

DOJ Announces Launch of KleptoCapture Task Force in Response to Russia's Invasion of Ukraine

March 8, 2022

On March 2, 2022, Attorney General Merrick B. Garland announced the launch of a new interagency task force, the KleptoCapture Task Force, focused on enforcing the recent U.S. financial sanctions and other economic countermeasures against Russia related to its invasion of Ukraine. The KleptoCapture Task Force's mission will include the following: (1) investigating and prosecuting violations of recent U.S. sanctions imposed in response to Russia's invasion of Ukraine, as well as attempts to evade relevant "know-your-customer" (KYC) and anti-money laundering (AML) controls; (2) thwarting specific efforts to use cryptocurrency to evade U.S. sanctions or engage in money laundering activities; and (3) using civil and criminal asset forfeiture to seize assets identified as the proceeds of unlawful conduct.

The establishment of the KleptoCapture Task Force follows a slew of economic sanctions and export controls imposed on Russian officials, Russian financial institutions, Russian elites, and other individuals and entities who aid or engage in business with the Russian regime. Wiley's summaries of U.S. Government restrictions are available [here](#), [here](#), and [here](#), and these prohibitions include restrictions on transactions with specific countries and individuals, like Belarus and Belarusian government officials, that are aiding Russia. The complex web of U.S. Government and allied-nation sanctions and trade restrictions continues to expand and evolve, which creates uncertainty for businesses that are assessing the future of business relationships in the Eastern European states. This is especially the case now, with the establishment of the Task Force.

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Housed within the Office of the Deputy Attorney General and headed by a corruption prosecutor from the U.S. Attorney's Office for the Southern District of New York, the KleptoCapture Task Force will be staffed with U.S. Department of Justice (DOJ) prosecutors from the National Security Division, Criminal Division, Civil Division, and attorneys from U.S. Attorneys' Offices across the nation. In addition to DOJ attorneys, the task force also includes analysts and agents from various law enforcement agencies, such as the Federal Bureau of Investigation (FBI), U.S. Department of Homeland Security, Internal Revenue Service, and the U.S. Secret Service. Truly a multidisciplinary task force, the KleptoCapture Task Force will bring together a group with diverse skill sets and expertise related to sanctions and export controls, asset forfeiture, AML, anti-corruption, and tax enforcement, to name a few. And, true to Attorney General Garland's commitment to "leave no stone unturned" and use every law enforcement tool available to hold accountable those aiding the Russian regime, the Task Force will seek the assistance of financial regulators and private sector partners—an apparent reference to financial regulators, such as FinCEN, and information provided by financial institutions to FinCEN under the Bank Secrecy Act's reporting requirements.

The U.S. is certainly not alone in rallying resources to ensure that newly-promulgated Russian sanctions have their intended effect—similar task forces, like the transatlantic task force NATO announced on February 26, 2022, have been established around the globe. And these global measures have already resulted in the identification and seizure of assets belonging to sanctioned individuals. On March 3, 2022, for example, French authorities announced the seizure of the 280-foot super yacht of Igor Sechin, CEO of the Russian oil giant, Rosneft. On the same day, the U.K. announced a full asset freeze and travel ban on two Russian oligarchs, Alisher Usmanov and Igor Shuvalov. German authorities similarly seized Mr. Usmanov's 512-foot super yacht.

DOJ has long had a team focused on tracking down assets belonging to foreign kleptocrats that commit crimes impacting or involving the U.S. financial system. However, the establishment of the KleptoCapture Task Force reinforces DOJ's *specific* focus on Russian officials and their government-aligned elites. As the U.S. and its allies continue to impose sanctions on Russian entities, U.S. financial institutions and entities with global operations must conduct the proper due diligence to investigate and examine all ties to Russia. U.S. entities should anticipate that ties with Russia will be halted, or at the very least, severely limited in the future.