a minute. We had a  
4 question pending and a consideration of --

5 MR. CYMROT: Could you read back  
6 my last question before the break.

7 (Whereupon, the referred to  
8 question was read back by the  
9 Reporter.)

10 MR. CYMROT: Is there anything  
11 that -- (inaudible.)

12 Well, I asked him the source of  
13 information and you were going to  
14 consider --

15 MR. MONTELEONI: It may make sense  
16 to just re-ask the question. I don't  
17 know that I remember the specifics.

18 MR. CYMROT: What was it? Oh.

19 Okay. Yes.

20 BY MR. CYMROT:

21 Q. We were talking about Arivust, and  
22 the question is: Do you have any recent  
23 information that would show that Mr. Stepanov  
24 controls Arivust?

25 A. Not to my personal knowledge.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Does your team have information?

3 A. I'm not -- I'm not aware.

4 Q. Did you provide any information

5 beyond the information in this letter to the

6 U.S. attorney?

7 A. Not that I'm aware of.

8 Q. Could you speak up.

9 A. Not -- not that I'm aware of.

10 Q. All right. Okay. So we go to

11 paragraph 3. Then it says, "Our client had --

12 our clients have discovered that both of these

13 accounts are controlled by the same entities."

14 We're referring to Quartell and

15 Baikonur. I don't see any information in this

16 letter or the attachments that would show that

17 both of these accounts are controlled by the

18 same entities.

19 Do you have any facts that would

20 demonstrate that Quartell and Baikonur are

21 controlled by the same entity?

22 A. No, not to my personal knowledge.

23 Q. Does your team have any

24 information?

25 A. I'm not sure.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Did you dis -- ever discuss this  
3 with U.S. Attorney's Office?

4 A. No.

5 Q. All right. So then we go down to  
6 what is described here as Step 1: "The elicited  
7 proceeds were first transferred to Quartell's  
8 account. A payment of 2 million euros was  
9 made on January 23rd from a company  
10 incorporated New Zealand Bristoll Export  
11 Limited."

12 Do you see that?

13 A. Yes.

14 Q. And I think you can find that  
15 information in the exhibits on page 75. So  
16 what's the Bates number? 2478.

17 Would you take a look at that?

18 A. Sure.

19 Q. 230108. Do you see that?

20 A. Yes.

21 Q. So what is this document? It  
22 says -- just let me read what it says.  
23 There's -- appears to be the letterhead of  
24 Credit Suisse. There's a current account  
25 number, but a name or something above the

1 WILLIAM F. BROWDER (4/15/15)  
2 current account number -- below the current  
3 account number is crossed out. And it says  
4 "Extract of account 01.01.2008 to 31.01.2008."

5 So what is this document?

6 A. It's a Credit Suisse statement.

7 Q. And who typed in "extract of  
8 account"?

9 A. I don't know.

10 Q. And who crossed out the  
11 information?

12 A. Perepilichny.

13 Q. Do you know why he crossed it out?  
14 Did he tell you why?

15 A. No.

16 Q. All right. So this supposedly is  
17 money that came to Quartell from the  
18 \$230 million fraud, right?

19 A. I -- I assume so. I'm not -- I'm  
20 not a specialist.

21 Q. No, but isn't that what that says?  
22 Isn't that what the letter says?

23 The whole point is that Stepanov  
24 got money from the \$230 million fraud, right?

25 A. Um-hum. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. All right. So Bristoll Export  
3 Limited is not anywhere on your other charts.  
4 So what company is that? Who owns that?

5 A. I'm not sure.

6 Q. And how did that company get the  
7 \$2 million --

8 A. I don't know.

9 Q. -- 2 million euros?

10 A. I don't know.

11 Q. So you don't know what the path of  
12 the money went to demonstrate that this came  
13 from the \$230 million theft of the Russian  
14 Treasury right?

15 A. Right.

16 Q. So is this another assumption that,  
17 because there's \$2 million that came in on  
18 January 28th it must be from the Russian  
19 Treasury?

20 A. No.

21 Q. So then how do you say this is the  
22 elicited proceeds?

23 A. I didn't do the tracing.

24 Q. And you have no understanding of  
25 the tracing conducted by your team?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. So you have no explanation for how,  
4 somewhere, 2 million euros shows up,  
5 transferred from Bristoll Export to a company  
6 called Quartell, and you have no way, as far  
7 as you know, of tying it to the \$230 million?

8 A. I'm sorry. What's the question?

9 Q. You have no way of tying this  
10 transaction, shown on this page, which is  
11 Bates No. 2478, to the \$230 million?

12 A. Personally, I don't.

13 Q. Do you know whether members of your  
14 team have it?

15 A. I would assume so.

16 Q. Have you given it to U.S. attorney?

17 A. What?

18 Q. The information tying this to the  
19 \$230 million?

20 A. I'm -- I'm confused. What --  
21 what -- what -- what are we tying to the  
22 \$230 million?

23 Q. The payment from Bristoll Export  
24 Limited to Quar- -- what you are claiming is  
25 the Quartell account.

1 WILLIAM F. BROWDER (4/15/15)

2 A. I don't know.

3 Q. And you haven't given us any  
4 documents that would show that, right?

5 A. I don't know.

6 Q. So then tracing through this or  
7 following this letter, there are two more  
8 transfers that are shown on page 79, which is  
9 Bates No. 2482. This is from Nomirex. It's  
10 1.999 million. I assume, although there's no  
11 denomination here, from the letter it says  
12 it's euros.

13 So how did Nomirex get money from  
14 the \$230 million?

15 A. I have no personal knowledge.

16 Q. And, of course, if you can't trace  
17 this back to the \$230 million, the whole idea  
18 that Mr. Stepanov got money from the  
19 \$230 million falls apart, doesn't it?

20 A. I'm sorry. What's the question?

21 Q. Isn't it true that, if you can't  
22 trace money into Bristoll Trading and Nomirex  
23 Trading from the \$230 million, that the whole  
24 idea that Mr. Stepanov got money from the  
25 \$230 million falls apart? Nothing on these

1 WILLIAM F. BROWDER (4/15/15)

2 documents that shows it comes from the  
3 230 million.

4 A. Is that a question or a statement?

5 Q. Ask it again: Is there -- if you  
6 don't have any evidence that Bristoll Trading  
7 and Nomirex Trading received money from the  
8 \$230 million, there's no basis for -- to say  
9 that Mr. Stepanov received money from the  
10 230 million?

11 A. That's incorrect.

12 Q. What's the basis?

13 A. I don't have a basis, but other  
14 people do.

15 Q. You're the one that took this to  
16 the U.S. Attorney's Office. You've taken this  
17 public. You've talked about it all over the  
18 world. You have no idea how this works?

19 Is that true?

20 A. Could you rephrase the question.

21 Q. No. You have no idea how it works?

22 MR. KIM: Object to the form.

23 What's the "this"?

24 MR. CYMROT: How this tracing  
25 works.



1 WILLIAM F. BROWDER (4/15/15)

2 A. I'm not a specialist on money  
3 tracing.

4 Q. So you have no idea how it works?

5 A. I didn't say that.

6 Q. Well, explain to me how it works.  
7 Let's not use the letter of the documents or  
8 whatever. Explain how you get money from  
9 \$230 million into an account that you say is  
10 controlled by Mr. Stepanov.

11 A. I have a team of people who work  
12 for me who are specialists in this area, who I  
13 trust, who are credible, who put this  
14 information together.

15 Q. And you have no idea how they  
16 bridged the gap between the 230 and Bristoll  
17 and Nomirex?

18 A. That's correct.

19 Q. And none of them are accountants by  
20 the way, right?

21 A. There are no accountants on our  
22 team.

23 Q. And none of them ever testified in  
24 a U.S. proceeding about tracing money, right?

25 A. That's correct.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Nobody -- none of them have  
3 testified anywhere in the world about tracing  
4 money, right?

5 A. That's incorrect.

6 Q. Who's testified about tracing  
7 money?

8 A. Vadim Kleiner has testified.

9 Q. And where has he testified?

10 A. In Switzerland.

11 Q. Do you have that testimony?

12 A. It's -- no. I don't believe we're  
13 allowed to keep it.

14 Q. Did you give it to the U.S.  
15 Attorney's Office?

16 A. No.

17 Q. And he's testified about tracing  
18 what money?

19 A. The money you're referring to here,  
20 I believe.

21 Q. This -- this exact money?

22 A. I don't know.

23 Q. Have you seen his testimony?

24 A. No.

25 Q. Have the Swiss gone forward with a

1 WILLIAM F. BROWDER (4/15/15)  
2 criminal case against anybody trying a case --  
3 charges against anybody based upon  
4 Mr. Kleiner's testimony?

5 A. I don't know.

6 Q. Well, okay. So you get money  
7 from -- your team gets money from Bristoll and  
8 Nomirex into an account with a name crossed  
9 out that they tell us is the Quartell account,  
10 but they don't have any money going to  
11 Mr. Stepanov based upon that. Instead,  
12 there's another series of account statements  
13 that start on page 81, which is deposition  
14 exhibit -- I'm sorry -- Bates No. 2484 and  
15 No. 15, Exhibit 15, and these accounts -- do  
16 you know what these accounts are?

17 A. Yes.

18 Q. What are they? Starting on 2484  
19 and going over the next subsequent pages, what  
20 are they?

21 A. 2484, 2485, and 2486 are bank  
22 details that come from Citibank.

23 Q. So they're bank details of -- of  
24 what? I -- I read here Raiffeisen  
25 Zentralbank, with a Z, account name. So where

1 WILLIAM F. BROWDER (4/15/15)

2 did you get -- I mean, what -- first, what is  
3 it, if you know?

4 A. These are account statements.

5 Q. For Raiffeisen Zentralbank?

6 A. Held at Citibank New York.

7 Q. Okay. And what does Raiffeisen  
8 Zentralbank have to do with this case?

9 A. I'm not sure. I think they were --  
10 they were -- they were the correspondent bank.  
11 They were the correspondent bank for Universal  
12 Savings Bank, Intercommerz Bank. I can't  
13 remember which one.

14 Q. Okay. Well, we got 6 million euros  
15 into Quartell, and I don't see any transfers  
16 from Quartell into this account, at least  
17 nothing of substance. Am I missing something?

18 A. I don't know.

19 Q. Well, take a look. Do you see any  
20 transfers from Quartell?

21 A. I'm not sure what -- what to be  
22 looking for here.

23 Q. Well, your team is saying that the  
24 money went from the Russian Treasury, somehow  
25 got to Bristoll and Nomirex and into what they

1 WILLIAM F. BROWDER (4/15/15)  
2 say is a Quartell account, and then the next  
3 thing they say, if we look at the letter, is  
4 that "wire transfer statistics obtained as a  
5 result of the court's ruling show that the  
6 following payments were made to Bristoll and  
7 Nomirex immediately prior to the payments to  
8 Quartell."

9 A. Could you just alert me to what  
10 page your on.

11 Q. Yes. Page 5 of the letter, Bates  
12 No. 2397.

13 A. And which paragraph?

14 Q. It's the one with the three  
15 bullets.

16 Have you read it?

17 A. Yes.

18 Q. Okay. So they say, "Bristoll and  
19 Quartell, immediately prior to the payments to  
20 Quartell" -- "Bristoll and Nom- -- Nomirex,  
21 immediately prior to the payments to Quartell,  
22 got \$498,955 U.S. transferred to Bristoll from  
23 Roland Management Limited."

24 Do you see that?

25 A. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. And that's a U.K. company.

3 What does Roland Management Limited  
4 have to do with this case?

5 A. I don't know.

6 Q. And why is it relevant that  
7 Bristoll got money from Roland Management  
8 Limited?

9 A. I don't know.

10 Q. And then on February 5th the amount  
11 of 491,585 was transferred to Bristoll from  
12 Bunicon.

13 Do you see that?

14 A. Yes.

15 Q. Why is it relevant that, prior to  
16 Bristoll and Nomirex making payments to  
17 Quartell, it got money, less than \$500,000  
18 from Bris- -- from Bunicon?

19 A. I don't know.

20 Q. And on the 5th, the amount of  
21 \$726,000 was transferred to Nomirex from  
22 Bunicon.

23 Why is that relevant?

24 A. I don't know.

25 Q. And who would know -- be able to

1 WILLIAM F. BROWDER (4/15/15)

2 answer these questions?

3 A. My team.

4 Q. Who on your team?

5 A. Lawyers and Vadim.

6 Q. So if we go back to the account  
7 statements.

8 A. Which page?

9 Q. Well, wait a minute. It goes  
10 "Step 2" -- the same letter, page 5 -- "Four  
11 months after the funds were transferred to  
12 Quartell, sim- -- simmer -- similar amounts  
13 were transferred from Baikonur account to  
14 Arivust."

15 So how do you get the money from  
16 Quartell to Baikonur?

17 A. I don't know.

18 Q. All right. And I think we've had  
19 enough. You're not going to be able to help  
20 us with any of this? Fill the gaps that  
21 don't and aren't explained in these documents,  
22 right?

23 MR. KIM: Objection to form.

24 MR. CYMROT: That's editorial.

25 I'll withdraw it.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. So if you can go to Bates

3 No. 2489 -- 2488.

4 Do you know what this document is?

5 A. Bank statement.

6 Q. From what account?

7 A. Credit Suisse.

8 Q. What account? Who's the account

9 holder?

10 A. I don't know.

11 Q. It's crossed out here, right?

12 Correct?

13 A. Correct.

14 Q. Where did you get this document?

15 A. Alexander Perepilichny.

16 Q. So there's a payment made from

17 whatever account this is to Arivust, but you

18 don't know how the money got into this

19 account, right?

20 A. I don't know.

21 Q. You don't know. And you can't

22 trace this -- you don't know how to trace this

23 to the \$230 million fraud, right?

24 A. I don't know.

25 Q. So they're payments here to



1 WILLIAM F. BROWDER (4/15/15)

2 Quartell and payments to Arivust, right?

3 A. I don't know.

4 Q. Well, I'm just looking at the  
5 document.

6 A. I see two payments on the 26th of  
7 May, 2008, for 1.5 million to Arivust, and it  
8 looks like a payment from -- I'm sorry -- a  
9 payment to Ar- -- and a payment to and payment  
10 from Quartell on the 26th of May.

11 Q. 130,000?

12 A. 130,000.

13 Q. All right. And the 1.5 million  
14 that appears to cover the payment from Arivust  
15 is a foreign exchange transaction outright  
16 short, meaning it's a loan from the bank,  
17 right? Is that how you interpret that?

18 A. No.

19 Q. "Foreign exchange outright short."  
20 How would you interpret that?

21 A. I would -- I'm not an expert on  
22 bank state -- Credit Suisse bank statements.  
23 So I'd rather not try to interpret it.

24 Q. But whatever that is, that seems to  
25 cover the 1.5 that was made to Arivust?

1 WILLIAM F. BROWDER (4/15/15)

2 A. I don't know.

3 Q. So we don't know where that came  
4 from then, right?

5 A. I don't know.

6 Q. There's nothing showing this money  
7 coming from Quartell and then being  
8 transferred from whatever account this is to  
9 Arivust, right?

10 A. I don't know.

11 Q. So there's no chain here that you  
12 can perceive, right?

13 A. I don't know.

14 Q. So the next series of documents --  
15 you wouldn't -- you don't have any idea what  
16 any of these transactions are, right?

17 MR. KIM: Objection to form.

18 Which transactions?

19 MR. CYMROT: The ones that are on  
20 the Credit Suisse bank statements for  
21 the account where the name has been  
22 crossed out.

23 A. Which transaction are you referring  
24 to?

25 Q. 2488, 2489.

1 WILLIAM F. BROWDER (4/15/15)

2 A. Which -- which ones are you asking  
3 me about?

4 Q. Can you give me any or -- anymore  
5 information about where the money came, for  
6 instance, on the --

7 MR. CYMROT: No. Keep that.

8 Q. 2491, where did the money come from  
9 that went to Aikate Properties?  
10 250,000-something?

11 A. Which payment are we looking at  
12 now?

13 Q. 2491.

14 A. And which one on -- on 2491?

15 Q. The first transaction at the top.

16 A. So payment order, electronic  
17 banking, Aikate Properties, debit \$250,000.

18 Q. Right. That's --

19 A. It would have been a -- been a  
20 to -- this looks like a payment to Aikate  
21 Properties on the first of July 2009.

22 Q. Right. Do you know where that  
23 money came from?

24 A. I don't know.

25 Q. Okay. So the next series of

1 WILLIAM F. BROWDER (4/15/15)

2 documents starts on Credit Sui- -- Suisse  
3 documents that look like transfer -- wire  
4 transfers, right?

5 A. What page?

6 Q. 2493. So that's a transfer of  
7 629,000 to something called Emerald Palace  
8 Group Limited, right?

9 A. Yes.

10 Q. And the payment is for the benefit  
11 of Mr. Stepanov, right?

12 A. That's correct.

13 Q. Makes no mention of Stepanova,  
14 right?

15 A. Yes.

16 Q. And the next payment on March 6th,  
17 that's for the benefit of Mr. Stepanov, right?

18 A. March 26th.

19 Q. Next page.

20 A. March 26th. You said "March 6th."

21 Q. I meant March 26th.

22 A. Okay.

23 Q. It's for the benefit of  
24 Mr. Stepanov, correct?

25 A. That's correct.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. June 8th, for the benefit -- keep  
3 going -- benefit of Mr. Stepanov. No mention  
4 of Stepanova, right?

5 A. Correct.

6 Q. September, same thing. Investment  
7 of building. It says "for the benefit of  
8 Mr. Stepanov," correct?

9 A. Correct.

10 Q. Appears to be a unit in the  
11 building.

12 Then you get to the next one, Sunny  
13 Beach Properties, 25th of April 2007, right?

14 A. Correct.

15 Q. So that's before the \$230 million  
16 fraud, right?

17 A. Yes.

18 Q. Mr. Stepanov -- and this doesn't  
19 mention Mr. Stepanov. Sunny Beach Properties,  
20 right?

21 A. Yes.

22 Q. There's one in October of '07.  
23 Doesn't mention anybody other than Sunny Beach  
24 Properties.

25 Do you know who owns Sunny Beach

1 WILLIAM F. BROWDER (4/15/15)

2 Properties?

3 A. I'm not sure.

4 Q. Well, if you go to the next page,  
5 Sunny Beach Properties, details of payment,  
6 payment for real estate for Mr. Stepanov,  
7 right?

8 A. Yes.

9 Q. So you have a couple of  
10 transactions where he's buying substantial  
11 apartments -- \$252,000, \$277,000 -- before the  
12 \$230 million fraud occurred, right?

13 A. No.

14 Q. And he continues that afterwards?

15 A. On page 90 -- 2499. This was  
16 April 15, 2008.

17 Q. Right.

18 A. The fraud occurred in December of  
19 2007.

20 Q. Yes. But the two prior ones were  
21 March -- October 18, 2007, and April 25, 2007,  
22 and at that point he's spending a substantial  
23 amount of money for Sunny Beach Properties.  
24 Looks like he's buying properties, unit --  
25 Unit 424. The other one doesn't have a unit

1 WILLIAM F. BROWDER (4/15/15)

2 attached to it.

3 So before the fraud, he's spending  
4 substantial amount of money buying real  
5 estate, right?

6 A. Correct.

7 Q. And none of this ever mentions  
8 Ms. Stepanova, right?

9 A. So far, no.

10 Q. So far. Is there any that mess --  
11 mention Ms. Stepanova?

12 A. Not that I'm aware of.

13 The next one --

14 Q. Keep going.

15 A. The next one mentions Elena  
16 Anisimova, who is the deputy of Ms. Stepanova  
17 in the Tax Office No. 28.

18 Q. Okay. But there's nothing there  
19 that mentions Ms. Stepanova either, right?

20 A. This woman was also involved in the  
21 tax refunds.

22 Q. So have you gone to the real estate  
23 records in Dubai?

24 A. Yes.

25 Q. Did you find any evidence of

1 WILLIAM F. BROWDER (4/15/15)

2 ownership of this property in real estate --  
3 of the properties that Mr. Stepanov bought?

4 A. There's an ownership of a property  
5 in Dubai that he's bought.

6 Q. And is there any indication that  
7 Ms. Stepanova has an interest in that  
8 property?

9 A. Not that I'm aware of.

10 Q. So be to be clear, there's not a  
11 single document that you've been able to come  
12 up with anywhere where Ms. Stepanova owns a  
13 bank account that received money from the  
14 \$230 million fraud or owns real estate from  
15 the \$230 million fraud or has any other asset  
16 that she's received from the \$230 million  
17 fraud, right?

18 A. She's not a direct recipient in any  
19 of the documents that we have.

20 Q. And she's not -- and there are no  
21 documents indicating she's an indirect  
22 recipient either; is that correct?

23 A. There's no documents, but we  
24 believe that the assets that belong to her  
25 husband are jointly owned by her.



1 WILLIAM F. BROWDER (4/15/15)

2 Q. And you have no facts that would  
3 support that belief, correct?

4 A. Common sense.

5 Q. Your common sense?

6 A. And a lot of other people's.

7 Q. There are no documents, there are  
8 no facts, other than this assumption, that  
9 Ms. Stepanova received anything from the  
10 \$230 million fraud; isn't that true?

11 A. There's no documents with her name  
12 on them.

13 Q. And Mr. Stepanov and Ms. Stepanova  
14 are divorced, correct?

15 A. I'm not sure.

16 Q. Have you checked the records in  
17 Moscow?

18 A. There's some question about those  
19 records.

20 Q. Are there records that indicate  
21 they are divorced?

22 A. There are.

23 Q. And what is the question about  
24 those records other than the fact that you  
25 don't like them?

1 WILLIAM F. BROWDER (4/15/15)

2 A. The timing of the records and the  
3 voracity of the records, but I'm not an expert  
4 on these records.

5 Q. Is there something on the records  
6 that give somebody -- strike that.

7 Do you have the records?

8 A. I don't.

9 Q. Does your team have the records?

10 A. I don't know.

11 Q. Don't you think if you're going to  
12 accuse somebody of a huge fraud, that you  
13 ought to collect the relevant documents?

14 A. What's the question?

15 Q. Don't you think that if you're  
16 going to accuse somebody, as you have, of  
17 enormous fraud, you ought to collect the  
18 relevant documents?

19 A. My team has collected the relevant  
20 documents, which were submitted to the Swiss  
21 prosecutor and submitted to the New York  
22 District Attorney's office about this fraud.

23 Q. But you haven't gotten the divorce  
24 records?

25 A. I'm not -- not to my knowledge.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. So anything that might upset your  
3 theory, you decide you don't need?

4 MR. KIM: Objection to form.

5 Q. Is that right?

6 A. Could you rephrase the question?

7 Q. Yes. Isn't it true that any  
8 document that might upset your theory, you  
9 don't go and get it?

10 A. No.

11 Q. Well, you didn't get the divorce  
12 records, right?

13 A. I didn't.

14 Q. And your team didn't, as far as you  
15 know?

16 A. I just said that not to my  
17 knowledge do they have them. I didn't say  
18 they didn't.

19 Q. Well, you don't know they have  
20 them, right?

21 A. I don't know. Not to my knowledge.

22 Q. Right. Mr. Stepanov has challenged  
23 you, sir, in court, hasn't he?

24 A. I've never been to court with  
25 Mr. Stepanov.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. He's sued a reporter who  
3 republished the information on your website;  
4 isn't that true?

5 A. No.

6 Q. No?

7 A. No.

8 Q. You're not aware of that?

9 A. He didn't sue a reporter.

10 Q. Who did he sue?

11 A. He sued an activist.

12 Q. I see. This is like a  
13 whistleblower, another label you give people.

14 Who's this activist?

15 A. Aleksei Navalny.

16 Q. And Mr. Stepanov sued  
17 Aleksei Navalny, right?

18 A. Yes.

19 Q. And it was Mr. Stepanov who -- who  
20 won, right?

21 A. That's correct.

22 Q. Got a judgment for defamation  
23 against Mr. Navalny, right?

24 A. Correct.

25 Q. For republishing the information on

1 WILLIAM F. BROWDER (4/15/15)

2 your website?

3 A. That's correct.

4 Q. Are you aware of any information  
5 that the U.S. Attorney's Office has collected  
6 beyond the information in Exhibit 46 related  
7 to the Stepanov -- Stepanov payment?

8 A. Could you show me Exhibit 46.

9 Q. That's the one we've been looking  
10 at. Oh, I'm sorry, my mistake. It's my  
11 Tab 46, but it's Exhibit 15.

12 A. Could you repeat the question?

13 Q. Yes, thank you. Are you aware of  
14 any information other than the information in  
15 Exhibit 15 that the U.S. Attorney's Office has  
16 corrected with respect to whether Mr. Stepanov  
17 received funds from the \$230 million fraud?

18 A. I'm not aware.

19 Q. Is it your belief that the  
20 allegations in the Complaint were based upon  
21 the information in Exhibit 15?

22 A. I don't know.

23 Q. In your conversations with Agent  
24 Hyman, did he ever talk to you about how you  
25 trace money to Mr. Stepanov?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. Anybody in the U.S. Attorney's  
4 Office have a conversation with you on that  
5 subject?

6 A. Not to my recollection.

7 Q. According to paragraph 100 of the  
8 Amended Complaint -- and you've already  
9 referred to this -- Mr. Stepanov tax returns  
10 show income of \$38,000 basically, right?

11 A. I'm sorry, which paragraph is that?

12 Q. 100.

13 A. Yes.

14 Q. So Mr. Kleiner got the tax returns  
15 for Mr. Stepanov?

16 A. I'm not sure where they came from.

17 Q. I believe your book says  
18 Mr. Kleiner got them, but you don't know?

19 A. I'm not sure.

20 Q. Let's look at in Exhibit 15, Bates  
21 Nos. '2451 through '2460.

22 Do you know what these documents  
23 are?

24 A. No.

25 Q. Do you know whether it would be

1 WILLIAM F. BROWDER (4/15/15)

2 legal in Russia for Mr. Kleiner to have income  
3 tax returns from of Mr. Stepanov?

4 A. I'm not sure.

5 Q. You're not sure?

6 A. I don't know.

7 Q. Are income tax returns public in  
8 Russia?

9 A. I don't know.

10 Q. Did you ask Mr. Kleiner where he  
11 got income tax returns?

12 A. No.

13 Q. Because you didn't want to know?

14 A. No.

15 Q. Aren't you curious? You got  
16 \$38,000 from income tax returns; that's an  
17 unusual fact, isn't it? It's unusual to have  
18 that kind of information, isn't it?

19 A. No.

20 Q. Do you have income tax returns for  
21 other people?

22 A. Lots of people have income tax  
23 returns.

24 Q. Lots of people have other people's  
25 income tax returns?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Sure. Politicians, et cetera.

3 Q. Politicians have other people's  
4 income tax returns?

5 A. No, politicians' income tax  
6 returns.

7 Q. Lots of people have politicians'  
8 income tax returns; Mr. Stepanov is not a  
9 politician, is he?

10 A. No.

11 Q. What business is he in?

12 A. I'm not sure.

13 Q. Did you investigate what business  
14 he was -- he was in?

15 A. My team did.

16 Q. And what did they discover?

17 A. He was a smalltime businessman.

18 Q. "Smalltime" being what?

19 A. Having average earnings of -- with  
20 his wife of \$38,000 a year.

21 Q. Do income tax returns in Russia  
22 require reporting of foreign income?

23 A. I'm not a Russian accountant.

24 Q. Do you file income tax returns in  
25 Russia?



1 WILLIAM F. BROWDER (4/15/15)

2 A. My firm did on my behalf.

3 Q. Did they report foreign income?

4 A. I don't know.

5 Q. In the United States, you know we  
6 have to report foreign income, right?

7 A. I don't know.

8 Q. You gave up your U.S. citizenship  
9 in 1998, right?

10 A. Correct.

11 Q. Just as the laws about reporting  
12 foreign income came into effect; is that  
13 right?

14 A. I don't know.

15 Q. Why did you give up your U.S.  
16 citizenship in 1998?

17 A. I immigrated to the U.K. ten years  
18 earlier.

19 Q. So the U.K. required you to give up  
20 your U.S. citizenship?

21 A. No.

22 Q. So why did you give up your U.S.  
23 citizenship?

24 A. Personal reasons.

25 Q. And what are those personal

1 WILLIAM F. BROWDER (4/15/15)

2 reasons?

3 A. My family was persecuted during the  
4 McCarthy era.

5 Q. And your father is the head of the  
6 economics department where, what university?

7 A. He's not --

8 Q. Where was he?

9 A. My father was a professor of  
10 mathematics at the University of Chicago.

11 Q. Was the head of the department at  
12 some point?

13 A. Yes.

14 Q. And your uncle, what position did  
15 he have?

16 A. He was a mathematician at  
17 Princeton.

18 Q. Head of the department at one  
19 point?

20 A. Yes.

21 Q. But your concern that your family  
22 was persecuted, but they made it to the head  
23 of the department of two prestigious  
24 universities and that's why you gave up your  
25 U.S. citizenship?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Yes.

3 Q. What kind of persecution did you  
4 face?

5 A. My grandmother was sick with cancer  
6 and the U.S. Government tried to deport her to  
7 Russia when she was dying.

8 Q. What year was that?

9 A. In 1950 something.

10 Q. I see. And so 1998, this all came  
11 back as a rush of emotion and you decided to  
12 give up your U.S. citizenship?

13 A. No.

14 Q. So as far as you're concerned, it  
15 was fine for Mr. Kleiner to have  
16 Mr. Stepanova's -- Mr. Stepanov's tax returns,  
17 right, nothing illegal about that, as far as  
18 you know?

19 A. No.

20 Q. Let me ask you this: Money comes  
21 out of the treasury, Russian Treasury, and  
22 goes to USB and Intercommerz, right?

23 A. Yes.

24 Q. Who controlled the money at that  
25 point?

1 WILLIAM F. BROWDER (4/15/15)

2 A. I don't know.

3 Q. At what point -- but once it's in  
4 USB and it's in Intercommerz, the fraud is  
5 accomplished, as far as you're concerned,  
6 right?

7 A. I don't know.

8 Q. Wasn't it the organization that  
9 transferred the money to those two banks?

10 A. Yes.

11 Q. So at that point they have control  
12 over the money, right?

13 A. I don't know.

14 Q. Well, under your theory at what  
15 point does the organization get control over  
16 the money?

17 A. I don't know.

18 Q. And you don't know who's directing  
19 the money?

20 A. I don't know.

21 Q. Well, do you know why the transfers  
22 were made further down the line to other  
23 accounts?

24 A. I don't know.

25 Q. To your knowledge, were there any

1 WILLIAM F. BROWDER (4/15/15)

2 U.S. citizens or residents involved in the  
3 theft?

4 A. I don't know.

5 Q. You're not aware of any?

6 A. I don't know.

7 Q. You're not aware of any -- you are  
8 not aware of any U.S. citizens or residents  
9 involved in the theft, are you?

10 A. I just don't know.

11 Q. Well, do you have theories about  
12 U.S. citizens or residents who are involved in  
13 the theft?

14 A. No.

15 Q. And there are no events to steal  
16 the money that occurred in the United States,  
17 right?

18 A. I don't know.

19 Q. You're not aware of any, right?

20 A. I don't know.

21 Q. And as far as you know, the people  
22 who stole the money were Russians? As far as  
23 you know, the people you named were all  
24 Russian, right?

25 A. Yes. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. And the acts to steal the money all  
3 occurred in Russia, as far as you know, right?

4 A. No.

5 Q. To steal the money? In other  
6 words, to get the money out of the treasury,  
7 there are acts that occurred outside of  
8 Russia?

9 A. In the Amended Complaint and the  
10 original Complaint there's a whole series of  
11 arguments about planning of the -- of the  
12 fraud in Cyprus.

13 Q. I see. Okay. There are no  
14 planning events described in the United States  
15 though?

16 A. I don't know.

17 Q. None that you know of?

18 A. I don't know.

19 Q. You received a Subpoena from the  
20 United States in February of 2014?

21 A. I did, yes.

22 Q. We're pulling it out. Well, while  
23 we're waiting, trial was scheduled by the  
24 judge on February 4, 2014, for the end of  
25 March 2014; do you remember that?

1 WILLIAM F. BROWDER (4/15/15)

2 A. I do.

3 Q. You were at The White House that  
4 day, February 4, 2014; do you remember that?

5 A. No.

6 Q. You were at The White House at the  
7 beginning of 2014?

8 A. I don't remember.

9 Q. How many times have you been to The  
10 White House?

11 A. Once.

12 Q. When was that?

13 A. 2000, 2002, something like that.

14 Q. Okay. We'll have to pull out some  
15 records. All right. We'll go back to the  
16 Subpoena.

17 (Browder Exhibit 16, Subpoena was  
18 marked for identification, as of this  
19 date.)

20 BY MR. CYMROT:

21 Q. So can you identify -- what number  
22 are we up to? What number was that?

23 MR. LEVINE: Sixteen.

24 Q. Sixteen.

25 It is for the record what appears

1 WILLIAM F. BROWDER (4/15/15)  
2 to be a Subpoena to William Browder, Hermitage  
3 Capital Management, Grafton House in London.  
4 And it calls for appearance in New York on  
5 31st of March 2014 at 10:00 a.m., Bates  
6 Nos. '266 to '268.

7 Sir, do you recognize this  
8 document?

9 A. Yes.

10 Q. Did you receive this?

11 A. I believe so.

12 Q. By e-mail?

13 A. I don't remember.

14 Q. How did you get it?

15 A. I don't remember.

16 Q. Did you have a conversation with  
17 U.S. Attorney's Office before you received it?

18 A. I don't remember.

19 Q. You don't remember. Would you  
20 speak up, please?

21 A. I don't remember.

22 Q. It calls for "Please provide any  
23 and all records in your possession relating to  
24 any USB [sic] Bank account held in the name of  
25 Prevezon Holding Ltd."



1 WILLIAM F. BROWDER (4/15/15)

2 A. I'm sorry, where it does it say  
3 that?

4 Q. UBS?

5 A. Where -- where's that?

6 Q. On the second page, rider.

7 "Related to UBS Bank account held  
8 in the name of Prevezon Holding."

9 A. Yes.

10 Q. Did you provide records to the  
11 United States in response to the Subpoena?

12 A. No.

13 Q. No?

14 A. No.

15 Q. Do you ever provide records of UBS  
16 Bank accounts held by Prevezon Holdings, its  
17 affiliates, parents, directors or employees to  
18 the United States?

19 A. Not to my knowledge.

20 Q. This is the -- did you receive such  
21 records in connection with the Swiss  
22 proceeding?

23 A. Yes.

24 Q. And didn't you turn over records  
25 from the Swiss proceeding to the U.S.

1 WILLIAM F. BROWDER (4/15/15)

2 Attorney's Office?

3 A. We did.

4 Q. And didn't they include these bank  
5 records?

6 A. Not to my knowledge.

7 Q. What did they include?

8 A. Different records.

9 Q. What records?

10 A. Records in connection with Stepanov  
11 and Stepanova.

12 Q. So you never disclosed any UBS Bank  
13 account records for Prevezon Holding to the  
14 United States?

15 A. Not to my knowledge.

16 Q. Well, would somebody else within  
17 your team have done it?

18 A. I don't know.

19 Q. Wouldn't they tell you before they  
20 did it?

21 A. No.

22 Q. Wouldn't that be a significant  
23 thing for you to know as the head of the  
24 company?

25 A. No.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. You mean people can just turn over  
3 records from one court proceeding to another  
4 on a matter in which you have been personally  
5 involved for years and not tell you?

6 A. Could you rephrase the question?

7 Q. Yes. It's possible that your team  
8 would turn over records from the Swiss  
9 proceeding to the United States without  
10 telling you?

11 A. I kind of doubt it, but I don't  
12 know.

13 Q. So you don't think it happened?

14 A. I don't -- I just don't know.

15 Q. Do you see the next sentence, "Due  
16 to this ongo-" -- "Due to the ongoing nature  
17 of the investigation, we request that you do  
18 not disclose any information related to this  
19 Grand Jury Subpoena request or to any third  
20 party"; do you see that?

21 A. Yes.

22 Q. Did you understand that you were  
23 going to appear in front of a Grand Jury?

24 A. I made no assumptions.

25 Q. Did you agree to appear?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. Did you have conversations with  
4 U.S. Attorney's Office about whether you would  
5 appear?

6 A. No.

7 Q. Did anybody have conversations on  
8 your behalf about whether you would appear?

9 A. No.

10 Q. Well, there were a series of  
11 letters, first U.S. described you as their key  
12 witness; you're aware of that, right?

13 A. Yes.

14 Q. And then there were a series of  
15 letters where they cut back on what it would  
16 be you might testify about; you're aware of  
17 those, correct?

18 A. Yes, I am.

19 Q. And how did those letters come  
20 about?

21 A. They followed one another.

22 Q. Who had the conversations that led  
23 to those letters?

24 A. Lots of people.

25 Q. Who were the lots of people?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Lawyers.

3 Q. What lawyers?

4 A. I can't remember which lawyers,

5 I've had a lot of lawyers.

6 Q. Did you talk to Brown Rudnick about

7 the Subpoena?

8 A. I've talked to Brown Rudnick about

9 this.

10 Q. Did they have conversations with

11 the United States about whether you would

12 appear or not?

13 A. I would imagine they did.

14 Q. Weren't you informed?

15 A. I've been informed.

16 Q. What did they tell you?

17 A. I don't remember.

18 Q. You have no idea?

19 A. No idea.

20 Q. Not a clue?

21 A. No, a clue.

22 Q. You have a clue?

23 A. I have a clue.

24 Q. All right. So what's your clue

25 about what you were told?

1 WILLIAM F. BROWDER (4/15/15)

2 MR. KIM: Are you -- I'm sorry.

3 Are you now referring to a

4 conversation between the D.A.'s office

5 and Mr. Browder or Mr. Browder and his

6 lawyers?

7 MR. CYMROT: Mr. Browder and his

8 lawyers.

9 MR. KIM: Okay. I object on the

10 basis of attorney-client privilege.

11 MR. CYMROT: Are you instructing

12 him --

13 MR. KIM: I'm instructing him not

14 to answer that particular question,

15 but you can continue.

16 BY MR. CYMROT:

17 Q. Did you inform the U.S. Attorney's

18 Office what you were capable of testifying

19 about? Let me ask a different question.

20 You've read those letters, right?

21 A. Yes.

22 Q. Were you capable of testifying

23 about the subjects that are set forth in those

24 letters?

25 A. We have to refer to each letter so

1 WILLIAM F. BROWDER (4/15/15)

2 I can answer that question.

3 Q. Well, before the letter went from  
4 your lawyer to the U.S. Attorney's Office, did  
5 you conclude yourself that you were capable of  
6 testifying about what was in the letter?

7 A. I'd have to look at the letter.

8 Q. You have no idea?

9 A. I don't know which letter you're  
10 talking about.

11 MR. CYMROT: Do we have his visit  
12 to The White House?

13 (Browder Exhibit 17, Document  
14 Entitled "White House Visitor Records  
15 Requests" was marked for  
16 identification, as of this date.)

17 BY MR. CYMROT:

18 Q. I'm marking for identification as  
19 Exhibit 17 the document entitled "White House  
20 Visitor Records Requests."

21 A. Yes.

22 Q. It says "Name: Last, Browder"?

23 A. Yes.

24 Q. "Name: First, William"?

25 A. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. "Middle initial F; appointment date  
3 February 12, 2014"; you see that?

4 A. Yes.

5 Q. So does this refresh your  
6 recollection that you had a meeting at The  
7 White House with a Mr. Carpenter on  
8 February 12, 2014?

9 A. Could you break down the question?  
10 There's several questions there.

11 Q. Did you have a meeting at The White  
12 House on February 14, 2014?

13 A. No, I had a meeting at the old  
14 executive office building.

15 Q. I see. Within The White House  
16 complex?

17 A. Yes.

18 Q. So when I asked you when you'd been  
19 to The White House, you weren't talking about  
20 The White House complex?

21 A. Correct.

22 Q. So I have to be very careful in  
23 asking my questions; is that right?

24 Did you meet with Mr. Carpenter?

25 A. Yes.



1 WILLIAM F. BROWDER (4/15/15)

2 Q. Who else was present?

3 A. Juleanna Glover.

4 Q. Who's Juleanna Glover?

5 A. She was my lobbyist.

6 Q. She was your lobbyist?

7 A. Correct.

8 Q. When did you discharge her from  
9 being your lobbyist?

10 A. She left her firm to join a new  
11 firm, and that's when the relationship -- the  
12 business relationship ended.

13 Q. When was that?

14 A. I can't remember, maybe a year ago.

15 Q. Well, she was present when you were  
16 served with a Subpoena just a couple months  
17 ago, right?

18 A. Correct.

19 Q. But that wasn't part of a business  
20 relationship?

21 A. No.

22 Q. Okay. So other than Mr. Carpenter  
23 and Ms. Glover, who else was present?

24 A. Nobody.

25 Q. And why did you ask for this

1 WILLIAM F. BROWDER (4/15/15)

2 appointment?

3 A. Part of our advocacy for  
4 implementing Sergei Magnitsky Rule of Law  
5 Accountability Act sanctions.

6 Q. What were you asking for?

7 A. More people to be added to the  
8 list.

9 Q. And who did you want added to the  
10 list?

11 A. I can't remember the names.

12 Q. Mr. Katsyv was not on your list?

13 A. No.

14 Q. Did you ever talk to the U.S.  
15 Attorney's Office whether Mr. Katsyv should be  
16 added to the list?

17 A. No.

18 Q. Anybody in your team have that  
19 conversation?

20 A. No.

21 Q. So how long did you meet with  
22 Mr. Carpenter?

23 A. Forty-five minutes.

24 Q. And what was the conversation?

25 A. About putting people on the

1 WILLIAM F. BROWDER (4/15/15)

2 Magnitsky list.

3 Q. And what did you say and did he say  
4 during that conversation?

5 A. I said "We should put more people  
6 on the Magnitsky list."

7 Q. And what did he say?

8 A. "We're working on it."

9 Q. And who are the people you wanted  
10 to add to the list?

11 A. I can't remember.

12 Q. Did he say how he's working on it?

13 A. No.

14 Q. One point you learned that  
15 John Kerry, secretary of state, stopped  
16 additions to the list, right?

17 A. What are you -- what point are you  
18 referring to?

19 Q. In 2014.

20 A. I think it was The White House, but  
21 I can't remember who was stopping it, somebody  
22 was stopping it.

23 Q. Didn't you call Mr. Kerry the  
24 lapdog of Mr. Putin?

25 A. I might have. Are you referring to

1 WILLIAM F. BROWDER (4/15/15)

2 a specific quote or document?

3 Q. I'm referring to a quote. Did you  
4 call Mr. Kerry a lapdog of Putin?

5 A. Can I see that document and confirm  
6 it?

7 Q. No, I'm asking you whether you said  
8 it.

9 A. I don't remember.

10 Q. If I showed you the document, you  
11 would remember?

12 A. It would refresh my memory.

13 Q. I see. So you have no recollection  
14 of calling Secretary of State Kerry the lapdog  
15 of Putin?

16 A. Maybe your colleague can show me  
17 the document and it will refresh my memory.

18 Q. But unless I show you a document,  
19 you're not going to admit to the statement?

20 A. I've made a lot of statements about  
21 a lot of people. I'd like to see the  
22 statement.

23 Q. Do you feel Mr. Kerry is the lapdog  
24 of Putin?

25 A. Let me see the statement.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Do you think Mr. Kerry is the  
3 lapdog of Putin?

4 A. Do I think -- yes.

5 Q. And why?

6 A. Because in my opinion he's  
7 following a policy of appeasement towards  
8 Russia.

9 Q. Including not adding people to the  
10 Magnitsky list?

11 A. Among other things.

12 Q. What other things are you referring  
13 to?

14 A. Sanctions policy, more generally,  
15 arms to Ukraine, Syria, Iran, et cetera.

16 Q. An interesting subject, but not  
17 part of the lawsuit, so we'll pass.

18 So when you heard there was a trial  
19 date in this case, were you concerned by that?

20 A. No.

21 Q. Did you talk to Mr. Carpenter about  
22 it?

23 A. No.

24 Q. Never even brought it up?

25 A. No.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Did you talk to anybody within The  
3 White House complex about it?

4 A. No.

5 Q. Did you talk to anybody in the  
6 justice department about it?

7 A. No.

8 Q. Okay. So do you have any idea  
9 where the United States got records of  
10 Prevezon Holdings' UBS Bank account?

11 A. No.

12 Q. Has -- has your team traced --  
13 allegedly traced \$230 million or any part of  
14 that to Prevezon Holdings?

15 A. Isn't this the whole basis for our  
16 Complaint?

17 Q. Right. So how did you do that?

18 A. My team conducted the  
19 investigation.

20 Q. And how did they do that?

21 A. Gathering information from  
22 different sources.

23 Q. What sources? What sources?

24 A. 1782 Subpoena, OCCRP.

25 Q. What's that, OCCRP?

1 WILLIAM F. BROWDER (4/15/15)

2 A. The Organized Crime and Corruption  
3 Reporting Project.

4 Q. They had records?

5 A. Yes.

6 Q. Do they have records of Prevezon  
7 Holdings account and UBS?

8 A. No.

9 Q. Now I want to focus -- and I  
10 understand, I'm looking now at the chart,  
11 Exhibit 1, Tab 7. We talked about the part up  
12 through Bunicon and Elenast. We're now at,  
13 according to this chart, \$410,000 that went  
14 from Bunicon to Prevezon Holdings and four  
15 \$447,000 that went from Elenast to Prevezon  
16 Holdings. Do you see that?

17 A. Yes.

18 Q. So how did your team trace those  
19 funds?

20 A. I don't know.

21 Q. Are there any documents within this  
22 exhibit as far as you know that trace those  
23 funds?

24 A. I don't know. I think these  
25 numbers, these tab numbers refer to different

1 WILLIAM F. BROWDER (4/15/15)

2 documents, but I couldn't --

3 Q. What's that?

4 A. I think these numbers, these 1, 2,  
5 3, 4, 5 refer to different documents here, but  
6 I don't know how that works.

7 Q. Give me a second. All right.

8 So if we look at '151, that's the  
9 Bates number on the bottom.

10 A. I'm sorry, what are you referring  
11 to?

12 Q. It's in Tab 8, lower right-hand  
13 corner, 3128-151.

14 A. Okay.

15 Q. So it talks about a transfer of 447  
16 from -- Elenast to Prevezon; do you see that?

17 A. Yes.

18 Q. And on the opposite page, that's  
19 the Bunicon payment, I suppose we have to turn  
20 the page.

21 I don't know, do you see the  
22 447,000 because I don't?

23 A. So what is your question?

24 Q. Where is the basis for the  
25 statement on page '151 that there was a



1 WILLIAM F. BROWDER (4/15/15)

2 \$447,000 payment from Elenast to Prevezon?

3 A. I don't know.

4 Q. And you have no idea what these  
5 little boxes are that are on the opposite  
6 page?

7 A. I have no idea.

8 Q. And you have no idea where they  
9 came from?

10 A. No idea.

11 Q. And who on your team should I ask  
12 about the transfers from UBS and Switzerland  
13 into the UBS account in Switzerland?

14 MR. KIM: Objection to the form.

15 Q. Let me start again.

16 Who on your team should I ask about  
17 the transfers from Bunicon and Elenast to  
18 Prevezon?

19 MR. KIM: Objection to form.

20 A. Could you rephrase the question?

21 Q. Yes. There's a statement here that  
22 Elenast transferred \$447,000 to Prevezon. Who  
23 on your team would know how that transfer  
24 occurred?

25 A. I imagine either lawyers or Vadim.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. The lawyers, the same lawyers  
3 you've been talking about?

4 A. Yes.

5 Q. And you don't know where they got  
6 the records?

7 A. No.

8 Q. Do they have any other source of  
9 the records other than the Swiss proceeding?

10 A. I don't know.

11 Q. Did somebody steal the records?

12 A. No.

13 Q. You're sure about that?

14 A. Yes.

15 Q. Do you have a whistleblower for  
16 this, for these records?

17 A. I don't know where these records  
18 came from.

19 Q. What do you know about the company  
20 called AFI Europe?

21 A. I read something in the Complaint  
22 about them joint venturing with your clients  
23 on German real estate.

24 Q. Do you know anything else about  
25 them?

1 WILLIAM F. BROWDER (4/15/15)

2 A. It's a large Israeli real estate  
3 investment company listed on the Tel Aviv  
4 Stock Exchange.

5 Q. Has it ever been subject of a  
6 criminal investigation, to your knowledge?

7 A. I don't know.

8 Q. Not to your knowledge?

9 A. I just don't know.

10 Q. Do you know Mr. Loviev?

11 A. I know of him.

12 Q. Never met him?

13 A. I have.

14 Q. You met him how many times?

15 A. Twice.

16 Q. When was that?

17 A. In 1996 and sometime in the early  
18 2000s.

19 Q. What were the circumstances of  
20 meeting Mr. Loviev?

21 A. Social. He was at a party.

22 Q. Both occasions?

23 A. Yes.

24 Q. Never did any business with him?

25 A. No.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Do you know people who did business  
3 with him?

4 A. No.

5 Q. Do you know Mr. Guidimac?

6 A. No.

7 Q. Know anything about a structure for  
8 holding real estate in Europe called "the  
9 Dutch sandwich"?

10 A. No.

11 Q. You don't own any real estate in  
12 Europe?

13 A. I'm sorry?

14 Q. Do you own any real estate in  
15 Europe?

16 A. No.

17 MR. CYMROT: Why don't we take a  
18 short break.

19 THE VIDEOGRAPHER: The time is  
20 4:52 p.m. We're off the record.

21 (Whereupon, at this time, a short  
22 break was taken.)

23 THE VIDEOGRAPHER: The time is  
24 5:12 p.m. We're back on the record.

25 BY MR. CYMROT:

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Okay. So Mr. Browder, you're the  
3 head of the Global Magnitsky Justice Campaign;  
4 is that right?

5 A. Yes.

6 Q. And what's that devoted to?

7 A. Getting justice for  
8 Sergei Magnitsky.

9 Q. And where does it get its funding?

10 A. It's a loose cooperation of  
11 individuals, it's mostly self-funded.

12 Q. "Self-funded"; you pay for most of  
13 it?

14 A. Most people contribute their time  
15 and effort for free.

16 Q. And the expenses?

17 A. They're -- the expenses aren't  
18 significant, but I pay some of them.

19 Q. Do you know something called The  
20 Journalism Development Network?

21 A. No.

22 Q. Operates OCCRP; you're aware of  
23 that?

24 A. No.

25 Q. Do you make contributions to the

1 WILLIAM F. BROWDER (4/15/15)

2 Journalism Development Network?

3 A. No.

4 Q. Never?

5 A. Never.

6 Q. You've never made contributions

7 directly or indirectly to OCCRP?

8 A. No.

9 Q. How did you come to know OCCRP?

10 A. We met them -- I met them, my  
11 colleagues met them in the course of our work.

12 MR. CYMROT: So I'm going to mark  
13 as Exhibit 18 a return of organization  
14 exempt from income tax Journalism  
15 Development Network, Inc.

16 (Browder Exhibit 18, document  
17 Bates stamped BrowderDepo0000548  
18 through '581 was marked for  
19 identification, as of this date.)

20 BY MR. CYMROT:

21 Q. And this is for the year 2012, and  
22 it shows in 2011 it received contributions of  
23 \$19,000. And in 2013, I'm looking at line 8  
24 on the first page, received contributions of  
25 \$1,015,542.

1 WILLIAM F. BROWDER (4/15/15)

2 Do you have any idea how its  
3 contributions jump so significantly in 2012?

4 A. No.

5 Q. And that's not due to any  
6 contributions you made?

7 A. I made no contributions.

8 Q. And Hermitage?

9 A. No contributions.

10 Q. And nobody on your team that you  
11 know of?

12 A. No.

13 Q. So you have no explanation for that  
14 jump in contributions?

15 A. No.

16 Q. So in 2012, the OCCRP approached  
17 Denis Katsyv; you're aware of that?

18 A. No.

19 Q. You weren't aware of that?

20 A. No.

21 Q. So according to your letter, which  
22 is Exhibit 1 to the New York D.A., there were  
23 transactions by Prevezon, and you list 13 of  
24 them. I think I misspoke just a second.

25 It was 13 transactions and the last

1 WILLIAM F. BROWDER (4/15/15)

2 two were the ones to Prevezon.

3 A. Could you just alert me to the  
4 right page here?

5 Q. Yes, page 5.

6 A. Page 4 or page 5.

7 Q. Page 5. Well, it starts on page 4,  
8 there are a list of transactions, but the last  
9 two are Transaction 15 and 16; do you see  
10 that?

11 A. Yes.

12 Q. And where did you get that  
13 information?

14 A. I don't know.

15 Q. So then it goes "Acquisition of  
16 Defendants' assets" further down the page.  
17 "Prevezon acquired the Defendant assets on  
18 November 30, 2009."

19 What do you mean by "Defendant  
20 assets"?

21 A. Where is the -- what are we  
22 referencing?

23 Q. Paragraph numbered 16.

24 A. I don't know.

25 Q. So you don't know how you came into



1 WILLIAM F. BROWDER (4/15/15)

2 information about Prevezon?

3 A. No.

4 Q. Unit 2009 was acquired by Prevezon

5 on November 30, 2009 for 1,231,148. Do you

6 see that?

7 A. Yes.

8 Q. Where did you get that information?

9 A. That information came from

10 Bill Alpert at Barron's magazine.

11 Q. Do you know where he got it?

12 A. No.

13 Q. Unit 1810 was acquired on

14 November 30th for 829; did that come from

15 Bill Alpert also?

16 A. I believe so.

17 Q. How did Bill Alpert become

18 interested in Denis Katsyv?

19 A. He's a part of the OCCRP network.

20 Q. Well, but how did Denis Katsyv come

21 to the attention of the OCCRP?

22 A. I don't know.

23 Q. How did they come to your

24 attention?

25 A. I don't know.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Do you know whether this  
3 information is accurate in 17 and 18?

4 A. I don't know.

5 Q. Look, this is a letter that you  
6 delivered to New York D.A. personally and you  
7 did no due diligence to see whether it was  
8 accurate?

9 A. I trusted my team.

10 Q. That's totally -- you trusted your  
11 team, but you did nothing yourself to  
12 understand the information and to check  
13 whether it was accurate; is that true?

14 A. What's the question?

15 Q. You did nothing yourself in the way  
16 of due diligence to determine whether this  
17 information that you're presenting to the  
18 New York D.A. is accurate?

19 A. My team did the due diligence and I  
20 trusted their work.

21 Q. Did you ever find -- so it sets  
22 conclusion, "As set forth, Prevezon, its major  
23 shareholder, Denis Katsyv, the son of Piotr  
24 Katsyv, Russian senior official, has acquired  
25 the vast corporate and personal wealth in

1 WILLIAM F. BROWDER (4/15/15)

2 excess of \$857,000 through corrupt schemes";  
3 that's what it says, right, paragraph 19?

4 A. Yes.

5 Q. So what were the corrupt schemes  
6 referred to right here, corrupt schemes?

7 A. I don't know.

8 Q. You have no idea?

9 A. No.

10 Q. "Prevezon and Denis Katsyv have  
11 also taken significant steps to conceal the  
12 source and ownership of their funds and  
13 assets."

14 What significant steps did they  
15 take?

16 A. I don't know.

17 Q. So you go out there and you tell  
18 the world that Denis Katsyv is a crook and you  
19 don't have any idea how he's a crook; is that  
20 what you're telling us?

21 MR. KIM: Objection to form.

22 A. Could you rephrase the question,  
23 please?

24 Q. You go out and you tell the world  
25 that Denis Katsyv is a crook and you have no

1 WILLIAM F. BROWDER (4/15/15)

2 idea what acts he committed that were crooked;  
3 is that your testimony?

4 A. No.

5 Q. And what did he do that was crooked  
6 in your view, corrupt?

7 A. My team did an analysis which led  
8 to apartments being purchased using funds from  
9 the \$230 million tax rebate fraud that  
10 Sergei Magnitsky uncovered. The rigor and  
11 quality of the work that my team did gave me  
12 confidence to supply our suspicions to the  
13 New York District Attorney's office to  
14 investigate and they chose to investigate.

15 Q. "Rigor and quality."

16 What rigor did they use?

17 A. The same rigor they've used all  
18 throughout my experience with them.

19 Q. So you have no idea what due  
20 diligence they do to make sure their  
21 information is accurate?

22 A. They've been doing this work for a  
23 long time, and the work that they do is high  
24 quality and I have confidence in it.

25 Q. And nobody has been prosecuted,

1 WILLIAM F. BROWDER (4/15/15)

2 although you've been at this for years, other  
3 than Mr. Katsyv based on the rigor and quality  
4 of your information; is that right?

5 A. No.

6 Q. Who's been prosecuted?

7 A. You had five different questions in  
8 your question, so can you --

9 Q. No. Nobody has been prosecuted  
10 based upon the rigger and quality of the work  
11 of your team, five years of doing work?

12 A. Is your question whether anyone has  
13 been prosecuted?

14 Q. Yes.

15 A. If your question is has anyone been  
16 prosecuted --

17 Q. As a result of your work?

18 A. As a result of our work; not yet.

19 Q. And it's been how many years you've  
20 been at this?

21 A. Since Sergei Magnitsky was killed.

22 Q. When was that?

23 A. November 16, 2009.

24 Q. So that's six years now?

25 A. Five and a half.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. And you presented to how many  
3 different prosecutors?

4 MR. MONTELEONI: To the extent  
5 that that question calls for  
6 communications with government  
7 agencies that are engaged in ongoing  
8 criminal investigations that aren't  
9 public, I'm going to again request  
10 that the witness not answer it.

11 But obviously to the extent that  
12 its existence of investigations that  
13 are public, we have no objection.

14 MR. CYMROT: Are you instructing  
15 him not to answer? To be clear, I  
16 asked for the number. I didn't ask  
17 for names. So I don't know how the  
18 number could be privileged.

19 MR. MONTELEONI: Yes, that's fine.  
20 If it's just the number, you can  
21 answer.

22 MR. KIM: Yes, Mr. Cymrot, I  
23 understood you to be asking for the  
24 number. And if the witness knows the  
25 number, I do not have an independent

1 WILLIAM F. BROWDER (4/15/15)  
2 objection other than what the  
3 Government stated, which I understand  
4 they're withdrawing their objection to  
5 a question about the number if the  
6 witness knows.

7 BY MR. CYMROT:

8 Q. How many prosecutors have you  
9 submitted information to?

10 A. I don't know the exact number, more  
11 than ten.

12 Q. And when your rigorous and  
13 high-quality information has been challenged  
14 in court, you've lost; isn't that true?

15 A. No.

16 Q. Well, Mr. Stepanov won in court,  
17 you already testified to that; and weren't you  
18 sued by Mr. Karpov?

19 A. Yes.

20 Q. In London?

21 A. Yes.

22 Q. The judge there was highly critical  
23 of your analysis, wasn't he?

24 A. No.

25 Q. Really?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Yes.

3 Q. Okay. I wouldn't want a judge  
4 saying this about me, so I'll show it to you.

5 (Browder Exhibit 19, document  
6 Bates stamped BrowderDepo0001643  
7 through '670 was marked for  
8 identification, as of this date.)

9 MR. CYMROT: I'm marking as  
10 Exhibit 19 an opinion, approved  
11 judgment in the High Court of Justice  
12 Queens Bench Division, Royal Court of  
13 Justice, Strand, London before  
14 Mr. Justice Simon between Pavel Karpov  
15 and -- as Claimant and  
16 William Felix Browder as Defendants,  
17 Hermitage Capital Management Ltd.,  
18 Hermitage Capital Management U.K.  
19 Ltd., Jamison Reed Firestone.

20 BY MR. CYMROT:

21 Q. Do you know what this document is?

22 A. Yes.

23 Q. What is it?

24 A. This is the judgment on the libel  
25 suit.



1 WILLIAM F. BROWDER (4/15/15)

2 Q. What did Mr. Karpov accuse you of  
3 in this lawsuit?

4 A. Libel.

5 Q. For what statements?

6 A. Statements made in the videos that  
7 were published on russianuntouchables.com.

8 Q. That says he had arrested, tortured  
9 and murdered Mr. Magnitsky?

10 A. The statements didn't say that on  
11 the website.

12 Q. Really? Well, let's see about  
13 that.

14 Episode 2 on page '1645, that's the  
15 Bates number.

16 2008, after Sergei Magnitsky  
17 testified against the same criminal group for  
18 an even larger crime, the same officers  
19 arrested, tortured and eventually killed  
20 Sergei to hide their crime. Unless they are  
21 stopped, the same criminal group will continue  
22 to murder and steal. And it's time for the  
23 Russian government to prosecute the officers  
24 responsible for the arrest and death of  
25 Sergei Magnitsky, Major Pavel Karpov uses his

1 WILLIAM F. BROWDER (4/15/15)  
2 position to steal, destroy lives. He's become  
3 a very rich man and believes his uniform makes  
4 him untouchable. It's time to prove him  
5 wrong. Did you make that statement in your  
6 website?

7 A. That statement was made on the  
8 Russian Untouchables video, Episode 2.

9 Q. That was -- you were responsible  
10 for that?

11 A. Yes.

12 Q. You approved it?

13 A. Yes.

14 Q. Episode 3, top of page '1646,  
15 "Instead of stopping Sergei Magnitsky and  
16 recognizing him as a hero, the Government  
17 allowed Interior Ministry Officers Kuznetsov,  
18 Karpov...to arrest, torture and kill him."

19 You said that?

20 A. No. There's three dots in between  
21 those -- those -- those words.

22 Q. The Court felt that this was an  
23 accurate statement of what was said?

24 A. No. There's three dots there, so I  
25 didn't -- the video said something more than

1 WILLIAM F. BROWDER (4/15/15)

2 that.

3 Q. I see. But the Court felt that  
4 this was an accurate -- this is written by a  
5 judge, right, this opinion, correct?

6 A. Yes.

7 Q. The judge felt that was an accurate  
8 representation of what was said, correct?

9 A. No.

10 Q. He didn't?

11 A. The judge is paraphrasing for  
12 whatever purposes.

13 Q. I see. So you think the judge got  
14 it wrong?

15 A. No, I just see that there's three  
16 dots there.

17 Q. So did you say in words or in  
18 substance that Karpov had arrested, tortured  
19 and killed Magnitsky?

20 A. No.

21 Q. Well, we just read it in Episode 2,  
22 you said it?

23 A. No, I didn't. Should we read it  
24 again?

25 Q. Yes. We'll read it again.

1 WILLIAM F. BROWDER (4/15/15)

2 A. "In 2008 after Sergei Magnitsky  
3 testified against the same criminal group for  
4 an even larger crime, the same officers  
5 arrested, tortured --

6 MR. KIM: Slow down, it's being  
7 typed up.

8 THE WITNESS: Sorry.

9 A. "And eventually killed Sergei to  
10 hide their crime. Unless they are stopped,  
11 the same criminal group will continue to  
12 murder and steal. It's time for the Russian  
13 government to prosecute the officers  
14 responsible for the arrest and death of  
15 Sergei Magnitsky. Major Pavel Karpov uses his  
16 position to steal and destroy lives. He's  
17 become a very rich man and believes his  
18 uniform makes him untouchable. It's time to  
19 prove him wrong."

20 Q. So you're saying the Court got it  
21 wrong when on the next page, '1646, "Instead  
22 of supporting Sergei Magnitsky and recognizing  
23 him as a hero, the Government allowed Interior  
24 Ministry Officers Kuznetsov, Karpov...to  
25 arrest, torture and kill him"; so the Court

1 WILLIAM F. BROWDER (4/15/15)

2 got it wrong?

3 A. Yes. I'm saying that there's three  
4 dots there. No, the Court didn't get it  
5 wrong. I'm saying that you're reading out of  
6 context, there's three dots there and there's  
7 a longer sentence.

8 Q. But this is what the Court wrote,  
9 this is what the judge wrote, we're looking at  
10 a judge's opinion, right? I didn't get it  
11 wrong. You're saying the judge got it wrong  
12 when he put three dots there because it  
13 changed the meaning according to you?

14 A. I'm not sure the judge intended --  
15 no, I disagree.

16 Q. You disagree. What do you disagree  
17 with?

18 A. I disagree that there's three dots  
19 there. So if you want to use this, you should  
20 retrieve the full sentence.

21 Q. I'm talking about what Judge Simon  
22 said about what you said about Mr. Karpov.  
23 And Judge Simon said Kuznetsov Karpov -- three  
24 dots -- to arrest, torture and kill him. "  
25 That's what I'm reading.

1 WILLIAM F. BROWDER (4/15/15)

2 A. So I didn't say that. I said more  
3 words than are listed there, which is why  
4 there's three dots.

5 Q. Al righty. Okay, paragraph 128 --  
6 starting on 127, actually.

7 So 127 has your case, Defendants'  
8 case on the ill-treatment and/or torture of  
9 Sergei Magnitsky, correct?

10 A. Let me read it properly. Yes,  
11 correct.

12 Q. So it says that your case is for  
13 "the avoidance of doubt, it is not alleged  
14 that the Claimant" -- which would be  
15 Mr. Karpov -- "personally took part in the  
16 ill-treatment and/or torture and killing of  
17 Mr. Magnitsky. The case against Claimant is  
18 that he was, however, one of those culpable  
19 and complicit in it because of his part in the  
20 fraud and coverup."

21 And then it says "It would have  
22 been reasonably foreseeable to any reasonable  
23 or blameless official in the Claimant's  
24 position (not least based on the high  
25 mortality rates in Russian prisons), a person

1 WILLIAM F. BROWDER (4/15/15)  
2 in Mr. Magnitsky's position could well die in  
3 prison. Notwithstanding this, the claimant  
4 participated in the arrest and detention in  
5 the manner alleged above," correct?

6 A. Yes.

7 Q. And then the judge says "This is an  
8 unsatisfactory plea of justification for at  
9 least two reasons. First, it focuses on  
10 Claimant's motive and motive alone is not  
11 sufficient to support a plea of torture and  
12 murder. Second, the only overt act relied on  
13 is the Claimant's involvement in the arrest  
14 and imprisonment of Sergei Magnitsky. The  
15 link which is made between the arrest and  
16 imprisonment on the one hand and  
17 Sergei Magnitsky's death on the other, is that  
18 the latter was reasonably foreseeable  
19 consequence of the former, not least because  
20 of high mortality rates in Russian prisons.  
21 The causal link which one would expect from  
22 such a serious charge is wholly lacking and  
23 nothing is said about torture or murder";  
24 that's what the judge said about your  
25 statements concerning Mr. Karpov, correct?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Yes.

3 Q. And yet you continue to go around  
4 and associate people with the death of  
5 Sergei Magnitsky who were not directly  
6 involved in his death, don't you?

7 A. I believe that people I make  
8 statements about being involved in his death  
9 were involved in his death.

10 Q. And you think Mr. Karpov -- despite  
11 the disagreement the judge had with you, you  
12 think Mr. Karpov is responsible?

13 A. I believe that Mr. Karpov was a  
14 member of a criminal enterprise that was  
15 responsible.

16 Q. I'm asking you whether you disagree  
17 with the judge, that because he arrested him  
18 that necessarily Magnitsky -- Mr. Magnitsky  
19 was going to die; that's what you've said?

20 A. Why don't we just read a little  
21 further in the same document. If you go to --

22 Q. Why don't we answer my question.

23 "The causal link which one would  
24 expect from the serious charges wholly lacking  
25 and nothing is said about torture or murder."



1 WILLIAM F. BROWDER (4/15/15)

2 He doesn't agree that because he  
3 supposedly was the arresting officer that he  
4 was responsible for his death, correct?

5 A. No.

6 Q. The judge doesn't agree?

7 A. No, that's incorrect.

8 Q. Oh, the judge agrees with you?

9 A. No, the judge doesn't -- repeat  
10 your question and I'll tell you --

11 Q. You said the judge thinks "the  
12 causal link which one would expect from such a  
13 serious charge" -- the charge being that he  
14 was involved in the arrest and therefore he  
15 was involved in the death -- "is wholly  
16 lacking and nothing is said about torture or  
17 murder." That's what the judge said. Do you  
18 disagree with the judge?

19 A. No.

20 Q. Okay. So in this Complaint, in  
21 this case, there's a reference to the death of  
22 Mr. Magnitsky and you've associated Mr. Katsyv  
23 with the death of Mr. Magnitsky, haven't you?

24 A. No.

25 MR. CYMROT: I'm going to mark as

1 WILLIAM F. BROWDER (4/15/15)  
2 Exhibit 20 a press release, which I  
3 believe is from Hermitage on  
4 September 11, 2013, regarding the  
5 Complaint.

6 (Browder Exhibit 20, Press Release  
7 was marked for identification, as of  
8 this date.)

9 BY MR. CYMROT:

10 Q. So can you identify Exhibit 20?

11 A. Yes.

12 Q. What is it?

13 A. Press release.

14 Q. By whom?

15 A. Website called Law and Order in  
16 Russia.

17 Q. And who issued the press release?

18 A. The Justice Campaign for  
19 Sergei Magnitsky.

20 Q. Which is your organization?

21 A. Which is my organization.

22 Q. So you approved this press release?

23 A. I did.

24 Q. It states, middle of the first  
25 paragraph, "This is the first action in the

1 WILLIAM F. BROWDER (4/15/15)  
2 U.S. to seize assets connected to the  
3 Magnitsky case, said a Hermitage capital  
4 representative. It's a significant  
5 escalation, the campaign, to bring justice for  
6 Sergei Magnitsky and his family. Sergei's  
7 family, colleagues and friends" -- "colleagues  
8 and family will continue to pursue all of the  
9 recipients of the blood money to make sure  
10 they are parted with the elicited proceeds  
11 whoever and wherever they are."

12 And the Complaint you're referring  
13 to is against Prevezon Holdings, and you refer  
14 to Mr. Katsyv on the second page.

15 So you're saying Mr. Katsyv  
16 received blood money from the death of  
17 Sergei Magnitsky; is that what you're saying?

18 A. According to the press release,  
19 it's "Sergei's friends, colleagues and family  
20 will continue to pursue all of the recipients  
21 of the blood money to make sure they're parted  
22 with the elicited proceeds whenever and wherever  
23 they are." That's exactly what was said.

24 Q. And you think it's appropriate to  
25 refer to blood money received by Mr. Katsyv

1 WILLIAM F. BROWDER (4/15/15)  
2 through 104 transactions over months and  
3 months where he's denied to you that he  
4 received it and gave you a perfectly  
5 reasonable explanation for where it came from?

6 MR. KIM: Objection to form.

7 A. There's a lot of questions there.

8 Q. I'll -- I'll -- Yeah, well, we'll  
9 get to all five of them.

10 So it's re- -- you think it's  
11 appropriate to refer to Mr. Katsyv as having  
12 received blood money?

13 A. I believe that the -- anybody who  
14 received proceeds of the \$230 million tax  
15 rebate fraud which led to the murder of  
16 Sergei Magnitsky is blood money. If he  
17 received that money, he was a recipient of  
18 blood money.

19 Q. You testified earlier today that  
20 you had no knowledge of facts that would show  
21 that Mr. Katsyv had knowledge or intent to  
22 participate in the scheme described in the  
23 Complaint; do you remember that testimony?

24 A. I do.

25 Q. And yet you're willing to describe

1 WILLIAM F. BROWDER (4/15/15)

2 what he allegedly received as blood money,  
3 implying he was involved in the death of  
4 Magnitsky?

5 A. There's three questions there. Do  
6 you want to break them down?

7 Q. Are you implying with blood money  
8 that the person that received it, Mr. Katsyv  
9 was involved in the death of Mr. Magnitsky?

10 A. No.

11 Q. And so what is blood money referred  
12 to?

13 A. The money from the \$230 million tax  
14 rebate fraud.

15 Q. The allegation in the Complaint is  
16 Mr. Katsyv's companies, Prevezon, are  
17 conspirators and they are responsible for the  
18 whole scheme of the \$230 million; were you  
19 aware of that?

20 A. No.

21 Q. You read it, you read the  
22 Complaint, didn't you?

23 A. Didn't say that they were  
24 responsible.

25 Q. Of course it did.

1 WILLIAM F. BROWDER (4/15/15)

2 A. It didn't say that.

3 Q. It asked to recover the  
4 \$230 million.

5 A. I'm sorry?

6 Q. I'm not going to go back to the  
7 Complaint. It's getting late in the day.

8 You're telling me you didn't have  
9 any idea when you read that Complaint that  
10 Mr. Katsyv's companies are being accused of  
11 being responsible for the whole \$230 million  
12 scheme?

13 A. Let's go back to the document.

14 Q. Just tell me. You don't know it?

15 A. I'd like to see the -- I'd like to  
16 see what you're referring to.

17 Q. I'd like to not spend time on that.

18 So you think this is an appropriate  
19 press release and an appropriate Complaint  
20 referring to the Magnitsky Act, it's  
21 appropriate press release associating  
22 Mr. Katsyv with blood money?

23 A. Mr. Katsyv, according to our  
24 analysis and our suspicions, received a  
25 portion of the proceeds of the \$230 million

1 WILLIAM F. BROWDER (4/15/15)

2 tax rebate fraud. That fraud, the discovery  
3 of that fraud by Sergei Magnitsky led to his  
4 false arrest, torture and murder in prison and  
5 therefore -- so therefore --

6 Q. Go ahead, finish?

7 A. And therefore, the person that  
8 received that, in my opinion, would be the  
9 recipient of blood money.

10 Q. Based upon your suspicions, you  
11 just said, "suspicions" was the word?

12 A. That's correct.

13 Q. So based upon suspicions, you  
14 broadcast to the world that Mr. Katsyv is  
15 involved in the death of Mr. Magnitsky?

16 A. No.

17 Q. That's adequate for your point of  
18 view?

19 A. No.

20 Q. You just said that?

21 A. No, I didn't.

22 Q. You said based upon our suspicions  
23 he received money?

24 A. That's correct.

25 Q. And therefore, it's blood money,

1 WILLIAM F. BROWDER (4/15/15)

2 and therefore he's responsible for having  
3 blood money?

4 A. There's three questions there. You  
5 want to break them down?

6 Q. No. You think it's perfectly  
7 appropriate based upon suspicions to accuse  
8 somebody of having blood money?

9 A. Could you rephrase the question,  
10 please?

11 Q. No. I said you believe based upon  
12 suspicions that it is a proper basis to accuse  
13 somebody of having blood money?

14 A. We had suspicions, I had  
15 suspicions, and I took those suspicions to the  
16 New York D.A.'s office to investigate.

17 They investigated and believed that  
18 my suspicions were credible. And on the back  
19 of that, they handed the Complaint to the U.S.  
20 Attorney's Office, who also believed that our  
21 suspicions were credible based on their own  
22 investigation and then seized the properties.

23 Q. Mr. Hyman testified that the  
24 information he got was from you to Mr. Kleiner  
25 and some websites you directed him to. It was



1 WILLIAM F. BROWDER (4/15/15)

2 your information and you knew that, didn't  
3 you?

4 MR. KIM: Objection to form.

5 A. No.

6 Q. Let me show you another press  
7 release -- article.

8 MR. CYMROT: I'm marking as  
9 Exhibit 21 a Radio Free Europe/Radio  
10 Liberty article of September 18, 2013.

11 (Browder Exhibit 21, Radio Free  
12 Europe/Radio Liberty Article of  
13 September 18, 2013 was marked for  
14 identification, as of this date.)

15 BY MR. CYMROT:

16 Q. "Could U.S. Assets Seizure Lead to  
17 Expansion of Magnitsky Blacklist?"

18 First sentence reads "As shady  
19 Russian businessmen snapped up luxury  
20 apartments in New York City, lawyer  
21 Sergei Magnitsky was confined to the few  
22 square meters of a Moscow jail cell. He would  
23 die there under suspicious circumstances." It  
24 refers to the lawsuit and refers to Mr. Katsyv  
25 as the supposedly shady Russian businessman.

1 WILLIAM F. BROWDER (4/15/15)

2 Do you think there is a sufficient  
3 causal link between Mr. Katsyv's activities in  
4 the Complaint and the death of  
5 Sergei Magnitsky?

6 A. I don't know.

7 Q. Do you think it's appropriate for a  
8 U.S. government company Radio Free Europe/  
9 Radio Liberty to broadcast that around the  
10 world?

11 A. I have no judgment on  
12 their journalistic standards one way or  
13 another.

14 Q. You think that's an appropriate  
15 association of Mr. Katsyv, with the death of  
16 Mr. Magnitsky?

17 A. It's not my place to judge somebody  
18 else's article.

19 Q. Why not? You have an opinion,  
20 don't you? Don't you have an opinion?

21 A. Yeah.

22 Q. What's your opinion?

23 A. About what?

24 Q. About that statement, beginning of  
25 that article.

1 WILLIAM F. BROWDER (4/15/15)

2 A. Looks like it's based on the  
3 Complaint.

4 Q. You think it's -- that's an  
5 appropriate way to interpret the Complaint?

6 A. I've got -- I make no judgment  
7 on -- on this guy.

8 Q. Do you have an opinion about  
9 whether that's an appropriate way to describe  
10 the Complaint?

11 A. Without more information about  
12 his -- how he was basing his article, it would  
13 be -- I have no opinion.

14 Q. Do you think that is an appropriate  
15 description of the Complaint? That's what you  
16 said. You said it's a description of the  
17 Complaint. Do you think that's an appropriate  
18 description of the Complaint?

19 A. I don't know.

20 Q. So is it fair to say that you  
21 didn't learn anything from Justice Simon's  
22 criticism that you had an inadequate causal  
23 link between somebody who arrested, allegedly,  
24 Mr. Magnitsky and his death?

25 A. In paragraph 141 --

1 WILLIAM F. BROWDER (4/15/15)

2 Q. I'm asking you about --

3 A. And I'm -- and I'm --

4 Q. -- paragraph 128.

5 A. And I'm answering you with  
6 paragraph 141.

7 In paragraph 141, Justice Simon  
8 says, "I have" -- "I have used the expression  
9 'presently' --

10 Q. Why don't you start at the  
11 beginning of the paragraph if you want to talk  
12 about 141.

13 A. Sure.

14 "Thirdly, the claimant has achieved  
15 a measure of vindication as a result of" --  
16 "as a result of the views I've expressed in  
17 this application. Defendants are not in a  
18 position to justify the allegations that he  
19 caused or was party of the torture, death of  
20 Sergei Magnitsky, or continued to kit --  
21 commit" --

22 Q. Slow down and speak out loud --

23 A. Or to be --

24 Q. If you want to -- if you want to  
25 read this, make sure people can hear it.

1 WILLIAM F. BROWDER (4/15/15)

2 A. Would you like me to start --

3 Q. I would look you to start at the  
4 beginning, slow down, and speak out loud.

5 A. "Thirdly, the claimant has achieved  
6 a measure of vindication as a result of the  
7 views I've expressed on his application. The  
8 Defendants are not in a position to justify  
9 the allegations that he caused or was party to  
10 the torture and death of Sergei Magnitsky or  
11 would continue to commit or be party to  
12 covering up crimes. To use the expression in  
13 Olswang's letter of the first of August 2012,  
14 the record, at least insofar as it is  
15 presently set out in the pleadings, has been  
16 set straight. I recognize this will not  
17 prevent a repetition of the libel which, in  
18 order of the court, would do, at least in  
19 the -- in this jurisdiction; however, nothing  
20 in -- in this judgment is intended to suggest  
21 that, if the Defendants were to continue to  
22 publish unjustified defamatory material about  
23 the claimant, the Court would be powerless to  
24 act. I've used the expression 'presently' set  
25 out in the pleadings because I've not

1 WILLIAM F. BROWDER (4/15/15)  
2 overlooked the possibility of an application  
3 to amend the particulars of the plea of  
4 justification to rely on participation in a  
5 broad conspiracy and/or joint enterprise."

6 Q. And you feel that justifies  
7 associating Mr. Pavlov -- Mr. Karpov --  
8 sorry -- with the death of Mr. Magnitsky which  
9 you just read?

10 A. I -- I believe that -- that  
11 Mr. Karpov was a member of a joint enterprise  
12 or broad conspiracy that led to the murder and  
13 death of Sergei Magnitsky.

14 Q. And you have yet to come up with a  
15 single fact that would justify that.

16 A. No. Incorrect.

17 Q. We're not going back over the  
18 pleadings. We're talking about this case now.

19 A. Which case --

20 Q. You're --

21 A. Which case are we talking about?

22 We're talking about the libel case or --

23 Q. No. We're talking about this  
24 lawsuit.

25 A. Okay.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Against Mr. Katsyv.

3 A. Right.

4 Q. Who's not accused of being involved  
5 in the arrest, the death, the torture, or  
6 anything else of Mr. Magnitsky. But you and  
7 the United States have associated him with  
8 that death, and you think that's appropriate?

9 A. I -- I think that's the -- the  
10 United States Government has taken a complaint  
11 that we filed, investigated it, and found a  
12 link between the crimes that Sergei Magnitsky  
13 uncovered and the purchase of property in  
14 New York and have ceased that property.

15 Q. And you think it's appropriate,  
16 based upon this link of 104 transactions, to  
17 say that Mr. Katsyv was associated with the  
18 death of Mr. Magnitsky?

19 A. I think it's appropriate to say  
20 that Mr. Katsyv received proceeds.

21 Q. No. Answer my question, not your  
22 question.

23 Do you think it's appropriate,  
24 based upon what your avest -- investigation  
25 allegedly found, to associate Mr. Katsyv with

1 WILLIAM F. BROWDER (4/15/15)

2 the death of Mr. Magnitsky?

3 A. Yes.

4 Q. Other people will have a judgment  
5 on that, but I would suggest you've learned  
6 nothing from Justice Simon.

7 A. Is that a question?

8 Q. No. It's my own editorializing.

9 You tape conversations?

10 A. I don't permanently, no.

11 Q. Never?

12 A. I have in the past.

13 Q. In the past. How far in the past?

14 A. In specific instances where  
15 somebody is involved in something suspicious.

16 Q. Have you taped any conversations in  
17 connection with your investigation of the  
18 \$230 million theft from the Russian Treasury?

19 A. I haven't personally.

20 Q. Do you know if anybody in your team  
21 has?

22 A. Has specifically taped  
23 conversations?

24 Q. Yes.

25 A. I don't know.



1 WILLIAM F. BROWDER (4/15/15)

2 Q. Do you keep a calendar?

3 A. Do I keep a calendar?

4 Q. Yes. Do you keep a calendar?

5 A. Yes.

6 Q. Do you keep your e-mails?

7 A. Yes.

8 Q. Who keeps your files?

9 A. What do you mean?

10 Q. Who keeps your files? Who

11 maintains your files?

12 A. I don't understand the question.

13 Q. You have files in connection with

14 the \$230 million fraud. Who maintains them?

15 A. People doing the investigation.

16 Q. Who is that?

17 A. My lawyers and Vadim Kleiner.

18 Q. You don't keep anything yourself?

19 A. No.

20 Q. Nothing?

21 A. No.

22 Q. Not a shred?

23 A. No.

24 Q. Except the e-mails?

25 A. Yes.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. It's alleged in the Complaint and  
3 the Amended Complaint that, when Mr. Katsyv  
4 was approached by a reporter about the funds  
5 that was in the Prevezon Holdings account,  
6 that he said he had received them from an  
7 investor. You're aware of that?

8 A. Could you show me the -- the line.

9 Q. Let's go to the Amended Complaint.

10 A. Is that Exhibit 14?

11 Q. So it's paragraph 108 and 109.

12 Says the money that came in  
13 February of 2008 -- and I'm paraphrasing  
14 here -- from Bunicon and Elenast derived from  
15 the deal between Mr. Krit and his friend or  
16 Mr. Petrov.

17 You see that?

18 A. I'm sorry. Say it -- could you  
19 repeat your question.

20 Q. Let me read from page 41,  
21 paragraph 108, first full sentence.

22 "Representative One stated that the  
23 funds involved in the February 2008 Bunicon  
24 and Elenast transfers derived from a deal  
25 between Mr. Krit and his friend, a

1 WILLIAM F. BROWDER (4/15/15)

2 Mr. Petrov."

3 Do you see that?

4 A. Yes.

5 Q. So the 2008 Bunicon and Elenast  
6 transfers are the ones that your investigation  
7 claimed were from the Russian fraud, right?

8 A. I don't know.

9 Q. Well, you can look at Exhibit B.

10 A. Exhibit B?

11 Q. Yes, to this Complaint.

12 A. Yes.

13 Q. Which by the way is similar to  
14 Exhibit 1, the chart that you showed us.

15 A. Which -- which document is that?

16 Q. Well, let's go to your chart.

17 Okay? Which is Exhibit 1, the letter to the  
18 U.S. Attorney's Office.

19 A. Exhibit 1.

20 Q. This letter to the U.S., right on  
21 the top.

22 A. This one. Which tab?

23 Q. Seven.

24 A. Okay.

25 Q. So this is your information?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Yes.

3 Q. You have transfers of 410,000;  
4 447,000 in February 2008, from Bunicon and  
5 Elenast, right?

6 A. Um-hum. Yes.

7 Q. And that's what Representative One  
8 was talking about February 2008, Bunicon  
9 Elenast transfers.

10 A. Um-hum.

11 Q. Yes?

12 A. I'm sorry? I --

13 Q. All right. So Representative One,  
14 on behalf of Mr. Katsyv, says that those  
15 transfers came from a deal between Mr. Petrov  
16 and Mr. Krit, right? That's what the  
17 Complaint says?

18 A. That's what it says, yes.

19 Q. Okay. And you had that information  
20 before the Complaint was filed, right?

21 A. No.

22 Q. You had that information actually  
23 before you even made the Complaint to the U.S.  
24 Attorney's Office, didn't you?

25 A. I don't know.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Did you ever investigate whether it  
3 was true that the 2008 transfers came from a  
4 Mr. Petrov?

5 A. I didn't personally.

6 Q. Did anybody?

7 A. I don't know.

8 Q. Don't you think it's reasonable if  
9 there's an explanation to investigate the  
10 explanation?

11 A. If -- if -- in general terms? Yes.

12 Q. Okay. And so we have, according to  
13 your chart, \$20 million of clean money going  
14 into Bunicon and Elenast, \$800,000 coming out.  
15 Don't you think it's possible that that was  
16 clean money that came out?

17 A. I don't know.

18 Q. Don't you think it's possible that  
19 Mr. Katsyv's explanation that it came from a  
20 Mr. Petrov is a reasonable explanation when  
21 there's \$20 million of clean money going  
22 through those accounts at the same time?

23 A. I don't know.

24 Q. You have no opinion about that?

25 A. I just don't know.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. You're willing to accuse Mr. Katsyv  
3 of having blood money, but you don't know  
4 whether it's reasonable to think that the  
5 \$800,000 came from clean money? Is that your  
6 testimony?

7 A. Could you repeat the question.

8 Q. Yes. You don't think that -- you  
9 don't know whether you should check whether  
10 the 410- and the \$447,000 came from Mr. Petrov  
11 as a reasonable changes, a reasonable and  
12 innocent explanation for the transfers from  
13 Bunicon and Elenast?

14 A. I don't know when that information  
15 came, and I don't know whether people who did  
16 the tracing had that information.

17 Q. No. They had the information  
18 before this Complaint was filed. This is in  
19 the original complaint also.

20 Should we look at the paragraph in  
21 the original Complaint? This is before the  
22 Complaint was filed.

23 Exhibit 2, the original Complaint.

24 A. Where -- where am I looking?

25 Q. Looking at...

1 WILLIAM F. BROWDER (4/15/15)

2 A. You're talking about the Complaint  
3 that we filed with New York D.A.'s office?

4 Q. No. This is the United States  
5 Complaint against Prevezon.

6 A. Which exhibit number is this?

7 Q. I think it's 2.

8 A. Bear with me for a second. I need  
9 to find this.

10 Would this be Exhibit 2? It  
11 doesn't have a number -- it doesn't have a --  
12 a sticker on it.

13 Q. That's it. Let's put a sticker on  
14 it.

15 So Exhibit 2, the original Verified  
16 Complaint, in paragraph 108.

17 A. Okay.

18 Q. It's the same statement in 108.  
19 Representative on stated funds involved in the  
20 February 2008 transfer derived from a deal  
21 between Mr. Krit and his friend, a Mr. Petrov.

22 A. So what's the question?

23 Q. So this information came from your  
24 team?

25 A. The Petrov story?

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Yes.

3 A. Are you sure?

4 Q. Yes. It came from the OCCRP.

5 A. So I -- I don't see it in here. Is  
6 it -- can you show me in here where -- where  
7 that statement is?

8 Q. I don't think it's in there.

9 A. So how did it come from me?

10 Q. It came from the OCCPR [sic] that  
11 you gave to the U.S. attorney.

12 A. No. The OCCRP gave us information,  
13 not the other way around.

14 Q. Yes. And then you gave it to the  
15 U.S. attorney. So you had, from the OCCRP,  
16 this quote from Representative One.

17 A. I'm -- I'm not sure that's the  
18 case. I don't believe it. Not -- not to my  
19 knowledge.

20 Q. You think it would have been  
21 irresponsible to make a complaint against  
22 Prevezon without checking out the explanation  
23 given by Representative One?

24 A. I don't know. I haven't assessed  
25 that statement.



1 WILLIAM F. BROWDER (4/15/15)

2 Q. Well, let's assess it right now.  
3 You have \$20 million going through an account,  
4 \$800,000 coming out, and the person who's  
5 accounts received the money says, "I have a  
6 perfectly good explanation. It came from  
7 Mr. Petrov."

8 And you don't think it's your  
9 obligation, before you accuse him of having  
10 blood money, to check out his story?

11 A. I'm not sure we have that  
12 information.

13 Q. Obviously you had it, because it's  
14 in the Complaint, the first -- very first  
15 Complaint?

16 A. It's not in this Complaint.

17 Q. Mr. Hyman says that he got  
18 information for this complaint from you and  
19 Mr. Kleiner and some websites you directed him  
20 to. So you had the information.

21 A. I -- not -- not -- not to my  
22 knowledge.

23 Q. Well, let me ask you this: Let's  
24 assume that you're aware of this explanation.  
25 Would it be irresponsible not to check it out

1 WILLIAM F. BROWDER (4/15/15)  
2 before making a complaint against Mr. Katsyv's  
3 companies?

4 A. I can't make a judgment about some  
5 piece of information taken out of context.

6 Q. It's perfectly well in context. It  
7 is his explanation for the \$800,000.

8 It's not obvious to you that you  
9 ought to check it out?

10 A. I don't believe we had that  
11 information. Not to my knowledge.

12 Q. Well --

13 A. Because I don't see it in -- I  
14 don't see that in -- in this document.

15 Q. After this was filed, you had the  
16 information because you had the Complaint. As  
17 a matter of fact, you had the Complaint before  
18 it was filed, so you would have read it in the  
19 drafts.

20 So you had the information. Did  
21 you check it out?

22 A. I don't know.

23 Q. Don't you think you had an  
24 obligation to check it out?

25 A. I don't know.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. It's not obvious to you, if there's  
3 an inner -- innocent explanation, you don't  
4 choose -- accuse somebody of having blood  
5 money?

6 A. The U.S. Attorney's Office have  
7 kept it in two Complaints, so obviously they  
8 believe that it's true.

9 Q. Did you ever try to reach  
10 Mr. Petrov?

11 A. No, not to my knowledge. I didn't  
12 personally.

13 Q. Did anybody in your team attempt to  
14 reach Mr. Petrov?

15 A. I don't know.

16 Q. Who's Mark Fagan?

17 A. He's a Russian lawyer.

18 Q. Do you know him?

19 A. No.

20 Q. Didn't you come to the  
21 United States with him when you returned with  
22 Pussy Riot?

23 A. No.

24 (Whereupon, an off-the-record  
25 discussion was held.)

1 WILLIAM F. BROWDER (4/15/15)

2 BY MR. CYMROT:

3 Q. Do you know what the Pussy Riot is?

4 A. Of course.

5 Q. What is it?

6 A. It's a punk rock band.

7 Q. What's the significance of it in

8 Russia?

9 A. An anti-Putin -- they're an  
10 anti-Putin punk rock band.

11 Q. And do you support the Pussy Riot  
12 in any way?

13 A. I took them to meetings in Capitol  
14 Hill.

15 Q. And wasn't Mark Fagan there also?

16 A. Not with us.

17 Q. You've never met Mark Fagan?

18 A. I've shaken his hand at a event in  
19 London, public event.

20 Q. When was that?

21 A. It was 2013, November 2013. I  
22 think. I'd have to ask some people to  
23 remember.

24 Q. What event was it?

25 A. I think it was a book-launch event

1 WILLIAM F. BROWDER (4/15/15)

2 for a book about Sergei Magnitsky.

3 Q. Not your book?

4 A. No.

5 Q. Another book?

6 A. Yes.

7 Q. Do you have Mr. Fagan's telephone  
8 number?

9 A. No.

10 Q. So are you familiar with a lawyer  
11 by the name of Oleg Lurie?

12 A. No.

13 Q. You've heard about -- I'm sorry.  
14 He's not a -- I said lawyer.

15 A. You did.

16 Q. Too many lawyers. A reporter by  
17 the name of Oleg Lurie?

18 A. Yes.

19 Q. How do you know Mr. Lurie?

20 A. I don't.

21 Q. Well, you said in a pleading in  
22 this court that he was pursuing you for years.  
23 You remember saying that?

24 A. I remember the -- I remember saying  
25 that.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Pursuing you in what way?

3 A. There's a documentary that the  
4 Russian government made about me in which Oleg  
5 Lurie is one of their principal attracters.

6 Q. That was in 2014?

7 A. I think that was last year. I  
8 can't remember exactly when. Could have been  
9 this year.

10 Q. And you say it was the Russian  
11 government who put that out? You're just  
12 assuming that, right?

13 A. I'm -- I'm assuming that, yes.

14 Q. Okay. You don't know who put it  
15 out?

16 A. No. But I know it was the Russian  
17 government. Excuse me. I -- I do know.

18 Q. How do you know that?

19 A. Because it was put on the Russian  
20 government's television station MTV.

21 Q. So this program was on Russian  
22 government TV?

23 A. Correct.

24 Q. Do you know if they put together  
25 the video?

1 WILLIAM F. BROWDER (4/15/15)

2 A. I don't know how it was  
3 constructed.

4 Q. Okay. And you said Mr. Lurie was  
5 pursuing you for years. That's just recently.  
6 How has he been pursuing you for years?

7 A. I'd have to go back and do a  
8 search. I'm sure we could find something.

9 Q. In other words, you put in an  
10 affidavit to Judge Griesa but you don't have  
11 anything to say he was pursuing you for years?

12 A. Not on the tip of my tongue.

13 Q. And you didn't at the time you  
14 wrote that and signed the affidavit, right?

15 A. I'm sure I did at the time.

16 Q. You can't recall it now?

17 A. No.

18 Q. It's just a month or two ago?

19 A. Yes.

20 Q. Do you have notes you could review  
21 to see how Mr. Lurie's been pursuing you for  
22 years?

23 A. I could do the research to come up  
24 with them.

25 Q. You can go back and do research to

1 WILLIAM F. BROWDER (4/15/15)

2 support a statement that you swore to before  
3 and presented to Judge Griesa, right? Did you  
4 have anything at the time?

5 A. I don't have any notes.

6 Q. So you just said it?

7 A. I said it based on my belief at the  
8 time.

9 Q. Do you have any facts that support  
10 your belief?

11 A. Not on the tip of my tongue.

12 Q. And you didn't have any at the  
13 time, right?

14 A. Wrong.

15 Q. But you don't remember them now?

16 A. Right.

17 Q. Did you go out and check  
18 Mr. Lurie's accusation?

19 Did you do any investigation about  
20 Mr. Lurie's accusation that somebody used your  
21 name to attempt to bribe him and change the  
22 storey about Sergei Magnitsky?

23 A. That's complete nonsense.

24 Q. You did -- did you do any  
25 investigation?



1 WILLIAM F. BROWDER (4/15/15)

2 A. My team did. It's complete  
3 nonsense.

4 Q. What investigation did your team  
5 do?

6 A. They -- they compared his  
7 statements with the facts and came up with a  
8 conclusion that it was nonsense.

9 Q. And what facts did they compare  
10 them to?

11 A. I don't know.

12 Q. It's easy to say it's nonsense. Do  
13 you have any facts to support that statement?

14 A. My team does.

15 Q. But you have no idea, and you can't  
16 tell us here what facts would support the idea  
17 that Mr. Lurie's accusation is nonsense?

18 A. I don't remember exactly what his  
19 accusation was, and I don't remember exactly  
20 what their rebuttal was, but -- but I -- but  
21 my -- I trust my team to do the analysis.

22 Q. Mr. Lurie said that -- that  
23 somebody using your name contacted him. He  
24 produced recordings of those conversations.  
25 People using your name offered him \$160,000 to

1 WILLIAM F. BROWDER (4/15/15)

2 change his story about meeting Sergei  
3 Magnitsky in jail.

4 A. That's a lie.

5 Q. And how do you know it's a lie?

6 A. Because I never gave anyone any  
7 money to do anything of the sort.

8 Q. He never took the money. He turned  
9 it down.

10 A. I never instructed anybody to do  
11 anything of the sort.

12 Q. Did you investigate whether  
13 Mr. Lurie was in prison at the same time as  
14 Mr. Magnitsky?

15 A. He is a convicted -- he's convicted  
16 exconvict that spent four years in jail for  
17 extortion. And so -- and than he come up --  
18 came and lied about this thing.

19 Q. I see. So you investigated whether  
20 he had been in prison. Was he in prison at  
21 the same time as Mr. Magnitsky?

22 A. I don't know the details of his  
23 imprisonment.

24 Q. Did you check whether his prison  
25 term overlapped with Mr. Magnitsky?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. And nobody on your team did?

4 A. My team did a full analysis.

5 Q. Did they write it down?

6 A. I don't know.

7 Q. So what was this full analysis?

8 A. They looked at his allegations and  
9 looked at the facts and concluded it was  
10 complete nonsense, his statements about his  
11 knowledge of Sergei Magnitsky.

12 Q. Can you give me any facts that  
13 would support the very easy statement to say  
14 that it's nonsense? Do you have any facts?

15 A. To -- to support which part of the  
16 statement?

17 Q. Any part of the statement.

18 A. Well, the first fact is that I  
19 didn't -- I've never bribed or authorized  
20 anybody to bribe anybody in relation to him or  
21 anything to do with him. And I can say that  
22 with 100 percent certainty. That's a fact.

23 Q. Did you check whether anybody --  
24 did you check whether he was in prison at the  
25 same time, in the same prison, as

1 WILLIAM F. BROWDER (4/15/15)

2 Mr. Magnitsky?

3 A. I didn't personally.

4 Q. Do you know whether anybody on your  
5 team did?

6 A. Yes.

7 Q. And they discovered what?

8 A. That his statements were  
9 inconsistent with the truth.

10 Q. In what way?

11 A. I'd have to ask them to get the  
12 details. I don't know.

13 Q. You didn't get briefed on the  
14 details of an accusation that you had bribed a  
15 witness to change his testimony. Does that  
16 say you -- you never got briefed on this?

17 A. I -- I was briefed on it, but I  
18 don't remember the details.

19 Q. When you were briefed on it?

20 A. Whenever it happened.

21 Q. It happened just a few weeks ago.

22 A. Yes.

23 Q. You were briefed on it a few weeks  
24 ago, and you have no specifics to tell us?

25 A. That's correct.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. When you met with Mr. Kasyanov, did  
3 you talk to him about Mr. Lurie?

4 A. No.

5 Q. Do you know whether Mr. Kasyov --  
6 Kasyanov is attempting to bring a claim  
7 against Mr. Lurie?

8 A. I read that on the internet.

9 Q. Where did you read that?

10 A. On the internet.

11 Q. Where on the internet?

12 A. Some news article.

13 Q. You can't tell me more than that?

14 A. No.

15 Q. Did you investigate anything about  
16 Mr. Lurie's background?

17 A. No.

18 Q. Did you investigate him as a  
19 reporter?

20 A. No.

21 Q. Did you investigate whether he's  
22 won awards in the west for his reporting?

23 A. No.

24 Q. So you're unaware of any of that?

25 A. Unaware. Yes, I'm unaware.

1 WILLIAM F. BROWDER (4/15/15)

2 Q. Okay. You're unaware that he has  
3 spent many years trying to determine how the  
4 IMF money that went into Republic National  
5 Bank in 1998 ended up stolen?

6 A. I wasn't aware of that.

7 Q. Mr. Safra was your partner, and he  
8 owned the bank, right?

9 A. Correct.

10 Q. You're unaware that Mr. Lurie was  
11 looking into that?

12 A. That's correct.

13 Q. Has the U.S. Attorney's Office  
14 asked you about Mr. Lurie's affidavit?

15 A. No.

16 Q. Has anybody in the government asked  
17 you about Mr. Lurie's affidavit?

18 A. No.

19 Q. Mr. Lurie says that he had two  
20 meetings with Sergei Magnitsky while they were  
21 in prison, right?

22 A. I don't know.

23 Q. Didn't you read his affidavit?

24 A. No.

25 Q. You didn't even read it?

1 WILLIAM F. BROWDER (4/15/15)

2 A. No.

3 Q. Isn't it true that Mr. Magnitsky  
4 turned down legal assistance from you?

5 A. No.

6 Q. He always accepted your legal  
7 assistance?

8 A. Yes.

9 Q. So you provided him with lawyers?

10 A. His firm did and we reimbursed  
11 them.

12 Q. Firestone and Duncan?

13 A. Correct.

14 Q. And they would periodically provide  
15 him with statements -- provide Mr. Magnitsky  
16 with statements that he should sign?

17 A. Who?

18 Q. Firestone Duncan or his lawyers  
19 hired by Firestone Duncan.

20 A. I'm -- I'm not -- I don't know what  
21 you're talking about.

22 Q. Did you consult with  
23 Mr. Magnitsky's lawyers from time to time?

24 A. No.

25 Q. Somebody on your team do that?

1 WILLIAM F. BROWDER (4/15/15)

2 A. Possibly. I don't know.

3 Q. People at Firestone Duncan would  
4 have, right?

5 A. Surely.

6 Q. Did you have Brown Rudnick  
7 representing you at the time?

8 A. No.

9 Q. So Firestone Duncan was your lawyer  
10 at the time?

11 A. Not the only ones. We had other  
12 lawyers.

13 Q. So did anybody coordinate on your  
14 behalf with Firestone Duncan about the  
15 death -- the defense of Mr. Magnitsky?

16 A. I don't know.

17 Q. You don't know?

18 A. I don't remember.

19 Q. You were being criminally  
20 prosecuted along with Mr. Magnitsky at that  
21 time. You didn't pay attention?

22 A. I don't know. I don't remember.

23 Q. Did you ever have somebody suggest  
24 to Mr. Magnitsky that he should take  
25 responsibility for the Saturn and Dalnaya Step



1 WILLIAM F. BROWDER (4/15/15)

2 tax returns?

3 A. I don't remember.

4 MR. CYMROT: Okay. Why don't we

5 take a break.

6 THE VIDEOGRAPHER: The time is

7 6:24 p.m. We're off the record.

8 (Whereupon, at this time, a short

9 break was taken.)

10 THE VIDEOGRAPHER: The time is

11 6:34 p.m. We are back on the record.

12 BY MR. CYMROT:

13 Q. I asked you about taping. We

14 talked about specific taping, but does

15 Hermitage have a taping system for taping

16 incoming and outgoing calls generally for

17 regulatory purposes or otherwise?

18 A. Yes.

19 Q. And how long do you keep those

20 tapes?

21 A. I don't know the details.

22 Q. Do you know whether those tapes

23 have been searched for any relevant

24 conversations?

25 A. I don't know.

1 WILLIAM F. BROWDER (4/15/15)

2 MR. CYMROT: All right. As we  
3 discussed off the record, we have  
4 12 minutes left or something on the  
5 seven hours. We believe we're  
6 entitled to many additional documents,  
7 and we also have insufficient time to  
8 finish another major subject.

9 So what we're going to do is  
10 suspend the deposition at this point.  
11 We're going to reserve our right to --  
12 to ask the judge for additional time  
13 once we get the documents and keep the  
14 deposition open.

15 MR. KIM: Okay. Well, I disagree.  
16 I think, for the record, we offered to  
17 reschedule the deposition at the  
18 Defendants' convenience if they felt  
19 it was necessary. The Defendants  
20 wanted to proceed, as was their right,  
21 so we showed up here.

22 I think, regardless whether you  
23 wanted to ask more questions about  
24 other documents, you chose to ask  
25 approximately 6 hours and 48 minutes

1 WILLIAM F. BROWDER (4/15/15)  
2 worth of questions about the documents  
3 you had, and I think it's improper to  
4 make a witness from England try to sit  
5 for another deposition over 12  
6 minutes.

7 So we're willing to sit here for  
8 another 12 minutes if you wish, but I  
9 think anything else is improper.

10 So thank you.

11 MR. CYMROT: Okay. All right.

12 All right. I understand the  
13 government has no questions; is that  
14 right?

15 MR. MONTELEONI: That's correct.

16 MR. CYMROT: All right. So we're  
17 going to reserve our rights. There's  
18 no point in arguing. As we both know,  
19 the judge will decide whatever he  
20 decides.

21 So thank you, Mr. Browder, for  
22 coming, and we'll expect another  
23 session.

24 MR. KIM: All right. Have a good  
25 evening.

1 WILLIAM F. BROWDER (4/15/15)  
2 THE VIDEOGRAPHER: The time is  
3 6:36 p.m. We're off the record.  
4 (Whereupon, at 6:36 p.m., the  
5 Examination of this Witness was  
6 adjourned, sine die.)

7

8

9 \_\_\_\_\_  
WILLIAM F. BROWDER

10

11 Subscribed and sworn to before me  
12 This \_\_\_\_\_ day of \_\_\_\_\_, 2015.

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NOTARY PUBLIC

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-----I N D E X-----

WITNESS: WILLIAM F. BROWDER

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|----------------|------|
| EXAMINATION BY | PAGE |
| MR. CYMROT     | 6    |

-----E X H I B I T S-----

|                                 |          |
|---------------------------------|----------|
| BROWDER EXHIBIT                 | FOR I.D. |
| Browder Exhibit 1,              | 10       |
| Document Bates stamped          |          |
| PREV_000003127_001 through '166 |          |
| Browder Exhibit 2,              | 27       |
| Verified Complaint, Filed on    |          |
| 9/10/13                         |          |
| Browder Exhibit 3,              | 68       |
| Document Bates stamped          |          |
| BrowderDepo0001471 through '477 |          |
| Browder Exhibit 4,              | 72       |
| Document Bates stamped          |          |
| BrowderDepo0001478 through '484 |          |
| Browder Exhibit 5,              | 77       |
| Spark Report for                |          |
| Dalnaya Step, LLC               |          |

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|----|---------------------------------|-----|
| 1  |                                 |     |
| 2  | Browder Exhibit 6,              | 81  |
| 3  | Document Bates stamped          |     |
| 4  | BrowderDepo0001518 through '521 |     |
| 5  | Browder Exhibit 7,              | 82  |
| 6  | Document Bates stamped          |     |
| 7  | BrowderDepo0001522 through '530 |     |
| 8  | Browder Exhibit 8,              | 84  |
| 9  | Document Bates stamped          |     |
| 10 | BrowderDepo0001531 through '535 |     |
| 11 | Browder Exhibit 9,              | 101 |
| 12 | Document Bates stamped          |     |
| 13 | BrowderDepo0001485 through '517 |     |
| 14 | Browder Exhibit 10,             | 105 |
| 15 | Document Bates stamped          |     |
| 16 | BrowderDepo0001408 through '470 |     |
| 17 | Browder Exhibit 11,             | 138 |
| 18 | Document Bates stamped          |     |
| 19 | BrowderDepo0000685 through '690 |     |
| 20 | Browder Exhibit 12,             | 146 |
| 21 | Document Bates stamped          |     |
| 22 | BrowderDepo0000721 through '742 |     |
| 23 |                                 |     |
| 24 |                                 |     |
| 25 |                                 |     |

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|----|---------------------------------|-----|
| 1  |                                 |     |
| 2  | Browder Exhibit 13,             | 172 |
| 3  | Document Entitled "Plaintiff's  |     |
| 4  | Responses to Defendants' First  |     |
| 5  | Set of Interrogatories"         |     |
| 6  | Browder Exhibit 14,             | 208 |
| 7  | Verified Amended Complaint      |     |
| 8  | Browder Exhibit 15,             | 236 |
| 9  | Document Bates stamped          |     |
| 10 | PREV_000002326                  |     |
| 11 | Browder Exhibit 16,             | 295 |
| 12 | Subpoena                        |     |
| 13 | Browder Exhibit 17,             | 303 |
| 14 | Document Entitled "White House  |     |
| 15 | Visitor Records Requests"       |     |
| 16 | Browder Exhibit 18,             | 318 |
| 17 | Document Bates stamped          |     |
| 18 | BrowderDepo0000548 through '581 |     |
| 19 | Browder Exhibit 19,             | 328 |
| 20 | Document Bates stamped          |     |
| 21 | BrowderDepo0001643 through '670 |     |
| 22 | Browder Exhibit 20,             | 338 |
| 23 | Press Release                   |     |
| 24 |                                 |     |
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Browder Exhibit 21, 345  
Radio Free Europe/Radio Liberty  
Article of September 18, 2013



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C E R T I F I C A T E

STATE OF NEW YORK            )  
  :  SS.:  
COUNTY OF RICHMOND        )

I, AYLETTE GONZALEZ, a Notary Public  
for and within the State of New York, do  
hereby certify:

That the witness, WILLIAM F.  
BROWDER, whose examination is hereinbefore  
set forth was duly sworn and that such  
examination is a true record of the testimony  
given by that witness.

I further certify that I am not  
related to any of the parties to this action  
by blood or by marriage and that I am in no  
way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto  
set my hand this 15th day of April, 2015.

\_\_\_\_\_  
AYLETTE GONZALEZ

