

# Treasury Targets Hizballah Financial Network's Abuse of the Business Sector

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WASHINGTON - Today, the Department of the Treasury's Office of Foreign Assets Control (OFAC) designated Ahmad Jalal Reda Abdallah, a Lebanese businessman and Hizballah financial facilitator, as well as five of his associates and eight of his companies in Lebanon and Iraq. This action illuminates Hizballah's modus operandi of using the cover of seemingly legitimate businesses to generate revenue and leverage commercial investments across a multitude of sectors to secretly fund Hizballah and its terrorist activities. It also demonstrates how Hizballah goes to great lengths to establish companies with opaque ownership structure in order to conceal their involvement in these businesses, and also their involvement in criminal activities such as altering of medication labels for black market pharmaceutical sales.

"Hizballah has built a web of businesses to hide its activities and generate funds for its destabilizing activities, all at the expense of accountability and public safety in Lebanon and the region," said Under Secretary of the Treasury for Terrorism and Financial Intelligence Brian E. Nelson. The designation of this network demonstrates the U.S. government's commitment to protect Lebanon's private sector and financial system from Hizballah's abuse by targeting and exposing the group's financial activities."

OFAC is designating Ahmad Jalal Reda Abdallah and his network of associates and companies under Executive Order (E.O.) 13224, as amended, which targets terrorists, leaders, and other officials of terrorist groups, and those providing support to acts of terrorism or persons blocked under E.O. 13224. The United States designated Hizballah as a Foreign Terrorist Organization (FTO) on October 8, 1997, and as a Specially Designated Global Terrorist (SDGT) on October 31, 2001.

## **AHMAD JALAL REDA ABDALLAH (AHMAD ABDALLAH)**

**Ahmad Abdallah** is a Hizballah official and an active member of Hizballah's global financial network who has supported Hizballah for decades, carrying out extensive commercial

activities in various countries where the profits are transferred to Hizballah. He coordinates business activities and budgets with sanctioned senior Hizballah financial facilitators such as Muhammad Qasir and Muhammad Qasim al-Bazzal. In addition to the involvement of Muhammad Qasir and Muhammad Qasim al-Bazzal, Islamic Revolutionary Guard Corps (IRGC) officials have helped to facilitate financial transfers for Ahmad Abdallah's businesses, many of which are located in Iraq and benefit Hizballah.

Ahmad Abdallah has worked with Muhammad Qasir to pursue a business plan together to finance businesses and generate funding for Hizballah. Ahmad Abdallah has established a multitude of businesses including medical equipment factories, insurance companies, real estate, and construction companies, which funnel at least a portion of their profits to Hizballah. Ahmad Abdallah pursued the establishment of food companies such as **Al Moukhtar Products Co. SARL**, which is designated today, because he perceived those sectors as less likely to be targets of sanctions. Abdallah also used his senior employees and relatives to establish new businesses throughout the Middle East on behalf of Hizballah.

In addition to his business ventures where profits were used to benefit Hizballah, Ahmad Abdallah also brokered meetings with senior businessmen and politicians in Lebanon on Hizballah's behalf. Ahmad Abdallah has also assisted Hizballah in recovering Adham Tabaja's frozen funds after he was designated in 2015.

Ahmad Jalal Reda Abdallah is being designated pursuant to E.O. 13224, as amended, for acting or purporting to act for or on behalf of, directly or indirectly, Hizballah.

## **ABDALLAH'S NETWORK**

Ahmad Abdallah used his senior employees, including **Hussein Kamel Attia (Hussein Attia)**, to establish businesses throughout the Middle East on behalf of Hizballah. Hussein Attia and other employees and relatives helped provide an appearance of legitimacy for these businesses. Hussein Attia is a senior manager at United General Holding, which served as a holding company for numerous businesses owned or controlled by Ahmad Abdallah. Hussein Attia was involved in operations for Ahmad Abdallah's businesses, including financial transactions and business operations. Hussein Attia is associated with several of Ahmad Abdallah's companies and has maintained business and financial connections to Ahmad Abdallah and his companies since at least 2016.

Hussein Kamel Attia is being designated pursuant to E.O. 13224, as amended, for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Ahmad Abdallah.

**Joseph Ilya Haidamous (Joseph Haidamous)**, another senior employee of Ahmad Abdallah, helped him establish new businesses throughout the Middle East on behalf of Hizballah. Joseph Haidamous served as an intermediary for financial transactions between prominent Hizballah officials and Ahmad Abdallah and was responsible for providing financial reports to those same Hizballah officials. Joseph Haidamous was also involved in establishing and registering companies linked to Ahmad Abdallah for the purpose of generating profits for Hizballah. As the Chief Financial Officer for United General Holding, Joseph Haidamous was deeply involved in managing the finances for Ahmad Abdallah's companies.

Joseph Ilya Haidamous is being designated for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Hizballah.

Ahmad Abdallah also used his relatives to establish new businesses throughout the Middle East on behalf of Hizballah. When accounts were opened for several of Ahmad Abdallah's businesses, his brother **Hussein Reda Abdallah** was one of the associates given power of attorney for the accounts. Hussein Reda Abdallah is associated with several of Ahmad Abdallah's companies, including **United General Holding, United General Offshore, United General Services**, and **Al Moukhtar Products Co. SARL**. He has also shared bank accounts with his brother Ahmad Abdallah and worked as an employee at a company owned by his brother Ahmad Abdallah.

Hussein Reda Abdallah is being designated for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Ahmad Abdallah.

**Ali Reda Abdallah**, Ahmad Abdallah's other brother, coordinated closely with Ahmad Abdallah in 2020 to further their investment projects in Iraq on behalf of Hizballah. When accounts were opened for several of Ahmad Abdallah's businesses, Ali Reda Abdallah was one of the associates given power of attorney for the accounts. Additionally, when Ahmad Abdallah restructured the ownership for several of the companies that he owned in Iraq with Ali Reda Abdallah, he planned to transfer 100 percent of the ownership for one of the companies to Ali Reda Abdallah. As of March 2020, Ahmad Abdallah and his brother Ali Reda Abdallah had stepped forward from Hizballah to purchase a bottling plant in Iraq. The purchase was viewed

as part of an effort by Hizballah to open intelligence and commercial fronts in Iraq for investment projects, which could then become fronts for IRGC and Hizballah in the country. Subsequently, a local law enforcement raid at one of the plants was conducted and Ahmad Abdallah was caught altering labels on medications brought in from Lebanon and sold on the black market to pharmacies.

Ali Reda Abdallah was associated with several Ahmad Abdallah companies, including United International Exhibition Company, and had financial connections to several other companies, including United General Contracting, Al Moukhtar Products Co. SARL, and United General Holding.

Ali Reda Abdallah was expelled from Sweden in the 1990s and deported as a result of his activities on behalf of Hizballah and for plotting an attack on the Israeli Embassy in Stockholm.

Ali Reda Abdallah is being designated for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Ahmad Abdallah.

As of 2020, **Hussein Ahmad Jalal Abdallah**, son of Ahmad Abdallah, helped coordinate business logistics for his father. His father delegated authority to him for a project that was tied to Hizballah. Hussein Ahmad Jalal Abdallah also had numerous financial ties to his father and his father's companies.

Hussein Ahmad Jalal Abdallah is being designated for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Ahmad Abdallah.

**United General Holding SAL** was used by Ahmad Abdallah and senior Hizballah officials like Muhammad Qasir to create business, legal, and regulatory infrastructure to benefit Hizballah and enable the import of Iranian oil on behalf of Hizballah. Employees including Hussein Attia were leveraged to provide the appearance of legitimacy. Ahmad Abdallah is the founder and CEO of United General Holding and holds 60.5 percent of the company shares.

United General Holding SAL is being designated [for being owned, controlled, or directed by, directly or indirectly](#), Ahmad Abdallah.

**United General Offshore SAL** was one of several subsidiaries held by United General Holding. It was incorporated in Lebanon and also operated in Iraq. Ahmad Abdallah is the founder and CEO of United General Offshore and holds 60 percent of the company shares. Moreover, his

holding company, United General Holding, owns 30 percent of the company and his brother Hussein Reda Abdallah owns the last 10 percent.

United General Offshore SAL is being designated for being owned, controlled, or directed by, directly or indirectly, Ahmad Abdallah.

**United General Services SARL** was one of several subsidiaries held by United General Holding and was incorporated in Lebanon. Ahmad Abdallah is the founder and CEO of United General Services and owns 75 percent of the company.

United General Services SARL is being designated for being owned, controlled, or directed by, directly or indirectly, Ahmad Abdallah.

**United General Contracting Company SARL** was one of several subsidiaries held by United General Holding. United General Holding maintains 60 percent ownership of United General Contracting Company. The company is involved in construction and engineering projects and works closely with other companies owned or controlled or associated with Ahmad Abdallah.

United General Contracting Company SARL is being designated for being owned, controlled, or directed by, directly or indirectly, United General Holding.

**Al Moukhtar Products Co. SARL (Al Moukhtar)** was one of several subsidiaries of United General Holding. United General Holding owns 80 percent of Al-Moukhtar. Senior Hizballah officials, including Mohammad Qasir, were involved in the business activities of Al-Moukhtar, a Lebanon-based food company engaged in the import and export of food products from Lebanon, Turkey, Iran, Syria, and Iraq. Ahmad Abdallah was interested in food companies because the food sector appeared to be less likely targets of sanctions.

Al Moukhtar Products Co. SARL is being designated for being owned, controlled, or directed by, directly or indirectly, United General Holding.

United General Holding owns 51 percent of **Focus Company SARL**. Ahmad Abdallah-owned United General Holding holds several subsidiaries, including Focus Company SARL, one of several businesses owned by Ahmad Abdallah whose profits are transferred to Hizballah.

Focus Company SARL is being designated for being owned, controlled, or directed by, directly or indirectly, United General Holding.

Focus Company SARL holds 720 out of 1200 shares of **Focus Media Company SAL Offshore**. Ahmad Abdallah also holds 240 shares. Focus Media Company SAL Offshore is one of many business ventures in Iraq that Ahmad Abdallah is involved in on behalf of Hizballah.

Focus Media Company SAL Offshore is being designated for being owned, controlled, or directed by, directly or indirectly, Focus Company SARL.

**United International Exhibition Company SARL** is owned by United General Holding, with 60 percent of the company's shares. United General Holding held several subsidiaries, including United International Exhibition Company SARL which is publicly listed as a "sister company" on the United General Services website, along with numerous other companies tied to Ahmad Abdallah.

United International Exhibition Company SARL is being designated for being owned, controlled, or directed by, directly or indirectly, United General Holding.

## SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of these individuals and entities named above, and of any entities that are owned, directly or indirectly, 50 percent or more by them, individually, or with other blocked persons, that are in the United States or in the possession or control of U.S. persons must be blocked and reported to OFAC. Unless authorized by a general or specific license issued by OFAC or otherwise exempt, OFAC's regulations

generally prohibit all transactions by U.S. persons or within the United States (including transactions transiting the United States) that involve any property or interests in property of designated or otherwise blocked persons.

Furthermore, engaging in certain transactions with the individuals and entity designated today entails risk of secondary sanctions pursuant to E.O. 13224, as amended. Certain individuals

being designated today are subject to the Hizballah Financial Sanctions Regulations, which implements the Hizballah International Financing Prevention Act of 2015, as amended by the Hizballah International Financing Prevention Amendments Act of 2018. Pursuant to these authorities, OFAC can prohibit or impose strict conditions on the opening or maintaining in the United States of a correspondent account or a payable-through account by a foreign financial institution that either knowingly conducted or facilitated any significant transaction on behalf of an SDGT or, among other things, knowingly facilitates a significant transaction for Hizballah or certain persons designated for their connection to Hizballah.

The power and integrity of OFAC sanctions derive not only from its ability to designate and add persons to the SDN List, but also from its willingness to remove persons from the SDN List consistent with the law. The ultimate goal of sanctions is not to punish, but to bring about a positive change in behavior. For information concerning the process for seeking removal from any OFAC list, including the Specially Designated Nationals and Blocked Persons List, please refer to OFAC's [Frequently Asked Question 897](#). [Additional information regarding sanctions programs administered by OFAC.](#)

[Click here to view identifying information on the individuals and entities designed today.](#)

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