

United States Senate

March 16, 2022

President Joseph R. Biden, Jr.
The White House
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

Dear President Biden,

We write today urging you to protect American investors from unwittingly financing Vladimir Putin's war crimes against Ukraine through their investments in index funds, ETFs, bonds, and other securities. Many Russian companies remain present in the U.S. financial system, posing a risk to investors and providing capital to the Kremlin's war machine.

The undersigned seek increased sanctions on these Russian companies and institutions - including capital markets sanctions and secondary sanctions on those who seek to help Russia circumvent existing and future U.S. sanctions. While we commend the actions being taken to remove Russian companies from U.S. markets, more must be done to ensure U.S. investors are not supporting Russian companies that currently enjoy access to U.S. capital markets. We ask that you immediately take the following actions:

1. Impose capital markets sanctions on all Russian owned or controlled companies and entities present in the U.S. financial system and prohibit the trading of their securities on regulated U.S. exchanges. While your administration has implemented new debt and equity restrictions, blocking sanctions, and export controls on certain entities to date, and is working with European partners to restrict access to SWIFT for Russian banks, there are further steps that can and should be taken to restrict Russia's access to U.S. capital.
2. Establish secondary sanctions to deter China or any other nations, entities, or individuals from helping Russia circumvent sanctions. As documented in the joint statement between China and Russia on February 4, 2022, through the support of a new Gazprom pipeline through Mongolia and agreements on purchases of wheat, China actively backstops Russia economically. China has also refused to condemn Putin's invasion of Ukraine. Without the financial and diplomatic support of China, Russia's ability to carry out its invasion of Ukraine would be severely limited. We support the actions your administration has taken to deter Belarus from additional actions in support of Russia's

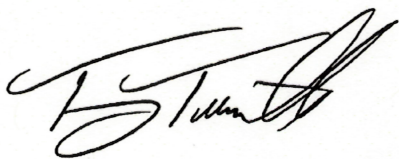
invasion. Similar measures should be considered to discourage any Chinese interest in increasing support for Russia's war in Ukraine.

After Russia's illegal invasion of Crimea in 2014, the U.S. sanctioned eight major Russian companies. The investment portfolios of more than 100 million American and European retail investors included investments related to these companies. Beyond the sanctions imposed and administered by the U.S. Treasury Department's Office of Foreign Assets Control, four of these eight companies also appear on the Commerce Department's "Entity List," which prohibits the sale of U.S. equipment and technology to enterprises because of their egregious human rights and national security abuses. These companies include: Gazprom*, Sberbank, Lukoil*, Novatek, Surgutneftegaz*, Rosneft*, VTB Bank, and Transneft.¹

While we were encouraged by the administration's efforts to sanction Gazprom, Sberbank, and VTB Bank, we strongly urge your administration to take additional action against the five other listed Russian companies already under U.S. sanctions from the 2014 invasion. We ask that full and immediate action be taken against all eight of these Russian companies and their affiliated entities to include freezing all trading of these securities immediately and suspending the purchase or sale of publicly traded Russian securities while Russia's aggression continues. Aside from these companies, appropriate capital market sanctions on certain key Russian industries and companies should be considered, including any Russian military and cyberspace industrial complex companies and Russian energy companies who may have been complicit in Russia's aggression toward Ukraine.

Aiding and abetting Russia's breach of Ukraine's sovereignty and the violations of the international rules-based order must be met with sufficient consequences in a manner that deters future aggression. Secondary sanctions remain a powerful tool that can be implemented immediately to maximize the effectiveness of sanctions already in place on Russia. To pressure Russia to reverse course and end its occupation of Ukraine, all appropriate economic tools must be brought to bear.

Sincerely,



Tommy Tuberville
United States Senator



Kevin Cramer
United States Senator

¹ * Denotes companies that are also on the U.S. Entity List.

Handwritten signature of Mike Braun in blue ink.

Mike Braun
United States Senator

Handwritten signature of James E. Risch in blue ink.

James E. Risch
United States Senator

Handwritten signature of John Cornyn in blue ink.

John Cornyn
United States Senator

Handwritten signature of Rick Scott in blue ink.

Rick Scott
United States Senator