

Abramovich's Trusts Reorganized Before Russia Sanctions – Report

By [AFP](#)

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Roman Abramovich speaks on the phone after Russian-Ukrainian talks in Istanbul on March 29, 2022.

Sergei Karpukhin / TASS

Russian oligarch Roman Abramovich's seven children became the beneficiaries of 10 offshore trusts holding assets worth billions of dollars shortly before he was hit with sanctions, Britain's Guardian newspaper reported Friday.

They acquired the beneficial ownership of the secretive trusts with assets of at least \$4 billion in early February 2022, three weeks before Russia invaded Ukraine, the Guardian said.

The "sweeping reorganization" of his financial affairs just prior to Abramovich then being sanctioned is detailed in leaked files from a Cyprus-based offshore service provider administering the trusts, the newspaper added.

An anonymous source shared the "large cache" of documents — dubbed "the Oligarch files"

— with the newspaper, it reported.

They show that Abramovich's children — five of whom are adults, with the youngest aged nine — became the trusts' majority beneficial owners.

The reorganization happened just as Western governments were threatening to sanction Russian oligarchs if Moscow ordered an invasion of Ukraine.

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It has previously been reported that his children, all Russian citizens, had been made beneficiaries of two trusts established to benefit Abramovich. But the extent of the changes now being reported was not previously known.

"The leaked documents raise questions about whether the changes to trusts were made in an attempt to shield the oligarch's vast fortune from the threat of asset freezes," said the Guardian.

Trophy assets

The newspaper noted that the reorganization could hinder efforts to enforce sanctions against Abramovich and lead to more calls for his children to face asset freezes also.

The 56-year-old former Chelsea Football Club owner is seen as a close ally of Russian President Vladimir Putin and has been sanctioned by Britain, the EU and Canada, though not the U.S.

However, the U.S. Justice Department seized two of his aircraft last year, saying they had been used in violation of sanctions on Moscow over Ukraine.

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Through the 10 trusts, Abramovich's seven children now appear to be the ultimate beneficial owners of various trophy assets long linked to him, the Guardian said.

They include a host of luxury properties, super-yachts, helicopters and other private jets.

The changes — enacted around a month before the UK government sanctioned him on March 10 — left their beneficial ownership stakes in the trusts ranging from a collective 51% to 100% in some, the paper added.

Neither Abramovich nor MeritServus, the Cyprus-based offshore service provider that administers the trusts, would answer the newspaper's questions about the arrangements. MeritServus cited privacy laws.

Abramovich, who holds Russian, Israeli and Portuguese citizenship, has denied financial ties to the Kremlin and filed legal action to overturn the EU's measures.

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