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From : Cyprus Securities and Exchange Commission

Date : September 6, 2019

Circular No : C337

Subject : OFAC'S Specially Designated Nationals List (SDN List)

Further to [Circular C266](#), the Cyprus Securities and Exchange Commission ('CySEC') wishes to remind Regulated Entities to consider the OFAC'S Specially Designated Nationals List ([SDN List](#)) which is updated regularly, when assessing the money laundering (ML) and terrorist financing (TF) risks associated with business relationships and occasional transactions with their clients.

According to the Countering America's Adversaries Through Sanctions Act – CAATSA (the legislation under which the sanctions are issued), sanctions may be enforced against any person (natural/legal) or/and entity which is involved in a significant transaction or which facilitates the carrying out of such a transaction, with any person subject to such sanctions.

Taking the above into consideration, the CySEC urges its Regulated Entities:

1. To study the provisions of the sanctions implemented under CAATSA, If they have not done so already, including the SDN List, and assess the extent to which the measures therein affect the Regulated Entities themselves, as well as their clients.
2. To assess the ML/ TF risks they may undertake in case they are involved in a significant transaction or in the facilitation of such a transaction, with any person subject to the said sanctions.

In the case of a new/prospective customer who is subject to the relevant sanctions, Regulated Entities are urged to avoid the commencement of any business relationship with such a customer.

If a person is subject to sanctions is an existing customer, Regulated Entities are urged to carefully examine the actions/measures which they may have to implement (e.g., whether the freezing of funds/accounts may be appropriate).

Sincerely

Demetra Kalogerou
Chairwoman of the Cyprus Securities and Exchange Commission