U.S. DEPARTMENT OF THE TREASURY

Treasury Targets Sanctions Evasion Network Generating Hundreds of Millions of Dollars for Qods Force Oil Sales

December 8, 2022

WASHINGTON — Today, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) is designating a sanctions evasion network led by businessman Sitki Ayan that has facilitated the sale of hundreds of millions of dollars' worth of oil for Iran's Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF). Ayan's companies have established international sales contracts for Iranian oil with foreign purchasers, arranged shipments of oil, and helped launder the proceeds, obscuring the oil's Iranian origin and the IRGC-QF's interest in the sales. Today's action supplements OFAC's May 25, 2022 designations targeting an element of this network, which facilitated the sale of hundreds of millions of dollars' worth of Iranian oil for both the IRGC-QF and Hizballah, with the backing of senior levels of the Russian Federation government and state-run entities. Together, these networks provided important revenue sources for Iran and the IRGC-QF.

"Today's action complements Treasury's May designations and demonstrates the United States' ongoing commitment to deny the IRGC-QF its revenue streams and to target those who abuse the international financial system in support of the group," said Under Secretary of the Treasury for Terrorism and Financial Intelligence, Brian E. Nelson. "The United States will continue to strictly enforce sanctions on the IRGC's illicit oil sales trade."

Today's action is being taken pursuant to counterterrorism authority Executive Order (E.O.) 13224, as amended. The IRGC-QF was designated pursuant to E.O. 13224 on October 25, 2007, for providing support to multiple terrorist groups.

SITKI AYAN

Sitki Ayan has used his extensive business network to both facilitate and conceal the sale and shipment of Iranian oil on behalf of the IRGC-QF and in partnership with senior IRGC-QF officials, including U.S.-designated IRGC-QF official Behnam Shahriyari and former IRGC-QF

official Rostam Ghasemi. Ghasemi previously played a central role in facilitating shipments of oil and petroleum products for the financial benefit of the IRGC-QF. Ayan has established business contracts to sell Iranian oil worth hundreds of millions of dollars to buyers in the People's Republic of China and elsewhere in East Asia, the United Arab Emirates, and Europe; helped arrange transportation of Iranian oil; and funneled the proceeds of oil sales back to the IRGC-QF.

Sitki Ayan 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, the IRGC-QF.

ASB GROUP OF COMPANIES LIMITED NETWORK

Ayan serves as the director and chairman of the board of the **ASB Group of Companies Limited (ASB Group)**, a Gibraltar-registered holding company for several businesses owned or controlled by Ayan. ASB Group officials have transferred the equivalent of millions of dollars in different currencies for the IRGC-QF. As of 2017, ASB Group agreed to sell crude oil from the National Iranian Oil Company (NIOC). NIOC was designated pursuant to E.O. 13224, as amended, on October 26, 2020, for its support to the IRGC-QF through the provision of Iranian oil for international commercial sales.

ASB Group of Companies Limited is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

Ayan has used ASB Group-associated company **Baslam Nakliyat Ye Dis Ticaret Ltd Sti** to facilitate Iranian oil deals worth hundreds of millions of dollars and to obscure the IRGC-QF's involvement by listing Baslam Nakliyat as the seller. Moreover, Baslam Nakliyat's bank accounts have been used to transfer money in multiple currencies on behalf of the IRGC-QF. Baslam Nakliyat was also involved in supply-chain agreements and contracts with U.S.-designated, Russia-based RPP LLC and its representative, Mihrab Suhrab Hamidi, to purchase goods, including petroleum products. RPP LLC and Hamidi were designated as part of OFAC's May 25, 2022 action.

Baslam Petrol Sanayi Ve Ticaret Anonim Sirketi, a separate Ayan and ASB Group-associated company, has similarly been used to facilitate the illicit sale of Iranian oil to

purchasers in the People's Republic of China.

Baslam Nakliyat Ve Dis Ticaret Ltd Sti and Baslam Petrol Sanayi Ve Ticaret Anomim Sirket are both being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

A third Ayan and ASB Group-associated company, **Anka Enerji Uretim Sanayi Ve Ticaret Anonim Sirketi,** purchased Iranian petrochemicals worth more than $6 million using falsified bills of lading. IRGC-QF senior official Shahriyari and his associates coordinated the purchase and shipment of the petrochemicals.

Anka Enerji Uretim Sanayi Ve Ticaret Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned or controlled by, directly or indirectly, Sitki Ayan.

ASB Group officials established Marshall Islands-incorporated **Elvegard Shipping Ltd.** as a front company to facilitate the purchase of the Panamanian-flagged liquefied natural gas tanker **Queen Luca** for the IRGC-QF.

Elvegard Shipping Ltd. 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, ASB Group of Companies Limited. The Queen Luca is being identified as property in which Elvegard Shipping Ltd. has an interest.

Kasim Oztas, an ASB Group official and close associate of Ayan, was an interlocutor in deals brokered between Shahriyari and Ayan's network of companies to illicitly sell millions of barrels of Iranian oil. Oztas directly handles much of Ayan's business, including organizing the purchase of the Queen Luca through Elvegard Shipping. Oztas has also arranged the transfer of millions of dollars on behalf of the IRGC-QF.

In late 2021, Shahriyari worked closely with Oztas to facilitate an oil deal and oversaw the remittance of over one million euros from UAE-based CGN Trade FZE to Ayan's Baslam Nakliyat in furtherance of a money laundering scheme to generate revenue for the IRGC-QF.

Kasim Oztas 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, the IRGC-QF. CGN Trade FZE 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, Baslam Nakliyat Ve Dis Ticaret Ltd. Sti.

Bahaddin Ayan, Sikti Ayan's son and an ASB Group official, directs and owns shares in at least five ASB Group-associated companies. Bahaddin Ayan is also on the board of directors for **Bumerz Denizcilik Ve Ticaret Anonim Sirketi**, which was once used to purchase an oil tanker on behalf of Sitki Ayan. Bumerz Denizcilik was formerly chaired by **Murat Teke**, an employee of Sitki Ayan.

Bahaddin Ayan is being designated pursuant to E.O. 13224, as amended, for being a leader or official of ASB Group of Companies Limited. Teke is being designated pursuant to E.O. 13224, as amended, for having acted or purported to act for or on behalf of, directly or indirectly, Sitki Ayan. Bumerz Denizcilik is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Bahaddin Ayan.

IRGC associate **Mustafa Omer Kaptan** facilitated the equivalent of millions of dollars in payments for oil on behalf of the IRGC. Kaptan 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, the IRGC-QF.

OFAC is also designating the following companies that are affiliated with Ayan, ASB Group or the IRGC-QF:

Aktau Petrol Ticaret Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

Alan Enerji Uretim Sanayi Ve Ticaret Anonin Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

Anatolian Uluslararasi Enerji Yatirim Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

ASB Grup Enerji Sanayi Ve Ticaret Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

Aska Enerji Toptan Satis Sanayi Ve Ticaret Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

Asl Enerji Sanayi Ve Ticaret Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Bahaddin Ayan.

Bylan Uluslararasi Ticaret Ve Gayrimenkul Sanayi Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, ASB Group of Companies.

Ctat Gida Ve Saglik Urunleri Sanayi Ve Ticaret Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

Gent Elektrik Enerjisi Toptan Satis Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

Gent Petrol Ve Dis Ticaret Limited Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

Ms Uluslararasi Enerji Yatirim Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

OGC-Victoria Holding LTD is being pursuant to E.O. 13224, as amended, designated for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, the Baslam Nakliyat.

Perlite Insaat Sanayi Ve Ticaret Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

Rain Trade Gida Ic Ve Dis Ticaret Limited Sirketi 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, the IRGC-QF.

Samed Petrol Ve Enerji Dis Ticaret Limited Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

Somas Enerji Sanayi Ve Ticaret Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly,

Sitki Ayan.

Som Petrol Ticaret Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

Som Overseas Petroleum Enerji Sanayi Ve Ticaret Anonim Sirketi, a subsidiary of Som Petrol Ticaret Anonim Sirketi, is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

Turang Transit Tasimacilik Anonim Sirketi is being designated pursuant to E.O. 13224, as amended, for being owned, controlled, or directed by, directly or indirectly, Sitki Ayan.

SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the 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. The prohibitions include the making or receiving of any contribution of funds, goods, or services to or for the benefit of those persons.

Furthermore, engaging in certain transactions with the individuals and entities designated today entails risk of secondary sanctions pursuant to certain authorities, including E.O. 13224, as amended. Pursuant to E.O. 13224, 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 of a foreign financial institution that has knowingly conducted or facilitated any significant transaction on behalf of a Specially Designated Global Terrorist.

The power and integrity of OFAC sanctions derive not only from their ability to designate and add persons to the Specially Designated Nationals and Blocked Persons (SDN) List, but also from OFAC's willingness to remove persons from the SDN List consistent with U.S. 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, here. For detailed information on the process to submit a request for removal from an OFAC sanctions list, please see this link.

For identifying information on the individuals and entities designated today, click here.

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