



DEPARTMENT OF COMMERCE

Bureau of Industry and Security

Order Temporarily Denying Export Privileges

Arthur Petrov aka Artur Petrov, 36 Leoforos Aigyptou, Larnaca, Cyprus and Umm Haram 66 Flat 1, Larnaca, Cyprus;

Astrafteros Technokosmos LTD, 36 Leoforos Aigyptou, Larnaca, Cyprus and Umm Haram 66 Flat 1, Larnaca, Cyprus;

Zhanna Soldatenkova, 3 Leriku Street, Riga, Latvia 1084;

Ultra Trade Service LLC, 3 Leriku Street, Riga, Latvia 1084;

Ruslan Almetov, 734000 UL. B. Gafurov 13, 5, Dushanbe, Tajikistan and Dushanbe 1, Gafurov Pass 13, Tajikistan;

Juzhoi Electronic LLC, 734000 UL. B. Gafurov 13, 5, Dushanbe, Tajikistan and Dushanbe 1, Gafurov Pass 13, Tajikistan;

LLC Electrocom VPK VPK/OOO/LLC/SPB, Alias: Electrocom, Proveshcheniya Prospect 99A, Room 180h, St. Petersburg, Russia

Pursuant to section 766.24 of the Export Administration Regulations (the “Regulations” or “EAR”),¹ the Bureau of Industry and Security (“BIS”), U.S. Department of Commerce, through its Office of Export Enforcement (“OEE”), has requested the issuance of an Order

¹ The Regulations, currently codified at 15 CFR parts 730-774 (2022), originally issued pursuant to the Export Administration Act (50 U.S.C. 4601-4623 (Supp. III 2015) (“EAA”), which lapsed on August 21, 2001. The President, through Executive Order 13222 of August 17, 2001 (3 CFR 2001 Comp. 783 (2002)), as extended by successive Presidential Notices, continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701, *et seq.* (2012)) (“IEEPA”). On August 13, 2018, the President signed into law the John S. McCain National Defense Authorization Act for Fiscal Year 2019, which includes the Export Control Reform Act of 2018, 50 U.S.C. 4801-4852 (“ECRA”). While section 1766 of ECRA repeals the provisions of the EAA (except for three sections which are inapplicable here), section 1768 of ECRA provides, in pertinent part, that all orders, rules, regulations, and other forms of administrative action that were made or issued under the EAA, including as continued in effect pursuant to IEEPA, and were in effect as of ECRA’s date of enactment (August 13, 2018), shall continue in effect according to their terms until modified, superseded, set aside, or revoked through action undertaken pursuant to the authority provided under ECRA. Moreover, section 1761(a)(5) of ECRA authorizes the issuance of temporary denial orders.

temporarily denying, for a period of 180 days, the export privileges under the Regulations of: Arthur Petrov, Astraferos Technokosmos LTD (“Astraferos”), Zhanna Soldatenkova, Ultra Trade Service LLC (“Ultra Trade Service”), Ruslan Almetov, Juzhoi Electronic (“Juzhoi”), and LLC Electrocom VPK (“Electrocom”) (collectively, “Respondents”). OEE’s request and related information indicates that these parties are located in Cyprus, Latvia, Tajikistan, and Russia, at the respective addresses listed on the caption page of this order and on page 12-13, *infra*. OEE’s request and related information further indicates that Petrov, Soldatenkova, and Almetov are Russian nationals who use Astraferos, Ultra Trade Service, and Juzhoi as pass-throughs to supply export-controlled items to Electrocom, a Russia-based supplier of critical electronics components to the Russian military, in violation of the Regulations. A criminal complaint has been filed against Petrov in the United States District Court for the Southern District of New York alleging, among other criminal conduct, violations of the Export Control Reform Act, smuggling goods from the United States, and related conspiracy charges, in connection with this scheme.

I. Legal Standard

Pursuant to section 766.24, BIS may issue an order temporarily denying a respondent’s export privileges upon a showing that the order is necessary in the public interest to prevent an “imminent violation” of the Regulations. 15 CFR 766.24(b)(1) and 766.24(d). “A violation may be ‘imminent’ either in time or degree of likelihood.” 15 CFR 766.24(b)(3). BIS may show “either that a violation is about to occur, or that the general circumstances of the matter under investigation or case under criminal or administrative charges demonstrate a likelihood of future violations.” *Id.* As to the likelihood of future violations, BIS may show that the violation under investigation or charge “is significant, deliberate, covert and/or likely to occur again, rather than technical or negligent, and that it is appropriate to give notice to companies in the United States and abroad to cease dealing with the person in U.S.-origin items in order to reduce the likelihood that a person under investigation or charges continues to export or acquire abroad such items,

risking subsequent disposition contrary to export control requirements.” *Id.* A “[l]ack of information establishing the precise time a violation may occur does not preclude a finding that a violation is imminent, so long as there is sufficient reason to believe the likelihood of a violation.” *Id.*

II. OEE’s Request for a Temporary Denial Order

The U.S. Commerce Department, through BIS, responded to the Russian Federation’s (“Russia’s”) further invasion of Ukraine by implementing a sweeping series of stringent export controls that severely restrict Russia’s access to technologies and other items that it needs to sustain its aggressive military capabilities. These controls primarily target Russia’s defense, aerospace, and maritime sectors and are intended to cut off Russia’s access to vital technological inputs, atrophy key sectors of its industrial base, and undercut Russia’s strategic ambitions to exert influence on the world stage. As of February 24, 2022, any item classified under any Export Classification Control Number (“ECCN”) in Categories 3 through 9 of the Commerce Control List (“CCL”) requires a license to be exported or reexported to, or transferred within, Russia. *See* 87 FR 12226 (Mar. 3, 2022). As of April 8, 2022, the license requirements for Russia were expanded to cover all items on the CCL. *See* 87 FR 22130 (Apr. 14, 2022). These rules were codified in title 15 CFR 746.8, which states, “a license is required, excluding deemed exports and deemed reexports, to export, reexport, or transfer (in-country) to or within Russia or Belarus any item subject to the EAR and specified in any Export Control Classification Number (ECCN) on the CCL.”

In its request, OEE has presented evidence that Arthur Petrov, Zhanna Soldatenkova, and Ruslan Almetov have conspired to violate and evade these export controls to procure large amounts of U.S.-manufactured, export-controlled electronics components on behalf of Electrocom, using Astraferos, Ultra Trade Service, and Juzhoi as pass-throughs to conceal the actual end user and end-destination of the exports. In particular, OEE’s request details three prohibited export transactions, described in greater detail below. No BIS license was sought or

obtained in connection with these transactions, and at all times, Respondents concealed the intended use, end user, and destination of the items from the U.S. distributors. OEE has provided additional evidence that Astraferos regularly participates in export transactions, including more than forty shipments in the past year, and has attempted to make further exports in recent months.

OEE has further provided evidence that Petrov, Soldatenkova, and Almetov all have connections to Electrocom: Petrov and Soldatenkova are Electrocom employees; and Almetov is Electrocom's co-founder and General Director. Electrocom is a supplier of dual-use electronics to the Russian military and other Russian military suppliers; the acronym "VPK" included in its full legal name is a Russian acronym for "Military Industrial Complex." The types of electronics components exported in the transactions detailed below have significant military applications and are of types that have been recovered in Russian military hardware found on the battlefield in Ukraine.

A. Export Transaction 1

OEE has presented evidence that in or about April 2022, approximately six weeks after Russia's invasion of Ukraine, Petrov began communicating with a U.S.-based electronics distributor (U.S. Distributor-1) to purchase an array of microelectronics, including microcontrollers that are controlled on the CCL for Anti-Terrorism reasons under ECCN 3A991.a.2. A BIS license is required to export items controlled under ECCN 3A991.a.2 to Russia and are subject to a license policy of denial.

Petrov misrepresented to U.S. Distributor-1 that Astraferos in Cyprus was the end user of the items, falsely claiming that Astraferos is a "fabless manufacturer (fire security systems sphere)," when in fact Petrov operates Astraferos as a pass-through freight-forwarder on behalf of Electrocom. On or about July 16, 2022, following Petrov's misrepresentations, U.S. Distributor-1 shipped approximately 15 16-bit flash microcontrollers, controlled under ECCN 3A991.a.2, from the United States to Petrov at an address in Cyprus, where Petrov operates the

shell company Astraferos. On the invoice for the order provided to Petrov, U.S. Distributor-1 expressly noted that the microcontrollers are controlled under ECCN 3A991.a.2 and stated that the export of the microcontrollers is controlled by the U.S. Government, authorized “only to the country of ultimate destination for use by the ultimate consignee or end user(s) herein identified,” and that the items are prohibited from being “resold, transferred, or otherwise disposed of, to any other country or to any person other than the authorized ultimate consignee or end user(s).” On or about July 20, 2022, Petrov received the 15 controlled microcontrollers in Cyprus.

On or about July 27, 2022, Soldatenkova emailed Petrov requesting a status update on the microcontrollers. Petrov responded that he would send her the microcontrollers imminently, along with other microelectronics procured from U.S. Distributor-1. On or about July 29, 2022, Soldatenkova sent an invoice and contract, which included the 15 controlled microcontrollers, to an employee of a Russia-based logistics company, who was responsible for coordinating the transportation of the goods to Russia. The contract explicitly stated that the buyer of the goods is Electrocom and that the goods will be shipped to Saint Petersburg, Russia. On or about September 20, 2022, Soldatenkova emailed a contract to an employee of a Russian Radio Frequency Identification (“RFID”) company, indicating that Electrocom was shipping the 15 microcontrollers to the RFID company’s Moscow address.

Russia is reliant on western imports for its RFID chips, which have significant military applications, including for use in tagging military assets for tracking purposes. The type of microcontrollers shipped in Export Transaction 1 have been recovered on the battlefield in Ukraine in Russian guided missiles, drones, and electronic warfare and communications devices. No BIS license was sought or obtained in connection with the export of the 15 microcontrollers.

B. Export Transaction 2

OEE’s request further shows that in or about July 2022, Petrov sought controlled electronics from another U.S.-based distributor (“U.S. Distributor-2”), including integrated

circuits that are controlled on the CCL under ECCN 3A991.b.1.a for Anti-Terrorism reasons. A BIS license is required to export items controlled under ECCN 3A991.b.1.a to Russia and are subject to a license policy of denial.

On or about July 27, 2022, in order to procure the sensitive controlled items, Petrov misrepresented the nature of Astraferos's business to a U.S. Distributor-2 employee in an email, stating that the function of Astraferos is "design and production" — when in fact, as described above, Petrov operates Astraferos as a pass-through freight-forwarder to obtain electronics for Electrocom. On or about August 18, 2022, U.S. Distributor-2 shipped an array of dual-use electronics to Astraferos's address in Cyprus. In the shipping, billing, and end-use records and correspondence, Petrov falsely represented to U.S. Distributor-2 that the "ultimate consignee" of the controlled items was Latvia-based Ultra Trade Service. U.S. Distributor-2 provided an invoice to Petrov that noted the ECCN numbers under which the goods were controlled and explicitly stated that "re-export[ation]" or further "ship[ment] to another destination" was prohibited under U.S. export controls.

On or about August 22, 2022, Petrov emailed Soldatenkova, informing her that the items in Export Transaction 2 would be sent the following day. Petrov also emailed Soldatenkova a shipping label and an invoice, reflecting the controlled microelectronics that had been shipped by U.S. Distributor-2 to Astraferos in Cyprus. On or about August 30, 2022, Soldatenkova emailed an employee of the logistics company, providing the weights for each of the items ordered, including the CCL-controlled integrated circuits. On or about September 2, 2022, Soldatenkova sent an invoice and contract for the order to the logistics company. The contract set forth that the buyer of the goods was Electrocom and that the goods would be shipped to Saint Petersburg, Russia.

The type of integrated circuits shipped in Export Transaction 2 have been recovered in Ukraine in Russian guided missiles, which the Russian military has used to attack Ukrainian

military and civilian targets. No BIS license was sought or obtained in connection with the export of the integrated circuits.

C. Export Transaction 3

OEE has also presented evidence that on or about July 15, 2022, Petrov ordered from U.S. Distributor-1, via email, 90 microcontrollers, specifically, Microchip Technology 16-bit flash digital signal processors and controllers that are controlled on the CCL under ECCN 3A991.a.2 for Anti-Terrorism reasons. A BIS license is required to export items controlled under ECCN 3A991.a.2 to Russia and are subject to a license policy of denial.

In his email communications with U.S. Distributor-1, Petrov again misrepresented that Astraferos was the end user of the goods and that Cyprus was the final destination. On or about January 11, 2023, following Petrov's misrepresentations, U.S. Distributor-1 shipped the 90 controlled microcontrollers from the United States to Petrov at Astraferos's address in Cyprus. On the invoice for the order provided to Petrov, U.S. Distributor-1 expressly noted that the microcontrollers are controlled under ECCN 3A991.a.2 and that the export of the microcontrollers is controlled by the U.S. Government, authorized "only to the country of ultimate destination for use by the ultimate consignee or end user(s) herein identified," and that the items are prohibited from being "resold, transferred, or otherwise disposed of, to any other country or to any person other than the authorized ultimate consignee or end user(s)." On or about January 31, 2023, Petrov shipped the 90 controlled microcontrollers to Juzhoi in Tajikistan and updated Almetov, his superior at Electrocom, about the status of the shipment.

Soldatenkova and Almetov then worked together to ensure that the shipment reached Russia. Soldatenkova emailed Almetov a contract between Electrocom and Juzhoi for the microcontrollers. The contract, which was not provided to U.S. Distributor-1, identified Electrocom (with its address in Saint Petersburg, Russia) as the consignee. On or about February 8, 2023, Soldatenkova emailed Almetov the shipping label for the shipment that included the microcontrollers. A few weeks later, on or about February 27, 2023, Soldatenkova emailed an

employee at the Russia-based logistics company advising that the relevant shipment was urgent. That same day, Soldatenkova emailed an employee of a Russian aerospace company and military supplier to advise that one shipment of goods had arrived at Russian customs, and a second shipment was on the border. Soldatenkova wrote, referring to the military applications for the goods, “Due to the fact that they are dual-use, we try to make certificates for them.”

On or about March 1, 2023, Almetov sent a Juzhoi employee two emails reflecting that Export Transaction 3 involved Cyprus, Tajikistan, and Russia. He attached “invoices from Cyprus to Dushanbe, as well as from Dushanbe to Russia” (Dushanbe is the city in Tajikistan where Juzhoi is based). He also attached the Astraferos invoice that lists the 90 controlled microcontrollers, and indicated that Electrocom was buying the goods from Juzhoi. Almetov added, “They have items that need to be left in a warehouse in Dushanbe,” and stated that “The remaining positions,” which Almetov made clear included the 90 controlled microcontrollers, “must be shipped to Russia on the provided invoice.”

In or about early March 2023, the three microcontrollers arrived at Electrocom’s address in Saint Petersburg, Russia. The type of microcontrollers shipped in Export Transaction 3 have been recovered on the battlefield in Ukraine in Russian guided missiles, drones, and electronic warfare and communications devices. No BIS license was sought or obtained in connection with the export of the microcontrollers.

D. Risk of Imminent Violation

As detailed in OEE’s request and related information, since April 2022, Petrov, Soldatenkova, and Almetov, have operated an illicit procurement network using Astraferos, Ultra Trade Service, and Juzhoi as pass-throughs to export U.S.-manufactured, export-controlled electronic components to Electrocom, a supplier of the Russian military. OEE has detailed three instances of prohibited export transactions, each of which was conducted by intentionally deceiving a U.S. distributor as to the end user, intended use, and ultimate destination of the export. These violations involve significant, sensitive electronics components of types used by

the Russian military in its invasion of Ukraine and are perpetrated intentionally through deceptive means. The pattern of repeated, similar violations demonstrates a likelihood that Respondents will continue to engage in this course of conduct absent a temporary denial order to give notice to the public to cease dealing with them. The fact that Astraferos has participated in dozens of exports from the United States over the past year indicates that there is an ongoing need to “give notice to companies in the United States and abroad to cease dealing with” Respondents in order to prevent Respondents from acquiring additional U.S.-origin items, which would “risk[] subsequent disposition contrary to export control requirements.” 15 CFR 766.24(b)(3).

In sum, OEE has shown that the violations are “significant, deliberate, covert and/or likely to occur again, rather than technical or negligent,” and that a temporary denial order is appropriate to “give notice to companies in the United States and abroad to cease dealing with” Respondents in U.S.-origin items in order to prevent further violations of U.S. export controls. 15 CFR 766.24(b)(3).

III. Findings

As described above, I find that the evidence presented by BIS demonstrates that a violation of the Regulations by the above-captioned parties is imminent in both time and degree of likelihood. As such, a TDO is needed to give notice to persons and companies in the United States and abroad that they should cease dealing with Respondents in export or reexport transactions involving items subject to the EAR. Such a TDO is consistent with the public interest to preclude future violations of the Regulations given the deliberate, covert, and determined nature of the misconduct and clear disregard for complying with U.S. export control laws.

This Order is being issued on an *ex parte* basis without a hearing based upon BIS’s showing of an imminent violation in accordance with section 766.24 of the Regulations.

IV. Order

IT IS THEREFORE ORDERED:

FIRST, that **ARTHUR PETROV AKA ARTUR PETROV**, with addresses at 36 Leoforos Aigyptou, Larnaca, Cyprus and Umm Haram 66 Flat 1, Larnaca, Cyprus; **ASTRAFTEROS TECHNOKOSMOS LTD**, with addresses at 36 Leoforos Aigyptou, Larnaca, Cyprus and Umm Haram 66 Flat 1, Larnaca, Cyprus; **ZHANNA SOLDATENKOVA**, with an address at 3 Leriku Street, Riga, Latvia 1084; **ULTRA TRADE SERVICE LLC**, with an address at 3 Leriku Street, Riga, Latvia 1084; **RUSLAN ALMATOV**, with addresses at 734000 UL. B. Gafurov 13, 5; Dushanbe, Tajikistan and Dushanbe 1, Gafurov Pass 13, Tajikistan; **JUZHAI ELECTRONIC LLC**, with addresses at 734000 UL. B. Gafurov 13, 5, Dushanbe, Tajikistan and Dushanbe 1, Gafurov Pass 13, Tajikistan; and **LLC ELECTROCOM VPK ALIAS ELECTROCOM**, with an address at Proveshcheniya Prospect 99A, Room 180h, St. Petersburg, Russia; and when acting for or on their behalf, any successors or assigns, agents, or employees (each a “Denied Person” and collectively the “Denied Persons”) may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as "item") exported or to be exported from the United States that is subject to the EAR, or in any other activity subject to the EAR including, but not limited to:

A. Applying for, obtaining, or using any license, license exception, or export control document;

B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the EAR, or in any other activity subject to the EAR; or

C. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the EAR, or in any other activity subject to the EAR.

SECOND, that no person may, directly or indirectly, do any of the following:

A. Export, reexport, or transfer (in-country) to or on behalf of a Denied Person any item subject to the EAR;

B. Take any action that facilitates the acquisition or attempted acquisition by a Denied Person of the ownership, possession, or control of any item subject to the EAR that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby a Denied Person acquires or attempts to acquire such ownership, possession or control;

C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from a Denied Person of any item subject to the EAR that has been exported from the United States;

D. Obtain from a Denied Person in the United States any item subject to the EAR with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or

E. Engage in any transaction to service any item subject to the EAR that has been or will be exported from the United States and which is owned, possessed or controlled by a Denied Person, or service any item, of whatever origin, that is owned, possessed or controlled by a Denied Person if such service involves the use of any item subject to the EAR that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification, or testing.

THIRD, that, after notice and opportunity for comment as provided in section 766.23 of the EAR, any other person, firm, corporation, or business organization related to Petrov, Astraferos, Soldatenkova, Ultra Trade Service, Almetov, Juzhoi, or Electrocom by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be made subject to the provisions of this Order.

In accordance with the provisions of section 766.24(e) of the EAR, Petrov, Astraferos, Soldatenkova, Ultra Trade Service, Almetov, Juzhoi, or Electrocom may, at any time, appeal this

Order by filing a full written statement in support of the appeal with the Office of the Administrative Law Judge, U.S. Coast Guard ALJ Docketing Center, 40 South Gay Street, Baltimore, Maryland 21202-4022.

In accordance with the provisions of section 766.24(d) of the EAR, BIS may seek renewal of this Order by filing a written request not later than 20 days before the expiration date. Respondents Petrov, Astraferos, Soldatenkova, Ultra Trade Service, Almetov, Juzhoi, or Electrocom may oppose a request to renew this Order by filing a written submission with the Assistant Secretary for Export Enforcement, which must be received not later than seven days before the expiration date of the Order.

A copy of this Order shall be served on each denied person and shall be published in the *Federal Register*.

This Order is effective immediately and shall remain in effect for 180 days.

Dated: August 28, 2023.

Kevin J. Kurland,
*Deputy Assistant Secretary of Commerce
for Export Enforcement.*

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