



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

IRAQI SANCTIONS REGULATIONS

GENERAL LICENSE

(Granted under the authority of Section 203 of the International Emergency Economic Powers Act (50 U.S.C. § 1702), Section 5 of the United Nations Participation Act (22 U.S.C. §. 287c), Executive Order No. 12722 of August 2, 1990, Executive Order No. 12724 of August 9, 1990, and Parts 501 and 575 of Title 31 of the Code of Federal Regulations.)

§ 575.533 Certain new transactions.

(a) New Transactions. Except as provided in paragraph (b) of this section, on or after the effective date of this section, all transactions that are otherwise prohibited by subpart B of 31 CFR part 575 are authorized.

Note to paragraph (a): This authorization does not eliminate the need to comply with other provisions of 31 CFR chapter V or with other applicable provisions of law, including any aviation, financial, or trade requirements of agencies other than the Department of the Treasury's Office of Foreign Assets Control. Such requirements include the

International Traffic in Arms Regulations (22 CFR chapters 120-130) administered by the Department of State.

(b) Continued Blocking, Special Provisions for Certain Exports and Reexports, and Additional Conditions.

(1) All property and interests in property that were blocked pursuant to subpart B of 31 CFR part 575 as of the effective date of this section remain blocked and subject to the prohibitions and requirements of 31 CFR part 575.

(2) The exportation from the United States or, if subject to U.S. jurisdiction, the exportation or reexportation from a third country to Iraq of any goods or technology (including technical data or other information) controlled by the Department of Commerce under the Export Administration Regulations (15 CFR chapter VII, subchapter C) for exportation to Iraq must be separately authorized by or pursuant to 31 CFR part 575.

Note to paragraph (b) (2): The term "controlled by the Department of Commerce" means subject to a license requirement under the Department of Commerce's Export Administration Regulations (EAR). Items subject to a

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license requirement under the EAR include items on the Commerce Control List that are listed in section 746.3 of the EAR as requiring a license for exportation or reexportation to Iraq, as well as items and activities that require a license under the end-use and end-user provisions of part 744 of the EAR. To inquire whether particular goods or technology are controlled by the Department of Commerce under the Export Administration Regulations for exportation to Iraq, the exporter or reexporter should contact the Department of Commerce, Bureau of Industry and Security.

(3) This section does not authorize any transactions with (i) persons or organizations determined by the Director of the Office of Foreign Assets Control to be included within 31 CFR § 575.306, (ii) persons on the Defense Department's 55-person Watch List, or (iii) persons identified by the 661 Committee pursuant to paragraphs 19 and 23 of United Nations Security Council Resolution 1483, adopted May 22, 2003.

Note to paragraph (b) (3): Persons determined by the Director of the Office of Foreign Assets Control to be included within 31 CFR § 575.306 are also known as specially-designated nationals ("SDNs") of the Government of Iraq. These persons are included in Appendix A to 31 CFR chapter V, and an up-to-date list is maintained on the Office of Foreign Assets Control's website at <http://www.treas.gov/ofac>.


(4) This section does not authorize any transactions with respect to Iraqi cultural property or other items of archaeological, historical, cultural, rare scientific, and religious importance illegally removed from the Iraq National Museum, the National Library, and other locations in Iraq since August 6, 1990. Any trade in or transfer of such items, including items with respect to which reasonable suspicion exists that they have been illegally removed, remains prohibited by subpart B of 31 CFR part 575.

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(c) Effective Date. This section is effective May
23, 2003.

Issued by direction and on behalf of the Secretary of the
Treasury:

OFFICE OF FOREIGN ASSETS CONTROL

By  5/23/03

R. Richard Newcomb
Director

IRAQI SANCTIONS REGULATIONS

GENERAL LICENSE (#1)

(Granted under the authority of Section 203 of the International Emergency Economic Powers Act (50 U.S.C. § 1702), Section 5 of the United Nations Participation Act (22 U.S.C. § 287c), Executive Order No. 12722 of August 2, 1990, Executive Order No. 12724 of August 9, 1990, and Parts 501 and 575 of Title 31 of the Code of Federal Regulations.)

§ 575.529 Non-commercial funds transfers and related transactions.

(a) U.S. persons are authorized to transfer funds to any person in Iraq for non-commercial humanitarian purposes, including family remittances, provided that no U.S. person may transfer more than \$500 per month to any person in Iraq.

(b) U.S. financial institutions are authorized to engage in all transactions ordinarily incident to the transfer of funds authorized by paragraph (a), including the opening of new correspondent accounts for funds transfers with Iraqi financial institutions. U.S. financial institutions may rely on originators of funds transfers with regard to compliance with 31 CFR part 575.

(c) This section does not authorize transfers from blocked accounts.

Issued by direction and on behalf of the Secretary of the Treasury:

OFFICE OF FOREIGN ASSETS CONTROL

By R. Richard Newcomb
Director
May 7, 2003

IRAQI SANCTIONS REGULATIONS

GENERAL LICENSE (#2)

(Granted under the authority of Section 203 of the International Emergency Economic Powers Act (50 U.S.C. § 1702), Section 5 of the United Nations Participation Act (22 U.S.C. § 287c), Executive Order No. 12722 of August 2, 1990, Executive Order No. 12724 of August 9, 1990, and Parts 501 and 575 of Title 31 of the Code of Federal Regulations.)

§ 575.530 Activities by the U.S. Government and its contractors or grantees.

(a) Subject to the provisions of paragraph (b), U.S. government agencies and their contractors or grantees are authorized to engage in all transactions otherwise prohibited by subpart B of 31 CFR part 575 that are within the scope of their official duties or the relevant U.S. government contracts or grants.

(b) (1) The exportation from the United States or, if subject to U.S. jurisdiction, the exportation or reexportation from a third country to Iraq of any goods or technology (including technical data or other information) controlled by the Department of Commerce under the Export Administration Regulations (15 CFR chapter VII, subchapter C) for exportation to Iraq must be separately authorized by or pursuant to 31 CFR part 575.

(2) If the contracting or granting U.S. government agency has determined that the relevant contract or grant is not in support of U.S. government humanitarian assistance or reconstruction efforts in Iraq, or not in support of U.S. or allied forces deployed in military contingency, humanitarian, or peacekeeping operations in Iraq, then the exportation or reexportation of any goods to Iraq must be submitted to the 661 Committee to the extent and in the manner required under applicable UN Security Council resolutions. If this subparagraph applies to a proposed exportation or reexportation, the exporter or reexporter should contact the Office of Peacekeeping and Humanitarian Operations, Room 5323, U.S. Department of State, 2201 C Street NW, Washington, DC 20520 (tel 202/647-2708, fax 202/647-3261) for procedures concerning submissions to the

661 Committee.

(c) All payments and funds transfers initiated pursuant to this authorization, and all related documentation, must reference this section number.

Note 1 to § 575.530: This authorization, and the restrictions on certain exportations or reexportations extend to the activities of any subcontractors or other persons who are engaged to perform activities within the scope of the relevant contract or grant. See 31 CFR § 575.418.

Note 2 to § 575.530: U.S. citizens who wish to travel to Iraq pursuant to this authorization may be required to apply to the Department of State to have their passports validated for travel to Iraq, pursuant to 22 CFR 51.73 and 51.74 and public notices issued thereunder, including Public Notice 4283, 68 Fed. Reg. 8791 (February 25, 2003), as amended by Public Notice 4337, 68 Fed. Reg. 18722 (Apr. 16, 2003), and any subsequent public notices regarding the restriction on the use of U.S. passports for travel to, in or through Iraq. Such applications, if required, should be submitted to the Deputy Assistant Secretary for Passport Services, ATTN: Office of Passport Policy and Advisory Services, U.S. Department of State, 2401 E Street, NW, Washington, DC 20522-0907. Such applications must include the applicant's name, date and place of birth, dates of proposed travel, and purpose of the trip. This general license does not in any way create a presumption in favor of passport validation.

Issued by direction and on behalf of the Secretary of the Treasury:

OFFICE OF FOREIGN ASSETS CONTROL

By R. Richard Newcomb
Director
May 7, 2003

IRAQI SANCTIONS REGULATIONS

GENERAL LICENSE (#3)

(Granted under the authority of Section 203 of the International Emergency Economic Powers Act (50 U.S.C. § 1702), Section 5 of the United Nations Participation Act (22 U.S.C. § 287c), Executive Order No. 12722 of August 2, 1990, Executive Order No. 12724 of August 9, 1990, and Parts 501 and 575 of Title 31 of the Code of Federal Regulations.)

§ 575.531 Authorization of privately financed humanitarian transactions.

(a) Subject to the conditions and limitations set forth in paragraphs (b)-(e) of this section, all transactions otherwise prohibited by subpart B of 31 CFR part 575 that are necessary to provide privately financed humanitarian support, or to plan or prepare for the provision of humanitarian support, to the Iraqi people in Iraq are authorized. Transactions authorized by this section include, but are not limited to, the exportation to Iraq of goods and services necessary for the provision of humanitarian support, the financing of such humanitarian support, travel-related transactions necessary to provide humanitarian support, and related funds transfers by U.S. financial institutions.

Note to paragraph (a): The term humanitarian support means, as this term has been defined by the Department of State for relevant United Nations Security Council Resolutions on Iraq, humanitarian relief, educational, cultural, recreational, and human rights-related activities, and activities to ameliorate the effects of or to investigate war crimes. Such purposes may include preparatory activities and transactions. See 31 CFR § 575.330.

(b) The exportation from the United States or, if subject to U.S. jurisdiction, the exportation or reexportation from a third country to Iraq of any goods or technology (including technical data or other information) controlled by the Department of Commerce under the Export Administration Regulations (15 CFR chapter VII, subchapter C) for exportation to Iraq or listed on the United Nations

Goods Review List must be separately authorized by or pursuant to 31 CFR part 575.

(c) Any exportation or reexportation of goods to Iraq pursuant to this authorization must be submitted to the United Nations 661 Committee to the extent, and in the manner, required under applicable UN Security Council resolutions. For procedures concerning submissions to the 661 Committee, the exporter or reexporter should contact the Office of Peacekeeping and Humanitarian Operations, Room 5323, U.S. Department of State, 2201 C Street NW, Washington, DC 20520 (tel 202/647-2708, fax 202/647-3261).

(d) This section does not authorize any transactions with persons on the Department of Defense's 55-person Watch List.

(e) All payments and funds transfers initiated pursuant to this authorization, and all related documentation, must reference this section number.

Note to § 575.531: U.S. citizens who wish to travel to Iraq pursuant to this authorization may be required to apply to the Department of State to have their passports validated for travel to Iraq, pursuant to 22 CFR 51.73 and 51.74 and public notices issued thereunder, including Public Notice 4283, 68 Fed. Reg. 8791 (February 25, 2003), as amended by Public Notice 4337, 68 Fed. Reg. 18722 (Apr. 16, 2003), and any subsequent public notices regarding the restriction on the use of U.S. passports for travel to, in or through Iraq. Such applications, if required, should be submitted to the Deputy Assistant Secretary for Passport Services, ATTN: Office of Passport Policy and Advisory Services, U.S. Department of State, 2401 E Street, NW, Washington, DC 20522-0907. Such applications must include the applicant's name, date and place of birth, dates of proposed travel, and purpose of the trip. This general license does not in any way create a presumption in favor of passport validation.

Issued by direction and on behalf of the Secretary of the Treasury:

OFFICE OF FOREIGN ASSETS CONTROL

By R. Richard Newcomb
Director
May 7, 2003

IRAQI SANCTIONS REGULATIONS

GENERAL LICENSE (#4)

(Granted under the authority of Section 203 of the International Emergency Economic Powers Act (50 U.S.C. § 1702), Section 5 of the United Nations Participation Act (22 U.S.C. § 287c), Executive Order No. 12722 of August 2, 1990, Executive Order No. 12724 of August 9, 1990, and Parts 501 and 575 of Title 31 of the Code of Federal Regulations.)

§ 575.532 Certain exports and reexports to Iraq.

The exportation from the United States or, if subject to U.S. jurisdiction, the exportation or reexportation from a third country to Iraq of any goods is authorized, provided that (a) the exportation or reexportation of any goods or technology (including technical data or other information) controlled by the Department of Commerce under the Export Administration Regulations (15 CFR chapter VII, subchapter C) for exportation to Iraq, or listed on the United Nations Goods Review List, must be separately authorized by or pursuant to 31 CFR part 575, and (b) any exportation or reexportation to Iraq must be submitted to the 661 Committee to the extent and in the manner required under applicable UN Security Council resolutions. For procedures concerning submissions to the 661 Committee, the exporter or reexporter should contact the Office of Peacekeeping and Humanitarian Operations, Room 5323, U.S. Department of State, 2201 C Street NW, Washington, DC 20520 (tel 202/647-2708, fax 202/647-3261).

Issued by direction and on behalf of the Secretary of the Treasury:

OFFICE OF FOREIGN ASSETS CONTROL

By R. Richard Newcomb
Director
May 7, 2003

Executive Order Termination of Emergency with Respect to the Actions and Policies of Unita and Revocation of Related Executive Orders

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.), the National Emergencies Act (50 U.S.C. 1601 et seq.) (NEA), section 5 of the United Nations Participation Act of 1945, as amended (22 U.S.C. 287c), and section 301 of title 3, United States Code, and in view of United Nations Security Council Resolution 1448 of December 9, 2002,

I, GEORGE W. BUSH, President of the United States of America, find that the situation that gave rise to the declaration of a national emergency in Executive Order 12865 of September 26, 1993, with respect to the actions and policies of the National Union for the Total Independence of Angola (UNITA), and that led to the steps taken in that order and in Executive Order 13069 of December 12, 1997, and Executive Order 13098 of August 18, 1998, has been significantly altered by the recent and continuing steps toward peace taken by the Government of Angola and UNITA. Accordingly, I hereby terminate the national emergency declared in Executive Order 12865, revoke Executive Orders 12865, 13069, and 13098, and order:

Section 1. Pursuant to section 202 of the NEA (50 U.S.C. 1622), termination of the national emergency with respect to the actions and policies of UNITA shall not affect any action taken or proceeding pending, not finally concluded or determined as of the effective date of this order, or any action or proceeding based on any act committed prior to the effective date of this order, or any rights or duties that matured or penalties that were incurred prior to the effective date of this order.

Sec. 2. This order is not intended to, and does not, create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, or its departments, agencies, entities, officers, employees, or agents.

Sec. 3. (a) This order is effective 12:01 a.m. eastern daylight time on May 7, 2003.

(b) This order shall be transmitted to the Congress and published in the Federal Register.

GEORGE W. BUSH
THE WHITE HOUSE,
May 6, 2003.



FOREIGN ASSETS CONTROL REGULATIONS FOR THE SECURITIES INDUSTRY

Recently, a U.S. bank blocked a funds transfer en route to a U.S. securities account held in the name of an attorney residing in Geneva. Two broker/dealers and two clearing firms had been taking orders and operating securities accounts for him for quite some time and had understood that both he and his family enjoyed excellent reputations. What was the problem? The attorney had been identified as an agent of the Iraqi government and U.S. law required that his assets be blocked beginning in November of 1994. For the U.S. securities firms involved, each transaction handled for the attorney after his designation as a "Specially Designated National of Iraq" could mean civil penalties of up to \$275,000!

You might receive instructions from a long-time customer to wire sales proceeds to an account at the Arab Bank for Investment and Foreign Trade (ARBIFT) in the U.A.E. or to an account at Banque Intercontinentale Arabe (BIA) in Paris, France. All in a day's work, right? Wrong. These funds will most likely be blocked because both ARBIFT and BIA have been found to be acting on behalf of Libya. Your firm may be fined up to \$11,000 for initiating the transfer, even though your own bank blocked it. You'll also have to break the news to your client that his funds may be in limbo indefinitely.

You might also unwittingly open a margin account for a customer who happens to be a Cuban national, in which case the U.S. Government may be the least of your problems! Your firm could be on the hook for any purchases made on margin for this client before you realize that all of his U.S. assets are frozen.

These examples illustrate how costly it can be to run afoul of U.S. laws enforced by the U.S. Treasury Department's Office of Foreign Assets Control (OFAC). OFAC administers sanctions and embargo programs involving Libya, Iran, Iraq, Sudan, and Cuba, and administers restrictions on imports from North Korea; prohibitions against certain imports, exports and services relating to the UNITA faction in Angola; prohibitions against imports from designated foreign persons who promote the proliferation of weapons of mass destruction; prohibitions against imports of rough diamonds from Sierra Leone, Liberia, and Angola; prohibitions against new investment in Burma (Myanmar); and prohibitions against transactions with designated terrorists and terrorist organizations, international narcotics traffickers, and parties related to a January 2001 Executive Order involving Serbia & Montenegro and a March 2003 Executive Order involving Zimbabwe. Securities firms are prohibited from dealing in securities issued from target countries and governments and must "block" or "freeze" accounts, assets, and obligations of an extensive number of blocked entities and individuals located in cities all over the globe. OFAC also administers sanctions involving the governments of Syria and North Korea, forbidding U.S. persons from receiving unlicensed donations from them and from receiving a transfer from them with respect to which the U.S. person knows or has reasonable cause to believe that the transfer poses a risk of furthering terrorist acts in the United States. OFAC also retains controls over certain assets blocked under previous programs against the Federal Republic of Yugoslavia (Serbia & Montenegro) and North Korea.

Criminal violations of the statutes administered by OFAC can result in corporate and personal fines of up to \$1 million and 12 years in jail. OFAC also has independent authority to impose civil penalties of up to \$275,000 per count.

To assure that illicit transactions are not processed, much of the banking industry has installed sophisticated and highly effective "interdict" software to block questionable funds transfers and other transactions. Because of the current level of electronic compliance programs in the financial community, it is more likely now than ever that violations by the securities industry will come to the attention of OFAC.

In light of this, targeted countries, entities, and individuals are likely in search of "safer places" to hide assets, including in securities firms. To prevent this from happening and to avert violations and costly enforcement actions, it is critical that securities firms establish internal compliance programs.

OFAC Customer Assessment Checklist

It is recommended that you start by taking a look at your existing customer accounts to determine whether you are properly treating those that are blocked by existing sanctions, including:

- personal and commercial accounts held in the name of or on behalf of individuals or organizations appearing on OFAC's SDN list;
- accounts with Cuban addresses;
- personal accounts held in the name of nationals of Cuba, regardless of address (except nationals unblocked by OFAC license);
- accounts held in the name of the government of Cuba, Libya, Sudan, Iraq, pre-January 19, 2001 Serbia, or pre-January 19, 2001 Federal Republic of Yugoslavia (including all financial institutions and state-owned and socially-owned entities organized in the Federal Republic of Yugoslavia or located in the Republic of Serbia as of June 9, 1998, any successors to such entities, and their respective subsidiaries and branches, wherever located); and
- accounts owned by individuals acting for or on behalf of any of the account parties listed above or accounts owned by entities which are owned or controlled by any of the account parties listed above.

Continued trading on the national securities exchanges on behalf of blocked Cuban and North Korean customer accounts is authorized provided that certain conditions, which are intended to preserve the blocking of resulting assets and proceeds, are met.

Although no blocking provisions apply with regard to Iranian accounts, firms may not act on buy or sell orders originating from the Government of Iran, or individuals or entities located in Iran. At the request of the account holder, a firm may close out an Iranian account and effect a

one-time lump sum transfer of all remaining account funds and other assets to the account holder.

With regard to accounts for commercial enterprises operating in targeted countries, you should be aware that there is a prohibition on the performance of contracts in support of industrial, commercial, or governmental projects in those areas. This would include transferring funds to a third party in support of its operations in the targeted country.

OFAC Securities Assessment Checklist

Next, you should review the securities in your custody to determine whether you are treating properly any that are blocked, including:

- securities registered or inscribed in the name of a Cuban national (regardless of whether the registered or inscribed owner appears to have assigned, transferred or otherwise disposed of the security);
- sovereign debt securities representing obligations of the governments of Cuba, Libya, Sudan, Iraq, Burmese development-related issues of the government of Burma or private firms subsequent to May 20, 1997;
- debt or equity securities representing obligations of, or ownership interests in, companies appearing on OFAC's SDN list;
- debt or equity securities representing obligations of, or ownership interests in, companies located in Cuba; or
- bankers acceptances that indicate on their face that they relate to unauthorized trade transactions involving North Korea, Cuba, Libya, Iran (post June 5, 1995 shipments), Sudan (post December 4, 1997 shipments), Iraq, exports of arms, arms materiel, petroleum, petroleum products, aircraft or aircraft components to UNITA or unapproved locations in Angola, exports of mining equipment, motorized vehicles, watercraft, spare parts for motorized vehicles or watercraft to unapproved locations in Angola, imports of uncertified diamonds from Angola, Sierra Leone, or Liberia, or imports produced or provided by foreign persons designated by the Secretary of State as having engaged in activities related to the proliferation of weapons of mass destruction.

You should also scrutinize any other securities which you have reason to believe represent obligations of, or ownership interests in, entities owned or controlled by blocked commercial or governmental entities referenced above.

OFAC Banking Checklist

Before they are relayed to your bank, outgoing wire transfer instructions should be reviewed to insure that:

- neither intermediary banks nor banks of beneficiaries appear on OFAC's SDN list;
- the funds are not destined for Cuba, Libya, or Iraq;
- the beneficiary is not otherwise blocked (to determine whether a beneficiary is blocked, apply the same criteria as those found in the OFAC Customer Assessment Checklist); and
- The transaction is not related to commercial transactions in a targeted country.

Blocked Accounts and Securities

Blockings must be reported within 10 days by fax to OFAC Compliance Division at 202/622-2426. Debits to blocked accounts are prohibited, although credits are authorized. Cash balances in customer accounts must earn interest at commercially reasonable rates. Blocked securities may not be paid, withdrawn, transferred (even by book transfer), endorsed, guaranteed, or otherwise dealt in without an OFAC license. OFAC also requires the filing of a comprehensive annual report on blocked property held as of June 30 by September 30 each year. The report is to be filed using Form TDF 90-22.50, which follows, and which is also available on OFAC's website or from OFAC's fax-on-demand service. Requests to submit the information in an alternative format or for an extension of the reporting deadline are invited and will be considered on a case-by-case basis by OFAC.

U.S. persons involved in litigation, arbitration, or other binding alternative dispute resolution proceedings regarding blocked property must: provide notice of such proceedings to OFAC Chief Counsel, submit copies of all documents associated with such proceedings within 10 days of their filing to OFAC Chief Counsel at U.S. Treasury Department, 1500 Pennsylvania Ave., NW — 3123 Annex, Washington, DC 20220, and fax information about the scheduling of any hearing or status conference to OFAC Chief Counsel at 202/622-1911.

Hedge Funds and Alternative Investments

All investments and transactions in the United States or involving U.S. persons anywhere in the world fall under U.S. jurisdiction and need to comply with OFAC regulations. Because of their loosely regulated nature and the ability to handle transactions through offshore locations, US-managed hedge funds and other alternative investment vehicles may be attractive investments for sanctions targets. Hostile governments as well as persons, businesses and organizations linked to terrorism and narcotics trafficking have the potential to use such investments to gain access to the U.S. financial system or to launder money.

U.S. investment companies, managers and investors must be vigilant in dealing with these instruments, which include hedge funds, futures, derivatives and fund of funds. Hedge funds and their investment instruments are often once or twice removed from originating investments. U.S. managers and investors must be aware of all the underlying investments making up their portfolios. Funds may contain illegal investment vehicles such as sovereign bonds of the Republic of Cuba or those of other sanctioned foreign governments such as Iran, Iraq, Libya, and Sudan. Without proper authorization, it is unlawful for U.S. persons to invest in oil futures contracts involving Iraqi, Iranian, Libyan or Sudanese crude oil. All investment instruments should be scrutinized to assure that they do not represent obligations of, or ownership interests in, entities owned or controlled by sanctions targets.

U.S. companies and their offshore offices are responsible for maintaining identifying information concerning all clients, investors, and beneficiaries as well as for knowing the source of investment funds. It is recommended that identities be checked against OFAC's SDN list and reported if they appear to be authentic matches.

Please see OFAC's website for specific details concerning sanctions programs or call OFAC at 1-800-540-6322 to speak with an OFAC representative regarding individual questions and situations.

Ongoing OFAC Compliance

The information on the OFAC assessment checklists will assist you when you evaluate new clients and unfamiliar investment securities. In addition, it may be helpful to designate a "Compliance Officer" responsible for monitoring compliance with OFAC programs and overseeing blocked accounts and securities. Internal auditing departments can assist in the development of "corporate compliance memoranda" and verification that procedures, once established, are being followed. An effective internal communication network is critical for regulatory compliance. Firms might consider including regulatory notices and explanations in staff newsletters. Compliance training programs will help prevent violations.

Other useful measures would include reviewing regulations in staff meetings, incorporating compliance requirements into operating procedures, and joining with other firms to sponsor compliance seminars.

The economic sanctions programs of the U.S. Government are powerful foreign policy tools. Their success requires the active participation and support of every U.S. citizen. Protect your firm from losses and civil penalty exposure — don't open your doors to OFAC targets; stay abreast of U.S. sanctions law. When in doubt about a specific account or transaction, or in need of additional information, contact OFAC's Compliance Hotline for financial institutions at **1-800-540-OFAC (6322)**. It should be noted that OFAC has a Miami branch office (909 Southeast First Avenue, Suite 735A) with a special bi-lingual hotline relating to information on the Cuban embargo; that hotline number is 305/810-5170.

Additional Information

Whenever there is an update to any OFAC regulation, an addition or removal of an SDN, or any other announcement from OFAC, the information is quickly made available electronically via many different sources.

- All of OFAC's program "brochures," as well as SDN information, are available free in downloadable camera-ready Adobe Acrobat® "*.PDF" format over the Treasury Department's World Wide Web Server. OFAC's Home Page site is <<http://www.treas.gov/ofac>>. The Page also contains a self-extracting ASCII file of the SDN list in DOS, delimited, fixed-field, and country-specific versions, a free Adobe Acrobat Reader® to view and print "*.PDF" files, access to all OFAC-related Executive Orders, U.N. Resolutions, statutes, regulations, and the *Code of Federal Regulations* as well as to brochures in ASCII format, and a wealth of other material. All of OFAC's "forms," including its Annual Report on Blocked Property, Cuban Remittance Affidavit, and license application are electronically available on the site. The Treasury Department provides two E-mail subscription services—one to OFAC's Financial Operations Bulletin updates and the other to OFAC's "What's New" file. In addition, whenever there is a change involving urgent information requiring immediate implementation, the [DATE] changes on the face of the primary Page; users can automate their compliance by structuring their Internet connection to use a Web browser to watch for that date change, check a "Bulletin" file to get the details about changes, and download OFAC's latest information for incorporation, for example, into interdiction software. There is a separate date-indicator for OFAC's SDN list. OFAC's secondary Page on the site entitled "Recent OFAC Actions of Interest" contains date-specific "What's New" files with their own dates. Those not directly involved in operations areas can automate their ability to keep current with OFAC's general information by structuring their Internet connection to use their Web browser to watch for those date changes on the secondary Page to check the "What's New" file to get the
- details about changes, and download OFAC's latest information. There may be times when the date on the secondary Page will be later than the date on the primary Page because some OFAC "Actions of Interest" may not rise to the level of an urgent bulletin. Call OFAC Compliance at 1-800-540-6322 with any questions.
- OFAC operates a free automated **fax-on-demand service**, which can be accessed 24 hours a day, seven days a week, by dialing 202/622-0077 from any touchtone phone and following voice prompts. OFAC documents kept up to date on the system include program and general brochures, listings of Specially Designated Nationals and Blocked Persons, including changes to the listings, licensing guidelines, and *Federal Register* notices (even those filed but not yet printed in the *Federal Register*). The "Index of Available Documents" is date-specific.
- The free *Federal Bulletin Board* of the U.S. Government Printing Office, which is linked to the *Federal Register* and *Code of Federal Regulations*, carries all OFAC brochures in ASCII and Adobe/Acrobat "*.PDF" format, as well as the entire *Code of Federal Regulations* containing OFAC regulations, all *Federal Register* notices that OFAC puts out, and OFAC's extended electronic reading room (FAC_MISC). For information on the *Federal Bulletin Board* call 202/512-1530 or dial 202/512-1387 to connect. The information is also available over the Internet via GPO ACCESS at <fedbbs.access.gpo.gov>.
- Subscribers to Bloomberg via dedicated terminals should be able to find information on OFAC-administered sanctions by typing **OFAC <GO>**. Alternatively, subscribers may do a search utilizing the following keywords: government, government agencies, policy, terrorism-sponsoring organizations, trade sanctions, treasury, or united states.
- Information is disseminated by links from the web sites of the International Financial Services Association in New York (<<http://www.intlbanking.org>>) the International Banking Operations Association in Miami (<<http://www.iboa.com>>). Major announcements are also distributed to U.S. financial institutions through Fedwire bulletins and CHIPS system broadcasts, as well as, from time to time, in printed format through the various Federal bank supervisory agencies.
- The U.S. Maritime Administration's Web site at <<http://marad.dot.gov>> contains a special link to OFAC's brochures and information, including a flashing indicator of late-breaking updates. The U.S. Customs Service maintains a free *Customs Electronic Bulletin Board* geared especially toward Customs House Brokers (OFAC's information is available as a date-specific self-extracting DOS file, "OFAC*.EXE" under "Files," and then "Customs Extra!," via the Internet at <<http://209.122.8.97>> or "cebb.customs.treas.gov". Numerous other industry groups link to OFAC's website, among them: the National Association of Securities Dealers (<<http://www.nasdr.com>>), the Securities and Exchange Commission (<<http://www.sec.gov>>), the Securities Industry Association (<<http://www.sia.com>>), the American Society of Travel Agents (<<http://www.astanet.com>>), the Institute of Real Estate Management (<<http://www.irem.org>>), and the Commercial Investment Real Estate Institute (<<http://www.cre.org>>).

OFFICE OF FOREIGN ASSETS CONTROL

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