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Department of Justice

U.S. Attorney's Office

Southern District of Georgia

FOR IMMEDIATE RELEASE

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Owner of Russian energy company sentenced to federal prison in scheme to evade U.S. national security trade sanctions**Two companies also sentenced for role in international conspiracy**

SAVANNAH, GA: The owner of a Russian energy company has been sentenced to federal prison for his role in a scheme to evade United States national security laws.

Oleg Vladislavovich Nikitin, 54, of St. Petersburg, Russia, was sentenced to 28 months in prison after pleading guilty to Conspiracy to Violate the International Emergency Economic Powers Act, the Export Control Reform Act and the Export Administration Regulations, said David H. Estes, Acting U.S. Attorney for the Southern District of Georgia. U.S. District Court Judge R. Stan Baker also ordered Nikitin, general director of **KS Engineering (KSE)**, a St. Petersburg-based energy company, to pay a fine of \$5,000, and to be subject to deportation upon completion of his prison term.

Judge Baker also ordered KSE and an Italian company, **GVA international Oil and Gas Services (GVA)**, to serve five years' probation.

"The United States sent a clear message that it will enforce its sanctions against any nation state that acts against U.S. national security interests," said Acting U.S. Attorney David Estes. "Our law enforcement partners performed outstanding work in preventing these conspirators from circumventing those sanctions."

As described in court documents and testimony in *United States v. World Mining and Oil Supply et. al.*, the conspiracy began in 2016 when an unnamed, Russian government-controlled business accepted a proposal submitted by Nikitin, in which KSE would provide a power turbine from a U.S.-based manufacturer for use on a Russian arctic deepwater drilling platform for approximately \$17.3 million. As part of the Russian Industry Sector Sanctions, such use was expressly prohibited by the U.S. Department of Commerce unless a license was first obtained.

In pleading guilty to the conspiracy charge in March 2021, Nikitin admitted that he was involved in a conspiracy with **Gabrielle Villone** and Villone's company GVA to obtain the turbine on behalf of KSE. Villone and GVA then employed the services of **Dali Bagrou** and his Dacula, Ga.-based company, **World Mining and Oil Supply (WMO)**, to procure the turbine from a U.S.-based manufacturer and to have the turbine shipped overseas. The parties conspired to conceal the true end user of the turbine from both the U.S. manufacturer and the U.S. government by submitting false documentation that stated the turbine would be used by a U.S. company in and around Atlanta.

Nikitin, Villone, and Bagrou all were arrested in Savannah, Ga., in 2019 while attempting to complete the illegal transaction. Villone currently is serving a 28-month prison sentence after pleading guilty to the same charge, and Bagrou awaits sentencing after pleading guilty in March.

"Oleg Nikitin knowingly attempted to illegally procure U.S. origin industrial equipment on behalf of the Russian government in violation of Russia Sectoral Sanctions," said Ariel Joshua Leinwand, Special Agent in Charge of the Bureau of Industry and Security's (BIS) Office of Export Enforcement, Miami Field Office, which oversees BIS investigations in the Southeast. "This sentence holds Nikitin accountable for his illicit efforts and is a deterrent to those who would violate U.S. exports laws and act contrary to the national security and foreign policy interests of the United States."

"This defendant was part of a bold scheme to avert United States sanctions in order to put our goods in the hands of actors who are a direct threat to our national security," said Chris Hacker, Special Agent in Charge of FBI Atlanta. "These sanctions are in place to protect our technology from being used against us. The FBI and our federal partners make it a top priority to stop anyone from bypassing them, and punishing anyone who tries to do so."

"The illegal export of technology from the United States poses a significant national security threat to our citizens and warfighters," said Cynthia A. Bruce, Special Agent in Charge, Department of Defense Office of Inspector General, Defense Criminal Investigative Service (DCIS) Southeast

Field Office. "This sentencing is the result of the tireless efforts of DCIS and our partner agencies in combating the circumvention of trade restrictions by prohibited nations."

The Department of Commerce, Bureau of Industry and Security, Office of Export Enforcement, as well as the Defense Criminal Investigative Service and the Federal Bureau of Investigation are investigating the case with assistance from U.S. Customs and Border Protection and the Georgia Department of Natural Resources. Assistant U.S. Attorneys Jennifer G. Solari and Steven H. Lee are prosecuting the case, with assistance from Assistant U.S. Attorney Xavier A. Cunningham, Section Chief of the Asset Recovery Unit.

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