

- **The Barker Plan is THE case study for taking aggressive action against Russian oligarchs.**
  - It doubles down on Deripaska—He loses real money and it would be really lost
  - It would permanently eliminate Deripaska's control and ensure that En+ and Rusal will always remain under independent control and in compliance with U.S. policy.
  - The true target of U.S. sanctions – Oleg Deripaska – would remain under sanctions while absorbing massive hits to both his net worth and influence.
    - He loses real money and it is really gone
    - Once that money is gone, he won't get it back
    - Any future dividends would be impounded in a U.S. account
    - He only gets that money if the U.S. later takes him personally off its sanctions list
  - It is a tough, serious approach to complying with U.S. policy goals while protecting the American aluminum market and U.S. jobs.
  - Implementation of the Barker Plan would potentially cost Deripaska Billions, meaning a significant loss directly due to sanctions and permanently ending his control of EN+ and Rusal.
  
- **The process used by En+ and OFAC starts a new era of "Smart Sanctions"**
  - This will be the biggest actual financial loss ever directly suffered by an individual oligarch as a direct result of sanctions to date.
    - This isn't a "paper" loss. It is the real deal.
  - This new approach brings pain to the intended target, not innocent U.S. and world workers
  - If successfully implemented, the Barker Plan would serve as a blueprint for future Smart Sanctions
  - It would protect the U.S. aluminum market and the U.S. workers who depend on it for their jobs.
  - The Barker Plan has been the focus of a months-long, high-level, constructive process involving Lord Barker and U.S. officials that has focused from Day One on charting a new path forward for an independent En+ and Rusal.
  - This months-long process has involved serious, constructive conversations with OFAC that have focused on one thing: complying with U.S. policy goals by permanently eliminating Deripaska's control.

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- **Approval of the Barker Plan is the Start of Real Deripaska's Pain, Not the End of the Process.**
  - Deripaska's real pain starts the day The Barker Plan is enacted.
  - The Barker Plan means continuous compliance, not set it and forget it.
  - Acceptance and implementation of the Barker Plan will chart a new path forward for En+ and Rusal protects U.S. jobs and its vital interests.
  - Successful implementation of the Barker Plan would leave En+ poised to capitalize on its robust business opportunities without the weight of sanctions.
  - Successful implementation of the Barker Plan would also protect the jobs of 100,000 hard-working people in 14 countries around the world.

### **What the Experts Are Saying About the Tough Approach Taken by Treasury ...**

"This is a good policy outcome, since the target **(Deripaska) has felt significant impact from the sanctions, but disruption to the US and global economies has been minimized**" – Brian O' Toole, former senior advisor to the director of OFAC at the U.S. Treasury, nonresident senior fellow at the Atlantic Council.

"This is absolutely a winning strategy ... It sends the message that if you are targeted by the U.S. government, you ultimately may have to give up ownership and control of your most powerful and profitable assets" – John Smith, former director of OFAC when the sanctions against En+/RUSAL were leveled, as quoted by Bloomberg News.

The success of this deal **"could make [the Treasury] more willing to go after wealthy individuals with vast holdings in the future."** Treasury now has a **playbook for imposing sanctions on a person with vast holdings and then negotiating that person's exit from the holdings while minimizing the effects of sanctions on those holdings.** Company boards can also use this as a blueprint to seek to remove sanctions and continuing to operate while separating itself from targeted individuals. – David Murray, former director of the U.S. Treasury's office of illicit finance and senior advisor to the Under Secretary for Terrorism and Financial Intelligence, as quoted by the Wall Street Journal.

"It may surprise you to hear this, given my reputation as a Putin hawk, **but I think that Treasury made the right call in this deal**" – Dan Fried, State Department coordinator for sanctions against policy and the architect of U.S. sanctions against Russia during the Obama administration, as quoted by The Daily Beast.

**"Sanctions targeting RUSAL's founder and now indirect minority shareholder, Oleg Deripaska, worked exactly the way they are supposed to and that Deripaska's fate should frighten other Russian oligarchs**

**who cooperate with Russian President Vladimir Putin's misadventures abroad or are part of his corrupt circle**" – O'Toole.

**The intent to delist the companies is consistent with U.S. law and general sanctions policy, which is to compel a change in behavior. Cutting Mr. Deripaska's stakes in the companies removes the reason for their designations** – Erich Ferrari, founder of the boutique sanctions firm Ferrari & Associates PC, as cited by the Wall Street Journal.

"This is not a case of the Trump Administration loosening sanctions for no good reason" – Fried, as quoted by Bloomberg News.

### **On the Risk Posed by Congress Derailing the Deal ...**

**"Failure to act here would undermine both the credibility and effectiveness of U.S. sanctions"** – Ferrari.

**"Deripaska has been ousted from a control of the company that has defined him for the better part of a quarter century, and he won't see a cent from that ousting ... Congress should defer to OFAC rather than letting delisting decisions become political footballs"** – O'Toole.

**"For Congress to come in and make what should be a straightforward administrative process into something political undermines the credibility of U.S. sanctions"** – Michael Dobson, former OFAC senior sanctions policy adviser, as quoted by the The Daily Beast.

**"Moreover, a denial of this action by Congress is legally risky. If EN+, RUSAL, and ESE can convince a US court that Deripaska no longer "owns or controls" either company, it is possible they could win a lawsuit in US courts challenging any continued sanctions against the companies. A single such loss would undermine the efficacy of US sanctions altogether"** – O'Toole.