

# Nashi Groshi: Sentences to “Kurchenko’s group” people

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January 10, Al Jazeera TV-channel [published](#) text of a verdict to Arkadii Kashkin, former director of GazUkraina-2020 LLC, which enabled the biggest confiscation in the history of Ukraine – \$1.5 billion was returned to the state budget. It was reported that this verdict was [classified](#) (you can download [the original Ukrainian text of the verdict](#)).

According to the Prosecutor General’s Office of Ukraine, since 2010 and until February 2014 former President Viktor Yanukovych created a criminal organisation that embezzled, appropriated and alienated state property. Yanukovych engaged his close circle in the organisation’s functioning – these individuals acted as chiefs of certain structural subdivisions of the criminal organisation.

Serhii Kurchenko was among such chiefs, to achieve the planned goals he created the group of companies SEPEK (Eastern European Fuel and Energy Company).

15 departments were created in SEPEK, which were assigned names, such as “Department “Europe”, “Department “oblgaz (regional natural gas supply and distribution)”, “Department of the liquefied gas”, “Customs department”, “Security service”, “Securities and insurance trading department” etc.

According to the investigation, members of the Kurchenko controlled department of Yanukovych’s criminal organization created and purchased over 400 companies in Ukraine and abroad for sham business in the period from 2009 to 2014.

Offices of the SEPEK group had the following locations: premises of “Arena City” business center in Kyiv, offices in Kyiv at 21 Dehtiarivska Str., 69 Dmytrivska Str., in Kharkiv – at 43/1 Haharina Ave., 30 Malinovskiy Str., 21 Hanna Str., 1 Teplychna Str., in Donetsk at 138-A Artema Str., also premises of “Moscow City” (Moscow, tower “C”), as well as other unspecified locations.

According to the investigation, from March of 2010 to February of 2014 Yanukovych’s criminal organization operated unchecked on the territory of Russia and Ukraine, enabling S. Kurchenko along with other criminal organization chiefs to design and organize **committing a number of grave crimes and felonies concerning fuel and power complex and banking sphere, costing the state over 13.24 billion UAH.**

For the verdicts listed below, **convicted persons compensated 123.34 million UAH**, lion’s share of which are contributions by Katsuba and Sukhomlyn.

The following assets have been seized under the special confiscation: \$1.5 billion worth of funds and government bonds, all real estate and property and plot of land owned by Odesa Refinery PJSC and “Enerhiia I Gaz Ukraina” LLC, 97 thousand tons of oil and petroleum products or funds received from their sale (800 million UAH according to the Prosecutor General’s Office of Ukraine, but 102 million UAH from 2.5 thousand tons according to experts).

Below are the verdicts to those tried in the so-called “Kurchenko’s group” case, which were discovered in the state registry of court decisions or became known from the public statements of the heads of the Prosecutor General’s Office of Ukraine. All the people made plea bargains with investigations.

**Crimes, that were committed by members of Yanukovych criminal organization, including those under the control of Serhii Kurchenko**

	<b>Suspects/accused</b>	<b>(Special) confiscation</b>
Under articles 255 p.1 (Creation of a criminal organization), 28 p.4 (Criminal offense committed by a group of persons), 209 p.3 (Legalization (laundering) of criminally obtained money and other property) of the Criminal Code of Ukraine.	<p><i>Plea agreement with prosecutor, approved by the court:</i></p> <p>Former director of GazUkraina-2020 LLC <b>Arkadii Kashkin</b> - 5 years of suspended sentence. The verdict of March 28, 2017 was classified. January 10, 2018, Al Jazeera published the text of the verdict. The verdict describes participation of Arkadii Kashkin acting as director of shell company in legalization of the money illegally obtained by Yanukovych’s criminal group resulting from the crimes listed below in this table</p>	<p>Kashkin - partial voluntary indemnification of the caused losses for 32 thousand UAH.  <b>Special confiscation of \$1.5 bln was applied.</b></p>
Unlawful appropriation of 2.20 billion UAH worth of the liquefied gas, extracted by UkrGasVydobuvannya PJSC and UkrNafta PJSC	<p><i>Plea agreements with prosecutor, approved by the court:</i></p> <p>- former Deputy Minister of Economic Development <b>Oleksandr Sukhomlyn</b> - punishment is unknown, it is not present in the state registry. Chief Military Prosecutor A. Matios <a href="#">informed</a> about the agreement.</p> <p>- former director Cherkasy - GazSnab LLC Stanislav S. - <a href="#">5 years</a> of suspended sentence.</p> <p>- former founder of KharkivSpetsGazSnab LLC Yevhen Ye. - <a href="#">5 years</a> of suspended sentence.</p> <p>- former director of Modus Vivendi LLC Anatolii M. - <a href="#">5 years</a> of suspended sentence.</p> <p>- former director of UkrKharkivGazPostachannia-2009 LLC Oleksandr L. - <a href="#">5 years</a> of suspended sentence.</p> <p>- former director of KrymButanGaz LLC Oleksandr B. - <a href="#">5 years</a> of suspended sentence.</p> <p>- former director of LuhanskPropanGaz LLC Artem L. - <a href="#">5 years</a> of suspended sentence.</p>	<p>According to A. Matios, Chief Military Prosecutor of Ukraine, Sukhomlyn indemnified 22 mln UAH to the state budget.</p> <p>Partial voluntary indemnification of the losses caused by criminal acts, in the amount of 2,000 UAH.</p> <p>Partial voluntary indemnification of the losses caused by criminal acts, in the amount of 32,000 UAH.</p>
Unlawful appropriation of 0.45 bln UAH worth of funds of Naftogaz of Ukraine National JSC for the undelivered fuel.	<p><i>Plea agreements with prosecutor, approved by the court:</i></p> <p>- founder and director of GazUkraina-2020 LLC Denys N. - <a href="#">3 years</a> of suspended sentence.</p> <p>- former director of GazUkraina-2020 LLC <b>Arkadii Kashkin</b> - <a href="#">fine</a> of 51,000 UAH. He did not pay it, so October 30, 2015, the court <a href="#">replaced</a> his fine for 240 hours of community service.</p>	

Unlawful appropriation of 0.79 bln UAH worth of funds of the National Bank of Ukraine that was provided as an adjustment loan to Real Bank

*Plea agreements with prosecutor, approved by the court:*

- [specialist](#) of the sector of operations with borrowers of the security office of the security department of Real Bank Olha Sh.
- [5 years](#) of suspended sentence.
- specialist of the sector of operations with borrowers of the security office of the security department of Real Bank Iryna S. - [5 years](#) of suspended sentence. [The verdict](#) in the state registry became unavailable after the publication.

Unlawful appropriation of 0.84 bln UAH in total worth of funds of Brokbusinessbank via Brokbusinessbank giving illegal interbank to Real Bank and illegal placing of Brokbusinessbank's funds on the correspondent account in Real Bank

Unlawful appropriation of 1.44 bln UAH worth of funds of Brokbusinessbank via giving loans to the companies with sings of fictitious activities, violating the requirements of the current legislation of Ukraine

Unlawful appropriation of 0.50 bln UAH in total worth of funds of Ukgasbank via making sham agreements of purchase and sale of the securities - bonds of the State Mortgage Institution with Ukgasbank and the State Mortgage Institution

Unlawful appropriation of 2.07 UAH worth of funds of Agrarian Fund PJSC via making sham agreements of purchase and sale of government bonds with Agrarian Fund PJSC and agreements of direct repo with the National Bank of Ukraine

*The indictment* of the former First Deputy Head of the National Bank of Ukraine Borys Prykhodko and former head of the Board of Directors of Agrarian Fund JSC Oleksandr Kiriuk was [returned](#) to the prosecutor of the Prosecutor General's Office of Ukraine on November 30, 2017. Prosecutor and representative of Agrarian Fund appealed against the court order in Kyiv Court of Appeal. Prykhodko and Kiriuk are incriminated in a crime complicity with head of the Board of Directors Brokbusinessbank JSC Oleksandr Dynnyk and head of the Supervisory Board of the bank Denys Buhai.

Unlawful appropriation of 4.97 bln UAH in total (\$0.62 bln) worth of funds by making counterfeit agreements of Naftogaz of Ukraine National JSC to purchase jackup drilling rigs B312 and B319 (so-called “Boyko’s drilling rigs”)

*Plea agreement with prosecutor, approved by the court:*  
Former Deputy Head of Naftogaz of Ukraine National JSC **Aleksandr Katsuba** - [1 year 5 months](#) of sentence (the sentence is deemed served because the court accounted each day of his pre-trial detention as two days served)

Voluntary indemnification of 100 million UAH.

*Plea agreement with prosecutor, approved by the court:*

Deputy CEO of supply of Odesa refinery Dmytro Veremiiev - [5 years](#) of suspended sentence, fine 12750 UAH.

According to the prosecution, participating in the criminal organization in October 2013 - March 2014, using Odesa Refinery PJSC and Enerhiia I Gaz Ukraina LLC as integral property complex, meant for petroleum refining, Veremiiev evaded obligatory payments (duties) to the state budget via documenting fictitious oil refinement and its reexport outside the borders of the Customs territory of Ukraine through Lahuna-Reni LLC terminal which caused the state total losses of 2,123,041,962.19 UAH, that was not indemnified.

Veremiiev - special confiscation was applied via seizure of all movable property and real estate, plot of land, owned by Odesa Refinery PJSC and Enerhiia I Gaz Ukraina LLC, for the benefit of the state represented by the Cabinet of Ministers. When choosing punishment for Veremiiev, the Court took into account partial indemnification of the losses to the state (the sum is not indicated).

*Plea agreement with prosecutor, approved by the court:*

Head of the department of oil products sale of GazUkraina-2020 LLC Serhii K. - [5 years](#) of suspended sentence and a fine of 12,750 UAH.

He was accused of participating in the crimes committed by Kurchenko's criminal organization, he assisted in the Customs duties evasion of 2,123,041,962.19 UAH in total which is complicity in documents counterfeit and abuse of power.

Voluntary partial [indemnification](#) of the losses by the accused in the amount of 500,000 UAH.

#### Other crimes

Two members of staff of Lahuna-Reni LLC and the intermediary-organiser. All of them made plea agreements with prosecutor and got [5 years](#) of suspended sentence each and fines for less than 5,000 UAH.

They organized fictitious yet supported by the documents transit or re-export of the light oil through Lahuna-Reni LLC, which never actually took place, and the oil products were sold on the territory of Ukraine without paying obligatory taxes, duties or payments.

*Convicted:*

- former director of Lahuna-Reni LLC Oleksandr B.;
- former dispatcher of Lahuna-Reni LLC Yulia B., whose responsibilities included receiving the documents, processing the data on cargo transfer, further processing of the cargo, drawing up the acts of acceptance/delivery, expenditure statements.
- individual Ihor Ya., who found Lahuna-Reni LLC for the schemes implementation. Overall, he was responsible for assistance in purchasing the companies in the cities of Reni and Izmail that had permits to reload oil products in the mentioned seaports water area; selection of team for the sea ships, pre-agreement negotiations with them, search for river tankers to cover up fictitious oil product export by selecting suitable men, and committing illegal actions aimed at alleged oil products export.

During the pre-trial losses to the state of 808,000 UAH were indemnified. The court applied special confiscation of 97,098.355 tons of oil products, or funds obtained from their sale, including those on the accounts of the state enterprise Ukrtransnaftoprodukt. According to the Prosecutor General's office, they are worth 800 million UAH. However, the experts and activists say that only a small fraction of it can reach the state budget. The [enkor](#) site reports that, in fact, just 2.500 t of oil products remaining unsold, and 102 million UAH of funds frozen in the liquidated Fortuna bank are liable to the special confiscation. The money is to be paid by the Deposit Guarantee Fund according to the succession.

**Andrii Petrovych Koshel**, founder of SEPEK LLC.  
*Plea of guilty [agreement](#)* was made with prosecutor of the Prosecutor General's Office, but it is not present in the state registry. The agreement was approved by Dniprovskyi District Court of Kyiv. No data  
Koshel is charged with p.1 of article 255 (Creation of a criminal organization), p.4 of article 28, p.5 of article 191 of the Criminal Code (Misappropriation of somebody else's property). He was facing 7-12 year sentence with confiscation.

***Iryna Sharpinska, "Nashi Groshi". Original text:***  
***<http://nashigroshi.org/2018/01/11/vyroky-po-hrupi-kurchenka/>***