



***United States Attorney
Southern District of New York***

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**U.S. JUDGE SENDS FORMER HIGH-RANKING UNITED NATIONS
OFFICIAL TO PRISON FOR MONEY LAUNDERING**

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that VLADIMIR KUZNETSOV, 50, was sentenced today in Manhattan federal court to 51 months' imprisonment for conspiracy to commit money laundering. On March 2, 2007, KUZNETSOV was found guilty by a jury, after less than an hour of deliberation. Prior to his arrest, KUZNETSOV served as Chairman of the Advisory Committee on Administrative and Budgetary Questions at the United Nations and was the highest-ranking Russian diplomat at the United Nations. According to the evidence at trial:

From 2000 through June 2005, KUZNETSOV laundered over \$300,000 in criminal proceeds obtained by a co-conspirator, ALEXANDER YAKOVLEV, who served as a procurement officer at the United Nations. The funds laundered by KUZNETSOV were the proceeds of a fraudulent scheme perpetrated by YAKOVLEV. Specifically, in 2000, YAKOVLEV established an off-shore company, Moxycos, Ltd., to facilitate the illicit and secret payment of money to him by, among others, foreign companies seeking assistance in securing contracts to provide goods and services to the United Nations. From 2000 to June 2005, YAKOVLEV accepted over one million dollars generated by this criminal scheme.

In early 2000, YAKOVLEV informed KUZNETSOV of the fraudulent scheme. Rather than report YAKOVLEV's conduct to law enforcement authorities or to the United Nations, KUZNETSOV agreed with YAKOVLEV that YAKOVLEV would transfer a share of the proceeds from this scheme to KUZNETSOV for KUZNETSOV's own benefit. During KUZNETSOV's trial, YAKOVLEV testified that he gave KUZNETSOV this money, in part, to fund KUNETSOV's purchase of a home in Russia. To facilitate and hide the transfer of criminal proceeds from YAKOVLEV's Moxycos account, KUZNETSOV established his own off-shore company, Nikal, Ltd. KUZNETSOV also opened a bank account in the name of Nikal, Ltd. at Antigua

Overseas Bank Limited, the same bank at which Yakovlev had previously opened an account for Moxycos, Ltd. Thereafter, from 2000 to June 2005, YAKOVLEV transferred over \$300,000 in criminal proceeds to KUZNETSOV via the Nikal account.

In addition to the term of imprisonment, United States District Judge DEBORAH A. BATTS ordered KUZNETSOV to serve a term of 2 years of supervised release and to pay a fine of \$73,671.

Mr. GARCIA praised the investigative work of the Federal Bureau of Investigation. Mr. GARCIA also thanked the United States Department of State and the United States Mission to the United Nations for their cooperation and invaluable assistance. In addition, Mr. GARCIA thanked the United Nations Office of Legal Affairs and Office of Investigative Oversight Services for their cooperation.

Assistant United States Attorneys STEPHEN MILLER and EDWARD O'CALLAGHAN are in charge of this prosecution.

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