

U.S. Orders Seizure of 2 Abramovich Aircraft

By <u>AFP</u>

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Roman Abramovich speaks on the phone after Russian-Ukrainian talks at the Dolmabahce Palace in Istanbul, Turkey, on March 29, 2022. **Sergei Karpukhin/TASS**

The U.S. Justice Department ordered the seizure Monday of two aircraft owned by Russian billionaire Roman Abramovich, saying they had been used in violation of sanctions on Russia imposed over its invasion of Ukraine.

The department said in court filings that the two aircraft, a Boeing 787-8 Dreamliner and Gulfstream G650ER executive jet, had been flown into Russian territory earlier this year in violation of U.S. export controls set for U.S.-made aircraft on March 2.

The department's move targets one of the wealthiest Russian billionaires, who has already been forced to sell Chelsea Football Club in the wake of Moscow's invasion of Ukraine.

It aims to incentivize people close to the Russian government "to distance themselves from

the Kremlin and from the Russian state as it continues to ramp up the war," said Andrew Adams, director of the Justice Department's KleptoCapture task force.

Both aircraft, which the Justice Department valued at \$400 million, are believed to be out of reach of U.S. officials — in Russia and, for the Boeing, possibly in Dubai, according to media reports.

"We will take active steps to pursue seizure, and we'll keep an eye out to see if they move jurisdictions," said Adams.

The seizure order outlined how Abramovich controls the two aircraft through a series of shell companies, centered on the Cyprus-registered Europe Settlement Trust.

Abramovich in February made his children, all Russian citizens, beneficiaries of the trust, according to the order.

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Abramovich, 55, built a fortune estimated by Bloomberg at \$12.5 billion on oil, steel, aluminum and other industries, maintaining close relationships with top Russian officials, including President Vladimir Putin.

Holding Russian and Israeli citizenship, as well as reportedly Portuguese, he is believed to have moved much of his wealth outside of Russia, but he retains substantial interests inside the country.

Since the Ukraine war began, he has been hit with sanctions in Europe.

The island of Jersey, a British crown dependency, announced on April 13 that it had frozen more than \$7 billion in assets believed to be linked to Abramovich.

But unlike many fellow Russian tycoons, Abramovich has not been placed on U.S. sanctions lists.

According to reports, he has avoided the seizures by European authorities of his 162-meter (500-foot) yacht Eclipse and the 140-meter Solaris by moving them into Turkish waters.

In parallel with the aircraft seizure order, the U.S. Commerce department issued a letter charging Abramovich with knowingly violating U.S. restrictions that seek to block specific technologies and goods from being exported to Russia.

The charges can bring financial penalties of up to double the value of the "export" transaction, the Commerce letter said, suggesting they could seek more than the value of the aircraft in fines.

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