

RE: Notice of Blocking of Third Person - Concern Kalashnikov

From: "Gacki, Andrea" (b)(6), (b)(7)(C)
To: (b)(6), (b)(7)(C)
Cc: "Feddo, Thomas" (b)(6), (b)(7)(C)
Date: Thu, 17 Jul 2014 17:09:20 -0400

Absolutely!

From: (b)(6), (b)(7)(C)
Sent: Thursday, July 17, 2014 5:06 PM
To: Gacki, Andrea
Cc: Feddo, Thomas
Subject: RE: Notice of Blocking of Third Person - Concern Kalashnikov

Andrea –

Thanks for the information. Keep Enforcement posted, if you don't mind. (b)(5) – Seems to me we want to (b)(5)

(b)(5)

(b)(5), (b)(6), (b)(7)(C)

Have a great night,

(b)(6), (b)(7)(C)
Office of Enforcement
Office of Foreign Assets Control
U.S. Department of the Treasury
(b)(6), (b)(7)(C)

From: Gacki, Andrea
Sent: Thursday, July 17, 2014 1:15 PM
To: (b)(6), (b)(7)(C)
Cc: (b)(6), (b)(7)(C); Smith, John (b)(6), (b)(7)(C)
(b)(6), (b)(7)(C)
Subject: RE: Notice of Blocking of Third Person - Concern Kalashnikov

Just a heads up to you all: I just heard from the attorney for RWC Group LLC, the exclusive U.S. distributor for Kalashnikov. (b)(6), (b)(7)(C) forwarded the attorney to me – that was unexpected!

For the most part, the attorney (Mike Faucette with Mark Barnes & Associates) says that (b)(4)
(b)(4)

RWC's most urgent concern is that there are (b)(4) they're apparently right now in port (b)(4). The (b)(4) are partially paid for and will likely arrive (b)(4). Interestingly, Kalashnikov Concern is writing off the remainder of the debt (i.e., RWC will not have to pay Kalashnikov Concern anything more for this shipment).

RWC's attorney is going to submit a license application asap as to (b)(4)

(b)(6), (b)(7)(C) will work on this case and knows this is coming her way. (I'm envisioning we will (b)(5)

(b)(5) (b)(4), (b)(5)

Andrea

From: Gacki, Andrea
Sent: Wednesday, July 16, 2014 5:06 PM
To: (b)(6), (b)(7)(C)
Cc: (b)(6), (b)(7)(C); Smith, John; (b)(6), (b)(7)(C)
Subject: FW: Notice of Blocking of Third Person - Concern Kalashnikov
Importance: High

(b)(6), (b)(7)(C) and team – I wanted to alert you specifically that we may get calls on the hotline over the next days related to the attached blocking notice sent out by Enforcement today. The notice was sent to RWC Group LLC in Pennsylvania; the president is Eldad Oz.

Please send any calls on this blocking notice directly to me or (b)(6), (b)(7)(C) (or (b)(6), (b)(7)(C) once he's back next week).

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Discover the Truth at: <http://www.theblackvault.com>

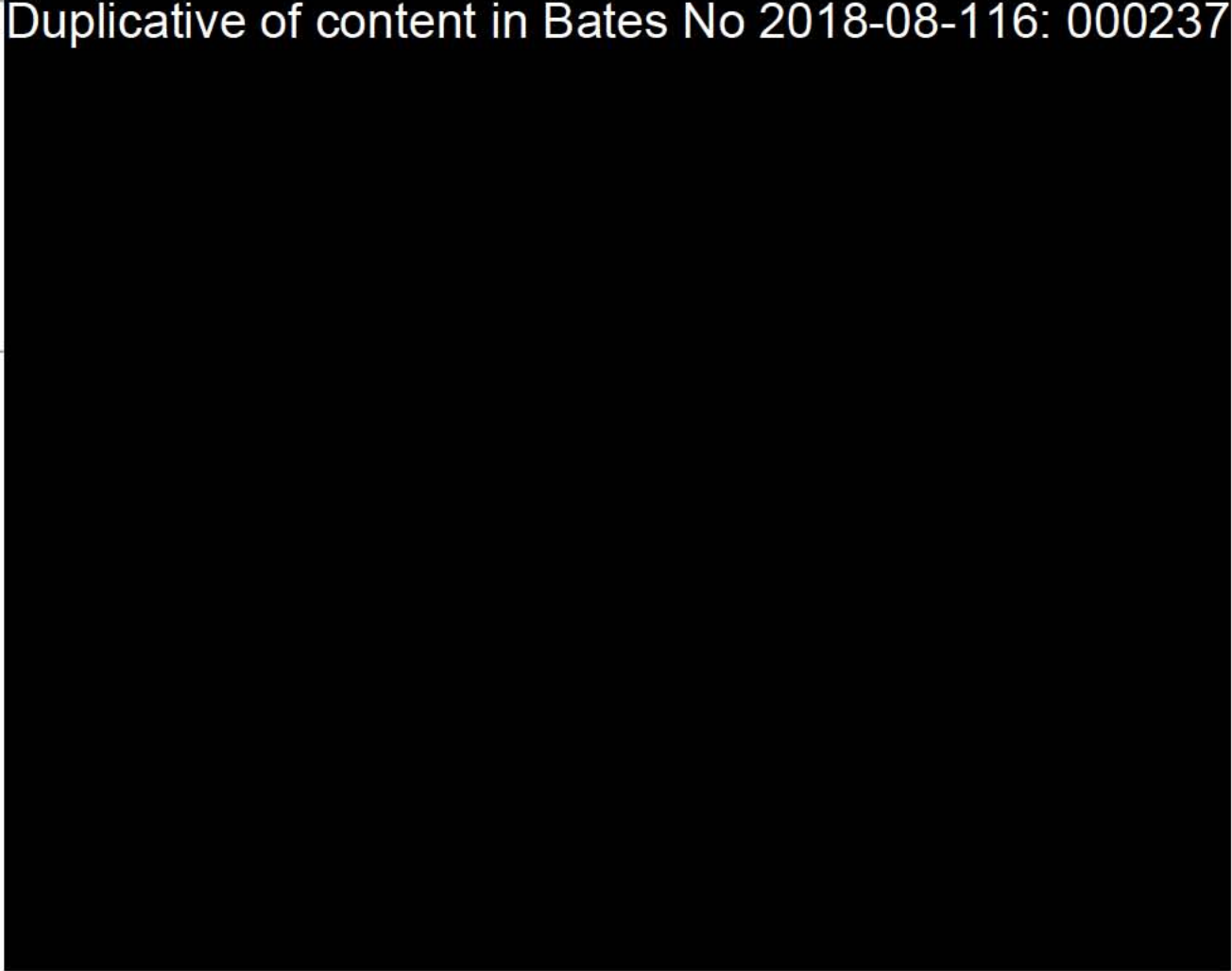
Even if you send it to my voicemail, I will be able to respond as quickly as possible.

Let me know if you have any questions or would like to discuss!

Andrea

Andrea Gacki
Assistant Director for Licensing
Office of Foreign Assets Control
U.S. Department of the Treasury
(b)(6), (b)(7)(C)

Duplicative of content in Bates No 2018-08-116: 000237



RE: Notice of Blocking of Third Person - Concern Kalashnikov

From: (b)(6), (b)(7)(C)
To: "Gacki, Andrea" (b)(6), (b)(7)(C)
Cc: (b)(6), (b)(7)(C)
Date: Fri, 18 Jul 2014 08:37:30 -0400

Sure, will do!

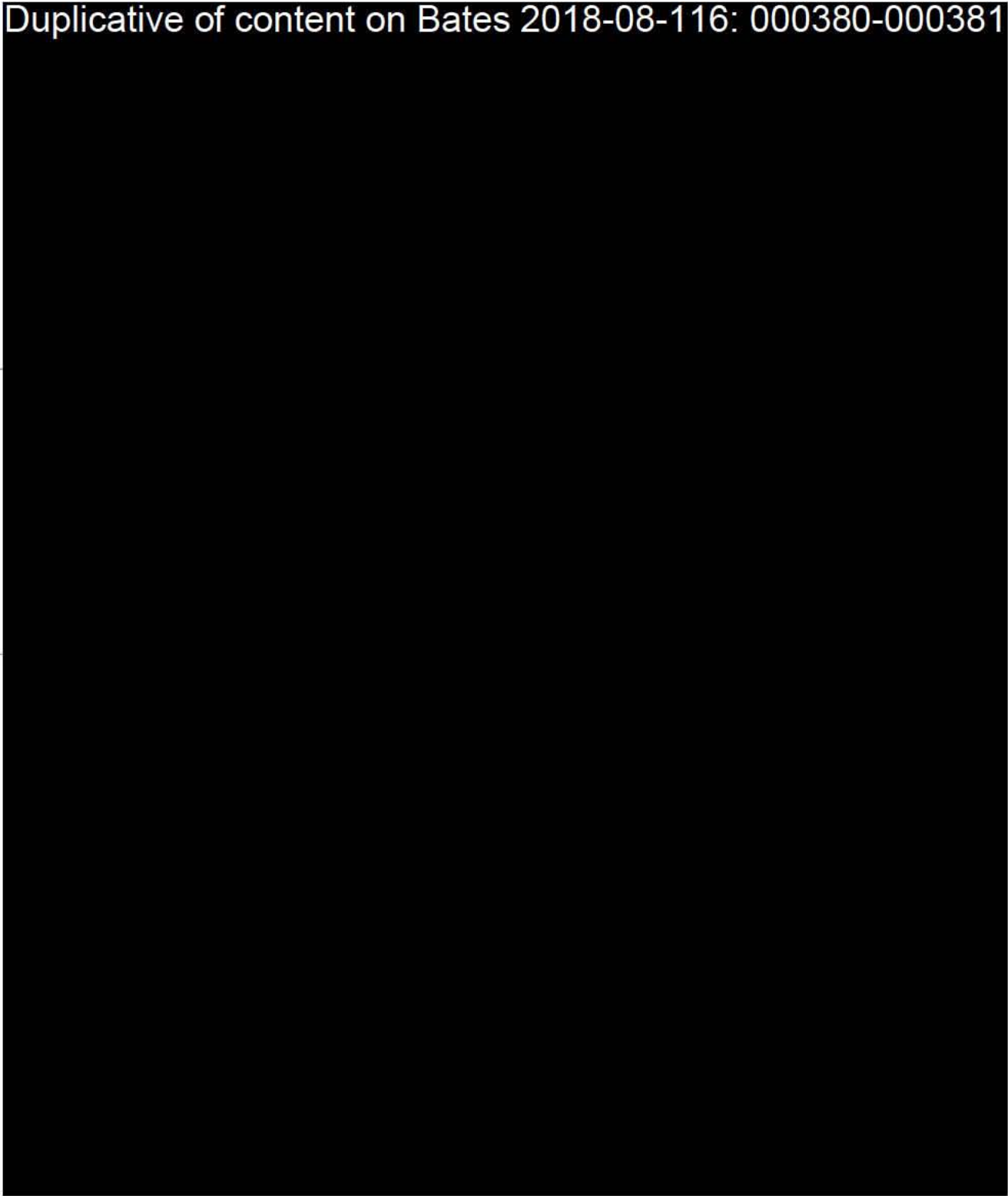
From: Gacki, Andrea
Sent: Thursday, July 17, 2014 5:11 PM
To: (b)(6), (b)(7)(C)
Cc: (b)(6), (b)(7)(C)
Subject: FW: Notice of Blocking of Third Person - Concern Kalashnikov

Hi, (b)(6), (b)(7)(C) This application still hasn't come in, but when it does, do you mind making sure to send it to (b)(6), (b)(7)(C) and otherwise loop him in?

From: (b)(6), (b)(7)(C)
Sent: Thursday, July 17, 2014 5:06 PM
To: Gacki, Andrea
Cc: Feddo, Thomas
Subject: RE: Notice of Blocking of Third Person - Concern Kalashnikov

Duplicative of content in Bates No. 2018-08-116: 000380





FW: RWC - Russia SDN Licenses - Livelink 3861 KB

From: "Gacki, Andrea" (b)(6)
To: (b)(6)
Cc: (b)(6)
Date: Sun, 20 Jul 2014 14:10:10 -0400
Attachments: RWC Cover Letter.pdf - 157 KB (0 bytes); ATT00001.htm - 3 KB (0 bytes); Kalashnikov Concern Letter.pdf - 2 MB (0 bytes); ATT00002.htm - 3 KB (0 bytes); Ownership of (b)(4) pdf - 2 MB (0 bytes); ATT00003.htm - 23 KB (0 bytes)

Hi, (b)(6)! I just created and assigned this case to you: UKRAINE2-2014-311316-1, involving the incoming shipment of Kalashnikov (b)(4) which we discussed at the end of last week.

(b)(6) also stopped by on Friday to say that (b)(5). He mentioned that (b)(5) (b)(5), I'm going to shoot a copy of this application over to State, and copy you all, just to get them thinking.

It seems the (b)(4) is now due to arrive on (b)(4).

Andrea

From: Michael Faucette [mailto:michael.faucette@mbassociateslaw.com]
Sent: Friday, July 18, 2014 6:26 PM
To: Gacki, Andrea
Subject: Re: RWC - Russia SDN Licenses

Hi Andrea,

I just submitted the application online. The reference ID is RWC1. As requested I have attached copies here for your review as well. The shipment is scheduled to arrive in (b)(4) on (b)(4). Anything you can do to help will be greatly appreciated. Please let me know if there is any further information you require. Have a great weekend!

1) **Cover Letter;**



EXCLUSIVE U.S. IMPORTER OF CONCERN KALASHNIKOV PRODUCTS

Russian Weapon Company Group LLC
WWW.RWCGROUPLLC.COM

911 William Leigh Dr. - Tullytown, PA 19007 • phone: 1.866.611.9576 • phone: 215.949.994 • fax: 215.949.9191

July 18, 2014

Andrea Gacki
Assistant Director for Licensing
Office of Foreign Assets Control
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

RE: OFAC License for RWC Group, LLC [EIN: (b)(4) and Kalashnikov Concern

Dear Ms. Gacki:

The purpose of this letter is to request a license to allow the delivery of goods that may otherwise be prohibited by OFAC.

On July 16, 2014, the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC") placed Kalashnikov Concern ("KC") on the Specially Designated Nationals List ("SDN") pursuant to Executive Order 13661 of March 16, 2014, "Blocking Property of Additional Persons Contributing to the Situation in Ukraine." This action by OFAC effectively prohibits RWC Group, LLC ("RWC") from engaging in any future commercial dealings with KC.

2018-08-116: 000385



EXCLUSIVE U.S. IMPORTER OF CONCERN KALASHNIKOV PRODUCTS

Russian Weapon Company Group LLC
WWW.RWCGROUP.LLC.COM

911 William Leigh Dr. - Tullytown, PA 19007 • phone: 1.866.611.9576 • phone: 215.949.994 • fax: 215.949.9191

RWC is the exclusive U.S. importer of products from KC. (b)(4)

(b)(4)

Currently, RWC has (b)(4) in transit to the United States. The invoices for the total value of (b)(4) are as follows:

(b)(4)

Of the total owed to KC for these (b)(4) RWC has paid (b)(4). However, in light of the sanctions and to avoid legal complications, and (b)(4) (b)(4) ² KC has agreed to write off any payments owed on the goods in these (b)(4) and give RWC full ownership free and clear of any KC interest. We have attached a letter herein from KC that certifies to this. Accordingly, RWC retains full ownership of these goods. [See Attachment: Letter from Kalashnikov Concern]. Please keep in mind that no funds will be transferred between RWC and KC. Rather, KC is simply relinquishing any and all interest in the goods to RWC.

¹ Additionally, we think it should be noted that RWC holds 100% ownership in (b)(4) the U.S. (b)(4). For your convenience, we have supplied evidence of full payment for (b)(4). See Attachment: Evidence of Ownership (b)(4)

(b)(4)



EXCLUSIVE U.S. IMPORTER OF CONCERN KALASHNIKOV PRODUCTS

Russian Weapon Company Group LLC
WWW.RWCGROUP.LLC.COM

911 William Leigh Dr. - Tullytown, PA 19007 • phone: 1.866.611.9576 • phone: 215.949.994 • fax: 215.949.9191

RWC respectfully requests a license to permit RWC to take delivery of and distribute into U.S. commerce the goods in these (b)(4) If denied, and the goods are seized, RWC will face irreparable harm in the form of (b)(4)

(b)(4)

(b)(4)

(b)(4) Therefore, we would like to thank OFAC for their prompt attention that has been shown to this urgent matter.

We also would like to respectfully request that the privileged and confidential trade secret, commercial, and financial information contained in this letter be withheld from public disclosure pursuant to 5 U.S.C. § 522(b)(4) of the Freedom of Information Act.

If you require any further information, please do not hesitate to contact Jay Portz at (215) 949-9944 x106 or jay@rwcgroupllc.com. Alternatively, you may contact our outside counsel, Michael Faucette of Mark Barnes & Associates at (202) 626-0085 or michael.faucette@mbassociateslaw.com.

Respectfully,

(b)(6)

Jay Portz

Vice President

RWC Group, LLC

2) Letter from Kalashnikov Concern relinquishing interest in (b)(4)



пр-д Дерябина, Э. г. Ижевск, 426006;
тел. (3412) 495-557, (3412) 495-922;
факс (3412) 512-225;
E-mail: info@kalashnikovconcern.ru;
http://www.kalashnikovconcern.ru;
ОГРН 111832003018; ОКВЭД 29.60;
ОКПО 90082579

USA

"RWC Group LLC

(b)(4)

На № _____ от _____

Finalizing of cooperation with Kalashnikov Concern

Dear Eldad and Thomas,

On behalf of Kalashnikov Concern, one of the biggest manufacturers of hunt and sport firearms worldwide, let me inform you that due to Ukraine related sanctions applied by US Government (Ukraine-related Sanctions; Publication of Executive Order 13662 Sectoral Sanctions Identifications List) our business for the mutual benefits of our companies could not be continued any more until sanctions will be canceled.

Due to this, we suggest it necessary to terminate deliveries under earlier signed contract **(b)(4)** at your address.

To avoid legal proceedings we suggest to conclude Agreement that will re-consider the initial value of the Goods supplied against invoices **(b)(4)** at the amount of **(b)(4)** i.e. equal to the amount paid by the Buyer.

Thus we don't have any claims on the Goods due to the fact that these Goods have marking for your company and these Goods have complete set possible to implement in the USA only.

Taking into account all above said, we will forward an Alteration to the Contract **(b)(4)** where all obligations between our companies are complete on 100 % and «Kalashnikov» Concern has got no any financial complains to your company.

With best wishes,

Commercial Director,
Pavel Kolegov.

(b)(6)

3) Documents that prove (b)(4) already in the US is fully paid for and owned by RWC. (b)(4)

(b)(4)



INTERNATIONAL OUTGOING WIRE TRANSFER FORM

CUSTOMER COPY

Reference #: (b)(4)

Bank: (b)(4) Branch Number: (b)(4)

Foreign Amount & Currency Type: (b)(4)	Rate: 1.000000	USD Amt: (b)(4)	Fees: (b)(4)
TRANSFER REQUEST DATE: (b)(4)	Total: (b)(4)		
Relationship to Beneficiary: Supplier	Source of Wire: International Wire - In Person		
Purpose of Wire: Pay Invoice	Purpose: Additional Info:		
Beneficiary Name: Jsc Concern Kalashnikov	Beneficiary Address 1: 3 Pr Deryabina		
Beneficiary Address 2:	City: Izhevsk Country: Russia		
Beneficiary Account Number/IBAN Number: (b)(4)	Other ID:		
Beneficiary Bank: (b)(4)	Beneficiary Bank Address 1: (b)(4)		
Beneficiary Bank Address 2:	City: (b)(4) Country: (b)(4)		
Beneficiary Bank Code: (b)(4)	Reference: (b)(4)		
(b)(4)			
Intermediary Bank:	Intermediary Bank Code: (b)(4)		
Correspondent Bank:	ABA: (b)(4)		
Name of our Customer: Rwc Group Lic	Customer Phone:		
Address: 911 WILLIAM LEIGH DR TULLYTOWN, PA 19007	Account Number to be charged: (b)(4)		

TD Bank, N.A. (the Bank) is hereby authorized to honor, execute, and charge the Customer's account(s) designed in Exhibit A (the Authorized Representative Form), which are incorporated and made part of this Agreement, for all telephonic, oral or written orders for funds transfers (including any service charges associated herewith), when such orders are submitted in accordance with the requirements of this Agreement. If the Customer is a business entity, such as a corporation or partnership, Customer acknowledges that this Agreement shall not be effective until the Bank is provided with a corporate resolution or true copy of articles of partnership indicating that the Authorized Signer has the authority to enter into this Agreement on behalf of the organization. Pursuant to this Agreement, the Bank shall, upon proper authorization, transfer funds from specific account(s) with the Bank to other account(s) as directed, regardless of whether such other account(s) are those of the Customer or of third parties, or whether such other account(s) are held in TD Bank, N.A., or in other financial institutions, whether domestic or foreign.

CONFIRMATION: Confirmation of the execution of funds transfers will be sent to the Customer promptly. The transaction will also be recorded on the Customer's account statement. The Customer must report any discrepancies within fifteen (15) days of the date of the statement or confirmation received from TD Bank, N.A., whichever is earlier. Otherwise, the statement or confirmation will be presumed to be correct and the Bank shall be relieved of any liability.

LIABILITY: The Bank's duties and responsibilities are limited to those set forth herein. The Bank shall have no liability for funds transfers sent as directed which cannot be completed or which are returned due to incorrect information furnished by the Customer. The Bank will use ordinary care in performing its obligations under this agreement and shall not be responsible for any loss sustained by the customer, unless such loss is caused by the bank's negligence. The Bank's liability shall extend only to actual damages resulting therefrom, and shall not include consequential, special, indirect or punitive damages. Nothing herein shall be deemed as assumption by the Bank of any liability which the Customer may have or incur. Provided the Bank complies with the provisions of this Agreement, the Customer agrees to indemnify and hold the Bank harmless against any claim or damage resulting from any delay in the performance of, or failure to perform, responsibilities hereunder, which is caused by act of God, fire or other catastrophe, electrical, telephonic or computer failure; delays or failure to act by the Bank's correspondent facility, the recipient bank, or by any carrier or agent operating between the Bank and the Customer, or without limiting the generality of the foregoing or any other cause beyond the Bank's control. In the event that a Customer suffers a loss of interest due to a Bank error or the Bank's failure to execute a transfer request within the time-frames established by this Agreement, and such error or compensation will be limited to interest lost for a period extending from the date of the error or failure until fifteen (15) days from the date of the confirmation notice or the Customer's statement, whichever is earlier, and shall be calculated using the Federal Funds Rate in effect at the Philadelphia Federal Reserve Bank for the period involved. TD Bank, N.A. utilizes the service of a Correspondent and/or Intermediary Bank to transfer funds to the beneficiary's bank. Customer agrees

that the Correspondent and/or Intermediary bank might charge a fee for their services, and that these fees might be deducted from the wire transfer amount by the Correspondent and/or Intermediary Bank. Further, TD Bank, N.A. shall not be held liable for any fees deducted by such banks.

TERMS: This Agreement shall remain in force and effect until either party shall give five (5) days written notice of revocation to the other.

DEFAULT: In the event that the terms of this Agreement are breached by either party hereto, the Agreement may be terminated immediately by oral notice given by an Authorized Signer of the Customer to an Officer of the Wire Transfer Department of the Bank, or vice versa.

GOVERNING LAW: This Agreement shall be governed by the laws of the State of New Jersey. The Office of Foreign Assets Control (OFAC) may require the Bank to reject or block certain transfers to specified sanctioned countries, foreign terrorists, or narcotic traffickers. The Bank will not be liable for transfers that are rejected or for funds that have been ordered blocked by OFAC.

CUSTOMER DISCLOSURE: THE INTERNATIONAL WIRE DEPARTMENT RESERVES THE RIGHT TO SEND THE PROCEEDS OF THE WIRE IN THE LOCAL CURRENCY OF THE RECEIVING BANK.

By signing below, Customer agrees to be legally bound by the provisions of this Agreement. Customer also acknowledges receipt of a copy of this Agreement.

Accepted: (b)(6)
Customer Signature

(b)(6)
Authorization Branch Signature

Branch Name: _____

Extension #: _____



INTERNATIONAL OUTGOING WIRE TRANSFER FORM

CUSTOMER COPY

Reference #: (b)(4)
Bank: (b)(4) Branch Number: (b)(4)

Foreign Amount & Currency Type: (b)(4)	Rate: 1.000000	USD Amt: (b)(4)	Fees: (b)(4)
TRANSFER REQUEST DATE: (b)(4)	Total: (b)(4)		
Relationship to Beneficiary: business/customer	Source of Wire: International Wire - In Person		
Purpose of Wire: Pay Invoice	Purpose: Additional Info:		
Beneficiary Name: Jsc Concern Kalashnikov	Beneficiary Address 1: 3 Pr Deryabina		
Beneficiary Address 2:	City: Izhevsk Country: Russia		
Beneficiary Account Number/IBAN Number: (b)(4)	Other ID:		
Beneficiary Bank: (b)(4)	Beneficiary Bank Address 1: (b)(4)		
Beneficiary Bank Address 2:	City: (b)(4) Country: (b)(4)		
Beneficiary Bank Code: (b)(4)	Reference: (b)(4)		
Intermediary Bank:	Intermediary Bank Code: (b)(4)		
Correspondent Bank:	ABA: (b)(4)		
Name of our Customer: Rwc Group Llc	Customer Phone:		
Address: 911 WILLIAM LEIGH DR TULLYTOWN, PA 19007	Account Number to be charged: (b)(4)		

TD Bank, N.A. (the Bank) is hereby authorized to honor, execute, and charge the Customer's account(s) designed in Exhibit A (the Authorized Representative Form), which are incorporated and made part of this Agreement, for all telephonic, oral or written orders for funds transfers (including any service charges associated herewith), when such orders are submitted in accordance with the requirements of this Agreement. If the Customer is a business entity, such as a corporation or partnership, Customer acknowledges that this Agreement shall not be effective until the Bank is provided with a corporate resolution or true copy of articles of partnership indicating that the Authorized Signer has the authority to enter into this Agreement on behalf of the organization. Pursuant to this Agreement, the Bank shall, upon proper authorization, transfer funds from specific account(s) with the Bank to other account(s) as directed, regardless of whether such other account(s) are those of the Customer or of third parties, or whether such other account(s) are held in TD Bank, N.A., or in other financial institutions, whether domestic or foreign.

CONFIRMATION: Confirmation of the execution of funds transfers will be sent to the Customer promptly. The transaction will also be recorded on the Customer's account statement. The Customer must report any discrepancies within fifteen (15) days of the date of the statement or confirmation received from TD Bank, N.A., whichever is earlier. Otherwise, the statement or confirmation will be presumed to be correct and the Bank shall be relieved of any liability.

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GOVERNING LAW: This Agreement shall be governed by the laws of the State of New Jersey. The Office of Foreign Assets Control (OFAC) may require the Bank to reject or block certain transfers to specified sanctioned countries, foreign terrorists, or narcotic traffickers. The Bank will not be liable for transfers that are rejected or for funds that have been ordered blocked by OFAC.

CUSTOMER DISCLOSURE: THE INTERNATIONAL WIRE DEPARTMENT RESERVES THE RIGHT TO SEND THE PROCEEDS OF THE WIRE IN THE LOCAL CURRENCY OF THE RECEIVING BANK.

By signing below, Customer agrees to be legally bound by the provisions of this Agreement. Customer also acknowledges receipt of a copy of this Agreement.

Accepted:

(b)(6)
Customer Signature

(b)(6)
Authorization Branch Signature

Branch Name: _____

Extension #: _____

Bates Nos. 2018-08-116:

000393-000394

Withheld in Full by ATF and
Treasury pursuant to (b)(3)
[Public Law 112-55, 125 Stat.
552] and Withheld in Part by
Treasury pursuant to
(b)(4) and (b)(6)

Продавец/Seller:

ОАО "Концерн "Калашников"
426006, Россия, г. Ижевск, пр. Дзрябина, 3
JSC "Concern "Kalashnikov"
3, pr. Deryabina, Izhevsk, Russia 426006
Tel/Fax: (3412) 78-36-35

СЧЕТ/ INVOICE № (b)(4)
Дата/ dd 11.04.2014

Покупатель/Грузополучатель/Buyer/ Consignee

"РВС Групп ЛЛС."
911 ВИЛЛИАМ ЛАЙГ ДР ТУЛЛИТАУН,
ПА 19007 США
"RWC GROUP LLC"
911 William Leigh Dr. Tullytown, PA 19007 USA

Пункт отправления/ Point of departure:
(b)(4)

Пункт назначения/ Point of destination:
г. ТУЛЛИТАУН, США/ Tullytown, USA

Условия поставки/ Terms of delivery:

CIF – (b)(4)

(Инкотермс 2010)

CIF – (b)(4) (Incoterms 2010)

Контракт/Contract (b)(4) om/dd. 10.04.2012,

Дополнение/Addendum №3 om/dd 10.04.2012; **Дополнение/Addendum №4** om/dd 10.04.2012;

Дополнение/Addendum №7 om/dd 04.07.2012; **Дополнение/Addendum №8** om/dd 04.07.2012;

Дополнение/Addendum № 27 om/dd 20.02.2014; **Дополнение/Addendum №28** om/dd 07.04.2014

№	Наименование товара Denomination of Goods	Кол- во, шт. Q-ty, pcs	Цена, доллары США Price, USD	Сумма, доллары США Total amount, USD
	(b)(4)			(b)(4)
Согласно Приложению к счету According to the Appendix to the invoice				

Общая стоимость Товара на условиях поставки CIF – (b)(4) (Инкотермс-2010)
составляет: (b)(4)

Total value of the Goods under (b)(4) (Incoterms-2010) is (b)(4)

The number and the date of the Contract, Beneficiary's name: JSC "Concern "Kalashnikov" should be indicated in the interbank documents

All bank commissions and duties, charged while paying are effected at the Buyer's expense

(b)(4)

Подписи/Signatures:

Коммерческий директор
Commercial director

(b)(6)

П.В.Колггов/P.V.Kolegov

Главный бухгалтер/
Chief Accountant

Л.В.Буркова/L.V.Bourkova

Приложение к счету /Appendix to the invoice (b)(4) от 11.04.2014г.
Контракт/Contract (b)(4) от 10.04.2012

№	Наименование товара Denomination of Goods	IZ	Кол-во, шт. Q-ty, pcs	Цена, доллары США Price, USD	Сумма, доллары США Total amount, USD
1	(b)(4)				
2					
3					
4					
5					
6					
7					
8					

9	(b)(4)			
	Сумма на условиях поставки EXW (Инкотермс-2010) Amount under EXW (Incoterms-2010)	(b)(4)		(b)(4)
	Стоимость транспортных расходов по доставке на условиях поставки CIF (Инкотермс-2010) Cost of goods transportation under CIF (b)(4) terms of delivery (Incoterms-2010)	(b)(4)		
	Общая стоимость Товара на условиях поставки CIF (Инкотермс-2010) Total value of the Goods under CIF (b)(4) terms of delivery (Incoterms-2010)	(b)(4)		

Коммерческий директор
Commercial director

(b)(6)

П.В.Колегов/P.V.Kolegov

Главный бухгалтер/ Chief Accountant

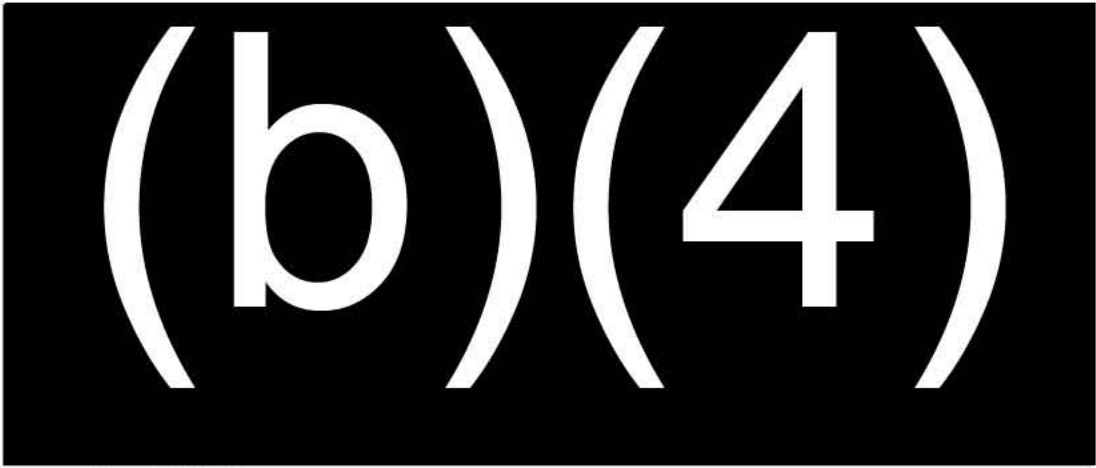


Л.В.Буркова/L.V.Bourkova

List of serial numbers of items shipped against (b)(4)

No	Model	box number	Item serial number
(b)(4)			

Bates Nos. 2018-08-116:
000399-000405
Withheld in Full
Pursuant to (b)(4)



Commercial Director
P.V. Kolegov

Kind Regards,

Mike Faucette
Attorney at Law

Mark Barnes & Associates

1350 I St. N.W. , Suite 260
Washington, D.C. 20005
Tel. (202) 626-0085
Fax (202) 626-0088

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On Jul 18, 2014, at 4:04 PM, <Andrea.Gacki (b)(6)> wrote:

This looks exactly right – we'll be on the lookout and will get in touch if we need any further information.

Andrea Gacki
Assistant Director for Licensing
Office of Foreign Assets Control
U.S. Department of the Treasury

(b)(6)

From: Michael Faucette [mailto:michael.faucette@mbassociateslaw.com]
Sent: Friday, July 18, 2014 3:56 PM
To: Gacki, Andrea
Subject: Re: RWC - Russia SDN Licenses

Hi Andrea,

I am about to submit the license. As this is my first time doing this, I wanted to make sure I was not missing anything before I submitted on the website. I have been using 31 CFR 501.801(b)(2) "Application for specific licenses" as a guide. I am including:

- 1) **Explanatory Cover Letter;**
- 2) **Letter from Kalashnikov Concern relinquishing interest in (b)(4)**
- 3) **Documents that prove (b)(4) already in the US is fully paid for and owned by RWC.**

Also, to confirm, I am applying under:

Application Type: Transactional - Imports
Program: Ukraine (I could not find a "Ukraine 2")
Subcategory: Imports

2018-08-116: 000407

Please let me know if this is correct or if there is anything I am missing. Thank you!

Kind Regards,

Mike Faucette
Attorney at Law

Mark Barnes & Associates

1350 I St. N.W. , Suite 260
Washington, D.C. 20005
Tel. (202) 626-0085
Fax (202) 626-0088

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On Jul 17, 2014, at 2:50 PM, [Andrea.Gacki](#) (b)(6) wrote:

Hi, Mike – we will do our best, but I would urge you to submit an application asap to allow us to begin work.

Andrea

Andrea Gacki
Assistant Director for Licensing
Office of Foreign Assets Control
U.S. Department of the Treasury
(b)(6)

From: Michael Faucette [mailto:michael.faucette@mbassociateslaw.com]
Sent: Thursday, July 17, 2014 2:49 PM
To: Gacki, Andrea
Subject: RWC - Russia SDN Licenses

Hi Andrea,

Thank you so much for taking the time to talk to me. As it turns out, the in-route crates will be arriving in (b)(4) on (b)(4). Do you think it is possible to get these licenses if we apply now? Thanks again!

Kind Regards,

Mike Faucette
Attorney at Law

Mark Barnes & Associates

2018-08-116: 000408

1350 I St. N.W. , Suite 260
Washington, D.C. 20005
Tel. (202) 626-0085
Fax (202) 626-0088

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Case No. UKRAINE2-2014-311316-1: Request to import Kalashnikov Concern products - Livelink 3868 KB

From: "Gacki, Andrea" (b)(6)
To: State - (b)(6)
State - (b)(6) non-tsra@state.gov
Cc: "Smith, John" (b)(6)
Date: Sun, 20 Jul 2014 14:17:39 -0400
Attachments: RWC Cover Letter.pdf - 157 KB (0 bytes); ATT00001.htm - 3 KB (0 bytes); Kalashnikov Concern Letter.pdf - 2 MB (0 bytes); ATT00002.htm - 3 KB (0 bytes); Ownership of (b)(4) pdf - 2 MB (0 bytes); ATT00003.htm - 23 KB (0 bytes)

State colleagues:

Sorry to interrupt your weekend. This is not a formal referral, but I wanted to make you aware that of a request we received late on Friday from RWC Group LLC, the exclusive U.S. distributor of Kalashnikov Concern (KC) products.

In the short term, RWC Group is asking for authorization to import (b)(4) of KC products; KC has relinquished ownership of the products and has said that RWC Group owes nothing further for the products. (b)(5)
(b)(5)

Treasury and State (b)(5)

As an added complication, the (b)(4) are due to arrive (b)(4) and the U.S.-based applicant is asking for a decision before then. Any assistance you could provide would be appreciated.

Andrea

Andrea Gacki
Assistant Director for Licensing
Office of Foreign Assets Control
U.S. Department of the Treasury
(b)(6) (o)

From: Michael Faucette [mailto:michael.faucette@mbassociateslaw.com]
Sent: Friday, July 18, 2014 6:26 PM
To: Gacki, Andrea
Subject: Re: RWC - Russia SDN Licenses

Hi Andrea,

I just submitted the application online. The reference ID is RWC1. As requested I have attached copies here for your review as well. The shipment is scheduled to arrive in (b)(4) on (b)(4) Anything you can you do to help will be greatly appreciated. Please let me know if there is any further information you require. Have a great weekend!

1) Cover Letter;

Out of Office: Case No. UKRAINE2-2014-311316-1: Request to import Kalashnikov Concern products

From: (b)(6)
To: "Gacki, Andrea" (b)(6)
Date: Sun, 20 Jul 2014 14:17:54 -0400

Hello all,

I am currently on AWS today Friday July 18th 2014. I will respond to your emails on/or after Monday July 21st 2014.

Thank you

(b)(6) Administrative Management Specialist
Department of Treasury - Departmental Offices
Office of Foreign Assets Control
(b)(6)

FW: Case No. UKRAINE2-2014-311316-1: Request to import Kalashnikov Concern products

From: [REDACTED] (b)(6)
To: [REDACTED] State - (b)(6)
Cc: [REDACTED] (b)(6)
Date: Mon, 21 Jul 2014 09:08:41 -0400
Attachments: RWC Cover Letter.pdf (160.65 kB); ATT00001.htm (2.8 kB); Kalashnikov Concern Letter.pdf (1.75 MB); ATT00002.htm (3.02 kB); Ownership of [REDACTED] (b)(4) pdf (2.01 MB); ATT00003.htm (23.63 kB)

FYI – additional information regarding the Kalashnikov Concern shipments to RWC.

From: Gacki, Andrea
Sent: Sunday, July 20, 2014 2:18 PM
To: [REDACTED] State - (b)(6)
[REDACTED] State - (b)(6) non-
ISRA@state.gov
Cc: Smith, John: [REDACTED] (b)(6)
[REDACTED] (b)(6)
Subject: Case No. UKRAINE2-2014-311316-1: Request to import Kalashnikov Concern products

Duplicative of content in Bates No. 2018-08-116: 000410



RE: RWC - Russia SDN Licenses

From: (b)(6)
To: "Gacki, Andrea" (b)(6)
Cc: (b)(6)
Date: Mon, 21 Jul 2014 09:15:57 -0400

Sure, will do.

From: Gacki, Andrea
Sent: Monday, July 21, 2014 9:15 AM
To: (b)(6)
Cc: (b)(6)
Subject: RE: RWC - Russia SDN Licenses

Sounds good! After you review, (b)(6), could you prepare a brief draft referral to State (even though I pretty much did that? But just to make it official, and just in case there's anything I missed. (b)(5)
(b)(5)

From: (b)(6)
Sent: Monday, July 21, 2014 8:46 AM
To: Gacki, Andrea
Cc: (b)(6)
Subject: RE: RWC - Russia SDN Licenses

Hi Andrea,

Thanks for letting me know. I'll read through the application this morning and wait to hear from you as to how to proceed with this case.

Thanks!
(b)(6)

From: Gacki, Andrea
Sent: Sunday, July 20, 2014 2:10 PM
To: (b)(6)
Cc: (b)(6)
Subject: FW: RWC - Russia SDN Licenses

Duplicative of content in Bates No. 2018-08-116: 00384



State Referral Ukraine2-2014-311316-1 RWC Group - Livelink 3914 KB

From: (b)(6)
To: "Gacki, Andrea" (b)(6)
Cc: (b)(6)
Date: Mon, 21 Jul 2014 10:13:28 -0400
Attachments: Ukraine2-2014-311316_Application.pdf - 71 KB (0 bytes); Ukraine2-2014-311316_Cover Letter.pdf - 160 KB (0 bytes); Ukraine2-2014-311316_Invoice.pdf - 2 MB (0 bytes); Ukraine2-2014-311316_Letter from KC.pdf - 2 MB (0 bytes)

Hi Andrea,

Here is the State referral for RWC Group. (b)(6) normally emails referrals to State, but if you would like me to send it to them since he's out today, after you've had a chance to take a look at it, let me know.

Thanks,
(b)(6)

(b)(5) with portions withheld pursuant to (b)(4)



If you have any questions about the Application, please feel free to contact (b)(6), Case Officer, or (b)(6) (b)(6) Ukraine Program Manager.

RE: State Referral Ukraine2-2014-311316-1 RWC Group

From: "Gacki, Andrea" [REDACTED] (b)(6)
To: [REDACTED] (b)(6)
Cc: [REDACTED] (b)(6)
Date: Mon, 21 Jul 2014 10:14:48 -0400

Thanks, (b)(6) & (b)(5) I'm going to send over to State as a formal referral right now.

From: [REDACTED] (b)(6)
Sent: Monday, July 21, 2014 10:13 AM
To: Gacki, Andrea
Cc: [REDACTED] (b)(6)
Subject: State Referral Ukraine2-2014-311316-1 RWC Group

Duplicative of content in Bates No. 2018-08-116: 000422



State Referral Ukraine2-2014-311316-1 RWC Group

From: "Gacki, Andrea" (b)(6)
To: non-tsra@state.gov, State (b)(6), State (b)(6), State (b)(6)
Cc: "John Disabled", (b)(6), "Smith", (b)(6)
Date: Mon, 21 Jul 2014 10:21:23 -0400
Attachments: Ukraine2-2014-311316_Application.pdf (68.78 kB); Ukraine2-2014-311316_Cover Letter.pdf (160.65 kB); Ukraine2-2014-311316_Invoice.pdf (2.01 MB); Ukraine2-2014-311316_Letter from KC.pdf (1.75 MB)

Hi, all – I sent this to you informally yesterday, but please consider this our formal referral to State on this case.

OFAC has received a request from the Russian Weapon Company Group LLC (“RWC”) (the “Application”) (attached) for authorization to import (b)(4) from Kalashnikov Concern (“KC”), an entity designated under Executive Order 13661 (“E.O. 13661”) on July 16, 2014, into the U.S. and to distribute (b)(4) to U.S. consumers.

According to the Application, RWC is the exclusive U.S. importer of products from KC. Currently, (b)(4) (b)(4) (b)(4) are in transit to the United States and are expected to arrive on (b)(4). There are (b)(4) outstanding invoices (b)(4) for the total value of the (b)(4) for which RWC has already paid (b)(4) towards. Additionally, RWC states that they maintain 100% ownership interest in (b)(4) (b)(4) that is already in the United States.

KC has agreed to write off any payments owed on the goods in the (b)(4) and give RWC full ownership free and clear of any KC interest (see attached letter from KC) (b)(4) (b)(4). Therefore, RWC states that they maintain full ownership of the goods and that no funds will be transferred between RWC and KC.

RWC argues (b)(4) (b)(4) (b)(4)

Prior to making a determination with respect to the Application, OFAC seeks State’s foreign policy guidance on licensing the importation, unblocking, and distribution of the KC (b)(4) in the U.S. Please note, however, that we are to understand that (b)(5) (b)(5) (b)(5)

If you have any questions about the Application, please feel free to contact (b)(6), Case Officer, or (b)(6) (b)(6) Ukraine Program Manager.



O F A C

Office of Foreign Assets Control

License Application

Reference Number: RWC1

Generated on 7/18/2014

Application Information

Application Type:	Transactional	Category:	Transactional
Application Reason:	New Application	Subcategory:	Imports
Program(s):	Ukraine	Previous Case ID:	

Description of Subject Matter:

Request to import in-transit goods manufactured by Kalashnikov Concern, a Specially Designated National.

Contact Information

Applicant

Contact Category:	Institution		
Organization Name:	RWC Group, LLC		
Point of Contact Name:	Jay Portz		
Address:	Line1: 911 William Leigh Dr.		
	Line2:		
	Line3:		
	City: Tullytown	State:	PA
	Zip: 19007	Country:	United States
Email Address:	jay@rwcgroupllc.com		
Phone:	215-949-9944 x106	Office:	

Principal Place of Business:

Place where Business is Incorporated:

Correspondent

Contact Category:	Institution		
Organization Name:	Mark Barnes & Associates		
Point of Contact Name:	Michael Faucette		
Address:	Line1: 1350 I Street NW		
	Line2: Suite 260		
	Line3:		
	City: Washington	State:	DC
	Zip: 20005	Country:	United States
Email Address:	michael.faucette@mbassociateslaw.com		
Phone:	202-626-0085	Office:	

Principal Place of Business:

Place where Business is Incorporated:

Attachments

<u>Name</u>	<u>Document Type</u>
Letter from Kalashnikov Concern	Supplemental Information
Cover Letter	Supplemental Information
Evidence of Ownership of [REDACTED] (b)(4)	Supplemental Information

Certification

Signature:	Michael Faucette	Date:	7/18/2014
Email Address:	michael.faucette@mbassociateslaw.com		

RE: State Referral Ukraine2-2014-311316-1 RWC Group

From: State (b)(6)
To: (b)(6) State (b)(6)
Cc: (b)(6) "Smith, John" (b)(6) "Gacki, Andrea"
Date: Wed, 23 Jul 2014 09:10:26 -0400

Thanks, (b)(6). We are still working internally to finalize our response, including waiting to hear back from ATF after having pinged them a few times. State (b)(6) is our POC, and will keep working on it. We're cognizant of the (b)(4) arrival date.

State (b)(6) Acting Deputy Director, Sanctions Policy and Implementation, U.S. Department of State |
Email: State (b)(6)

This email is UNCLASSIFIED.

From: (b)(6)
Sent: Tuesday, July 22, 2014 7:34 PM
To: State (b)(6)
Cc: (b)(6) John.Smith (b)(6) Andrea.Gacki (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

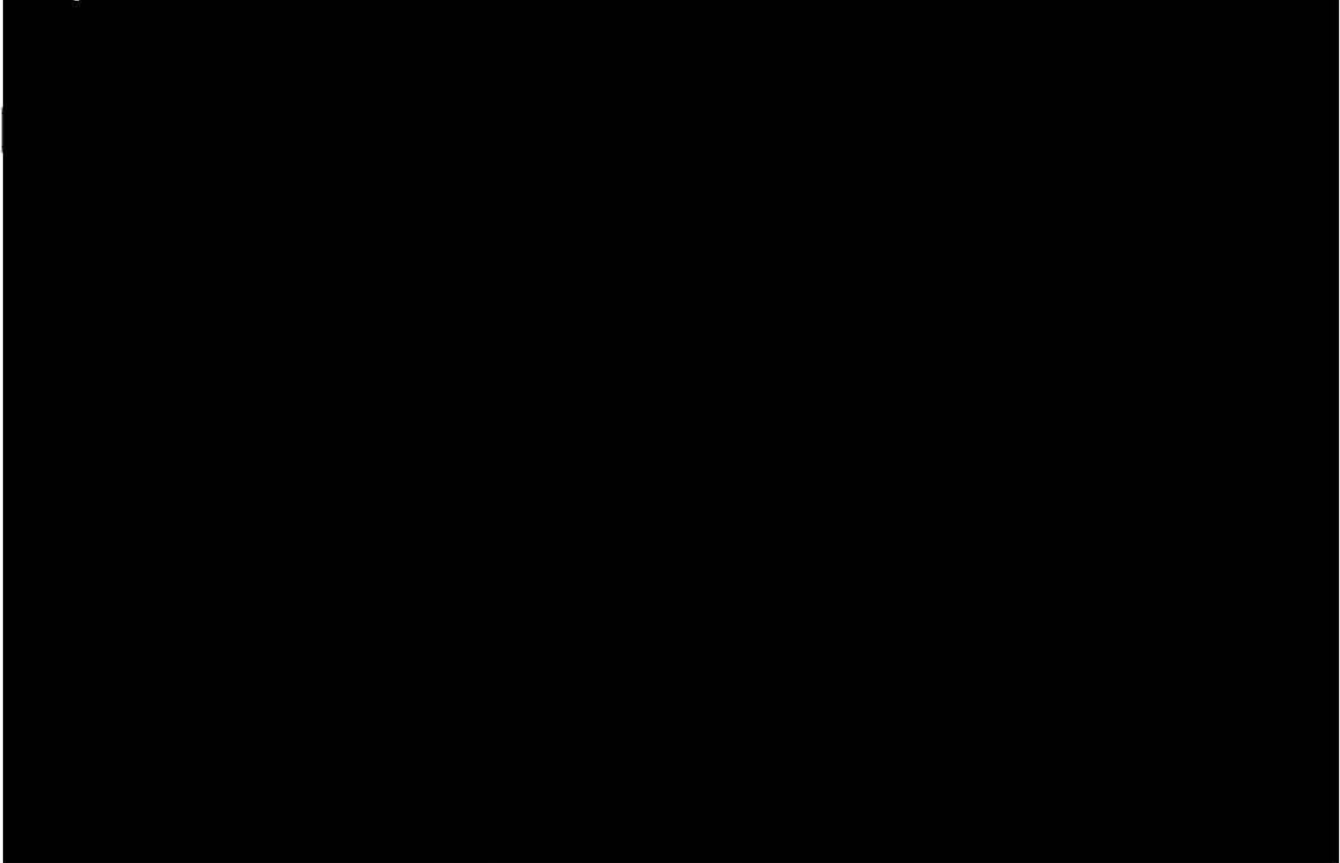
Hi State:

Andrea will be out for a few days, so I told her that I would check with you to see how the review is going.

Thank you,

(b)(6)

Duplicative of content on Bates No. 2018-08-116: 000424



Duplicative of content on Bates No. 2018-08-116: 000424

RE: RWC - Russia SDN Licenses

(b)(5)

From: (b)(6)
Sent: Friday, July 25, 2014 1:00 PM
To: (b)(6); Smith, John; (b)(6) Smith, Bradley; Tuchband, Matthew
Cc: Gacki, Andrea; (b)(6)
Subject: RE: RWC - Russia SDN Licenses

Hi (b)(6):

I think (b)(5) so let's get Counsel's thoughts on this matter.

(b)(6)

From: (b)(6)
Sent: Friday, July 25, 2014 12:30 PM
To: (b)(6); Smith, John
Cc: Gacki, Andrea; (b)(6)
Subject: RE: RWC - Russia SDN Licenses

(b)(5)

(b)(5) but would be interested to hear what others think about doing that.

(b)(6)

From: (b)(6)
Sent: Friday, July 25, 2014 12:26 PM
To: (b)(6); Smith, John
Cc: Gacki, Andrea; (b)(6)
Subject: RE: RWC - Russia SDN Licenses

Hi (b)(6):

Sure, but what do we do about (b)(5)? Andrea said that we might want to (b)(5) (b)(5) Do we still want to do that?

(b)(6)

From: (b)(6)
Sent: Friday, July 25, 2014 12:20 PM
To: (b)(6); Smith, John
Cc: Gacki, Andrea; (b)(6)
Subject: RE: RWC - Russia SDN Licenses

Great, sounds like we're moving on this, right?

(b)(6)

From: (b)(6)
Sent: Friday, July 25, 2014 12:13 PM
To: Smith, John; (b)(6)
Cc: Gacki, Andrea; (b)(6)
Subject: RE: RWC - Russia SDN Licenses

fyi

From: (b)(6) (Contractor)
Sent: Friday, July 25, 2014 12:12 PM
To: (b)(6)
Subject: FW: RWC - Russia SDN Licenses

Hi (b)(6),

Just an fwi that I spoke with (b)(6) from State a few minutes ago and he said that he was finally able to get in touch with ATF. (b)(5)

(b)(5)

(b)(6) said he's drafting guidance today on this and (b)(6) will send it over to us as (b)(6) will be leaving early.

Thanks.

(b)(6)

From: Michael Faucette [mailto:michael.faucette@mbassociateslaw.com]
Sent: Friday, July 25, 2014 11:34 AM
To: (b)(6)
Cc: Gacki, Andrea
Subject: Re: RWC - Russia SDN Licenses

Good morning, (b)(6):

I just wanted to check in with you on the status of the license for UKRAINE2-2014-311316-1. I know we only submitted this last Friday but the (b)(4) are in transit so we are hoping to get an idea of how we should proceed. Thank you again for all your help on this!

Kind Regards,

Mike Faucette
Attorney at Law

Mark Barnes & Associates

1350 I St. N.W., Suite 260
Washington, D.C. 20005
Tel. (202) 626-0085
Fax (202) 626-0088

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On Jul 22, 2014, at 10:17 AM, [Andrea.Gacki](mailto:Andrea.Gacki@mbassociateslaw.com) (b)(6) wrote:

Mike:

We are considering the request you submitted on behalf of RWC Group LLC. Meanwhile, for future reference, I wanted to identify your best POC for this request: (b)(6), who is copied here.

Andrea

Andrea Gacki
Assistant Director for Licensing
Office of Foreign Assets Control
U.S. Department of the Treasury
(b)(6)

From: Michael Faucette [mailto:michael.faucette@mbassociateslaw.com]
Sent: Friday, July 18, 2014 6:26 PM
To: Gacki, Andrea
Subject: Re: RWC - Russia SDN Licenses

Hi Andrea,

I just submitted the application online. The reference ID is RWC1. As requested I have attached copies here for your review as well. The shipment is scheduled to arrive in (b)(4). Anything you can you do to help will be greatly appreciated. Please let me know if there is any further information you require. Have a great

weekend!

1) Cover Letter;

RE: Kalashnikov License Issue

From: "Smith, John" (b)(6)
To: (b)(6) "Smith, Bradley"
(b)(6) "Tuchband, Matthew" (b)(6)
Cc: (b)(6) "Gacki, Andrea" (b)(6)
Date: Fri, 25 Jul 2014 15:58:56 -0400

I defer to Licensing. Your call, (b)(6) !

From: (b)(6)
Sent: Friday, July 25, 2014 3:57 PM
To: Smith, John; (b)(6) Smith, Bradley; Tuchband, Matthew
Cc: (b)(6) Gacki, Andrea
Subject: RE: Kalashnikov License Issue

Hi John:

That was my hope earlier, but it seems increasingly unlikely now. (b)(5)
(b)(5)

(b)(6)

From: Smith, John
Sent: Friday, July 25, 2014 3:54 PM
To: (b)(6) Smith, Bradley; Tuchband, Matthew
Cc: (b)(6) Gacki, Andrea
Subject: RE: Kalashnikov License Issue

Is the hope to get this issued today?

From: (b)(6)
Sent: Friday, July 25, 2014 3:53 PM
To: Smith, John; (b)(6) Smith, Bradley; Tuchband, Matthew
Cc: (b)(6) Gacki, Andrea
Subject: RE: Kalashnikov License Issue

Sorry, adding Counsel.

From: (b)(6)
Sent: Friday, July 25, 2014 3:51 PM
To: Smith, John; (b)(6)
Cc: (b)(6) Gacki, Andrea
Subject: Re: Kalashnikov License Issue

fyi

From: State (b)(6)
Sent: Friday, July 25, 2014 3:49 PM
To: (b)(6)
Subject: Kalashnikov License Issue

(b)(6) I just wanted to let you know that we are trying to get cleared foreign policy guidance out to you on Ukraine2-2014-311316-1 RWC Group this afternoon. State (b)(5)

This email is UNCLASSIFIED.

RE: RWC - Russia SDN Licenses

From: (b)(6)
To: "Smith, John" (b)(6) (h)(6) "Smith, Bradley"
(b)(6), "Tuchband, Matthew" (b)(6)
Cc: "Gacki, Andrea" (b)(6)
Date: Fri, 25 Jul 2014 16:18:21 -0400

Mine, too. Thank you, (b)(6)

(b)(6)

From: Smith, John
Sent: Friday, July 25, 2014 4:10 PM
To: (b)(6) Smith, Bradley; Tuchband, Matthew
Cc: Gacki, Andrea; (b)(6)
Subject: RE: RWC - Russia SDN Licenses

That addresses my concern – thanks (b)(6)!

From: (b)(6)
Sent: Friday, July 25, 2014 4:09 PM
To: (b)(6) Smith, John (b)(6) Smith, Bradley; Tuchband, Matthew
Cc: Gacki, Andrea; (b)(6)
Subject: RE: RWC - Russia SDN Licenses

(b)(6)

I think our view is that (b)(5)

Please let us know if you'd like to discuss in more detail or if this doesn't address the concern that you all have.

Thanks,
(b)(6)

From: (b)(6)
Sent: Friday, July 25, 2014 1:00 PM
To: (b)(6) Smith, John; (b)(6) Smith, Bradley; Tuchband, Matthew
Cc: Gacki, Andrea; (b)(6)
Subject: RE: RWC - Russia SDN Licenses

Duplicative of content in Bates No.: 2018-08-116: 000458



Bates Nos. 2018-08-116:

000464-000465

Duplicate Content in

Bates Nos. 2018-08-116:

000458-000460

RE: RWC - Russia SDN Licenses

From: (b)(6)
To: "Smith, John" (b)(6) (b)(6) "Smith, Bradley"
(b)(6) (b)(6) "Tuchband, Matthew" (b)(6)
Cc: "Gacki, Andrea" (b)(6)
Date: Sun, 27 Jul 2014 15:19:55 -0400

Hi all:

Okay, I've cleared on the draft license and referred it to Counsel for legal review.

(b)(6)

From: Smith, John
Sent: Friday, July 25, 2014 4:10 PM
To: (b)(6) Smith, Bradley; Tuchband, Matthew
Cc: Gacki, Andrea; (b)(6)
Subject: RE: RWC - Russia SDN Licenses

Duplicative of content in Bates No. 2018-08-116: 000463



Bates Nos. 2018-08-116:

000467-000468

Duplicate Content in

Bates Nos. 2018-08-116:

000463-000465

RE: RWC - Russia SDN Licenses

From: (b)(6)
To: "Gacki, Andrea" (b)(6)
Cc: (b)(6)
Date: Wed, 30 Jul 2014 09:15:48 -0400

(b)(5) (b)(4), (b)(5)
(b)(5)

(b)(6)

From: Gacki, Andrea
Sent: Wednesday, July 30, 2014 9:13 AM
To: (b)(6)
Cc: (b)(6)
Subject: Re: RWC - Russia SDN Licenses

Thanks for the update! Let me know how I can assist. I presume we're (b)(5)

From : (b)(6)
Sent: Wednesday, July 30, 2014 09:11 AM Eastern Standard Time
To: Gacki, Andrea
Cc: (b)(6)
Subject: RE: RWC - Russia SDN Licenses

Hi Andrea:

This is the latest from RWC on the status of the (b)(4) It's my understanding that (b)(5)
(b)(5)

(b)(6)

From: (b)(6)
Sent: Wednesday, July 30, 2014 8:19 AM
To: (b)(6)
Cc: (b)(6)
Subject: FW: RWC - Russia SDN Licenses

FYI -

From: Michael Faucette [<mailto:michael.faucette@mbassociateslaw.com>]
Sent: Tuesday, July 29, 2014 4:33 PM
To: (b)(6)
Subject: Re: RWC - Russia SDN Licenses

Hi (b)(6),

Sorry for the delay in getting back to you. RWC asked that the (b)(4) be held in port to give OFAC time to process the license. The freight company will only hold the (b)(4) for (b)(4) So far, they have held them for (b)(4) (b)(4) so they will only hold them for about (b)(4) Holding them there is going to end up costing RWC between (b)(4) We would like to have them loaded as soon as possible to avoid further cost. Thank you and please let me know if you have any further questions.

Kind Regards,

Mike Faucette
Attorney at Law

Mark Barnes & Associates

1350 I St. N.W. , Suite 260
Washington, D.C. 20005
Tel. (202) 626-0085
Fax (202) 626-0088

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laws. Thank you for your cooperation. Please contact Mark Barnes & Associates at 202-626-0089 if you need assistance.

On Jul 28, 2014, at 3:00 PM, (b)(6) wrote:

Dear Mike,

Thank you for the update. Does your client have an estimated time frame as to when the goods will arrive in the U.S.?

Thank you,

(b)(6)

(b)(6)
Licensing Division
Office of Foreign Assets Control
U.S. Department of the Treasury

From: Michael Faucette [mailto:michael.faucette@mbassociateslaw.com]

Sent: Monday, July 28, 2014 1:58 PM

To: (b)(6)

Subject: Re: RWC - Russia SDN Licenses

Hi (b)(6),

Last I checked, the (b)(4) are still in-transit and were being transferred between ships at (b)(4). Please let me know if you require any additional information. Thank you for the call.

Kind Regards,

Mike Faucette
Attorney at Law

Mark Barnes & Associates

1350 I St. N.W., Suite 260
Washington, D.C. 20005
Tel. (202) 626-0085
Fax (202) 626-0088

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On Jul 25, 2014, at 12:14 PM, (b)(6) wrote:

Dear Mr. Faucette,

Unfortunately, I don't have any updates on the application as it is currently with the State Department for review. We hope to provide you with a response soon.

Best Regards,

(b)(6)

(b)(6)
Licensing Division
Office of Foreign Assets Control
U.S. Department of the Treasury

From: Michael Faucette [mailto:michael.faucette@mbassociateslaw.com]

Sent: Friday, July 25, 2014 11:34 AM

To: (b)(6)

Cc: Gacki, Andrea

Subject: Re: RWC - Russia SDN Licenses

Good morning, (b)(6)

I just wanted to check in with you on the status of the license for UKRAINE2-2014-311316-1. I know we only submitted this last Friday but the (b)(4) are in transit so we are hoping to get an idea of how we should proceed. Thank you again for all your help on this!

Kind Regards,

Mike Faucette
Attorney at Law

Mark Barnes & Associates

1350 I St. N.W., Suite 260
Washington, D.C. 20005
Tel. (202) 626-0085
Fax (202) 626-0088

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On Jul 22, 2014, at 10:17 AM, [Andrea Gacki](#) (b)(6) wrote:

Mike:

We are considering the request you submitted on behalf of RWC Group LLC. Meanwhile, for future reference, I wanted to identify your best POC for this request: (b)(6), who is copied here.

Andrea

Andrea Gacki
Assistant Director for Licensing
Office of Foreign Assets Control
U.S. Department of the Treasury
(b)(6)

From: Michael Faucette [mailto:michael.faucette@mbassociateslaw.com]
Sent: Friday, July 18, 2014 6:26 PM
To: Gacki, Andrea
Subject: Re: RWC - Russia SDN Licenses

Hi Andrea,

I just submitted the application online. The reference ID is RWC1. As requested I have attached copies here for your review as well. The shipment is scheduled to arrive in (b)(4). Anything you can do to help will be greatly appreciated. Please let me know if there is any further information you require. Have a great weekend!

1) **Cover Letter;**

RE: State Referral Ukraine2-2014-311316-1 RWC Group

From: (b)(6)
To: "Gacki, Andrea" (b)(6)
Date: Wed, 30 Jul 2014 12:49:07 -0400

(b)(5)

(b)(6)

From: Gacki, Andrea
Sent: Wednesday, July 30, 2014 12:46 PM
To: (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Hmm – interesting question. My sense is that we (b)(5)

I also heard from Mike Faucette (who should be reaching out to you directly on this, (b)(6) that RWC could instruct the (b)(4) to be loaded on a vessel to come directly to (b)(4). He wants to know if he can ask that that be done. My preliminary view is that he (b)(5)

Should we loop in (b)(6) and (b)(6) for their thoughts?

From: (b)(6)
Sent: Wednesday, July 30, 2014 12:37 PM
To: Gacki, Andrea; (b)(6)
Subject: FW: State Referral Ukraine2-2014-311316-1 RWC Group

(b)(6) just called me on this question and has also emailed an attorney for ATF below. Any thoughts on this?

Thanks.
(b)(6)

From: State (b)(6)
Sent: Wednesday, July 30, 2014 12:36 PM
To: ATF - (b)(6)
Cc: (b)(6) State (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Thanks again for the phone call. I have one more question, and (b)(6), copied, is trying to track this down at Treasury as well.

State (b)(5)

Thanks!
State (b)(6)

SBU
This email is UNCLASSIFIED.

From: ATF - (b)(6)
Sent: Wednesday, July 30, 2014 10:21 AM
To: State (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Hello (b)(6)

Please provide me with your phone number and I will be sure to have the relevant folks on the line when we call you. Please also let me know what your availability looks like today.

My phone number is ATF - (b)(6)

Thank you!

ATF - (b)(6)

From: State (b)(6)
Sent: Wednesday, July 30, 2014 8:32 AM
To: ATF - (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Hi- do you have a number I can call you on?

Thanks!
State (b)(6)

SBU
This email is UNCLASSIFIED.

From: ATF - (b)(6)
Sent: Thursday, July 24, 2014 5:19 PM
To: State (b)(6)
Subject: State Referral Ukraine2-2014-311316-1 RWC Group

Hello State (b)(6)

ATF - (b)(5), State (b)(6)

ATF - (b)(5) We are waiting for that guidance to be finalized. I should hopefully have more information for you tomorrow.

Thank you,
ATF - (b)(6)

From: ATF - (b)(6)
Sent: Thursday, July 24, 2014 5:01 PM
To: ATF - (b)(6)
Subject: Fwd: State Referral Ukraine2-2014-311316-1 RWC Group

ATF - (b)(6)
Senior Adviser
ATF International Affairs
ATF - (b)(6) Mobile
ATF - (b)(6) Office

Begin forwarded message:

From: State (b)(6)
Date: July 24, 2014 at 4:49:28 PM EDT
To: State (b)(6) ATF - (b)(6)
ATF - (b)(6)
cc: State (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Hi all- any clarification on this? State (b)(5); Treasury (b)(4)
Thanks!
State (b)(6)

SBU
This email is UNCLASSIFIED.

From: State (b)(6)
Sent: Thursday, July 24, 2014 10:03 AM
To: ATF - (b)(6)
Cc: State (b)(6)
Subject: FW: State Referral Ukraine2-2014-311316-1 RWC Group

See question below from our Sanctions Policy people.

State (b)(6)
Senior Coordinator
Office of Conventional Arms Threat Reduction
Bureau of International Security and Nonproliferation
U.S. Department of State
State (b)(6)

SBU
This email is UNCLASSIFIED.

From: State (b)(6)
Sent: Wednesday, July 23, 2014 5:14 PM
To: State (b)(6) EUR Ukraine Clearances; State (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Could we clarify this with ATF? State (b)(5) State (b)(6)

State (b)(5)

State (b)(6) Acting Deputy Director | Sanctions Policy and Implementation | U.S. Department of State |
State (b)(6)

This email is UNCLASSIFIED.

From: State (b)(6)
Sent: Wednesday, July 23, 2014 5:09 PM
To: State (b)(6) EUR Ukraine Clearances; State (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Thanks State (b)(6) defer to others, State (b)(5)
State (b)(5)

State (b)(5), Treasury (b)(4)

Other thoughts?

SBU
This email is UNCLASSIFIED.

From: State (b)(6)
Sent: Wednesday, July 23, 2014 4:25 PM
To: State (b)(6) EUR Ukraine Clearances; State (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

I have heard back from ATF - (b)(6) in ATF:
ATF - (b)(5); State (b)(5)

ATF - (b)(5)

State (b)(6)

Senior Coordinator
Office of Conventional Arms Threat Reduction
Bureau of International Security and Nonproliferation
U.S. Department of State

State (b)(6)

SBU

This email is UNCLASSIFIED.

From: State (b)(6)

Sent: Wednesday, July 23, 2014 4:20 PM

To: EUR Ukraine Clearances;

State (b)(6)

State (b)(6)

Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Some edits in the attached for clarity. Are we sure we can't get in touch with ATF?

State (b)(5)

State (b)(5), Treasury (b)(4)

State (b)(6) | Acting Deputy Director | Sanctions Policy and Implementation | U.S. Department of State |

State (b)(6)

This email is UNCLASSIFIED.

From: EUR Ukraine Clearances

Sent: Wednesday, July 23, 2014 4:03 PM

To:

State (b)(6)

EUR Ukraine Clearances;

State (b)(6)

State (b)(6)

Cc: State (b)(6)

Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Clear for Ukraine desk

State (b)(5)

Thanks

State (b)(6)

SBU

This email is UNCLASSIFIED.

From: State (b)(6)

Sent: Wednesday, July 23, 2014 4:01 PM

To:

State (b)(6)

EUR Ukraine Clearances;

State (b)(6)

State (b)(6)

Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Hi Colleagues:

State (b)(5)

State (b)(5) See the attached draft Foreign Policy Guidance. If you all could edit/clear that would be great, ideally we would send back guidance to Treasury tomorrow morning.

If I am missing something big- it won't be the first time!

Thanks!

SBU

This email is UNCLASSIFIED.

From: State (b)(6)
Sent: Monday, July 21, 2014 5:33 PM
To: State (b)(6)
Subject: FW: State Referral Ukraine2-2014-311316-1 RWC Group

Colleagues- heads up on the below and attached. I will circulate guidance soonest,
State (b)(5)

Thanks
State (b)(6)

SBU
This email is UNCLASSIFIED.

From: State (b)(6)
Sent: Monday, July 21, 2014 10:49 AM
To: State (b)(6)
Cc: State (b)(6)
Subject: FW: State Referral Ukraine2-2014-311316-1 RWC Group

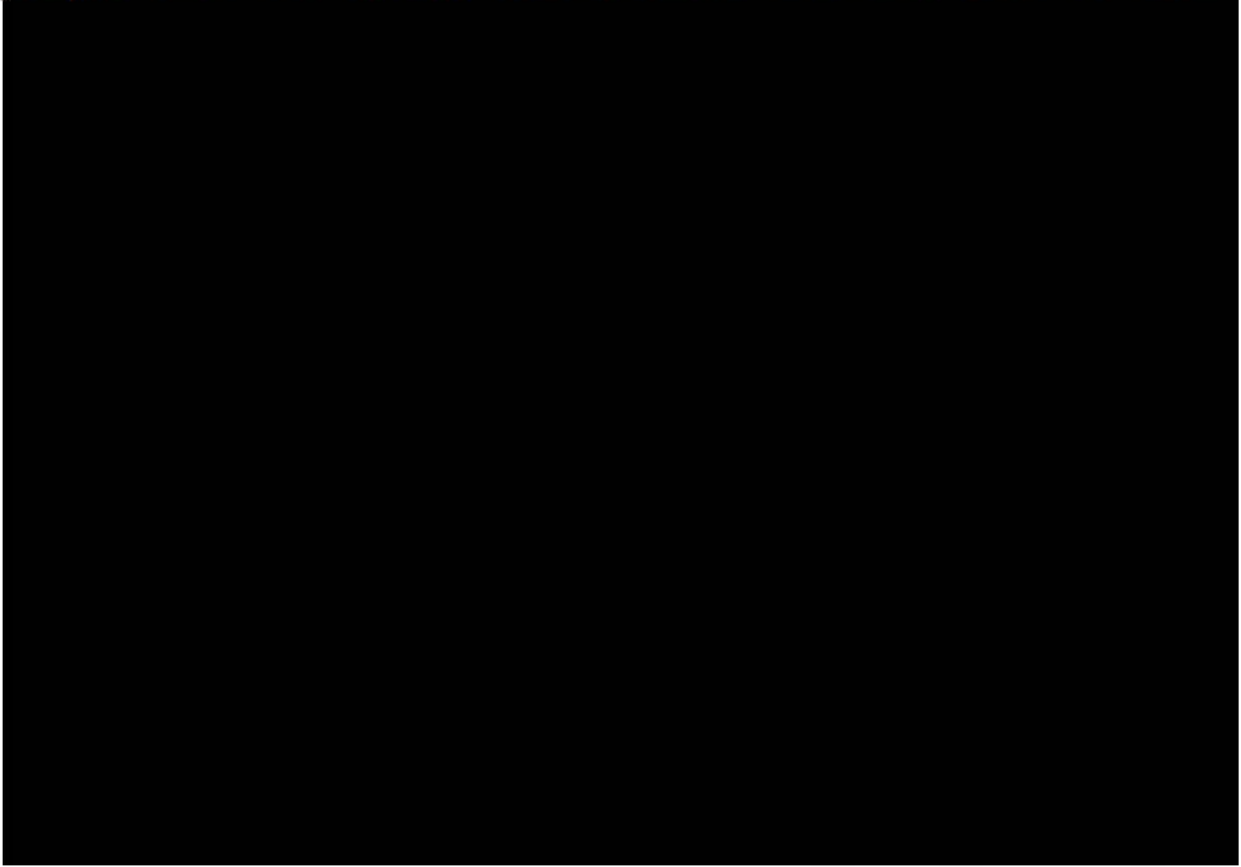
Colleagues- heads up on the attached. State (b)(6) understand you might be the POC for ATF?

I will circulate draft guidance later today/tomorrow for your review as well as the usual suspects
State (b)(5) But if you all hear from ATF please let me know. State (b)(5)

Thanks!
State (b)(6)

SBU
This email is UNCLASSIFIED.

Duplicative of content on Bates No. 2018-08-116: 000424



Duplicative of content on Bates No. 2018-08-116: 000424



FW: RWC - Russia SDN Licenses

From: (b)(6)
To: "Gacki, Andrea" (b)(6)
Cc: (b)(6)
Date: Wed, 30 Jul 2014 13:15:15 -0400

Hi Andrea:

It just keeps getting more complicated. (b)(6) has informed State of the latest developments.

(b)(6)

From: (b)(6) (Contractor)
Sent: Wednesday, July 30, 2014 1:07 PM
To: (b)(6)
Cc: (D)(b)
Subject: FW: RWC - Russia SDN Licenses

Another update from the attorney -

From: Michael Faucette [<mailto:michael.faucette@mbassociateslaw.com>]
Sent: Wednesday, July 30, 2014 1:05 PM
To: (b)(6)
Cc: Gacki, Andrea
Subject: Re: RWC - Russia SDN Licenses

Good afternoon, (b)(6):

We have just been informed that the shipping situation has changed. Our clients finally got in contact with Maersk, the freight forwarder, who informed us that the (b)(4) we asked to be held in (b)(4) (to allow OFAC time to process the license) were reloaded on a ship back to Russia. (b)(4)

(b)(4)

Please keep in mind that we still hold full title to the goods in (b)(4). Therefore, we will be instructing Maersk to reload them on a ship direct to the U.S. immediately upon arrival in (b)(4). The (b)(4) have remained and will remain in transit throughout this entire process, as the final destination port remains

Please let us know if this changes anything or if you require any further information. Thank you.

Kind Regards,

Mike Faucette
Attorney at Law

Mark Barnes & Associates

1350 I St. N.W., Suite 260
Washington, D.C. 20005
Tel. (202) 626-0085
Fax (202) 626-0088

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On Jul 28, 2014, at 3:00 PM, (b)(6) wrote:

Dear Mike,

Thank you for the update. Does your client have an estimated time frame as to when the goods will arrive in the U.S.?

Bates Nos. 2018-08-116:

000485-000486

Duplicate Content in

Bates Nos. 2018-08-116:

000476-000477

RE: State Referral Ukraine2-2014-311316-1 RWC Group

From: (b)(6)
To: "Gacki, Andrea" (b)(6)
Date: Wed, 30 Jul 2014 15:01:41 -0400

(b)(5) (b)(6)
(b)(6)

From: Gacki, Andrea
Sent: Wednesday, July 30, 2014 3:00 PM
To: (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

(b)(5), (b)(6)

From: (b)(6)
Sent: Wednesday, July 30, 2014 3:00 PM
To: Gacki, Andrea; (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

(b)(5), (b)(6)

Thanks.
(b)(6)

From: Gacki, Andrea
Sent: Wednesday, July 30, 2014 2:43 PM
To: (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

It might be a good idea to (b)(5)
(b)(5) But let me know if you disagree.

From: (b)(6)
Sent: Wednesday, July 30, 2014 1:19 PM
To: Gacki, Andrea; (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Andrea:

Given the latest developments, should we (b)(5)

From: Gacki, Andrea
Sent: Wednesday, July 30, 2014 12:46 PM
To: (b)(6)
Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Duplicative of content in Bates No. 2018-08-116: 000478



Bates Nos. 2018-08-116:
000488-000492

Duplicate Content in
Bates Nos. 2018-08-116:
000478-000483

RE: State Referral Ukraine2-2014-311316-1 RWC Group

From: (b)(6)

To: (b)(6)

Cc: "Gacki, Andrea" (b)(6)

Date: Wed, 30 Jul 2014 15:21:58 -0400

(b)(5)

From: (b)(6)

Sent: Wednesday, July 30, 2014 3:21 PM

To: (b)(6)

Cc: Gacki, Andrea

Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Okay, thanks (b)(6) I'll pass this information along to State.

From: (b)(6)

Sent: Wednesday, July 30, 2014 3:20 PM

To: (b)(6)

Cc: (b)(6) Gacki, Andrea

Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

(b)(5)

From: (b)(6)

Sent: Wednesday, July 30, 2014 3:03 PM

To: (b)(6)

Cc: (b)(6) Gacki, Andrea

Subject: RE: State Referral Ukraine2-2014-311316-1 RWC Group

Hi (b)(6)

We wanted to know your thoughts on (b)(5)

Thank you,

(b)(6)

From: (b)(6)

Sent: Wednesday, July 30, 2014 12:37 PM

To: Gacki, Andrea; (b)(6)

Subject: FW: State Referral Ukraine2-2014-311316-1 RWC Group

Duplicative of content in Bates No. 2018-08-116: 000478



Bates Nos. 2018-08-116:
000494-000498

Duplicate Content in
Bates Nos. 2018-08-116:
000478-000483

RE: RWC - Russia SDN Licenses

From: (b)(6)
To: (b)(6)
Cc: (b)(6) "Gacki, Andrea" (b)(6)
Date: Wed, 30 Jul 2014 15:26:11 -0400

Yes.

From: (b)(6)
Sent: Wednesday, July 30, 2014 3:18 PM
To: (b)(6)
Cc: (b)(6) Gacki, Andrea
Subject: RE: RWC - Russia SDN Licenses

Thanks. (b)(5)?

From: (b)(6)
Sent: Wednesday, July 30, 2014 2:54 PM
To: (b)(6)
Cc: (b)(6) Gacki, Andrea
Subject: RE: RWC - Russia SDN Licenses

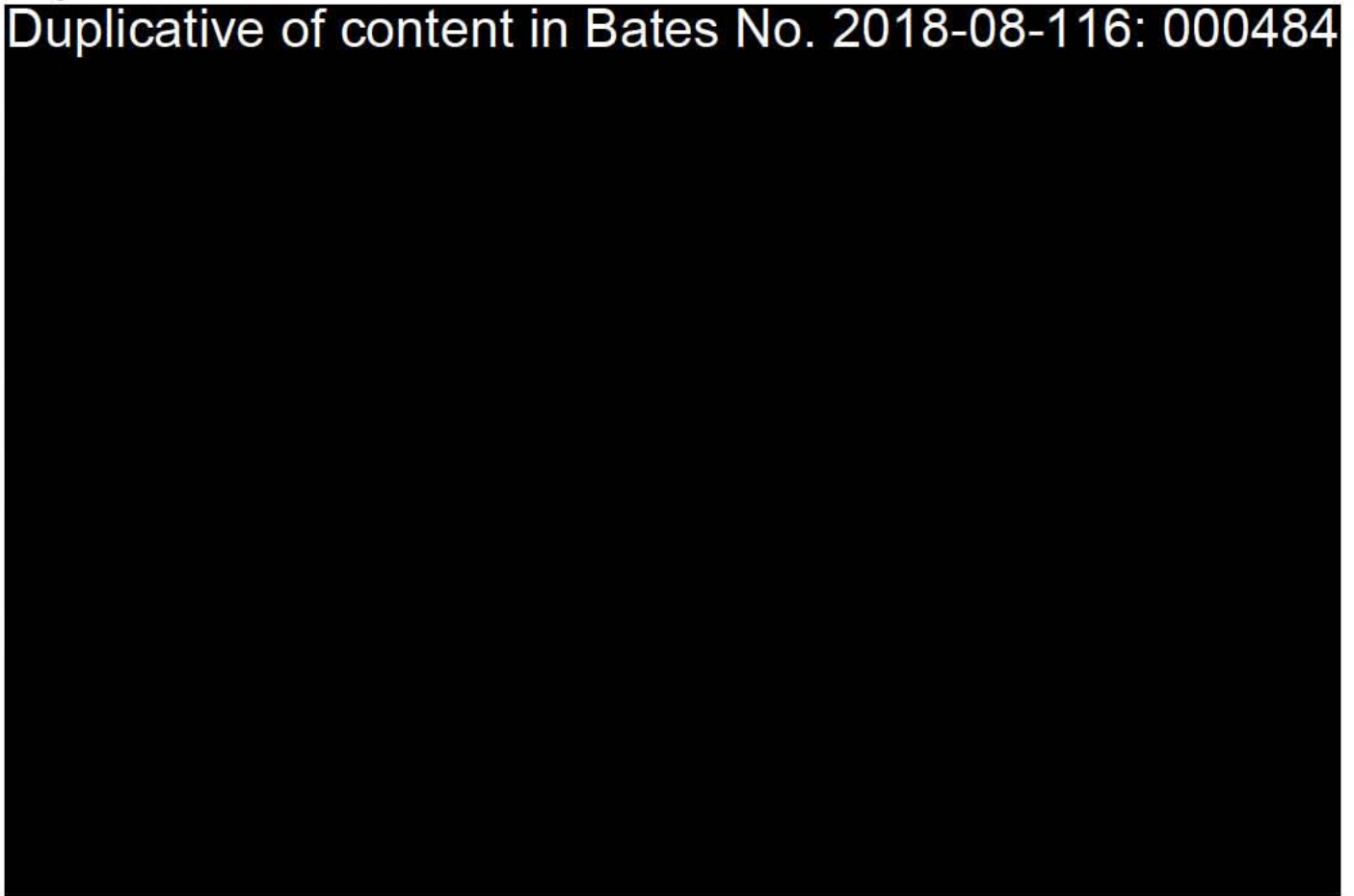
Hi (b)(6)

Just updating you on the current status of the goods. Looks like they're going back to Russia from (b)(4) and then RWC will try sending them to the US again.

(b)(6)

From: (b)(6)
Sent: Wednesday, July 30, 2014 1:07 PM
To: (b)(6)
Cc: (b)(6)
Subject: FW: RWC - Russia SDN Licenses

Duplicative of content in Bates No. 2018-08-116: 000484



Bates Nos. 2018-08-116:

000500-000501

Duplicate Content in

Bates Nos. 2018-08-116:

000484-000486

FW: Advisory Opinion Request - Baikal - Livelink 639 KB

From: "Gacki, Andrea" (b)(6)
To: (b)(6)
Date: Wed, 30 Jul 2014 17:49:37 -0400
Attachments: RWC Adv Op Req Baikal.pdf - 635 KB (0 bytes); ATT00001.txt - 548 B (0 bytes)

Just fyi. I told Mike to apply via the online portal to get this to us.

-----Original Message-----

From: Michael Faucette [mailto:michael.faucette@mbassociateslaw.com]
Sent: Wednesday, July 30, 2014 4:36 PM
To: Gacki, Andrea
Subject: Advisory Opinion Request - Baikal

Good afternoon, Andrea:

Attached is a request for an advisory opinion from RWC Group, LLC regarding whether a license is needed for business to be conducted with "Izhevsky Mekhanichesky Zavod" JSC (aka: Izhevsk Mechanical Plant; BAIKAL). Based on the ownership documents provided and attached herein, we do not believe any portion of the company to be owned by Kalashnikov Concern or any other SDN designated entity.

As this is my first OFAC advisory opinion request, please let me know if there is someone else I should send it to or another format it should be submitted in. I could not find any guidance on an official process. Thank you again for all of your help.

Kind Regards,

Mike Faucette
Attorney at Law

Mark Barnes & Associates

1350 I St. N.W. , Suite 260
Washington, D.C. 20005
Tel. (202) 626-0085
Fax (202) 626-0088

RE: Phone number for Mark Barnes (counsel for RWC) is 202-626-0070

From: (b)(6)
To: "Gacki, Andrea" (b)(6)
Date: Mon, 04 Aug 2014 16:00:04 -0400

Thank you, Andrea. I just left him a vm.

(b)(6)

From: Gacki, Andrea
Sent: Monday, August 04, 2014 3:55 PM
To: (b)(6)
Subject: Phone number for Mark Barnes (counsel for RWC) is 202-626-0070

He's the partner who works with Mike Faucette.

RE: Baikal Advisory Opinion Status

From: (b)(6)
To: "Feddo, Thomas" (b)(6) "Gacki, Andrea" (b)(6)
Date: Wed, 13 Aug 2014 15:48:40 -0400

Hi Tom:

(b)(5)
(b)(6)

From: Feddo, Thomas
Sent: Wednesday, August 13, 2014 3:34 PM
To: (b)(6) Gacki, Andrea
Subject: RE: Baikal Advisory Opinion Status

Thanks (b)(6). I think (b)(5) I'm not sure that (b)(5)
(b)(5)

From: (b)(6)
Sent: Wednesday, August 13, 2014 3:31 PM
To: Feddo, Thomas; Gacki, Andrea
Subject: RE: Baikal Advisory Opinion Status

Hi Tom:

Just a heads up that (b)(4), (b)(5)

(b)(6)

From: Gacki, Andrea
Sent: Wednesday, August 13, 2014 1:20 PM
To: (b)(6)
Subject: Fw: Baikal Advisory Opinion Status

(b)(6) -- could you have someone get back to RWC's counsel on this? Thanks in advance!

From : Michael Faucette [<mailto:michael.faucette@mbassociateslaw.com>]
Sent: Wednesday, August 13, 2014 01:16 PM Eastern Standard Time
To: Gacki, Andrea
Subject: Baikal Advisory Opinion Status

Good afternoon, Andrea:

Just following up with you on the status of our advisory opinion request for "Baikal" - Case Number UKRAINE-EO13661-2014-311648-1. (b)(4)
(b)(4) Thank you!

Kind Regards,

Mike Faucette
Attorney at Law

Mark Barnes & Associates

1350 I St. N.W. , Suite 260
Washington, D.C. 20005
Tel. (202) 626-0085
Fax (202) 626-0088

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need assistance.

Request on Izhevsk Mechanical Plant 'Baikal' Ukraine-EO13661-2014-311648-1 - Livelink 648 KB

From: [REDACTED] (b)(6)

To: [REDACTED] (b)(6)

Cc: [REDACTED] (b)(6)

Date: Tue, 19 Aug 2014 13:13:29 -0400

Attachments: RWC Application.pdf - 638 KB (0 bytes)

Hi all,

We received a request for an advisory opinion from RWC Group (application attached) seeking confirmation that Izhevsky Mekhanichesky Zavod JSC (Izhevsk Mechanical Plant; Baikal) would not be considered blocked by operation of law.

According to the Application, Baikal is a Russian arms manufacturer that deals in sporting shotguns and air rifles. RWC Group obtained information from Baikal that suggests they are 100% owned by Rostec. Therefore, RWC Group does not believe Baikal is owned, directly or indirectly, by Kalashnikov Concern or any other blocked party.

[REDACTED] (b)(5)

The applicant insists that their request is urgent at they have frozen a significant portion of their inventory until they receive a response from OFAC. [REDACTED] (b)(4) Therefore, if you're able to prioritize this request amongst the Ukraine requests we've sent to you, I would appreciate it.

Thank you!

[REDACTED] (b)(6)

[REDACTED] (b)(6)
Licensing Division
Office of Foreign Assets Control
U.S. Department of the Treasury

FW: Request on Izhevsk Mechanical Plant 'Baikal' Ukraine-EO13661-2014-311648-1

From: [REDACTED] (b)(6)
To: [REDACTED] (b)(6)

Date: Tue, 19 Aug 2014 13:24:28 -0400

Attachments: RWC Application.pdf (650.02 kB)

(b)(6) [REDACTED] (b)(5)
[REDACTED] (b)(5)

(b)(6)

Duplicative of content in Bates No. 2018-08-116: 000513



EXCLUSIVE U.S. IMPORTER OF CONCERN KALASHNIKOV PRODUCTS

Russian Weapon Company Group LLC
WWW.RWCGROUP.LLC.COM

911 William Leigh Dr. • Tullytown, PA 19007 • phone: 1.866.611.9576 • phone: 215.949.994 • fax: 215.949.9191

July 29, 2014

Andrea Gacki
Assistant Director for Licensing
Office of Foreign Assets Control
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, DC 20220

**RE: Request for Advisory Opinion for RWC Group, LLC [EIN: (b)(4)]
"Izhevsky Mekhanichesky Zavod" JSC**

Dear Ms. Gacki:

The purpose of this letter is to request an advisory opinion on the debarment status of "Izhevsky Mekhanichesky Zavod" JSC (aka: Izhevsk Mechanical Plant; Baikal) (hereinafter "Baikal") under the Specially Designated Nationals List ("SDN").

On July 16, 2014, the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC") placed Kalashnikov Concern ("KC") and other Russian arms manufacturers on the SDN list pursuant to Executive Order 13661 of March 16, 2014, "Blocking Property of Additional Persons Contributing to the Situation in Ukraine." Accordingly, we want to confirm that, based on the documents attached hereto; we are permitted to engage in business with Baikal.

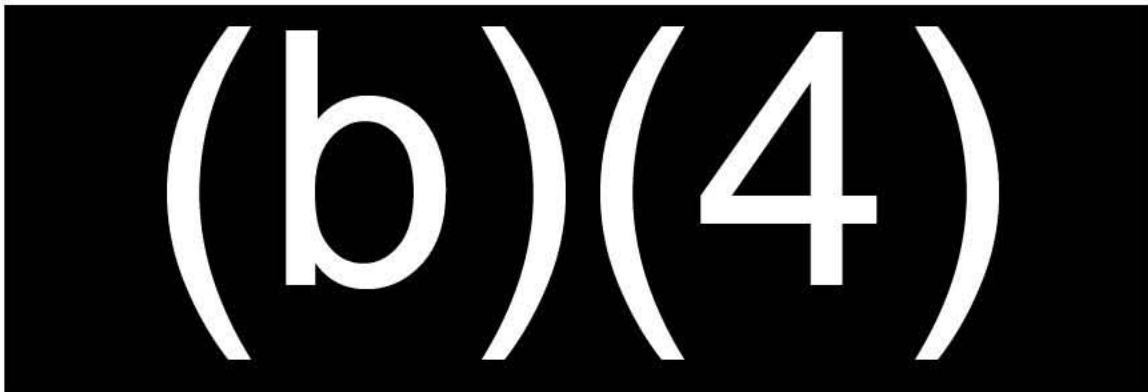


EXCLUSIVE U.S. IMPORTER OF CONCERN KALASHNIKOV PRODUCTS

Russian Weapon Company Group LLC
WWW.RWCGROUP.LLC.COM

911 William Leigh Dr. - Tullytown, PA 19007 • phone: 1 866 611.9576 • phone: 215.949.994 • fax: 215.949.9191

Baikal is a Russian arms manufacturer that deals in sporting shotguns and air rifles. RWC Group, LLC (“RWC”) imports product from Baikal for sale on the U.S. civilian market. While Baikal is not named on the SDN list, according to OFAC guidance, “[e]ntities that a person on the SDN List owns (defined as a direct or indirect ownership interest of 50% or more) are also blocked, regardless of whether that entity is separately named on the SDN List.”¹ With this instruction in mind, we requested, and Baikal provided us with, documents (both original Russian and English translations) from the government that show the registered stockholders. **See Attachment A.** These documents prove that 100% of the Baikal’s stock is owned by Rostec, another entity not named on the SDN list. Baikal’s relationship with KC is strictly a marketing one that allows KC to advertise Baikal products at trade shows and other promotional media. **See Attachment B.** Based on these documents, we do not believe that Baikal is owned directly, or indirectly, by KC or any other blocked party.



In light of the aforementioned facts and the documents attached hereto, we respectfully request an advisory opinion to confirm whether Baikal is a blocked party under the SDN list. We would also like to stress the urgency of this matter, as RWC will be freezing a significant portion of its inventory until OFAC confirms Baikal is not blocked.

¹ <http://www.treasury.gov/resource-center/faqs/Sanctions/Pages/answer.aspx#9>



EXCLUSIVE U.S. IMPORTER OF CONCERN KALASHNIKOV PRODUCTS

Russian Weapon Company Group LLC
WWW.RWCGROUPLLC.COM

911 William Leigh Dr. - Tullytown, PA 19007 • phone: 1.866.611.9576 • phone: 215.949.994 • fax: 215.949.9191

We also ask that the privileged and confidential trade secret, commercial, and financial information contained in this letter be withheld from public disclosure pursuant to 5 U.S.C. § 522(b)(4) of the Freedom of Information Act.

Again, we wish to express our gratitude to OFAC for the attention that has been shown to this urgent matter. If you require any further information, please do not hesitate to contact Jay Portz at (215) 949-9944 x106 or jay@rwcgroupllc.com. Alternatively, you may contact our outside counsel, Michael Faucette of Mark Barnes & Associates at (202) 626-0085 or michael.faucette@mbassociateslaw.com.

Respectfully,

(b)(6)

Jay Portz

Vice President

RWC Group, LLC

ATTACHMENT A

СПИСОК ЗАРЕГИСТРИРОВАННЫХ ЛИЦ, НА СЧЕТАХ КОТОРЫХ УЧИТЫВАЕТСЯ СВЫШЕ 1% АКЦИЙ ЭМИТЕНТА

Приложение
к № 44/00000234 от 29.07.14

по состоянию реестра на: 28.07.2014
 Эмитент ценных бумаг:
 Полное наименование Открытое акционерное общество "Ижевский механический завод"
 Номер и дата государственной регистрации 1121841007958 17.12.12
 Наименование органа, осуществившего регистрацию Межрайонная инспекция Федеральной налоговой службы № 9 по Удмуртской Республике
 Место нахождения, телефон 426063 Российская Федерация, Удмуртская Республика, г.Ижевск, ул.Промышленная, 8 тел.:
 (3412) 64-54-99

Уставный капитал эмитента (УК): 6 287 727 000,00 руб.

Наименование ценных бумаг	Государственный регистрационный номер	Общее количество, шт.	Номинал одной ценной бумаги, руб.
Обыкновенные акции (ОА)	1-01-55518-Е	6 287 727	1 000,00

№ п/п	Имя акционера (полное наименование), владеющего более 1% акций общества	Ценная бумага (категория)	Количество принадлежащих ему акций	Доля в УК, %
1	Государственная корпорация по содействию разработке, производству и экспорту высокотехнологичной промышленной продукции "Ростехнологии"	акции именные обыкновенные	6 287 727	100,000000
	Итого по Юридическое лицо :		6 287 727	100,000000
	Итого по связку:		6 287 727	100,000000

Регистратор:
 Полное наименование
 Номер и дата государственной регистрации
 Наименование органа, осуществившего регистрацию
 Лицензия на осуществление деятельности по ведению реестра
 Место нахождения, телефон
 Директор филиала
 Исполнитель: Л.В. Хасанова

Закрытое акционерное общество "Регистраторское общество "СТАТУС"
 066.193 от 20.06.1997
 Московская регистрационная палата
 10-000-1-00304 от 12.03.2004 выдана: ФСФР России без ограничения срока действия
 Россия, 109544, Москва, ул. Новорогожская, д.32, строение 1, (3412) 901-330
 Л.Г. Волкова

(b)(6)

List of the registered stockholders, on the accounts of which more than 1% of issuer stocks come into account.

Register as of date:

28.07.2014

Issuer of stocks:

Full name:

Joint-Stock Company "Izhevsky mekhanichesky zavod"

Number and date of state registration:

1121841007958 17.12.12

Registration Department:

Inter-District Office of the Federal Tax Service No. 9 (Udmurt Republic)

Location, tel:

8, Promyshlennaya str., Izhevsk, Udmurt Republic, Russian Federation tel: (3412) 64-54-99

Issuer's nominal capital:

6 287 727 000,00 rub.

Stock denomination	State registration number	Total quantity, pcs	Nominal value of one stock, rub.
Common stock (CS)	1-01-55518-E	6 287 727	1 000,00

No.	Stockholder full name, who is having more than 1% of stock	Stock (category)	Quantity of stocks, belonging to the stockholder	Share of the nominal capital, %
1	State Corporation to further	Registered common	6 287 727	100,000000

development, manufacture and export of high-tech industrial products "Rostec"	stocks		
Total for the juristic person		6 287 727	100,000000
Total for the list		6 287 727	100,000000

Registrar (full name):

Closed Joint-Stock Company "Registrar STATUS"

Number and date of state registration:

066.193 of 20.06.1997

Registration Department:

Moscow Registration Chamber

License to carry out activities associated with maintenance of register:

10-000-11-00304 of 12.03.2004 issued by

Federal Financial Markets Service (FFMS) of Russian

Federation (without limitation as to period of validity)

Location, tel:

bldg. 1, 32, Novorogozhskaya str., Moscow, 109544

Russia, tel (3412) 901-330

Director of branch:

L.G. Volkova

Signature, stamp

Person who prepared the document: L.V. Hasanova

*Настоящий перевод выполнен с русского на английский
переводчиком Терина Т.В.*

(b)(6)

Ижевск

Город Ижевск Удмуртской Республики. Двадцать девятое июля две тысячи четырнадцатого года.

Я, Криволюст Наталья Васильевна, нотариус города Ижевска Удмуртской Республики, свидетельствую подлинность подписи, сделанной переводчиком Черных Татьяной Викторовной в моем присутствии. Личность его установлена.

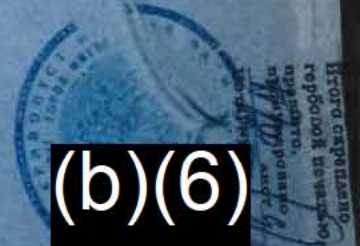
Зарегистрировано в реестре № 1П-1293

Взыскано по тарифу 300 руб. 00 коп.

Нотариус



(b)(6)



(b)(6)

ATTACHMENT B



IZHEVSKY MEKHANICHESKY ZAVOD

8, Promyshlennaya str. Tel: 7-341-2-661151 Telex 755111 BAIKL

Izhevsk, RUSSIA, 426063 Fax: 7-341-2-665830 www.imzcorp.com
Email: worldlinks@baikalinc.ru

Attn: President of «RWC Group LLC»
Mr. Eldad Oz

Dear Mr. Oz!

Herewith I'd like to pay your attention to the fact that Joint-Stock Company "Izhevsky Mekhanichesky Zavod" is a separate legal entity, the 100% shareholder of which is the Rostec Corporation.

Information about shareholders is confirmed by the Registrar, Closed Joint-Stock Company "Registrar Status" (extract from the Shareholder register enclosed).

Joint-Stock Company "Izhevsky Mekhanichesky Zavod" has its own banking account, the company is assigned a separate ITN (Individual Taxpayer Number), what is registered in the Unified State Register of Companies under unique number.

«Concern «Kalashnikov» OJSC had arranged participation of Joint-Stock Company "Izhevsky Mekhanichesky Zavod" in exhibitions with a view of the products promotion on the international market. Concern "Kalashnikov" was mentioned in the name of the products as a trade mark with the marketing purpose.

Regards,

(b)(6)

Oleg Sapozhnikov,
Commercial Director for
Joint-Stock Company
"Izhevsky Mekhanichesky Zavod"