

ClientAlert

International Trade

March 20, 2014

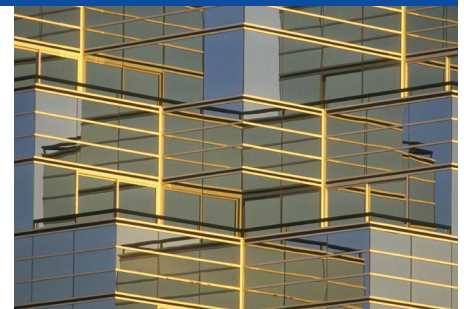
US Designates Additional Individuals and Russian Bank under Ukraine-Related Sanctions and Issues Third Executive Order Targeting Sectors of Russian Economy

On March 20, 2014, the United States issued a second wave of designations under [Executive Order 13661 published on March 17, 2014 \("EO 13661"\)](#), which authorized sanctions on officials of the Government of the Russian Federation, persons operating in the arms or related materiel sector in the Russian Federation, and persons providing specified support to any senior official of the Government of the Russian Federation or any person designated pursuant to EO 13661.¹

Today's designations include 20 individuals and one bank, Bank Rossiya. According to the United States, the 20 individuals are either Russian government officials or persons who are providing support to senior Russian government officials. Bank Rossiya is the first entity (as opposed to individual) designated under this set of sanctions.

The March 20 OFAC designations are:

- BUSHMIN, Evgeni Viktorovich (a.k.a. BUSHMIN, Evgeny; a.k.a. BUSHMIN, Yevgeny); DOB 10 Oct 1958; POB Lopatino, Sergachiisky Region, Russia; Deputy Speaker of the Federation Council of the Russian Federation; Chairman of the Council of the Federation Budget and Financial Markets Committee (individual) [UKRAINE2].
- DZHABAROV, Vladimir Michailovich; DOB 29 Sep 1952; First Deputy Chairman of the International Affairs Committee of the Federation Council of the Russian Federation (individual) [UKRAINE2].
- FURSENKO, Andrei Alexandrovich (a.k.a. FURSENKO, Andrei; a.k.a. FURSENKO, Andrey); DOB 17 Jul 1949; POB St. Petersburg, Russia; Aide to the President of the Russian Federation (individual) [UKRAINE2].
- GROMOV, Alexei; DOB 1960; POB Zagorsk (Sergiev, Posad), Moscow Region, Russia; First Deputy Chief of Staff of the Presidential Executive Office; First Deputy Head of Presidential Administration; First Deputy Presidential Chief of Staff (individual) [UKRAINE2].
- IVANOV, Sergei (a.k.a. IVANOV, Sergey); DOB 31 Jan 1953; POB St. Petersburg, Russia; Chief of Staff of the Presidential Executive Office (individual) [UKRAINE2].



Richard Burke
Partner, Washington, DC
+ 1 202 626 3687
rburke@whitecase.com

Nicole Erb
Partner, Washington, DC
+ 1 202 626 3694
nerb@whitecase.com

Kristina Zissis
Counsel, Washington, DC
+ 1 202 626 3636
kzissis@whitecase.com

Claire DeLelle
Counsel, Washington, DC
+ 1 202 626 6485
claire.delelle@whitecase.com

Cristina Brayton-Lewis
Associate, Washington, DC
+ 1 202 729 2407
cbraytonlewis@whitecase.com

Tanya Hanna
Associate, Washington, DC
+ 1 202 637 6294
thanna@whitecase.com

White & Case LLP
701 Thirteenth Street, NW
Washington, DC
20005-3807
United States
+ 1 202 626 3600

¹ A discussion of that action is available [here](#).

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- IVANOV, Victor Petrovich (a.k.a. IVANOV, Viktor); DOB 12 May 1950; alt. DOB 1952; POB Novgorod, Russia (individual) [UKRAINE2].
- KOZHIN, Vladimir Igorevich; DOB 28 Feb 1959; POB Troitsk, Chelyabinsk Oblast, Russia (individual) [UKRAINE2].
- KOVALCHUK, Yuri Valentinovich (a.k.a. KOVALCHUK, Yury Valentinovich); DOB 25 Jul 1951; POB Saint Petersburg, Russia (individual) [UKRAINE2].
- MIRONOV, Sergei Mikhailovich (a.k.a. MIRONOV, Sergei); DOB 14 Feb 1953; POB Pushkin, Saint Petersburg, Russia; Member of the Council of the State Duma; Leader of A Just Russia Party; Member of the State Duma Committee on Housing Policy and Housing and Communal Services (individual) [UKRAINE2].
- NARYSHKIN, Sergey Yevgenyevich (a.k.a. NARYSHKIN, Sergei); DOB 27 Oct 1954; POB Saint Petersburg, Russia (individual) [UKRAINE2].
- OZEROV, Viktor Alekseevich (a.k.a. OZEROV, Viktor Alexeyevich); DOB 05 Jan 1958; POB Abakan, Khakassia, Russia; Chairman of the Security and Defense Federation Council of the Russian Federation (individual) [UKRAINE2].
- PANTELEEV, Oleg Evgenevich (a.k.a. PANTELEEV, Oleg); DOB 21 Jul 1952; POB Zhitnikovskoe, Kurgan Region, Russia; First Deputy Chairman of the Committee on Parliamentary Issues (individual) [UKRAINE2].
- ROTENBERG, Arkady; DOB 15 Dec 1951; POB St. Petersburg, Russia (individual) [UKRAINE2].
- ROTENBERG, Boris; DOB 03 Jan 1957; POB St. Petersburg, Russia (individual) [UKRAINE2].
- RYZHKOV, Nikolai Ivanovich (a.k.a. RYZHKOV, Nikolai); DOB 28 Sep 1929; POB Duleevka, Donetsk Region, Ukraine; Senator in the Russian Upper House of Parliament; Member of the Committee for Federal Issues, Regional Politics and the North of the Federation Council of the Russian Federation (individual) [UKRAINE2].
- SERGUN, Igor Dmitrievich; DOB 28 Mar 1957; Lieutenant General; Chief of the Main Directorate of the General Staff (GRU); Deputy Chief of the General Staff (individual) [UKRAINE2].
- TIMCHENKO, Gennady (a.k.a. TIMCHENKO, Gennadiy Nikolayevich; a.k.a. TIMCHENKO, Gennady Nikolayevich; a.k.a. TIMTCHENKO, Guennadi), Geneva, Switzerland; DOB 09 Nov 1952; POB Leninakan, Armenia; alt. POB Gyumri, Armenia; nationality Finland; alt. nationality Russia; alt. nationality Armenia (individual) [UKRAINE2].
- TOTOONOV, Aleksandr Borisovich (a.k.a. TOTOONOV, Alexander; a.k.a. TOTOONOV, Alexander B.); DOB 03 Mar 1957; POB Ordzhonikidze, North Ossetia, Russia; alt. POB Vladikavkaz, North Ossetia, Russia; Member of the Committee on Culture, Science, and Information, Federation Council of the Russian Federation (individual) [UKRAINE2].
- YAKUNIN, Vladimir; DOB 30 Jun 1948; POB Vladimir Oblast, Russia (individual) [UKRAINE2].
- ZHELEZNYAK, Sergei Vladimirovich (a.k.a. ZHELEZNYAK, Sergei; a.k.a. ZHELEZNYAK, Sergey); DOB 30 Jul 1970; POB Saint Petersburg, Russia; Deputy Speaker of the State Duma of the Russian Federation (individual) [UKRAINE2].
- BANK ROSSIYA (f.k.a. AKTSIONERNY BANK RUSSIAN FEDERATION), 2 Liter A Pl. Rastrelli, Saint Petersburg 191124, Russia; SWIFT/BIC ROSY RU 2P; Website www.abr.ru; Email Address bank@abr.ru [UKRAINE2].

This brings the total designations to date to 31 individuals and one entity. Eleven designations, comprising Ukrainian and Russian individuals, were made on March 17, 2014, under Executive Orders 13660 and 13661.²

Also on March 20, 2014, President Obama signed a third [Executive Order \("March 20 EO"\)](#), expanding on EO 13660 and EO 13661. The March 20 EO authorizes the United States to impose sanctions on persons operating in particular economic sectors in Russia and those providing specified support or assistance to persons who may be designated under this order.

Specifically, the March 20 EO authorizes blocking the property and interests in property located in the United States or in the possession or control of a US Person of any person (including individuals and entities) found to be:

- operating in the financial services, energy, metals and mining, engineering, and defense and related materiel sectors of the economy of the Russian Federation
- a person or entity that has materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to a person blocked under this Executive Order
- owned or controlled by or acting on behalf of, directly or indirectly, a person or entity blocked under this Executive Order.

The March 20 EO, like the other Executive Orders, also prohibits transactions that evade or avoid, have the purpose of evading or avoiding, cause a violation of, or attempt to violate any of the

² [EO 13660](#) provided the foundation for designations of individuals and entities relating to the unrest in Ukraine. A discussion of EO 13660 is available [here](#).

prohibitions set forth in the Executive Order, including any conspiracy to violate any of the prohibitions. The sanctions authorized by this and the other Executive Orders include asset freezes as well as a prohibition on US persons from doing business with designated entities or individuals. The practice of the United States is to treat as designated not only the entities and individuals specifically named, but also entities that are owned 50% or more by a designated entity or individual.

While the Executive Orders together create broad sanctions authority across several Russian economic sectors, the United States has thus far only designated individuals related to the unrest in Crimea, Russian officials and persons considered to be members of Vladimir Putin's "inner circle," as well as individuals and an entity considered to support the designated parties. To date, the United States has not issued designations under the March 20 EO.

The White House previously has stated that designated government officials are targeted in their individual capacities and that companies they manage on behalf of the Russian state are not currently targeted. Entities that are owned 50% or more by any designated party, however, normally are treated as designated themselves. Accordingly, assets of such entities in the United States or within the possession or control of a US Person also are blocked. US Persons may not engage in transactions with such entities. Any entity controlled by a designated party or in which a designated party holds less than 50% ownership *may* be targeted in the future for designation, but is not automatically blocked. Companies doing business with any such entity are advised by the United States to exercise caution.

The EU, working in coordination with the United States, announced late Thursday that it will as a next step expand the list of designated individuals and entities by 12 names. In addition, further EU sanctions measures might follow depending on Russia-related developments in the coming days. We will provide a report once the additional designations, and any further sanctions measures, are formally published. To date, the EU has announced designations of 39 individuals related to the ongoing unrest in Crimea. More information regarding previous actions is available [here](#) and [here](#).

Finally, also on March 20, the Ministry of Foreign Affairs of the Russian Federation announced reciprocal visa bans for the following US officials:

- Caroline Atkinson (Deputy National Security Assistant to US President)
- Daniel Pfeiffer (Assistant to US President)
- Benjamin Rhodes (Assistant to US President)
- Harry Reid (US Congress Senate Majority Leader)
- John Boehner (Speaker of the House of Representatives of US Congress)
- Robert Menendez (Chairman of Senate Committee on Foreign Relations)
- Mary Landrieu (Senator)
- John McCain (Senator)
- Daniel Coats (Senator)

Companies should monitor closely any measures imposed pursuant to these Executive Orders and any congressional action to ensure compliance. It is particularly important for financial institutions as well as other entities to understand their obligations under US law in the event that they might hold assets of designated persons, either directly or indirectly. Penalties for noncompliance are severe. We will continue to track and report on these sanctions developments.

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