

Lobbyist Pleads Guilty to Failing to Register as a Foreign Agent for Ukraine

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Following closely behind a string of recent enforcement actions under the Foreign Agents Registration Act (FARA), on August 31, 2018, Samuel Patten, a former associate of Paul Manafort and prominent Washington, DC lobbyist, pleaded guilty for failing to register as a foreign agent under FARA and other counts, including causing and concealing foreign payments.

Mr. Patten's plea and cooperation agreement stipulates that starting around 2014, he formed a lobbying and political consulting services company in the United States, which was retained to advise the Opposition Bloc (a Ukrainian political party) and members of that party, including a prominent Ukraine oligarch who had funded the party. Among other activities, the company performed political consulting services in the United States on behalf of its Ukrainian clients, including contacting members of the U.S. Legislative and Executive branches, as well as the media. The lobbying activity was undertaken to promote the interests of the Ukrainian oligarch and to influence U.S. public opinion. Mr. Patten also assisted the Ukrainian oligarch in drafting op-eds targeting the U.S. press, without disclosing that he was acting as an agent of the Opposition Bloc.

Notwithstanding the fact that Mr. Patten acknowledged engaging in one or more FARA registerable activities, including political activities, within the United States, and although aware that these activities triggered a registration obligation under FARA, Mr. Patten chose not to register under the statute. In addition to FARA violations, Mr. Patten also pleaded guilty to assisting the Ukrainian oligarch with illegally purchasing tickets to President Trump's inauguration. Mr. Patten now faces up to five years in prison and a fine of up to \$250,000. A sentencing date has yet to be set.

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Mr. Patten's prosecution is yet another example of the U.S. Department of Justice's increasing focus on FARA enforcement. In 2017, Paul Manafort and Richard Gates were charged with knowingly and willfully violating FARA by failing to register as foreign agents of the government of Ukraine, the Ukrainian Party of Regions, former Ukrainian President Viktor Yanukovich, and the Opposition Bloc. Shortly thereafter, in May 2018, Nisar Ahmed Chaudhry, a U.S. permanent resident and Pakistani national, pleaded guilty to charges that he failed to register as a foreign agent in connection with lobbying work he did for the Pakistani government to shape U.S. foreign policy from 2012 through 2018.

These recent prosecutions reinforce the importance of ensuring compliance with the statute – from registering as a foreign agent within the 10-day window for doing so to timely filing and labeling all informational materials that are disseminated to two or more persons. Indeed, foreign agents who intentionally and willfully violate any provision of the statute may be subject to significant criminal and/or civil penalties, including fines up to \$10,000 and imprisonment for up to five years. Foreign agents who willfully make false statements or intentionally fail to provide material information in support of their registration or supplemental statements are also subject to these penalties.