

U.S. Sets \$5.4Mln Seized from Russian Oligarch for Ukraine Reconstruction

By [AFP](#)

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Russian tycoon Konstantin Malofeyev. **Sergei Savostyanov / TASS**

The United States has for the first time transferred millions seized from a Russian oligarch to a fund for rebuilding Ukraine, the Justice Department announced Wednesday.

Some \$5.4 million seized from Russian tycoon Konstantin Malofeyev was handed over to the State Department to be used to "remediate the harms of Russia's unjust war," Attorney General Merrick Garland said in a statement.

Malofeyev, who built his fortune in banking, telecommunications and media, was indicted in April 2022 for violating sanctions related to the 2014 Russian-backed secession war in Ukraine's Donbas region and its takeover of Crimea.

The United States said Malofeyev was a main source of funding for pro-Russian separatists in eastern Ukraine.

Along with that indictment, the U.S. government took control of \$5.4 million in Malofeyev's assets, mainly an investment he had made into a Texas bank.

The United States has ordered the seizure of several Russian tycoons' assets related to Russia's 2014 actions and the 2022 invasion of Ukraine.

"While this represents the United States' first transfer of forfeited Russian funds for the rebuilding of Ukraine, it will not be the last," said Garland.

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