

Miami Partner Discusses International Economic Sanctions Targeting Russia

The Real Deal

2.28.22

Russian President Vladimir Putin's invasion of Ukraine has created global economic turmoil. The U.S. government is moving towards freezing the assets of Russian elites close to Putin. Russian and Ukrainian buyers represent a small part of the overall U.S. real estate market; however, experts believe that it will be more difficult for Russians to do business in the U.S. according to *The Real Deal*.

"Apparently, a lot of the money held in Sberbank is held in U.S. dollars, but in order to process it, it would have to go through a U.S. account," states Miami Partner [Aleksey Shtivelman](#), who focuses on international disputes. "That is what the government is trying to stop."

This morning, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) [just announced](#) that in addition to the sanctions recently implemented, it has issued new Directive 4 under Executive Order 14024. As a result, United States persons will be prohibited "from engaging in transactions with the Central Bank of the Russian Federation, the National Wealth Fund of the Russian Federation, and the Ministry of Finance of the Russian Federation. This action effectively immobilizes any assets of the Central Bank of the Russian Federation held in the United States or by U.S. persons, wherever located."

In addition to sanctions, there will also be logistical challenges for Russians looking to invest in America. In times like this, as always, it is very important now for those involved in real estate transactions, and banking to do their due diligence (Know Your Customer) regarding the individuals, entities, and the source of funds, in connection with banking as well as real estate transactions.

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About Aleksey Shtivelman

[Aleksey Shtivelman](#) is a partner in the Miami office of Shutts & Bowen LLP, where he is a member of the International Dispute Resolution Practice Group. Aleksey focuses his practice on counseling companies and individuals doing business across borders. He specializes in complex dispute resolution, commercial arbitration, and international litigation, including simultaneous proceedings in multiple jurisdictions, such as the United States, United Kingdom, British Virgin Islands, Ukraine and Russian Federation. Originally from Odessa, Ukraine, he is a native Russian speaker, fluent in Spanish, and adeptly represents clients who conduct business in those languages. Aleksey has been recognized as one of South Florida's "Most Effective Lawyers" by the *Daily Business Review* in the Business/Complex Litigation category and as a Rising Star by *Super Lawyers*.



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Professionals

Aleksey Shtivelman

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