

**UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK**

**YULIA TYMOSHENKO, SCOTT SNIZEK,
CHRISTY GREGORY RULLIS and JOHN DOES 1
through 50**, on behalf of themselves and all of those
similarly situated,

Plaintiffs,

-v-

**DMYTRO FIRTASH a/k/a DMITRY FIRTASH,
SEMYON MOGILEVICH, VIKTOR
YANUKOVYCH, MYKOLA AZAROV, YURIY
BOYKO, VIKTOR PSHONKA, RENAT
KUZMIN, ARTHUR G. COHEN, KAREN COHEN;
BRAD S. ZACKSON, PAUL J. MANAFORT, CMZ
VENTURES, LLC, KALLISTA INVESTMENTS
LLC a/k/a CALISTER INVESTMENTS LLC, THE
DYNAMIC GROUP a/k/a THE DYNAMIC FUND,
BARBARA ANN HOLDINGS LLC, VULCAN
PROPERTIES, INC., GROUP DF, GROUP DF
LIMITED, GROUP DF FINANCE LIMITED,
GROUP DF REAL ESTATE, and JOHN DOES 1
through 100,**

11-CV-2794 (KMW)

THIRD AMENDED COMPLAINT

Defendants.

INTRODUCTION

1. This case concerns the unlawful operations of a Racketeering Enterprise formed by the named defendants and their co-conspirators for the purpose of engaging in an unlawful acts of racketeering within the United States.

2. Upon the agreement of defendants **Dymtro Firtash** and **Semyon Mogilevich** to provide the initial funding for the formation of defendants' U.S.-based Racketeering Enterprise, the New York and Washington-based defendants **Arthur G. Cohen**, his wife, **Karen Cohen**, **Brad S. Zackson** and **Paul J. Manafort**, and their various companies - **CMZ Ventures, LLC**, **Kallista Investments LLC a/k/a Calister Investments LLC**, **The Dynamic Group a/k/a The Dynamic Fund**, **Barbara Ann Holdings LLC**, and **Vulcan Properties, Inc.**—all of whom

were part of the Racketeering Enterprise, conducted a series and pattern of racketeering acts within the U.S., including the acquisition of various U.S. companies and businesses in furtherance of their Racketeering Enterprise, in violation of the Racketeer Influenced and Corrupt Practices Act (“RICO”), 18 U.S.C. § 1961 *et seq.*

3. The initial funds for the operation of defendants’ Racketeering Enterprise came from the unlawful profits that defendant Dmytro Firtash and others “skimmed” from RosUkrEnergo AG (“RUE”) which, from 2004 to early 2009, served as a middleman in natural gas dealings between Naftogaz, a Ukrainian state-owned gas company, and Gazprom, a Russian company. Firtash, who largely controls RUE, was able to secure profits from various corrupt Russia-Ukraine gas deals due to his close relationship with, and payment of illegal kickbacks to, Ukrainian government officials, including then Naftogaz Chairman Yuriy Boyko and Deputy Chairman Ihor Voronin, both of whom were nominated to RUE’s Coordination Committee after securing RUE’s initial brokerage contract.

4. Firtash and the U.S.-based defendants and co-conspirators, which together constitute a domestic U.S. racketeering enterprise, used the proceeds from the Russia-Ukraine gas deals to acquire various U.S.-based companies and entities, which were then incorporated into defendants’ racketeering enterprise and used to generate unlawful proceeds by means of a series of racketeering acts spanning over a period of several years and continuing to the present, including but not limited to the laundering of money through various U.S.-based companies and real estate development entities for the purpose of (a) defrauding innocent third party real estate owners, investors and businesses of their valuable time, money and property through sham real estate development and sales proposals that lured said third parties into thinking that defendants were making legitimate investments into various U.S.-based real estate projects and offering

legitimate real estate investment opportunities in Ukraine for U.S.-based investors, when in truth and in fact, defendants never intended to actually close on and complete any of the U.S. and Caribbean-based real estate development projects, and, in the case of the Ukrainian based real estate investment “opportunities” for unsuspecting U.S. investors, offering said “investment opportunities” at grossly inflated prices and thus defrauding those investors who paid defendants money for participation in such sham and grossly overpriced projects; (b) funneling a substantial portion of the money that was laundered through New York bank accounts under the guise of supposedly legitimate real estate development projects back through the labyrinth of Firtash and Group DF companies and bank accounts located in Europe, Cyprus, Panama and elsewhere so that virtually untraceable funds could be generated to pay the Ukrainian defendant prosecutors and others in the Yanukovich Administration to “finance” the continued campaign to destroy, neutralize and silence Tymoshenko and her political opposition allies; and (c) using their New York-based “front” companies to defraud the New York based individual plaintiffs and their co-workers of the compensation and benefits to which they were entitled for the extensive time, money and energy that they devoted to defendants’ real estate development projects that they thought were genuine, but which the defendants were merely using to further their money laundering and other racketeering activities in the U.S. but had no intention of actually bringing said projects to fruition.

5. Throughout the relevant time period, former Prime Minister Tymoshenko was a vocal critic of RUE’s gas contracts and the government corruption that enabled RUE to secure these contracts. Early in 2008, for example, during Tymoshenko’s second term as Prime Minister, she revoked the authority of a RUE/Naftogaz joint venture to operate in Ukraine. Thereafter, to end the European “gas crisis” in January 2009, Tymoshenko facilitated the

negotiation of gas purchase and transit contracts with Gazprom (hereinafter referred to as Ukraine's "2009 gas contracts"), which eliminated RUE as a middleman, resulting in a significant loss of revenue to RUE, which was the primary source of the initial funding used by defendants to establish their U.S. based Racketeering Enterprise.

6. Although defendants Firtash, and his agents and co-conspirators, attempted to sabotage the 2009 gas contracts during Tymoshenko's term as Prime Minister, they were unsuccessful in doing so at the time. Following the conclusion of the contracts and Naftogaz's confiscation of RUE's gas, Firtash and RUE developed a scheme and strategy to eliminate Tymoshenko and other leaders of the political opposition as a threat to their initial funding of the newly formed and U.S.-based racketeering enterprise they were building.

7. When Yanukovich took office as the President of Ukraine in February 2011, several of Firtash's close allies were appointed to senior posts in the Yanukovich Administration and other positions of influence. For example, Yuriy Boyko, a close associate of Firtash who was instrumental in securing RUE's brokerage contracts in Ukraine's earlier Naftogaz-Gazprom gas deals, was appointed Minister for Fuel and Energy. Another close Firtash associate also replaced Naftogaz CEO Ihor Didenko, who has since been arrested for signing the 2009 gas contracts on behalf of Naftogaz.

8. In order to recoup the monies that Firtash and his co-conspirators had "lost" when RUE was barred from acting as the broker in the natural gas contracts between Russia and Ukraine, the Yanukovich government essentially conceded RUE and Firtash's bogus claims and failed to defend Ukrainian citizens' financial interests in the Stockholm Arbitration brought by RUE and Firtash. As a result of this complete reversal of position in the Arbitration proceedings, Firtash and RUE were awarded 12.1 billion cubic meters of gas, equal

in value to \$3.5 billion and exceeding half of Ukraine's domestic reserves at the time.¹

9. To ensure that the natural gas “commission” monies, which were being used as the initial financing of their U.S.-based Racketeering Enterprise, would never again be cut-off, Firtash, RUE and their co-conspirators targeted for elimination former Prime Minister Tymoshenko and other political opposition leaders who were outspoken critics of RUE's involvement in the Russia-Ukraine gas trade. These sham investigations and “show trials” were part of a widespread and systematic pattern of terror and intimidation carried out by the defendants and their co-conspirators within the Yanukovich Administration, against leaders of the political opposition who posed a threat to the uninterrupted flow of natural gas contract “commissions” being used to finance the start-up of defendants' U.S.-based Racketeering Enterprise.

PARTIES

A. Plaintiff and Plaintiff Class Members

10. Plaintiff **YULIA TYMOSHENKO** brings this civil RICO action individually and on behalf of the entire class of persons who have been damaged by defendants' acts of racketeering in furtherance of their scheme to establish and fund their U.S.-based Racketeering Enterprise. Tymoshenko was the Prime Minister of Ukraine for a period of time in 2005, and again from 2007 to 2010. She has also served as the leader of the largest opposition party in Ukraine. As part of a concerted attempt to protect the flow of gas contract-related “commissions” used to fund the expansion of defendants' racketeering enterprise based in the U.S., defendants and their co-conspirators have subjected Tymoshenko to a series of politically

¹ Because Naftogaz is entirely state-owned, this colossal judgment is ultimately being paid by Ukrainian citizens.

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