

Bates Nos. 2018-08-116:
008245-008246

Non-responsive record

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RE: The National: Middle East backers to buy stake in Russian Helicopters

From: (b)(6)
To: (b)(6) <DL_TFI_Ukraine_Russia <dl_tfi_ukraine_russia@do.treas.gov>
Cc: (b)(6)
Date: Tue, 21 Feb 2017 09:31:35 -0500

+ Gulf followers

From: (b)(6)
Sent: Tuesday, February 21, 2017 9:30 AM
To: DL TFI Ukraine Russia
Cc: (b)(6)
Subject: RE: The National: Middle East backers to buy stake in Russian Helicopters

From today's Russia econ daily:

(U) Rostec's Russian Helicopters to Sell 12 Percent Stake: A consortium comprised of the Russian Direct Investment Fund (RDIF) and undisclosed investors from the Middle East finalized the sale of a 12 percent stake in Russian Helicopters, according to the RDIF [press release](#) of February 20. Russian Helicopters, a civilian and military helicopter manufacturer, is a subsidiary of the United Industrial Corporation (Oboronprom), which is a part of Russian state-owned defense and technology conglomerate Rostec.

(SBU) In March 2016, Rostec's head Seraev Chemezov (a "specially designated national" under U.S. sanctions) told the Wall Street Journal that Mubadala Development Co. in the United Arab Emirates was interested in buying up to 25 percent of Russian Helicopters.

From: (b)(6)
Sent: Tuesday, February 21, 2017 9:21 AM
To: DL TFI Ukraine Russia
Cc: (b)(6)
Subject: The National: Middle East backers to buy stake in Russian Helicopters

OIA, can you see if there's any additional info on which "Middle East funds" are involved?

Middle East backers to buy stake in Russian Helicopters
The National, 20 February 2017

The Russian Direct Investment Fund (RDIF) has formed a consortium comprising leading Middle East funds and finalised a deal to acquire a minority stake in Russian Helicopters, which is part of the Rostec State Corporation.

The transaction consists of two stages. The first involves the sale of a 12 per cent stake and an investment of US\$300 million, as well as an agreed-upon subsequent potential increase in investment to \$600m. The deal will help the company to implement its strategy and business plan, including the development of new types of helicopters, the Russian firm said.

The company's range of helicopters includes light-lift models such as the Ansat GMSU 2 and Ka-226T. Its military offerings include the Mi-28 attack aircraft.

"The RDIF consortium's investment in Russian Helicopters will enable the company to continue its expansion into new markets, particularly in the Middle East, thanks to the participation of our partners from the region," said Kirill Dmitriev, the chief executive of the RDIF.

Sergei Chemezov, chief executive of Rostec, said the company's value is estimated at more than \$2 billion. "Today we have agreed with the Russian Direct Investment Fund and Middle East investors, on the final parameters of the deal and signed documents for the sale of a minority stake in Russian Helicopters, based on the valuation of the company at \$2.35 billion."

Rostec is a Russian corporation, created in 2007 to promote development, production and export of high-tech industrial products for civil and military purposes. It is comprised of over 700 organisations, and its portfolio includes brands such as the Russian car maker Avtovaz, the lorry maker Kamaz, the arms manufacturer Kalashnikov Concern, Russian Helicopters, and the world's largest titanium producer VSMPO-Avisma among others.

Consolidated revenues of Rostec companies in 2015 exceeded \$19bn. Planned investment up to 2025 is more than \$70bn, it said.

2018-08-116: 008248

RE: The National: Middle East backers to buy stake in Russian Helicopters

From: (b)(6)
To: (b)(6) <_DL_TFI_Ukraine_Russia <_dl_tfi_ukraine_russia@do.treas.gov>
Cc: (b)(6)
Date: Tue, 21 Feb 2017 09:38:10 -0500

The RDIF website indicated in September that in addition to Mubadala, the fund is working with (unspecified) funds from Kuwait, Saudi Arabia, Bahrain, Qatar and Egypt.

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Re: Application with the Office of Foreign Assets Control for RWC Group Ukraine-EO13661-2015-318183-1

From: Michael Faucette <michael.faucette@mbassociateslaw.com>
To: "Blackborow, Davin" (b)(6)
Cc: "Gacki, Andrea" (b)(6), Mark Barnes <mark.barnes@mbassociateslaw.com>, Becky Barnett <becky.barnett@mbassociateslaw.com>
Date: Mon, 27 Mar 2017 10:50:10 -0400

Hi Davin,

Just following up on the below email to set a up a brief telephone conference. Thank you.

Mike Faucette*
Attorney
Mark Barnes & Associates
1350 I St. N.W., Suite 260
Washington, D.C. 20005
Tel. (202) 626-0085

*Admitted to the Maryland Bar only. Not admitted in the District of Columbia. Practice limited to Federal agencies only.

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On Mar 10, 2017, at 3:40 PM, Michael Faucette <michael.faucette@mbassociateslaw.com> wrote:

Hi Davin,

Hope you are doing well. Would you be available for a phone conversation to discuss our client's license application for property currently in the United States? The application has been pending for almost two years now, which, as you know, is far beyond the normal processing time. Thank you!

Mike Faucette*
Attorney
Mark Barnes & Associates
1350 I St. N.W., Suite 260
Washington, D.C. 20005
Tel. (202) 626-0085

*Admitted to the Maryland Bar only. Not admitted in the District of Columbia. Practice limited to Federal agencies only.

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On Apr 8, 2016, at 2:27 PM, (b)(6) wrote:

Mr. Faucette,

Your application is still under review. Unfortunately, I'm unable to provide you with any additional updates at this time.

I will pass your message along to the Ukraine team leader.

Best Regards,
(b)(6)

RE: Application with the Office of Foreign Assets Control for RWC Group Ukraine-EO13661-2015-318183-1

From: "Blackborow, Davin" (b)(6)
To: (b)(6)
Date: Mon, 27 Mar 2017 11:53:00 -0400

Ok great – thanks!

From: (b)(6)
Sent: Monday, March 27, 2017 11:51 AM
To: Blackborow, Davin
Subject: RE: Application with the Office of Foreign Assets Control for RWC Group Ukraine-EO13661-2015-318183-1

Hi Davin:

Greetings. (b)(6) has prepared a response, so it's in my queue for supervisory review. I'll give Mike a heads up on status.

(b)(6)

From: Blackborow, Davin
Sent: Monday, March 27, 2017 11:44 AM
To: (b)(6)
Subject: FW: Application with the Office of Foreign Assets Control for RWC Group Ukraine-EO13661-2015-318183-1

(b)(6).

I forgot to send this one to you – where are we on this one, and would you mind following up with Mike as appropriate?

Thanks,
Davin

Duplicative of content in Bates No. 2018-08-116: 008250

Bates No. 2018-08-116: 008252
Duplicative of Content in Bates
No. 2018-08-116: 008250

RE: Application with the Office of Foreign Assets Control for RWC Group Ukraine-EO13661-2015-318183-1

From: "Gacki, Andrea" (b)(6)
To: (b)(6)
Cc: "Blackborow, Davin" (b)(6)
Date: Mon, 27 Mar 2017 12:52:34 -0400

Thank you!

From: (b)(6)
Date: March 27, 2017 at 12:50:23 PM EDT
To: Gacki, Andrea (b)(6)
Cc: Blackborow, Davin (b)(6)
Subject: RE: Application with the Office of Foreign Assets Control for RWC Group Ukraine-EO13661-2015-318183-1

Hi Andrea:

Thank you for the heads up. I'll touch base with Mike to let him know how things are going.

(b)(6)

From: Gacki, Andrea
Sent: Monday, March 27, 2017 12:09 PM
To: (b)(6)
Cc: Blackborow, Davin
Subject: FW: Application with the Office of Foreign Assets Control for RWC Group Ukraine-EO13661-2015-318183-1

(b)(6) - just forwarded you a voicemail from this attorney, and hoping you (or someone from your team) can touch base with him:

Duplicative of content in Bates No. 2018-08-116: 008250



Bates No. 2018-08-116: 008254
Duplicative of Content in
Bates No. 2018-08-116: 008250

Bates Nos. 2018-08-116:

008255-008256

Non-responsive record

Bates No. 2018-08-116: 008257
Non-responsive record

Bates No. 2018-08-116: 008258
Non-responsive record



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C.

February 14, 2017

INFORMATION MEMORANDUM FOR SECRETARY MNUCHIN

FROM: John E. Smith, Office of Terrorism and Financial Intelligence

SUBJECT: Overview of Ukraine/Russia-related Sanctions

Treasury's Ukraine/Russia sanctions program began on March 6, 2014, when the President, pursuant to the International Economic Emergency Powers Act, declared a national emergency with respect to the situation in Ukraine. Overall, the President has issued four Executive orders authorizing Treasury to impose sanctions on a range of individuals and entities.

These sanctions fall into three broad categories: 1) traditional "blocking sanctions" on designated "persons" (individuals and entities), which freeze their property and prohibit dealings with U.S. persons; 2) narrower financing- and technology-related "sectoral sanctions" on named entities operating in Russia's financial, defense, and energy industries; and 3) a broad trade embargo on Crimea. The European Union and Canada have imposed substantially similar measures, while Japan has issued more limited sanctions.

Blocking Sanctions

Current authorities allow Treasury to designate certain persons including those determined to be:

- Undermining democratic processes or institutions in Ukraine, or threatening its peace, security, stability, sovereignty, or territorial integrity (e.g. former President Yanukovich);
- Officials of the Russian government, or any person that is owned or controlled by, or acting for or on behalf of, senior officials of the Russian government (e.g. Putin crony Gennady Timchenko; Bank Rossiya, which serves as the personal bank for senior Russian officials);
- Operating in the arms or related materiel sector in Russia (e.g. Russia's largest arms manufacturer, Kalashnikov Concern);
- Operating in Crimea (e.g. Russian National Commercial Bank, which is used by Moscow in its attempts to incorporate Crimea into Russia); or
- Acting for or on behalf of, or providing material support to, anyone designated pursuant to the authorities above.

Sectoral Sanctions

Treasury has also imposed certain restrictions on U.S. persons transacting with specified entities operating in Russia's financial, defense, and energy sectors, including prohibitions on:

- Dealing in new equity or new debt of longer than 30 days maturity of specified entities in the Russian financial services sector (e.g. state-owned Sberbank, the largest bank in Russia);

- Dealing in new debt of longer than 30 days maturity of specified entities in the Russian defense and related materiel sector (e.g. state-owned defense conglomerate Rostec);
- Dealing in new debt of longer than 90 days maturity of specified entities in the Russian energy sector (e.g. state-owned oil company Rosneft); and
- Providing, exporting, or re-exporting goods, non-financial services, or technology for frontier oil projects in the Russian federation (including deep-water, Arctic offshore, or shale projects) that involve specified entities in the Russian energy sector.

Crimean Embargo

Treasury authorities also broadly prohibit U.S. persons from importing or exporting any goods, services, or technology to or from Crimea and engaging in new investment in Crimea.

Information Memorandum Clearance Sheet

Subject: Overview of Ukraine/Russia-related Sanctions

Drafted: TFI FO – (b)(6), 622-6827

Approved: TFI – John E. Smith (2/13/17)

Cleared: Exec Sec – (b)(6) (2/14/17)
TFI FO – (b)(6) (2/13/17)
OGC – (b)(6) (2/10/17)
OFAC – (b)(6), Sean Kane, (b)(6) (2/10/17)
TFFC – (b)(6), (b)(6) (2/10/17)
OIA – (b)(6) (2/10/17)

Bates No. 2018-08-116: 008262
Non-responsive record

Bates Nos. 2018-08-116:

008277 - 008278

Withheld in Full Pursuant to
(b)(5), with Portions Withheld
by Treasury and State
Pursuant to (b)(6)
and (b)(7)(C)

RE: R/U Numbers-Stats

From: (b)(6)
To: (b)(6)
Date: Mon, 22 May 2017 11:52:47 -0400
Attachments: 20170227 Comparison of Country Sanctions_Russia_Ukraine.pdf (393.86 kB); 20170112 Timeline of U S and EU Sanctions.docx (41.52 kB)

Hi (b)(6),

The attached won't give you an absolutely precise response to your question, but it should give you a very good place to start.

Happy to speak further.

(b)(6)

From: (b)(6)
Sent: Monday, May 22, 2017 11:50 AM
To: (b)(6)
Subject: RE: R/U Numbers-Stats

Thanks guys. Is this the Timeline? If I can see that excel do, that would help too.

From: (b)(6)
Sen
To: (b)(6)
Subject: Re: R/U Numbers-Stats

Bah my bb is being difficult. (b)(6) can you send the timeline and excel doc? Thanks!

Sent from my BlackBerry 10 smartphone.

From: (b)(6)
Sent: Monday, May 22, 2017 11:38 AM
To: (b)(6)
Subject: Re: R/U Numbers-Stats

Will forward you what we put together a few months ago! Not sure if it's exactly what you need.

Sent from my BlackBerry 10 smartphone.

From: (b)(6)
Sent: Monday, May 22, 2017 11:34 AM
To: (b)(6)
Subject: R/U Numbers-Stats

Hi (b)(6)

Realizing that we (OGT) should have something on this, but do you guys have a doc that outlines the numbers/types of designations related to each EO. I'm basically looking for a breakdown by type (crony, gov't official, defense blocking, SSI, Crimea, separatist, etc.).