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U.S. IMPOSES ADDITIONAL SANCTIONS ON RUSSIA – TARGETS BANKS, SOVEREIGN DEBT, AND RUSSIAN “ELITES”

On February 22, 2022, the US government followed its **February 21st embargo on the self-proclaimed Donetsk and Luhansk Republics** with additional sanctions. The additional sanctions, described by President Biden as a “first tranche,” to be followed by more if Russia continues its activities in Ukraine, are: (1) blocking sanctions on two large Russian banks (VEB and Promsvyazbank) and 42 of their subsidiaries, as well as five individuals and five vessels (see list below); (2) by agreement with Germany, halting the Nordstream 2 pipeline project; and (3) extending existing restrictions on Russian sovereign debt to cover participation in the secondary market for bonds issued after March 1, 2022 by the Central Bank of the Russian Federation, the National Wealth Fund of the Russian Federation, or the Ministry of Finance of the Russian Federation (click [here](#) for a new FAQ on these restrictions). OFAC also issued two new General Licenses relating to VEB: (1) **GL2** authorizing transactions involving VEB and its 50% Rule entities when the transactions are ordinarily incident and necessary to the servicing of bonds issued before March 1, 2022, by the Central Bank of the Russian Federation, the National Wealth Fund of the Russian Federation, or the Ministry

of Finance of the Russian Federation; and (2) **GL3**, authorizing wind-down transactions with VEB and its 50% Rule entities until 12:01 a.m. eastern daylight time on March 24, 2022.

Below is the list of new blocking sanctions – more details, including names in Cyrillic, can be found at [this link](#):

INDIVIDUALS:

1. **Aleksandr Vasilievich Bortnikov** (Aleksandr Bortnikov), Director of the Federal Security Service (FSB) (already an SDN);
2. **Denis Aleksandrovich Bortnikov** (Denis Bortnikov), a Deputy President of VTB Bank;
3. **Petr Mikhailovich Fradkov** (Petr Fradkov), Chairman and CEO of PSB and General Director of Joint Stock Company Russian Export Center;
4. **Sergei Vladilenovich Kiriienko** (Sergei Kiriienko), First Deputy Chief of Staff of the Presidential Office (already an SDN); and
5. **Vladimir Sergeevich Kiriienko** (Vladimir Kiriienko), CEO of VK Group, the parent company of VKontakte.

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BANKS AND THEIR SUBSIDIARIES:

1. **Promsvyazbank Public Joint Stock Company (PSB)**;
2. **Alkes Treid OOO**, a financial company located in Russia;
3. **Antares OOO**, a financial company located in Russia;
4. **Elitnye Doma OOO**, a real estate company located in Russia;
5. **PSB Innovations and Investments Limited Liability Company**, a technology company located in Russia;
6. **Era Fund Limited Liability Company**, a technology company located in Russia;
7. **PSB-Foreks OOO**, a financial company located in Russia;
8. **Kholtsvud OOO**, a financial company located in Russia;
9. **Kourf OOO**, a financial company located in Russia;
10. **Management Company Promsvyaz LLC**, an investment company located in Russia;
11. **Paskal OOO**, a company that provides management consulting services in Russia;
12. **PSB Biznes OOO**, a hospitality company located in Russia;
13. **Saint-Petersburg International Banking Conference LLC**, a financial company located in Russia;
14. **Sergievo-Posad Lend OOO**, a financial company located in Russia;
15. **PSB Avializing OOO**, a financial company located in Russia;
16. **Tekhnosoft OOO**, a technology company located in Russia;
17. **Trinitex OOO**, a real estate company located in Russia;
18. **PSB Lizing OOO**, a financial company located in Russia;
19. **Vnesheconombank (VEB)**;
20. **Bank BELVEB OJSC**, a bank located in Belarus;
21. **VEB Leasing OJSC**, a leasing company located in Russia;
22. **Prominvestbank**, a bank located in Ukraine;
23. **VEB Capital**, a financial company located in Russia;
24. **VEB Engineering LLC**, an investment project implementation services company located in Russia;
25. **JSC Infraveb**, an investment project support company located in Russia;
26. **JSC VEB.DV**, an investment project support company located in Russia;
27. **VEB Asia Limited**, a financial company located in Hong Kong;
28. **LLC Infrastructure Molzhaninovo**, an electric energy company located in Russia;
29. **LLC Resort Zolotoe Koltso**, a real estate and construction company located in Russia;
30. **JSC Russian Export Center**, an export-related company located in Russia;
31. **LLC VEB Ventures**, a financial company located in Russia;

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This publication is a summary of legal principles. Nothing in this article constitutes legal advice, which can only be obtained as a result of a personal consultation with an attorney. The information published here is believed accurate at the time of publication, but is subject to change and does not purport to be a complete statement of all relevant issues.

32. **LLC VEB Service**, a business and management advisory company located in Russia;
33. **LLC Special Organization for Project Finance Factory of Project Finance**, a financial company located in Russia;
34. **LLC SIBUGLEMET Group**, a coal mining company located in Russia;
35. **JSC ANGSTREM-T**, a technology company located in Russia;
36. **LLC NM-TEKH**, a technology company located in Russia;
37. **JSC SLAVA**, a real estate company located in Russia;
38. **JSC PFC CSKA**, a sporting activities company located in Russia;
39. **LLC Torgovy Kvartal-Novosibirsk**, a property leasing company located in Russia;
40. **LLC Baikal Center**, a construction company located in Russia;
41. **LLC Progorod**, an infrastructure company located in Russia;
42. **LLC VEB.RF Asset Management**, a financial company located in Russia;
43. **Eximbank of Russia JSC**, an export support institution and commercial bank regulated by the Central Bank of the Russian Federation; and

44. **Russian Agency for Export Credit and Investment Insurance OJSC**, an insurance agency located in Russia.

VESSELS:

1. **Baltic Leader** (IMO: 9220639), a Russian-flagged roll-on roll-off cargo vessel with a gross registered tonnage of 8831;
2. **Linda** (IMO: 9256858), a Russian-flagged crude oil tanker with a gross registered tonnage of 61991;
3. **Pegas** (IMO: 9256860), a Russian-flagged crude oil tanker with a gross registered tonnage of 61991;
4. **Fesco Magadan** (IMO: 9287699), a Russian-flagged container ship with a gross registered tonnage of 7519; and
5. **Fesco Moneron** (IMO: 9277412), a Russian-flagged container ship with a gross registered tonnage of 7519.

For more information and advice regarding U.S. economic sanctions, please contact **Tahlia Townsend**, co-chair of Wiggin and Dana’s International Trade Compliance practice group, at ttownsend@wiggin.com.