

U.S. DEPARTMENT OF THE TREASURY

Treasury Sanctions Global Russian Military Supply Chain, Kremlin-linked Networks, and Elites with Western Fortunes

November 14, 2022

WASHINGTON – Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC), alongside the U.S. Department of State, sanctioned a transnational network procuring technology that supports the Russian military-industrial complex. OFAC also designated a global network of financial facilitators, enablers, and others associated with two key Kremlin-linked elites whose fortunes are intertwined with the West. In total, today’s actions designated 14 individuals and 28 entities, and identified eight aircraft as blocked property.

“The United States will continue to expose and disrupt the Kremlin’s military supply chains and deny Russia the equipment and technology it needs to wage its illegal war against Ukraine,” said Secretary of the Treasury Janet L. Yellen. “Today’s actions demonstrate Treasury’s steadfast commitment to targeting people around the world aiding Putin’s war effort and the crony elites who bankroll his regime. Together with our broad coalition of partners, we will continue to use our sanctions and export controls to weaken Russia’s military on the battlefield and cut into the revenue Putin is using to fund his brutal invasion.”

TARGETING RUSSIAN MILITARY PROCUREMENT NETWORK

On October 14, 2022, Deputy Secretary of the Treasury Wally Adeyemo, Deputy Secretary of Commerce Don Graves, and Deputy Director of National Intelligence Morgan Muir met with top officials representing ministries of finance and other government agencies from 33 countries to discuss the effects of international sanctions and export controls on Russia’s military-industrial complex and critical defense supply chains. The Departments of the Treasury, Commerce, and State released an alert that same day detailing the impact of international sanctions and export controls. [Read the joint alert here.](#)

The joint alert highlights that Russia's defense industry is reliant on imported microelectronics. Today, in coordination with the U.S. Department of State's designation pursuant to Executive Order (E.O.) 14024 of AO PKK Milandr (Milandr), a Russian microelectronics company that has been described as part of the Russian military research and development structure defense technology firm, OFAC took action to disrupt Milandr's illicit global microelectronics procurement network.

Consistent with international commitments to sever Russia's access to key components for its military-industrial complex, the United States will continue to [target Russia's efforts to resupply its weapons and sustain its war of aggression against Ukraine](#), including any [foreign persons who assist Russia in those efforts](#).

The Armenia-based affiliate of Milandr, **Milur Electronics LLC** (Milur Electronics), was initiated for the purpose of placing orders from foreign factories, producing integrated microchips, and conducting overseas sales. Milur Electronics has been used as a Milandr front company as a means to conduct Milandr's business with foreign partners. In fact, Milandr employees have sought to access Milur Electronics' network themselves to conduct business. Milur Electronics was designated pursuant to E.O. 14024 for being owned or controlled by, or for having acted or purported to act for or on behalf of, directly or indirectly, Milandr.

Milur SA is the Switzerland-based primary shareholder of Milur Electronics and has been utilized by employees and business associates of Milandr to coordinate financial transfers to Milur Electronics. Two Milur SA officials designated today were involved in the scheme to establish Milur Electronics, Swiss national **Jacques Pasche** (Pasche) and Estonian and Swiss national **Holger Leng** (Leng). Treasury additionally designated the General Director of both Milandr itself and Milur Electronics, Russian national **Mikhail Ilyich Pavlyuk** (Pavlyuk). Pavlyuk, working with Milur SA, initiated the registration process in Armenia for Milur Electronics. Furthermore, Pavlyuk has worked to transfer funds from Milur SA to Milur Electronics, as part of which he siphoned a substantial amount into his personal bank account.

Milur SA was designated pursuant to E.O. 14024 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Milur Electronics. Pasche and Leng were designated pursuant to E.O.14024 for being leaders, officials, senior executive officers, or members of the board of directors of

Milur SA. Pavlyuk was designated pursuant to E.O. 14024 for being or having been a leader, official, senior executive officer, or member of the board of directors of Milur Electronics.

Finally, OFAC designated **Sharp Edge Engineering Inc.** (Sharp Edge), a Taiwan-based front company used to purchase microelectronic components from Asian companies. Milandr employees have utilized a Sharp Edge account to procure equipment. Sharp Edge was designated pursuant to E.O. 14024 for being owned or controlled by, or for having acted or purported to act for or on behalf of, directly or indirectly, Milandr.

SULEIMAN KERIMOV'S NETWORK

On September 30, 2022, OFAC designated Suleiman Abusaidovich Kerimov (Kerimov) pursuant to E.O. 14024 for being or having been a leader, official, senior executive officer, or member of the board of directors of the Government of the Russian Federation (GoR). OFAC had previously designated Kerimov on April 6, 2018 pursuant to E.O. 13661 for being an official of the GoR. Kerimov has also been sanctioned by Australia, Canada, the EU, Japan, New Zealand, Switzerland, and the United Kingdom (UK).

In June 2022, OFAC [issued](#) a Notification of Blocked Property to Heritage Trust, a Delaware-based entity in which Kerimov has a property interest. As of June 30, 2022, Heritage Trust held assets valued at over \$1 billion. OFAC's extensive enforcement investigation revealed that Kerimov used a network of relatives, advisers, and opaque legal entities to invest in the United States and utilized a complex series of legal structures and front persons to obscure his interest in Heritage Trust. In May 2022, Fijian law enforcement [executed a seizure warrant](#) freezing the Motor Yacht Amadea, a 348-foot luxury vessel owned by Kerimov.

Today's action targets a broad network of Kerimov's family members, associates, and facilitators. These designations should serve as another warning that those who support sanctioned Russian persons risk being sanctioned themselves.

KERIMOV'S FAMILY

Today OFAC designated Kerimov's immediate family, including his wife **Firuza Nazimovna Kerimova** (Firuza), daughters **Gulnara Suleymanovna Kerimova** (Gulnara) and **Amina Suleymanovna Kerimova** (Amina), and son **Said Suleymanovich Kerimov** (Said) pursuant to E.O. 14024 for being a spouse or adult child of Kerimov. Said has also been sanctioned by the EU, Switzerland, and the UK.

OFAC also designated four France-based real estate companies belonging to Gulnara: **Service Immobiliere Antibes SAS**, **Service Immobiliere et Gestion SAS**, **VH Antibes SAS**, and **Villa Lexa Estates SAS**. All four companies were designated pursuant to E.O. 14024 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, Gulnara.

Relatedly, OFAC designated Swiss national **Laurin Katz** (Katz), who serves as president of all four of Gulnara's France-based companies. Katz was designated pursuant to E.O. 14024 for having acted or purported to act for or on behalf of, directly or indirectly, Gulnara.

Additionally, **Alstone Investment AG** (Alstone), a Switzerland-based firm formerly known as Swiru Holding AG, was designated pursuant to E.O. 14024 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, Katz.

Beyond Kerimov's immediate family, OFAC also designated Kerimov's nephew **Nariman Gadzhievich Gadzhiev** (Gadzhiev), a Russian national residing in Switzerland. Gadzhiev is a primary financial facilitator for Kerimov. Gadzhiev was designated pursuant to E.O. 14024 for having acted or purported to act for or on behalf of, directly or indirectly, Kerimov.

OFAC also designated United Arab Emirates-based holding company **Constellation Advisors Ltd** for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, Gadzhiev.

ALEXANDER-WALTER STUDHALTER NETWORK

Swiss national **Alexander-Walter Studhalter** (Studhalter) has been a key player in Kerimov's financial network, including managing Kerimov's companies. Studhalter has also allegedly laundered significant amounts of money on Kerimov's behalf. Studhalter was designated pursuant to E.O. 14024 for operating or having operated in the management consulting sector of the Russian Federation economy.

OFAC also designated eight entities across six countries associated with Studhalter. These include:

- **MG International AG** (MG International), a Studhalter-owned, Switzerland- and Russia-based management consultancy firm of which Kerimov used to be a shareholder and where Gulnara was previously employed;
- **Studhalter International Group AG** (Studhalter Group), a Switzerland-based financial

company;

- **Swiss International Advisory Group AG** (SwissIAG), a Switzerland-based accounting and tax consultancy firm;
- **Papa Oscar Ventures GmbH** (Papa Oscar Germany), a Germany-based holding company;
- **Eurimo Holding SA** (Eurimo), a Luxembourg-based holding company;
- **Papa Oscar Ventures SE SL** (Papa Oscar Spain), a Spain-based holding company;
- **Swiss International Real Estate Portfolio AG** (SwiREP), a Switzerland-based real estate firm; and
- **SCI AAA Properties** (SCI), a France-based real estate firm.

MG International was designated pursuant to E.O. 14024 for operating or having operated in the management consulting sector of the Russian Federation economy. Studhalter Group, SwissIAG, Papa Oscar Germany, Eurimo, Papa Oscar Spain, SwiREP, and SCI were all designated pursuant to E.O. 14024 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, Studhalter.

Studhalter's sons, **Jeremy Eric Camille Studhalter** and **Hugo Ange Christophe Studhalter** were both designated pursuant to E.O. 14024 for being or having been leaders, officials, senior executive officers, or members of the board of directors of SwissIAG, an entity whose property and interests in property are blocked pursuant to E.O. 14024.

MURAT ALIEV NETWORK

Additionally, OFAC designated Russian businessman and investor **Murat Magomedovich Aliev** (Aliev), a former executive at a Kerimov investment firm, who has links to Studhalter.

For example, Aliev's Moscow-based investment firm **Limited Liability Company Bonum Capital** (LLC Bonum Capital) is located in the same Moscow building as MG International's Russian branch. Swiss national **Inga Rettich** (Rettich) is another link between Studhalter and Aliev. Rettich, who manages the family office at SwissIAG, is also a director at **Bonum Capital Cyprus Ltd** (Bonum Cyprus), an Aliev-owned Cyprus-based holding company.

Aliev was designated pursuant to E.O. 14024 for operating or having operated in the financial services sector of the Russian Federation economy. LLC Bonum Capital was designated pursuant to E.O. 14024 for operating or having operated in the financial services sector of the

Russian Federation economy and for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, Aliev. Bonum Cyprus was designated pursuant to E.O. 14024 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, Aliev. Rettich was designated pursuant to E.O. 14024 for being or having been a leader, official, senior executive officer, or member of the board of directors of Bonum Cyprus, an entity whose property and interests in property are blocked pursuant to E.O. 14024.

OFAC also designated the following five companies associated with Aliev:

- **Bonum Capital Investors Corp** (Bonum BVI), a British Virgin Islands-based holding company;
- **Limited Liability Company Bonum Management** (Bonum Management) and Limited Liability Company Bonum Investments (Bonum Investments), Russia-based financial services companies;
- **Limited Liability Company RB-Esteit** (RB-Esteit), a Russia-based real estate firm; and
- **Limited Liability Company Aviakompaniya Dalnevostochnaya KSM** (KSM), a Russia-based air freight company.

Bonum BVI, Bonum Investments, and KSM were all designated pursuant to E.O. 14024 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, Aliev. Bonum Management was designated pursuant to E.O. 14024 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, Bonum Cyprus. RB-Esteit was designated pursuant to E.O. 14024 for being owned or controlled by, or having acted or purported to act for or on behalf of, directly or indirectly, Bonum Investments.

KERIMOV-LINKED LUXURY AVIATION COMPANY

Malta- and Russia-based aircraft management company Emperor Aviation Ltd (Emperor Aviation) has coordinated luxury travel for Kerimov's immediate family, including Gulnara, even after Russia launched its full-scale invasion of Ukraine on February 24, 2022.

Emperor Aviation was designated pursuant to E.O. 14024 for operating or having operated in the aerospace sector of the Russian Federation economy and for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services

to or in support of, Gulnara.

OFAC identified eight aircraft as blocked property in which Emperor Aviation, the operator of the luxury planes, has an interest:

- **9H-AMN**, a Bombardier BD-700-1A11 (Manufacturer's Serial Number (MSN) 9324)
- **9H-ARK**, a Bombardier BD-700-1A10 (MSN 60011)
- **9H-EAA**, a Cessna Citation XLS+ (MSN 6170)
- **9H-MAO**, a Bombardier BD-700-1A10 (MSN 9223)
- **9H-OKO**, a Gulfstream G650 (MSN 6356)
- **9H-SIS**, a Bombardier Challenger (MSN 6050)
- **9H-SSK**, a Gulfstream G650 (MSN 6195)
- **9H-TIO**, a Bombardier BD-700-1A10 (MSN 9813)

Concurrent with the designation of Emperor Aviation, OFAC issued General License (GL) 40C. GL 40C authorizes certain transactions involving blocked entities, including Emperor Aviation, that are ordinarily incident and necessary to the provision, exportation, or reexportation of goods, technology, or services to ensure the safety of civil aviation, provided that the aircraft is registered solely outside of the Russian Federation and the goods, technology, or services provided, exported, or reexported are for civilian aviation purposes.

ANDREY GRIGORYEVICH GURYEV'S SWISS HOLDING COMPANIES

On August 2, 2022, OFAC designated Andrey Grigoryevich Guryev (A.G. Guryev), a known close associate of Russian President Vladimir Putin who previously served in the U.S.-sanctioned Federation Council of the Federal Assembly of the Russian Federation.

Today OFAC designated **Chlodwig Enterprises AG** (Chlodwig) and **Adorabella AG** (Adorabella), two Swiss companies that hold assets for trusts that benefit A.G. Guryev and his family.

Chlodwig and Adorabella were designated pursuant to E.O. 14024 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, A.G. Guryev.

SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the individuals above that are in the United States or in the possession or control of U.S. persons are blocked and must be reported to OFAC. In addition, any entities that are owned, directly or indirectly, 50 percent or more by one or more blocked persons are also blocked. All transactions by U.S. persons or within (or transiting) the United States that involve any property or interests in property of designated or blocked persons are prohibited unless authorized by a general or specific license issued by OFAC, or exempt. These prohibitions include the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any blocked person and the receipt of any contribution or provision of funds, goods, or services from any such person.

The power and integrity of OFAC sanctions derive not only from OFAC's ability to designate and add persons to the Specially Designated Nationals and Blocked Persons List (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 an OFAC list, including the SDN List, please refer to OFAC's [Frequently Asked Question 897](#). [For detailed information on the process to submit a request for removal from an OFAC sanctions list, please visit here.](#)

[For identifying information on the individuals and entities sanctioned or property identified today, click here.](#)

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