

# US Sanctions Prominent Russian Individuals and Companies

April 2018

**Authors:** [Richard Burke](#), [Nicole Erb](#), [Claire A. DeLelle](#), [Kristina Zissis](#), [Cristina Brayton-Lewis](#)

On April 6, 2018, the US Department of the Treasury's Office of Foreign Assets Control (OFAC) added seven Russian individuals and twelve companies deemed to be owned or controlled by those individuals to the List of Specially Designated Nationals and Blocked Persons (SDN List). OFAC also added seventeen senior Russian government officials, a Russian trading company, and a Russian bank to the SDN List. In connection with these designations, OFAC issued General License 12, authorizing certain activities that are ordinarily incident and necessary to the maintenance or wind-down of operations, contracts, or other agreements involving certain blocked persons, and General License 13, authorizing certain activities that are ordinarily incident and necessary to divest or transfer debt, equity, or other holdings in certain blocked persons.

These actions are pursuant to authority provided under Executive Order (EO) 13661 and EO 13662, authorities codified by the Countering America's Adversaries Through Sanctions Act (CAATSA), as well as EO 13582.<sup>1</sup> They follow the Department of the Treasury's issuance on January 29, 2018 of its report to Congress identifying "Russian Senior Foreign Political Figures and Oligarchs in the Russian Federation and Russian Parastatal Entities," as required by Section 241 of CAATSA. The new designations announced by OFAC on April 6, 2018, which are summarized below, target several of the individuals listed in the report.

## New Additions to the Specially Designated Nationals List

The United States announced 38 additional designations to the SDN List.

Seven Russian individuals were designated because they were determined by the Secretary of the Treasury to operate in the energy sector of the Russian economy, to have acted or purported to act for or on behalf of, directly or indirectly, a senior official of the Government of the Russian Federation, and/or to be an official of the Government of the Russian Federation. The Treasury Department provided the following information about these designations:

- Vladimir Bogdanov, the Director General and Vice Chairman of the Board of Directors of Surgutneftegaz, is being designated for operating in the energy sector of the Russian Federation economy;
- Oleg Deripaska is being designated pursuant to EO 13661 for having acted or purported to act for or on behalf of, directly or indirectly, a senior official of the Government of the Russian Federation, and pursuant to EO 13662 for operating in the energy sector of the Russian Federation economy;

<sup>1</sup> Please see our prior alerts on [CAATSA](#), [EO 13661](#), and [EO 13662](#).

- 
- Suleiman Kerimov, a member of the Russian Federation Council, is being designated for being an official of the Government of the Russian Federation;
  - Igor Rotenberg “acquired significant assets from his father, Arkady Rotenberg, after OFAC designated the latter in March 2014,” and is being designated for operating in the energy sector of the Russian Federation economy;
  - Kirill Shamalov, Vladimir Putin’s son-in-law, “acquired a large portion of shares of Sibur, a Russia-based company involved in oil and gas exploration, production, processing, and refining,” and is being designated for operating in the energy sector of the Russian Federation economy;
  - Andrei Skoch, a deputy of the Russian Federation’s State Duma “has longstanding ties to Russian organized criminal groups, including time spent leading one such enterprise,” and is being designated for being an official of the Government of the Russian Federation;
  - Viktor Vekselberg, the founder and Chairman of the Board of Directors of the Renova Group, is being designated for operating in the energy sector of the Russian Federation economy;

Twelve companies also were determined by the Secretary of Treasury to be owned or controlled, directly or indirectly, by certain of the above individuals.

In addition, one Russian trading company, Rosoboroneksport, was determined by the Secretary of the Treasury to have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, the Government of Syria. The Russian Financial Corporation Bank (RFC Bank) was determined by the Secretary of the Treasury to be owned by Rosoboroneksport.

Seventeen additional Russian individuals were determined by the Secretary of the Treasury to be officials of the Government of the Russian Federation. The Treasury Department determined that each of these individuals is affiliated with a Russian state-owned enterprise, such as Gazprom or its subsidiaries, or with a Russian government entity such as the Russian Federation Security Council, the Russian State Duma, the Central Bank of the Russian Federation, the Ministry of Interior, the President of the Russian Federation, the Federal Service of National Guard Troops, the Russian Institute for Strategic Studies, the Presidential Directorate for Social and Economic Cooperation with the Commonwealth of Independent States Member Countries, the Ministry of Internal Affairs, the Council of the Federation Committee on Foreign Affairs, or the Federal Service for the Supervision of Communications, Information Technology, and Mass Media.

Unless authorized, all property and interests in property of the designated individuals and entities located in the United States or within the possession or control of a US person<sup>2</sup>, wherever located, are considered blocked and may not be dealt in. Any entity in which a blocked person holds a 50 percent or greater ownership interest is itself considered blocked by operation of law. US persons may not engage in any dealings, directly or indirectly, with blocked persons. Provision of goods, services or support for blocked parties is identified as a criterion for potential future designation.

OFAC has provided the following listing of individuals and entities designated on the SDN List:

## Individuals

- AKIMOV, Andrey Igorevich, Russia; DOB 1953; POB Leningrad, Russia; Gender Male; Chairman of the Management Board of Gazprombank (individual) [UKRAINE-EO13661].
- BOGDANOV, Vladimir Leonidovich, Russia; DOB 28 May 1951; POB Suyerka, Uporovsky District, Tyumen Region, Russian Federation; Gender Male (individual) [UKRAINE-EO13662].
- DERIPASKA, Oleg Vladimirovich, Moscow, Russia; 64 Severnaya Street, Oktyabrsky, Khutor, Ust-Labinsky District, Krasnodar Territory 352332, Russia; 5, Belgrave Square, Belgravia, London SW1X 8PH, United Kingdom; DOB 02 Jan 1968; POB Dzerzhinsk, Nizhny Novgorod Region, Russia; citizen Russia; alt. citizen Cyprus; Gender Male (individual) [UKRAINE-EO13661] [UKRAINE-EO13662].

---

<sup>2</sup> A US person is defined to include any United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or person in the United States.

- 
- DYUMIN, Alexey Gennadyevich (a.k.a. DYUMIN, Alexei), Russia; DOB 28 Aug 1972; POB Kursk, Russian Federation; Gender Male (individual) [UKRAINE-EO13661].
  - FRADKOV, Mikhail Efimovich (Cyrillic: ФРАДКОВ, Михаил Ефимович), Russia; DOB 01 Sep 1950; POB Kurumoch, Kuibyshev Region, Russia; Gender Male; Director of the Russian Institute for Strategic Studies (individual) [UKRAINE-EO13661].
  - FURSENKO, Sergei (a.k.a. FURSENKO, Sergey; a.k.a. FURSENKO, Sergey Aleksandrovich); DOB 11 Mar 1954; POB Saint-Petersburg (F.K.A. Leningrad), Russian Federation; citizen Russia; Gender Male (individual) [UKRAINE-EO13661].
  - GOVORUN, Oleg, Russia; DOB 15 Jan 1969; POB Bratsk, Irkutsk Region, Russia; Gender Male; Head of the Presidential Directorate for Social and Economic Cooperation with the Commonwealth of Independent States Member Countries, the Republic of Abkhazia, and the Republic of South Ossetia (individual) [UKRAINE-EO13661].
  - KERIMOV, Suleiman Abusaidovich (Cyrillic: КЕРИМОВ, Сулейман Абусаидович) (a.k.a. KERIMOV, Suleyman), Moscow, Russia; Antibes, France; DOB 12 Mar 1966; POB Derbent, Republic of Dagestan, Russia; citizen Russia; Gender Male (individual) [UKRAINE-EO13661].
  - KOLOKOLTSEV, Vladimir Alexandrovich, Russia; DOB 11 May 1961; POB Nizhny Lomov, Penza Region, Russia; Gender Male; Minister of Internal Affairs of the Russian Federation, General of the Police of the Russian Federation (individual) [UKRAINE-EO13661].
  - KOSACHEV, Konstantin, Russia; DOB 17 Sep 1962; POB Moscow, Russia; nationality Russia; Gender Male; Chairperson of the Council of the Federation Committee on Foreign Affairs (individual) [UKRAINE-EO13661].
  - KOSTIN, Andrey Leonidovich, Moscow, Russia; DOB 21 Sep 1956; POB Moscow, Russian Federation; Gender Male (individual) [UKRAINE-EO13661].
  - MILLER, Alexey Borisovich, Moscow, Russia; DOB 31 Jan 1962; POB Saint-Petersburg, Russian Federation; Gender Male (individual) [UKRAINE-EO13661].
  - PATRUSHEV, Nikolai Platonovich, Russia; DOB 11 Jul 1951; POB Leningrad, Russian Federation; nationality Russia; Gender Male; Secretary of the Russian Federation Security Council (individual) [UKRAINE-EO13661].
  - REZNIK, Vladislav Matusovich, Moscow, Russia; DOB 17 May 1954; Gender Male (individual) [UKRAINE-EO13661].
  - ROTENBERG, Igor Arkadyevich (a.k.a. ROTENBERG, Igor Arkadevich); DOB 09 May 1973; POB Leningrad, Russia; Gender Male (individual) [UKRAINE-EO13662].
  - SHAMALOV, Kirill Nikolaeovich; DOB 22 Mar 1982; POB Leningrad, Russia; Gender Male (individual) [UKRAINE-EO13662].
  - SHKOLOV, Evgeniy Mikhailovich, Russia; DOB 31 Aug 1955; POB Dresden, Germany; nationality Russia; Gender Male; Aide to the President of the Russian Federation (individual) [UKRAINE-EO13661].
  - SKOCH, Andrei Vladimirovich (a.k.a. SKOCH, Andrey), Russia; DOB 30 Jan 1966; POB Nikolsky (Moscow), Russia; Gender Male; Deputy of State Duma (individual) [UKRAINE-EO13661].
  - TORSHIN, Alexander Porfiryevich, Moscow, Russia; DOB 27 Nov 1953; POB Mitoga village, Ust-Bolsheretsky district, Kamchatka region, Russian Federation; Gender Male (individual) [UKRAINE-EO13661].
  - USTINOV, Vladimir Vasilyevich, Russia; DOB 25 Feb 1953; POB Nikolayevsk-on-Amur, Russian Federation; Gender Male (individual) [UKRAINE-EO13661].
  - VALIULIN, Timur Samirovich, Russia; DOB 20 Dec 1962; POB Krasnozavodsk, Zagorsk District, Moscow Region, Russia; Gender Male; Chief of the General Administration for Combating Extremism of the Ministry of Internal Affairs of the Russian Federation (individual) [UKRAINE-EO13661].

- VEKSELBERG, Viktor Feliksovich, Russia; DOB 14 Apr 1957; POB Drogobych, Lviv region, Ukraine; Gender Male (individual) [UKRAINE-EO13662].
- ZHAROV, Alexander Alexandrovich (a.k.a. ZHAROV, Aleksandr), Russia; DOB 11 Aug 1964; POB Chelyabinsk, Russia; Gender Male; Head of the Federal Service for Supervision of Communications, Information Technology, and Mass Media (individual) [UKRAINE-EO13661].
- ZOLOTOV, Viktor Vasiliyevich, Russia; DOB 27 Jan 1954; POB Ryazanskaya oblast, Russia; nationality Russia; Gender Male; Director of the Federal Service of National Guard Troops and Commander of the National Guard Troops of the Russian Federation (individual) [UKRAINE-EO13661].

## Entities

- AGROHOLDING KUBAN (a.k.a. KUBAN AGRO; a.k.a. KUBAN AGROHOLDING), 77 Mira St., Ust-Labinsk, Krasnodar Territory 352330, Russia; 1 Montazhnaya St., Ust-Labinsk, Krasnodar Territory, Russia; 116 Mira St., Ust-Labinsk, Krasnodar Territory, Russia; 1 G. Konshinykh St., Krasnodar Territory, Russia; 2 Rabochaya St., Ust-Labinsk, Krasnodar Territory, Russia [UKRAINE-EO13661] [UKRAINE-EO13662] (Linked To: DERIPASKA, Oleg Vladimirovich; Linked To: BASIC ELEMENT LIMITED).
- BASIC ELEMENT LIMITED (a.k.a. BAZOVY ELEMENT), Esplanade 44, Saint Helier JE4 9WG, Jersey; 30 Rochdelskaya Street, Moscow 123022, Russia; Registration ID 84039 [UKRAINE-EO13661] [UKRAINE-EO13662] (Linked To: DERIPASKA, Oleg Vladimirovich).
- B-FINANCE LTD, Vanterpool Plaza, 2nd Floor, Wickhams Cay, Road Town, Tortola, Virgin Islands, British [UKRAINE-EO13661] [UKRAINE-EO13662] (Linked To: DERIPASKA, Oleg Vladimirovich).
- EN+ GROUP PLC, Esplanade 44, Saint Helier JE4 9WG, Jersey; 8 Cleveland Row, London SW1A 1DH, United Kingdom; 1 Vasilisy Kozhinoy St., Moscow 121096, Russia; Registration ID 91061 [UKRAINE-EO13661] [UKRAINE-EO13662] (Linked To: DERIPASKA, Oleg Vladimirovich).
- GAZ GROUP, 88 Lenin Avenue, Nizhny Novgorod 603950, Russia; 15/1 Rochdelskaya Str., Moscow 123022, Russia [UKRAINE-EO13661] [UKRAINE-EO13662] (Linked To: DERIPASKA, Oleg Vladimirovich; Linked To: RUSSIAN MACHINES).
- GAZPROM BURENIE, OOO (f.k.a. BUROVAYA KOMPANIYA OAO GAZPROM, DOCHERNEE OBSHCHESTVO S OGRANICHENNOI OTVETSTVENNOSTYU; a.k.a. GAZPROM BURENIYE LLC; a.k.a. GAZPROM DRILLING; a.k.a. LIMITED LIABILITY COMPANY GAZPROM BURENIYE; a.k.a. OBSHCHESTVO S OGRANICHENNOI OTVETSTVENNOSTYU GAZPROM BURENIE), 12A, ul. Nametkina, Moscow 117420, Russia; Website www.burgaz.ru; Email Address mail@burgaz.gazprom.ru; Registration ID 1028900620319; Tax ID No. 5003026493; Government Gazette Number 00156251 [UKRAINE-EO13662] (Linked To: ROTENBERG, Igor Arkadyevich).
- JSC EUROSIBENERGO, 165 Chkalova Street, Divnogorsk, Krasnoyarsk Krai 663091, Russia; 1 Vasilisy Kozhinoy Street, Moscow 121096, Russia; Registration ID 5087746073817; Tax ID No. 7706697347; Identification Number 88303955 [UKRAINE-EO13661] [UKRAINE-EO13662] (Linked To: DERIPASKA, Oleg Vladimirovich; Linked To: EN+ GROUP PLC).
- LADOGA MENEDZHMENT, OOO (a.k.a. OBSHCHESTVO S OGRANICHENNOI OTVETSTVENNOSTYU LADOGA MENEDZHMENT; a.k.a. OOO LADOGA MANAGEMENT), 10, naberezhnaya Presnenskaya, Moscow 123317, Russia; Registration ID 1147748143971; Tax ID No. 7729442761; Government Gazette Number 29437172 [UKRAINE-EO13662] (Linked To: SHAMALOV, Kirill Nikolaevich).
- NPV ENGINEERING OPEN JOINT STOCK COMPANY (a.k.a. AKTSIONERNOE OBSHCHESTVO ENPIVI INZHINIRING; a.k.a. AO ENPIVI INZHINIRING; a.k.a. ENPIVI INZHINIRING, AO; a.k.a. NPV ENGINEERING JOINT STOCK COMPANY; a.k.a. OJSC NPV ENGINEERING), 5, per. Strochenovskii B., Moscow 115054, Russia; PER. Strochenovskii B D.5, Moscow 115054, Russia; Website www.npve.narod.ru; Email Address npw@npv.su; Registration ID 106774653683; Tax ID No. 7707587805; Government Gazette Number 95533058 [UKRAINE-EO13662] (Linked To: ROTENBERG, Igor Arkadyevich).

- RENOVA GROUP (a.k.a. JOINT-STOCK COMPANY RENOVA GROUP OF COMPANIES; a.k.a. JSC RENOVA GROUP OF COMPANIES), V, 28 Balaklavskiy Prospekt, Moscow 117452, Russia; 40, Malaya Ordynka, Moscow 115184, Russia; Registration ID 1047796880548; Tax ID No. 7727526670; Government Gazette Number 772701001 [UKRAINE-EO13662] (Linked To: VEKSELBERG, Viktor Feliksovich).
- ROSOBORONEKSPORT OAO (a.k.a. OJSC ROSOBORONEXPORT; a.k.a. ROSOBORONEKSPORT OJSC; a.k.a. ROSOBORONEXPORT; a.k.a. ROSOBORONEXPORT JSC; a.k.a. RUSSIAN DEFENSE EXPORT ROSOBORONEXPORT), 27 Stromynka ul., Moscow 107076, Russia; Website [www.roe.ru](http://www.roe.ru); Executive Order 13662 Directive Determination - Subject to Directive 3; Registration ID 1117746521452; Tax ID No. 7718852163; Government Gazette Number 56467052; For more information on directives, please visit the following link: <http://www.treasury.gov/resource-center/sanctions/Programs/Pages/ukraine.aspx#directives> [SYRIA] [UKRAINE-EO13662] (Linked To: ROSTEC).
- RUSSIAN FINANCIAL CORPORATION (a.k.a. AO RFK-BANK; a.k.a. BANK ROSSISKAYA FINANSOVAYA KORPORATSIYA AKTSIONERNOE OBSHCHESTVO; a.k.a. RFC-BANK; a.k.a. RUSSIAN FINANCIAL CORPORATION BANK JSC), St. George's Lane, D. 1, p. 1, Moscow 125009, Russia; d. 1 korp, 1 per. Georgievski, Moscow 125009, Russia; SWIFT/BIC RFCBRUMM; alt. SWIFT/BIC 044525257 [SYRIA].
- RUSSIAN MACHINES (a.k.a. RUSSKIE MASHINY), Ul. Rochdelskaya 15, 8, Moscow 123022, Russia; Registration ID 1112373000596; Tax ID No. 2373000582; Identification Number 37100386 [UKRAINE-EO13661] [UKRAINE-EO13662] (Linked To: DERIPASKA, Oleg Vladimirovich; Linked To: BASIC ELEMENT LIMITED).
- UNITED COMPANY RUSAL PLC, 44 Esplanade, St. Helier JE4 9WG, Jersey; 1 Vasilisy Kozhinoy Str., Moscow 121096, Russia; 11/F Central Twr., 28 Queen's Rd. C, Central District, Hong Kong; Registration ID 94939; Company Number F-17314 (Hong Kong); Business Number 51566843 (Hong Kong) [UKRAINE-EO13661] [UKRAINE-EO13662] (Linked To: EN+ GROUP PLC).

## General License 12

In connection with these designations, OFAC issued General License 12,<sup>3</sup> which authorizes, through 12:01 a.m. eastern daylight time on June 5, 2018, all transactions and activities otherwise prohibited by the Ukraine Related Sanctions Regulations that are “ordinarily incident and necessary to the maintenance or wind down of operations, contracts, or other agreements, including the importation of goods, services, or technology into the United States” involving one or more of the following blocked persons and that were in effect prior to April 6, 2018, subject to certain exceptions:

- AgroHolding Kuban
- Basic Element Limited
- B-Finance Ltd.
- EN+ Group PLC
- JSC EuroSibEnerg
- GAZGroup
- Gazprom Burenie, OOO
- Ladoga Menedzhment, OOO
- NPV Engineering Open Joint Stock Company
- Renova Group

<sup>3</sup> [https://www.treasury.gov/resource-center/sanctions/Programs/Documents/ukraine\\_gl12.pdf](https://www.treasury.gov/resource-center/sanctions/Programs/Documents/ukraine_gl12.pdf)



- 
- Russian Machines
  - United Company RUSAL PLC
  - Any other entity in which one or more of the above persons own, directly or indirectly, a 50 percent or greater interest

General License 12 does not authorize the following activities:

- The divestiture or transfer of debt, equity, or other holdings in, to, or for the benefit of the blocked persons listed above;
- Any transactions or dealings otherwise prohibited by any other part of OFAC's regulations, or any transactions or dealings with any blocked person other than the blocked persons listed in General License 12;
- The unblocking of any property blocked pursuant to any part of OFAC's regulations, except as specifically authorized by General License 12; or
- The exportation of goods from the United States.

Any payment to or for the direct or indirect benefit of a blocked person that is ordinarily incident and necessary to give effect to a transaction authorized in General License 12 must be made into a blocked, interest-bearing account located in the United States.

US persons participating in transactions authorized by General License 12 are required to file with OFAC a comprehensive, detailed report of each transaction, including the names and addresses of parties involved, the type and scope of activities conducted, and the dates on which the activities occurred. The report is due within 10 business days after the expiration date of General License 12.

## General License 13

OFAC also issued General License 13,<sup>4</sup> which authorizes, through 12:01 a.m. eastern daylight time on May 7, 2018, all transactions and activities otherwise prohibited by the Ukraine Related Sanctions Regulations that are ordinarily incident and necessary to divest or transfer debt, equity, or other holdings in the following blocked persons to a non-US person, or to facilitate the transfer of debt, equity, or other holdings in the following blocked persons by a non-US person to another non-US person, subject to certain exceptions:

- EN+ Group PLC
- GAZ Group
- United Company RUSAL PLC

The activities authorized by General License 13 include facilitating, clearing, and settling transactions to divest to a non-US person debt, equity, or other holdings in the blocked persons identified above, including on behalf of US persons.

General License 13 does not authorize:

- The unblocking of any property blocked pursuant to any part of OFAC's regulations, except as specifically authorized by General License 13;
- US persons to sell debt, equity, or other holdings to; to purchase or invest in debt, equity, or other holdings in; or to facilitate such transactions with, directly or indirectly, any person whose property and interests in property are blocked pursuant to the Ukraine Related Sanctions Regulations, including the blocked persons listed above;
- Any transactions or dealings involving the property or interests in property of any person whose property and interests in property are blocked pursuant to the Ukraine Related Sanctions Regulations other than the blocked persons listed above; or

---

<sup>4</sup> [https://www.treasury.gov/resource-center/sanctions/Programs/Documents/ukraine\\_gl13.pdf](https://www.treasury.gov/resource-center/sanctions/Programs/Documents/ukraine_gl13.pdf)

- 
- Any transactions or dealings otherwise prohibited by any other part of OFAC's regulations.

US persons participating in transactions authorized by General License 13 are required to file with OFAC a comprehensive, detailed report of each transaction, including the names and addresses of parties involved, the type and scope of activities conducted, and the dates on which the activities occurred. The report is due within 10 business days after the expiration date of General License 13.

## OFAC Frequently Asked Questions

In connection with the above actions, OFAC published new frequently asked questions (FAQs) and an additional revised FAQ regarding the Ukraine Freedom Support Act (UFSA) on its website.<sup>5</sup> In these FAQs, OFAC addresses the ways in which these blocking designations might affect:

- A US person employee or worker at an office of a company that was designated, or blocked pursuant to OFAC's 50 percent rule, on April 6, 2018;
- A US person who is an employee, or sits on the board, of an entity that was designated, or blocked pursuant to OFAC's 50 percent rule, on April 6, 2018;
- A US company that has ordered goods from an entity that was designated, or blocked pursuant to OFAC's 50 percent rule, on April 6, 2018;
- An owner of shares in, or global depository receipts (GDRs) related to shares in, an entity that was designated or blocked pursuant to OFAC's 50 percent rule on April 6, 2018;
- A US person holding accounts for or other property of an entity or individual that was designated, or blocked pursuant to OFAC's 50 percent rule, on April 6, 2018;
- A US company in which a person designated or blocked pursuant to OFAC's 50 percent rule on April 6, 2018 holds an ownership interest of less than fifty percent; and
- Foreign persons doing business with the individuals or entities designated or blocked pursuant to OFAC's 50 percent rule on April 6, 2018.

OFAC notes in the FAQs that, prior to April 6, 2018, EO 13662 only applied to OFAC's Ukraine-/Russia-related sectoral sanctions and identifications under the Sectoral Sanctions Identification (SSI) List. OFAC, however, states that it may also designate persons as blocked under EO 13662, and that, unlike with SSI entities, US persons must block the property and interests in property of any person designated as blocked pursuant to EO 13662.

OFAC also provided guidance in the FAQs regarding the definitions of "significant transactions" and "significant financial transactions" in the context of Section 5 of the UFSA.<sup>6</sup> As amended by Section 226 of CAATSA, Section 5 of the UFSA requires mandatory sanctions on any persons facilitating significant transactions for certain defense- and energy-related transactions and any persons facilitating significant financial transactions for SDNs designated in connection with the Ukraine-related sanctions.

OFAC will consider the totality of the facts and circumstances in determining if a transaction is "significant," including the following factors: (1) the size, number, and frequency of the transaction(s); (2) the nature of the transaction(s); (3) the level of awareness of management and whether the transaction(s) are part of a pattern of conduct; (4) the nexus between the transaction(s) and a blocked person; (5) the impact of the transaction(s) on statutory objectives; (6) whether the transaction(s) involve deceptive practices; and (7) such other factors that the Secretary of the Treasury deems relevant on a case-by-case basis. A transaction would not be considered significant if no specific license were required for a US person to participate in the transaction.

OFAC states that it will interpret "financial transaction" broadly to encompass any transfer of value involving a financial institution, including, but not limited to:

- The receipt or origination of wire transfers;

---

<sup>5</sup> [https://www.treasury.gov/resource-center/faqs/Sanctions/Pages/faq\\_other.aspx#567](https://www.treasury.gov/resource-center/faqs/Sanctions/Pages/faq_other.aspx#567)

<sup>6</sup> Our alert on the UFSA is available [here](#).

- 
- The acceptance of commercial paper (both retail and wholesale), and the clearance of such paper (including checks and similar drafts);
  - The receipt or origination of ACH or ATM transactions;
  - The holding of nostro, vostro, or loro accounts;
  - The provision of trade finance or letter of credit services;
  - The provision of guarantees or similar instruments;
  - The provision of investment products or instruments or participation in investments; and
  - Any other transactions for or on behalf of, directly or indirectly, a person serving as a correspondent, respondent, or beneficiary.

Additionally, OFAC will interpret the term “facilitated” broadly, to include the provision of assistance for certain efforts, activities, or transactions, including the provision of currency, financial instruments, securities, or any other transmission of value; purchasing; selling; transporting; swapping; brokering; financing; approving; guaranteeing; the provision of other services of any kind; the provision of personnel; or the provision of software, technology, or goods of any kind.

Companies doing business relating to Russia should monitor closely any measures imposed by the United States to ensure compliance. Penalties for noncompliance can be severe.

White & Case LLP  
701 Thirteenth Street, NW  
Washington, District of Columbia 20005-3807  
United States

**T** +1 202 626 3600

In this publication, White & Case means the international legal practice comprising White & Case LLP, a New York State registered limited liability partnership, White & Case LLP, a limited liability partnership incorporated under English law and all other affiliated partnerships, companies and entities.

This publication is prepared for the general information of our clients and other interested persons. It is not, and does not attempt to be, comprehensive in nature. Due to the general nature of its content, it should not be regarded as legal advice.