

# REGULATORY ALERT

NATIONAL CREDIT UNION ADMINISTRATION  
1775 DUKE STREET, ALEXANDRIA, VA 22314

**DATE:** September 2001                      **NO.:** 01-RA-10

**TO:** All Federally Insured Credit Unions

**SUBJECT:** Executive Orders Targeting Terrorists, Additions to the OFAC SDN List/FinCEN's Financial Institutions Hotline

**ENCL:** 1) Executive Order on Terrorist Financing  
2) Hotline Terrorism Announcement

The President has issued a new Executive Order (attached) targeting terrorists, and new names have been added to the Office of Foreign Asset Control's (OFAC) Specially Designated Nationals List. Their assets must be blocked and immediate notice must be given to OFAC. Credit unions should call OFAC's hotline if they have any questions. For further information and details see OFAC's web site at: [www.treas.gov/ofac](http://www.treas.gov/ofac). For questions, call OFAC compliance at 1-800-540-6322.

The order requires immediate notification of OFAC when a financial institution identifies potential or actual assets of any of the listed entities. If verified by OFAC as a blockable transaction/asset, a blocking report must be faxed immediately to OFAC. Credit unions should call OFAC's hotline at 1-800-540-6322 to report any hits.

This order is the first in a series of anticipated OFAC actions regarding terrorists and terrorist organizations. It is possible that additional sanctions may be issued by OFAC in the near future. Credit unions are advised to check OFAC's web site daily for updated notices. Credit unions that do not have access to the Internet can call OFAC's hotline, or respective NCUA regional office or state supervisory authority.

In addition, the Treasury Department's Financial Crimes Enforcement Network (FinCEN) has established a FINANCIAL INSTITUTIONS HOTLINE, 1-866-556-3974, for financial institutions to voluntarily report to law enforcement authorities suspicious transactions that may relate to recent terrorist activity against the United States. Attached is the notice from FinCEN with additional information. For further information see FinCEN's web site at: [www.treas.gov/fincen](http://www.treas.gov/fincen).

Sincerely,

*/s/*  
Dennis Dollar  
Chairman

Enclosures

## Executive Order on Terrorist Financing

Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism

[▶ More on attack response](#)

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.)(IEEPA), the National Emergencies Act (50 U.S.C. 1601 et seq.), section 5 of the United Nations Participation Act of 1945, as amended (22 U.S.C. 287c) (UNPA), and section 301 of title 3, United States Code, and in view of United Nations Security Council Resolution (UNSCR) 1214 of December 8, 1998, UNSCR 1267 of October 15, 1999, UNSCR 1333 of December 19, 2000, and the multilateral sanctions contained therein, and UNSCR 1363 of July 30, 2001, establishing a mechanism to monitor the implementation of UNSCR 1333,

I, GEORGE W. BUSH, President of the United States of America, find that grave acts of terrorism and threats of terrorism committed by foreign terrorists, including the terrorist attacks in New York, Pennsylvania, and the Pentagon committed on September 11, 2001, acts recognized and condemned in UNSCR 1368 of September 12, 2001, and UNSCR 1269 of October 19, 1999, and the continuing and immediate threat of further attacks on United States nationals or the United States constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States, and in furtherance of my proclamation of September 14, 2001, Declaration of National Emergency by Reason of Certain Terrorist Attacks, hereby declare a national emergency to deal with that threat. I also find that because of the pervasiveness and expansiveness of the financial foundation of foreign terrorists, financial sanctions may be appropriate for those foreign persons that support or otherwise associate with these foreign terrorists. I also find that a need exists for further consultation and cooperation with, and sharing of information by, United States and foreign financial institutions as an additional tool to enable the United States to combat the financing of terrorism.

I hereby order:

Section 1. Except to the extent required by section 203(b) of IEEPA (50 U.S.C. 1702(b)), or provided in regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the effective date of this order, all property and interests in property of the following persons that are in the United States or that hereafter come within the United States, or that hereafter come within the possession or control of United States persons are blocked:

- (a) foreign persons listed in the Annex to this order;
- (b) foreign persons determined by the Secretary of State. in



### Press Briefings

- Press Briefing by White House
- Press Secretary Press Briefing Archives

### Radio Address

- President's Radio Address to the Nation
- Discurso Radial del Presidente a la Nacion
- Radio Address Archive
- Archivos - Discursos Radial del Presidente

### News & Speeches

- September 2001
- August 2001
- July 2001
- June 2001
- May 2001
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- March 2001
- February 2001
- January 2001

### Proclamations

- Family Day, 2001
- Proclamation Archives

### Federal Facts

- Federal Statistics

(b) foreign persons determined by the Secretary of State, in consultation with the Secretary of the Treasury and the Attorney General, to have committed, or to pose a significant risk of committing, acts of terrorism that threaten the security of U.S. nationals or the national security, foreign policy, or economy of the United States;

(c) persons determined by the Secretary of the Treasury, in consultation with the Secretary of State and the Attorney General, to be owned or controlled by, or to act for or on behalf of those persons listed in the Annex to this order or those persons determined to be subject to subsection 1(b), 1(c), or 1(d)(i) of this order;

(d) except as provided in section 5 of this order and after such consultation, if any, with foreign authorities as the Secretary of State, in consultation with the Secretary of the Treasury and the Attorney General, deems appropriate in the exercise of his discretion, persons determined by the Secretary of the Treasury, in consultation with the Secretary of State and the Attorney General;

(i) to assist in, sponsor, or provide financial, material, or technological support for, or financial or other services to or in support of, such acts of terrorism or those persons listed in the Annex to this order or determined to be subject to this order; or

(ii) to be otherwise associated with those persons listed in the Annex to this order or those persons determined to be subject to subsection 1(b), 1(c), or 1(d)(i) of this order.

Sec. 2. Except to the extent required by section 203(b) of IEEPA (50 U.S.C. 1702(b)), or provided in regulations, orders, directives, or licenses that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted prior to the effective date:

(a) any transaction or dealing by United States persons or within the United States in property or interests in property blocked pursuant to this order is prohibited, including but not limited to the making or receiving of any contribution of funds, goods, or services to or for the benefit of those persons listed in the Annex to this order or determined to be subject to this order;

(b) any transaction by any United States person or within the United States that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in this order is prohibited; and

(c) any conspiracy formed to violate any of the prohibitions set forth in this order is prohibited.

Sec. 3. For purposes of this order:

(a) the term "person" means an individual or entity;

(b) the term "entity" means a partnership, association, corporation, or other organization, group, or subgroup;

(c) the term "United States person" means any United States citizen, permanent resident alien, entity organized under the laws of the United States (including foreign branches), or any person in the United States; and

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(d) the term "terrorism" means an activity that --

(i) involves a violent act or an act dangerous to human life, property, or infrastructure; and

(ii) appears to be intended --

(A) to intimidate or coerce a civilian population;

(B) to influence the policy of a government by intimidation or coercion; or

(C) to affect the conduct of a government by mass destruction, assassination, kidnapping, or hostage-taking.

Sec. 4. I hereby determine that the making of donations of the type specified in section 203(b)(2) of IEEPA (50 U.S.C. 1702(b)(2)) by United States persons to persons determined to be subject to this order would seriously impair my ability to deal with the national emergency declared in this order, and would endanger Armed Forces of the United States that are in a situation where imminent involvement in hostilities is clearly indicated by the circumstances, and hereby prohibit such donations as provided by section 1 of this order. Furthermore, I hereby determine that the Trade Sanctions Reform and Export Enhancement Act of 2000 (title IX, Public Law 106-387) shall not affect the imposition or the continuation of the imposition of any unilateral agricultural sanction or unilateral medical sanction on any person determined to be subject to this order because imminent involvement of the Armed Forces of the United States in hostilities is clearly indicated by the circumstances.

Sec. 5. With respect to those persons designated pursuant to subsection 1(d) of this order, the Secretary of the Treasury, in the exercise of his discretion and in consultation with the Secretary of State and the Attorney General, may take such other actions than the complete blocking of property or interests in property as the President is authorized to take under IEEPA and UNPA if the Secretary of the Treasury, in consultation with the Secretary of State and the Attorney

General, deems such other actions to be consistent with the national interests of the United States, considering such factors as he deems appropriate.

Sec. 6. The Secretary of State, the Secretary of the Treasury, and other appropriate agencies shall make all relevant efforts to cooperate and coordinate with other countries, including through technical assistance, as well as bilateral and multilateral agreements and arrangements, to achieve the objectives of this order, including the prevention and suppression of acts of terrorism, the denial of financing and financial services to terrorists and terrorist organizations, and the sharing of intelligence about funding activities in support of terrorism.

Sec. 7. The Secretary of the Treasury, in consultation with the Secretary of State and the Attorney General, is hereby authorized to take such actions, including the promulgation of rules and regulations, and to employ all powers granted to the President by IEEPA and UNPA as may be necessary to carry out the purposes of this order. The Secretary of the Treasury may redelegate any of these functions to other officers and agencies of the United States Government. All agencies of the United States Government are hereby directed to take all appropriate measures within their authority to carry out the provisions of this order.

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Sec. 8. Nothing in this order is intended to affect the continued effectiveness of any rules, regulations, orders, licenses, or other forms of administrative action issued, taken, or continued in effect heretofore or hereafter under 31 C.F.R. chapter V, except as expressly terminated, modified, or suspended by or pursuant to this order.

Sec. 9. Nothing contained in this order is intended to create, nor does it create, any right, benefit, or privilege, substantive or procedural, enforceable at law by a party against the United States, its agencies, officers, employees or any other person.

Sec. 10. For those persons listed in the Annex to this order or determined to be subject to this order who might have a constitutional presence in the United States, I find that because of the ability to transfer funds or assets instantaneously, prior notice to such persons of measures to be taken pursuant to this order would render these measures ineffectual. I therefore determine that for these measures to be effective in addressing the national emergency declared in this order, there need be no prior notice of a listing or determination made pursuant to this order.

Sec. 11. (a) This order is effective at 12:01 a.m. eastern daylight

time on September 24, 2001.

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

GEORGE W. BUSH

THE WHITE HOUSE,

September 23, 2001.

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ANNEX

Al Qaida/Islamic Army

Abu Sayyaf Group

Armed Islamic Group (GIA)

Harakat ul-Mujahidin (HUM)

Al-Jihad (Egyptian Islamic Jihad)

Islamic Movement of Uzbekistan (IMU)

Asbat al-Ansar

Salafist Group for Call and Combat (GSPC)

Libyan Islamic Fighting Group

Al-Itihaad al-Islamiya (AIAI)

Islamic Army of Aden

Usama bin Laden

Muhammad Atif (aka, Subhi Abu Sitta,

Abu Hafs Al Masri)

Sayf al-Adl

Shaykh Sai'id (aka, Mustafa Muhammad Ahmad)

Abu Hafs the Mauritanian (aka, Mahfouz Ould al-Walid, Khalid Al-

Shanqiti)

Ibn Al-Shaykh al-Libi

Abu Zubaydah (aka, Zayn al-Abidin Muhammad Husayn, Tariq)

Abd al-Hadi al-Iraqi (aka, Abu Abdallah)

Ayman al-Zawahiri

Thirwat Salah Shihata

Tariq Anwar al-Sayyid Ahmad (aka, Fathi, Amr al-Fatih)

Muhammad Salah (aka, Nasr Fahmi Nasr Hasanayn)

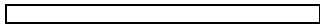
Makhtab Al-Khidamat/Al Kifah

Wafa Humanitarian Organization

Al Rashid Trust

Mamoun Darkazanli Import-Export Company

# # #



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## Department of the Treasury

### **Treasury Establishes FINANCIAL INSTITUTIONS HOTLINE Relating to Terrorist Activity**

The Treasury Department's Financial Crimes Enforcement Network (FinCEN) has established a **FINANCIAL INSTITUTIONS HOTLINE, 1-866-556-3974**, for financial institutions to voluntarily report to law enforcement suspicious transactions that may relate to recent terrorist activity against the United States. The purpose of the HOTLINE is to facilitate the immediate transmittal of this information to law enforcement and it will be operational 7 days a week, 24 hours a day.

Information pertaining to the Office of Foreign Assets Control's (OFAC) Specially Designated Nationals List, or questions concerning the financial institution's compliance with OFAC regulations, should be directed to OFAC at its existing hotline at 1-800-540-6322.

Financial institutions identifying suspicious transactions under 31 CFR Part 103 or under the regulations of their federal financial institution regulators are required to report such transactions by filing a Suspicious Activity Report (SAR) in accordance with applicable agency regulations, even if they provide information over the FINANCIAL INSTITUTIONS HOTLINE. Institutions should file the SAR with the IRS Detroit Computing Center as soon as possible. This HOTLINE is intended to provide to law enforcement and other authorized recipients of SAR information the essence of the suspicious activity in an expedited fashion. The HOTLINE use is voluntary and does not negate an institution's responsibility to file a SAR in accordance with applicable regulations.

Financial institutions identifying such suspicious financial activity on a SAR can assist law enforcement by **(i)** capturing the information on the SAR accurately and completely; **(ii)** explaining the suspicious transaction as completely as possible in the narrative section; and **(iii)** including the following information if applicable – any correspondent bank name/account information; names/locations of business entities; names of cities, countries and foreign financial institutions linked to the transaction, especially if wire transfer activity is involved; and account numbers and beneficiary names. In addition, institutions preparing SARs are asked to check the "Other" box on Part III, Line 35(s) of the SAR form and to type in "terrorism" immediately following the box.

Nothing in this announcement precludes a financial institution from directly contacting law enforcement or the institution's federal regulator concerning these issues.

9/26/01