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Russia Sanctions: Impact on Financial Institutions in the US, EU and Japan

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New sanctions targeting Russia have been implemented in the US, EU and Japan. Although the consequences of breaching the sanctions are severe, navigating the rules is not straightforward. Transactions and business lines will need to be reconsidered in light of the complex rules to which they may be subject. This client publication highlights the key issues and differences in the US, EU and Japanese rules that companies should understand.

This client publication is comprised of the following three parts:

- A. US, EU, and Japanese Sanctions - What You Need to Know;**
- B. Key Features of Recent US, EU (Sectoral), and Japanese (Non-Sectoral) Sanctions; and**
- C. Consolidated US, EU, and Japanese Sanctions List.**

A. What You Need to Know:

- New “sectoral” sanctions have been implemented in the US and the EU, which restrict a range of transactions in Russia’s finance, energy, and defence sectors. The Japanese rules are non-sectoral, targeting specific activities with certain individuals and entities. The US and EU sectoral restrictions are not exclusive to and apply in addition to pre-existing non-sectoral sanctions in both jurisdictions. As a result, there is now a complex framework of potentially applicable sanctions which needs to be carefully considered on a transaction-by-transaction basis. Individuals and entities may find that the laws of more than one jurisdiction apply to them, depending on their activities.

- The US, EU, and Japanese sanctions lists do not mirror each other. More than one sanctions regime may apply (a bank based in the EU which operates through US entities would be subject to US and EU rules), in which case all relevant lists will need to be scrutinised. For example, the EU has sanctioned Sberbank, which is not sanctioned in the US, and the US has sanctioned the Bank of Moscow, which is not sanctioned in the EU. The lists may expand further.
- The EU sectoral rules apply not only to designated banks and their subsidiaries (which can be easily identified) but also to any legal person, entity or body acting “*on behalf or at the direction of*” designated banks and their subsidiaries. The US rules present similar challenges as a result of OFAC’s recent clarification that entities owned more than 50% by people under US sanctions will also be subject to sanctions, even if no single person owns a majority interest. Under US and EU rules, therefore, it may be difficult for banks and corporates to determine whether they are dealing with a sanctioned entity. Japanese rules target designated individuals and entities only (and not subsidiaries) and are therefore simpler to apply.
- Funds based in the Cayman Islands and the British Virgin Islands should be aware that the UK Privy Council has extended aspects of the Ukraine-related sanctions to the British Overseas Territories through “Orders in Council.” The Privy Council has extended the “asset freeze” regulations of March 2014 to the Overseas Territories¹ but the recent EU sectoral rules have not (yet) been extended.
- Permissible activities differ between jurisdictions. For example, loans to sanctioned entities are prohibited under the US and Japanese rules, but are permitted under the EU sectoral rules.
- There is, however, broad similarity in the US and EU rules in the derivatives context. Trading in derivatives is permitted under the US rules. The EU permits the trading in derivatives issued after August 1, 2014 although certain types of derivative contract, such as warrants, are caught by the sanctions. The settlement of derivatives may, however, raise issues under US and EU rules (which are generally consistent). Physical settlement of trades which reference the shares of sanctioned entities is not permitted if securities used for settlement are issued after: (i) August 1, 2014 under the EU rules; or (ii) on or after July 16, 2014 or on or after July 29, under the US rules, depending on the sanctioned entity’s date of designation. Cash settlement is permitted under the US and EU rules. Securities issued before the above dates are not caught by the relevant restrictions.
- The rules have carve-outs and exemptions. For example, in the EU, a carve-out was agreed to permit the sale of high-value military goods and technology to the Russian military pursuant to contracts entered into before August 1, 2014. Further, the EU financial sectoral restrictive measures do not apply to subsidiaries of designated entities where established in the EU. The US and Japanese rules have relatively few licence or authorisation exemptions. The EU Regulations contain a complete defence if the relevant person or entity subject to the sanctions did not know or had no reasonable cause to suspect that actions would infringe the sanctions. The subjective nature of this test means that it will often be difficult to rely on this defence, particularly for larger institutions who would be expected to do appropriate due diligence and seek advice in relation to transactions where there is a Russian connection.
- The US, EU, and Japanese sanctions may be expanded further in line with political developments.

¹ The Ukraine (Sanctions) (Overseas Territories) Order 2014 of 5 March 2014 and subsequent Orders in Council, Nos. 2, and 3.

B. Key Features of Recent Sanctions

- **United States:** On July 16, 2014, the United States introduced sectoral sanctions targeting Russia's finance, energy and defence sectors and the list of entities subject to sectoral sanctions was further expanded on July 16, 2014. In a press announcement, President Obama stated that the United States “*will continue to ratchet up the pressure on Russia, including the cronies and companies that are supporting Russia's illegal actions in Ukraine.*” The Obama Administration also noted that as the US government continues to learn more about the downing of a Malaysian passenger airline over a region of Ukraine occupied by separatist rebels loyal to Moscow, additional sectoral sanctions may be necessary. These sanctions are supplemental measures implemented further to the traditional blocking of assets of dozens of individuals and entities designated as specially designated nationals and blocked persons (“**SDNs**”) under Executive Orders 13660, 13661, and 13662. In addition to the sectoral lists and the “asset blocking” legislation, the US has recently imposed certain restrictions on exporting goods to designated entities, including the United Shipbuilding Corporation.
- **European Union:** On July 31, 2014, the EU implemented Regulation 833/2014 (“**Regulation 833**”), targeting Russia's financial, military and energy sectors. Regulation 833 supplements a range of restrictive measures which have been implemented in the EU since March 2014. Previous measures have targeted designated individuals by freezing their assets and prohibited the making available of economic resources to them, as well as freezing their travel.² Other measures have restricted the import of goods into the EU originating in Crimea or Sevastopol, and suspended European Investment Bank financing of Russian operations. Similarly to the US sectoral sanctions, Regulation 833 prohibits a wide range of activities designed to prevent State-owned Russian banks and their subsidiaries from raising finance in the EU. Article 5 of the Regulation states that it is prohibited to sell, broker or provide assistance in the issuance after August 1, 2014 of transferable securities (*e.g.*, shares, bonds and certain derivatives, such as warrants) and money-market instruments (*e.g.*, commercial papers, excluding instruments of payment) where issued by Sberbank, VTB Bank, Gazprombank, Vnesheconombank, Rosselkhozbank, their over 50% owned subsidiaries, or agents acting on behalf or at the direction of designated banks or their subsidiaries. Issuances of money-market instruments are caught by Regulation 833 only where they have a maturity of over 90 days. Transferable securities such as bonds are caught by Regulation 833 regardless of their maturity.
- **Japan:** The Ministry of Foreign Affairs in Japan issued a public notice on August 5, 2014 (the “**Public Notice**”) targeting 40 individuals and two entities which are directly involved in Russia's annexation of Crimea and in the instability of eastern Ukraine. Unlike the US and EU's recent sanctions, the Japanese rules do not target sectors of Russia's economy but generally focus on targeting transactions with specific entities and individuals. In summary, the Public Notice requires: (i) approval by the Ministry of Foreign Affairs for any payments made to individuals and entities designated in the Public Notice; (ii) approval for any capital transactions (deposit agreements, trust agreements and loan agreements) with individuals and organizations designated in the Public Notice; and (iii) approval for the import of products originating in Crimea and Sevastopol. These measures supplement restrictive measures implemented by Japan in March and April 2014 which: (i) suspended talks for easing visa issuance conditions and investment accord-related discussions; and (ii) banned the travel of 23 Russian nationals. The list of targeted individuals and companies under the Public Notice is broadly similar to the US and EU lists of designated individuals and entities.

² Regulation 208 of March 5, 2014 (“Reg 208”) and Regulation 269 of March 17, 2014 (“Reg 269”).

The following table details the key features of recent US and EU sectoral sanctions and the Japanese non-sectoral sanctions:

RELEVANT RULES	UNITED STATES	EUROPEAN UNION	JAPAN
Persons/Entities/ Bodies Subject to Sanctions	<p>US persons and persons within the United States.</p> <p>The term "US Person" is generally defined to mean "any United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States." 31 C.F.R. 560.314 (Iran Sanctions). The term "Person" means an "individual or an entity, including a partnership, association, trust, joint venture, corporation, or other organization." See, e.g., 31 C.F.R. 560.305 (Iran Sanctions).</p>	<p>EU Ukraine-related sanctions apply:</p> <ul style="list-style-type: none"> (i) within the territory of the EU; (ii) on board any aircraft or any vessel under the jurisdiction of an EU Member State; (iii) to any person inside or outside the territory of the Union who is a national of an EU Member State; and (iv) to any legal person, entity or body, inside or outside the territory of the EU, which is incorporated or constituted under the law of an EU Member State; and to any legal person, entity or body in respect of any business done in whole or in part within the EU. 	<p>Any "residents" of Japan.</p> <p>The term "residents" means natural persons having their domicile or residence in Japan and judicial persons having their principal office in Japan. The branch offices, local offices or other offices in Japan of non-residents, irrespective of whether they have legal authority of representation, shall be deemed to be residents even if their principal office is located in a foreign state. Foreign Exchange and Foreign Trade Act of Japan Article 6</p>
Authorization/Key Legislation	<p>EO 13662 and its implementing legislations and directives issued by OFAC pursuant to its delegated authorities.</p>	<p>Regulation 833/2014 of July 31, 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine ("Regulation 833"), which gives effect to Council Decision 2014/512/CFSP of July 31, 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (the "Council Decision").</p>	<p>Public Notice by the Ministry of Foreign Affairs issued on August 5, 2014, in which the restrictions are based on Article 21-1 of the Japanese Foreign Exchange and Foreign Trade Act.</p>
Key Restrictions	<p>Prohibits US persons from "<i>transacting in, providing financing for, or otherwise dealing in</i>":</p> <ul style="list-style-type: none"> (i) new Debt, or (ii) new Equity (see key Definitions, below), <p>longer than 90 days issued after July 16, 2014 or July 29, 2014 (depending on the relevant entity's date of designation) "by, for, or on behalf of" persons on the Sectoral Sanctions Identification List ("SSIL Persons") their property, or their interests in property.</p> <p>All other transactions with these persons or involving any property in which one or more of these persons has an interest are permitted. Pursuant to EO 13661, the US Bureau of Industry and Security has issued a ban on the export of certain items to Russia that are used in oil production and mining.</p> <p>Specifically, it imposed controls on the export, report or transfer</p>	<p>Financial Sectoral Sanctions</p> <p>Prohibited to "<i>directly or indirectly purchase, sell, provide brokering or assistance in the issuance of, or otherwise deal with transferable securities and money-market instruments with a maturity exceeding 90 days, issued after August 1, 2014</i>", where these are issued by:</p> <ul style="list-style-type: none"> (i) Sberbank; (ii) VTB Bank; (iii) Gazprombank; (iv) Vnesheconombank; or (v) Rosselkhozbank (the "Sanctioned Banks"), <p>or by:</p> <ul style="list-style-type: none"> (i) a legal person, entity or body established outside the EU whose proprietary rights are owned for more than 50% by a Sanctioned Bank ("Sanctioned Bank Subsidiary"), or where these are issued by; 	<p>Requires approvals for any payments made by a resident in Japan to the individuals and organizations designated in the Public Notice (See Section C of this Client Publication), or any capital transactions (deposit agreements, trust agreements and loan agreements) between residents in Japan and individuals and organizations designated in the Public Notice.</p> <p>Requires approvals for imports of goods made in the Crimea region and the city of Sevastopol.</p>

RELEVANT RULES	UNITED STATES	EUROPEAN UNION	JAPAN
	<p>(in-country) of any item subject to the EAR when the exporter, re-exporter or transferor when known that the item will be used in Russia's energy sector for exploration or production from deepwater, Arctic offshore, or shale projects in Russia.</p> <p>Items include, but are not limited to, drilling rigs, parts for horizontal drilling, drilling and completion equipment, Artic-capable marine equipment, wireline and down hole motors and equipment, drill pipe and casing, software for hydraulic fracturing</p>	<p>(ii) a legal person, entity or body acting on behalf or at the direction of a Sanctioned Bank Subsidiary or a Sanctioned Bank, collectively, "EU Sanctioned Entities."</p> <p>Other financial services such as deposit business, payment services and loans to or from the institutions covered by the Regulation, other than financial services within the meaning of "transferable securities" and "money-market instruments" (see Key Definitions, below) are not covered by the sanctions.</p>	
	No license exceptions may overcome the BIS license requirements.	<p>Military Sectoral and Dual-Use</p> <p>Arms embargo on the import and export of arms and related material from/to Russia, covering all items on the EU common military list.</p>	N/A
		<p>Goods Sanctions</p> <p>Exports of dual-use goods and technology for military use in Russia or to Russian military end-users are also prohibited, with all items in the EU list of dual use goods included. Dual-use goods are products and technologies normally used for civilian purposes but which may have military applications (e.g., bearings, lasers and chemical manufacturing equipment).</p>	
		<p>Energy Sectoral Sanctions</p> <p>Exports of certain energy-related equipment and technology to Russia will be subject to prior authorisation by competent authorities of EU Member States. Export licenses will be denied if products are destined for deep water oil exploration and production, arctic oil exploration or production and shale oil projects in Russia.</p>	N/A

RELEVANT RULES	UNITED STATES	EUROPEAN UNION	JAPAN
Key Definitions	<p>"Debt" includes bonds, loans, extensions of credit, loan guarantees, letters of credit, drafts, bankers acceptances, discount notes or bills, or commercial paper.</p> <p>"Equity" includes stocks, share issuances, depositary receipts, or any other evidence of title or ownership.</p> <p>"Their property, or their interests in property" is intended to prohibit transactions in new debt and/or new equity not only for SSIL Persons, but also transactions in new debt and/or new equity with corporate entities in which an SSIL Person has a 50% or greater ownership interest. The phrase "their property, or their interests in property" is not intended to prohibit any other types of transactions involving any property or interests in property of listed persons.</p>	<p>Financial Sectoral Sanctions</p> <p>"Brokering services" means: (i) the negotiation or arrangement of transactions for the purchase, sale or supply of goods and technology or of financial and technical services, including from a third country to any other third country, or (ii) the selling or buying of goods and technology or of financial and technical services, including where they are located in third countries for their transfer to another third country.</p> <p>"Brokering" means the following services and activities: (i) reception and transmission of orders in relation to one or more financial instruments, (ii) execution of orders on behalf of clients, (iii) dealing on own account, (iv) portfolio management, (v) investment advice, (vi) underwriting of financial instruments and/or placing of financial instruments on a firm commitment basis, (vii) placing of financial instruments without a firm commitment basis, or (viii) any service in relation to the admission to trading on a regulated market or trading on a multilateral trading facility.</p> <p>"Transferable securities" is defined in the Regulation as classes of securities which are negotiable on the capital markets (with the exception of instruments of payment), such as: (i) shares; (ii) bonds; and (iii) any other securities giving the right to acquire or sell any such transferable securities or giving rise to a cash settlement.</p> <p>"Money market instruments" is defined as classes of instruments which are normally dealt in on the money market, such as treasury bills, certificates of deposit and commercial papers (and excluding instruments of payment).</p>	<p>"Goods" means movables other than precious metal, means of payment, securities or other certificates embodying claims.</p> <p>"Deposit agreements" include installment savings contracts, installment deposit contracts, deposit contracts and other contracts specified by the Cabinet Order.</p>

RELEVANT RULES	UNITED STATES	EUROPEAN UNION	JAPAN	
Licenses/Exceptions	<p>All transactions involving derivative products whose value is linked to an underlying asset that is debt with a maturity longer than 90 days or equity issued on or after July 16, 2014 is authorized. Note that physical settlement of trades which reference the shares of sanctioned entities is not permitted if securities used for settlement are issued on or after July 16, 2014 (for entities sanctioned on this date) or on or after July 29, 2014 (for entities sanctioned on this date). Securities issued before the above dates may be used for physical settlement purposes.</p>	<p>Military Sectoral and Dual-Use Goods Sanctions</p>	<p>"Dual-use goods and technology" means items listed in Annex I to Regulation (EC) No 428/2009 of May 5, 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items.</p>	N/A
		<p>Energy Sectoral Sanctions</p>	<p>No key definitions to note.</p>	N/A
		<p>Financial Sectoral Sanctions</p>	<p>Financial services such as deposit business, payment services and loans to or from the institutions covered by Regulation 833, other than financial services within the meaning of "transferable securities" and "money-market instruments" (see Key Definitions, above) are not covered by the sanctions.</p>	N/A
		<p>The question of whether derivatives are subject to Regulation 833 is a complex one although, generally, trading in derivatives issued after August 1, 2014 is permitted but certain types of derivative contract, such as warrants, would be caught. The settlement of derivatives may raise issues: for securities referencing shares of EU Sanctioned Entities which go to delivery, there would be a breach of sanctions if a seller transferred securities issued after August 1, 2014. Securities issued before August 1, 2014 may be used for physical settlement purposes.</p>		

RELEVANT RULES	UNITED STATES	EUROPEAN UNION	JAPAN
		Note however that sanctions do not apply to subsidiaries of Sanctioned Banks established within the EU (sanctions apply however to branches of Sanctioned Banks located in the EU).	
		Military Sectoral and Dual-Use Goods Sanctions	Performance after August 1, 2014 of obligations existing under contracts or agreements concluded before August 1, 2014 is permitted. N/A
		Energy Sectoral Sanctions	Performance after August 1, 2014 of obligations existing under contracts or agreements concluded before August 1, 2014 is permitted with EU Member State authorisation. N/A
Effective Dates	July 16, 2014 or July 29, 2014, depending on the relevant entity's date of designation.	Financial Sectoral Sanctions	Sanctions apply to issues of transferable securities and money-market securities from (and not including) August 1, 2014. Sanctions apply to capital transactions (deposit agreements, trust agreements and loan agreements), and imports of products made in the Crimea region and the city of Sevastopol from August 5, 2014.
		Military Sectoral and Dual-Use Goods Sanctions	Prohibitions apply from effective date of Regulation 833 of August 1, 2014. N/A
		Energy Sectoral Sanctions	Performance after August 1, 2014 of obligations existing under contracts or agreements concluded before August 1, 2014 not prohibited. N/A
Apply to Subsidiaries	Yes. Any entity owned or controlled (50% or more) by an entity designated an SSIL Person is automatically designated an SSIL Person as well.	Yes. Sanctions apply to subsidiaries of the following banks: (i) Sberbank; (ii) VTB Bank; (iii) Gazprombank; (iv) Vnesheconombank; and (v) Rosselkhozbank, and to any legal person, entity or body acting on behalf or at the direction of subsidiaries of the above entities	No
Penalties	Up to two times the value of the transaction or 250,000 USD per violation.	EU Member States to implement "effective, proportionate and dissuasive" rules on penalties for contravention of Regulation 833. In the UK, penalties for breach of the financial sectoral restrictive measures	Imprisonment with work for not more than three years or a fine of not more than one million yen, or both; provided, however, that three times the price of the subject matter of the violation exceeds one million yen, a fine shall be

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		contained in Regulation 833 are set out in "The UK (European Union Financial Sanctions) (No. 3) Regulations 2014" (the "UK Regulation"), effective from August 1, 2014. A maximum prison sentence of two years or a fine apply to breach of the financial sectoral sanctions.	not more than three times the price. Foreign Exchange and Foreign Trade Act of Japan Article 70-1.
Defences	None.	Complete defence if did not know or had no reasonable cause to suspect that actions would infringe restrictive measures.	Generally, no defences are available in Japan.
TARGET SECTORS			
Financial Services	(i) OAO Gazprombank; (ii) Vnesheconombank; (iii) Bank of Moscow; (iv) Rosselkhozbank; and (v) VTB Bank OAO.	Yes. See Key Restrictions, above.	No.
Energy	(i) Rosneft (oil); and (ii) OAO Novatek (natural gas) See also Key Restrictions above	Yes. See Key Restrictions, above.	(i) PJSC Chernomorneftegaz; and (ii) Feodosia.
Metals and Mining	Yes. See Key Restrictions, above	Yes. See Key Restrictions, above.	N/A
Engineering	No.	Yes. See Key Restrictions, above.	N/A
Defense & Related Materiel	No.	Yes. See Key Restrictions, above	N/A
FEATURES OF TARGETED ENTITIES			
State-owned Entities	(i) Rosneft; (ii) Vnesheconombank; and (iii) Rosselkhozbank	Yes. See Key Restrictions, above	N/A
Publicly-traded entity	(i) OAO Novatek; (ii) Rosneft; (iii) Bank of Moscow; and (iv) VTB Bank.	This is not a relevant factor under the Regulation 833.	N/A
TARGETED/PROHIBITED ACTIVITIES			
Blocking of Assets	No	No	Yes
Visa or Travel Bans	No	No	No
Required to report rejected transactions	Yes	The UK Regulation contains the requirement to inform HMT "as soon as practicable" if know or have reasonable cause to suspect that a person has breached financial sectoral restrictive measures and the information or other matter on which the knowledge or suspicion is based came to it in the course of carrying on its business.	Yes
Rollover of existing debt, if such rollover results in the creation of new debt with a maturity of longer than 90 days	Yes	Issuances of new transferable securities/money-market instruments are caught by the sanctions where these have a maturity exceeding 90 days.	N/A

RELEVANT RULES	UNITED STATES	EUROPEAN UNION	JAPAN
Repurchase Agreements	Yes, repurchase agreements act as debt instruments. US persons are thus prohibited from dealing in repurchase agreements with terms exceeding 90 days if they extend debt. The payment of interest is not necessary for an instrument to qualify as "debt."	Yes, repurchase agreements such as treasury bills, certificates of deposit and commercial papers are "money-market instruments" and caught by the EU sanctions if maturity exceeds 90 days.	N/A
Issuance of debt to non-SSIL/ non-Sanctioned Entity to purchase from an SSIL/Sanctioned Entity	No. Sanctions do not prohibit a US person from issuing debt with a maturity of longer than 90 days to a non-SSIL Person for the purpose of purchasing goods from an SSIL Person.	No. Only issuances by EU Sanctioned Entities are caught.	No
Dealing with SSILs/Sanctioned Entities as counterparties	No. SSIL sanctions do not prohibit US persons from dealing with SSIL persons as counter-parties to transactions involving equity issued on or after July 16, 2014 by a non-sanctioned party	Question of fact. Regulation 833 does not cover deposit business, payment services and loans, although prohibited to <i>"directly or indirectly purchase, sell, provide brokering or assistance in the issuance of, or otherwise deal with transferable securities and money-market instruments with a maturity exceeding 90 days, issued after August 1, 2014"</i> where these are issued by a Sanctioned Entity.	Need permission.
Replacement of participant in an existing long-term loan facility with an SSIL/Sanctioned Entity	A US person may engage in transactions necessary to exit or replace their participation in a long term loan facility that was established prior to July 16, 2014 whose terms have not changed since the sanctions' effective date. However, if the terms of the facility change, such that the existing facility is converted into new debt (for a maturity exceeding 90 days), then the US person is prohibited from dealings in that facility.	Loans are not caught by Regulation 833 although would breach the legislation if default related to debt instruments other than loans which fall within Regulation 833 and the maturity exceeded 90 days as a result of the default. The UK Regulation contains the requirement to inform HMT "as soon as practicable" if know or have reasonable cause to suspect that a person has breached financial sectoral restrictive measures and the information or other matter on which the knowledge or suspicion is based came to it in the course of carrying on its business.	N/A
Default of payment of loan by an SSIL/Sanctioned Entity of less than 90 days	If an SSIL Person defaults (and there is no agreement by the US Person to extend the date of payment), the US person should contact OFAC as soon as it becomes aware that the SSIL Person intends to pay late (if that is known before the 90 day term expires), or has paid late.	Loans are not caught by Regulation 833 although would breach the legislation if default related to other debt instruments falling within Regulation 833 and the maturity exceeded 90 days as a result of the default. The UK Regulation contains the requirement to inform HMT "as soon as practicable" if a person knows or has reasonable cause to suspect that a person has breached financial sectoral restrictive measures and the information or other matter on which the knowledge or suspicion is based came to it in the course of carrying on its business.	N/A
SSIL/Sanctioned Entity as underwriter of non-SSIL entity/Sanctioned Entity	No. If the SSIL Person's bank is an underwriter of new debt issued by a non-SSIL Person, this transaction is not prohibited.	Only issuances by EU Sanctioned Entities are covered by Regulation 833.	N/A

C. Consolidated Sanctions List: US, EU(UK)³, and Japan

As of August 21, 2014, the following entities are sanctioned in the US,⁴ EU, and Japan, as indicated by the marker ●.

Individuals/Entities	US	EU/UK	Japan
Aleksandr Bortnikov		● (Reg 269)	
Aleksandr Galkin		● (Reg 269)	
Aleksandr Malikhin/Malykhin		● (Reg 269)	● (Public Notice)
Aleksandr Totoonov	● (EO 13661)	● (Reg 269)	
Aleksandr Vitko		● (Reg 269)	
Aleksandr/Alexander Borodai/Boroday	● (EO 13660)	● (Reg 269)	● (Public Notice)
Aleksandr/Alexander Khodakovsky/Khodakovskiy		● (Reg 269)	● (Public Notice)
Aleksandr/Alexander Khryakov		● (Reg 269)	● (Public Notice)
Aleksandr/Alexandr Kalyusky/Kalyuskiy		● (Reg 269)	● (Public Notice)
Aleksei Chaliy	● (EO 13660)	● (Reg 269)	● (Public Notice)
Aleksei/Oleksiy Mozgovoy/Mozgovy		● (Reg 269)	● (Public Notice)
Aleksei Pushkov	● (EO 13661)		
Aleksey Karyakin		● (Reg 269)	● (Public Notice)
Alexander Nosatov		● (Reg 269)	
Alexander Tkachyov		● (Reg 269)	
Alexei Gromov/Gromov Alexey Alexeyevich	● (EO 13661)	● (Reg 269)	
Anatolij Sidorov		● (Reg 269)	
Andrei Fursenko	● (EO 13661)		
Andrei/Andrey Kliskas	● (EO 13661)	● (Reg 269)	
Andrey/Andriy Purgin	● (EO 13660)	● (Reg 269)	● (Public Notice)
Andrii Kliuiev		● (Reg 208)	
Andriy Portnov		● (Reg 208)	
Arkady Rotenberg	● (EO 13661)	● (Reg 269)	
Artem Pshonka		● (Reg 208)	
Boris Gryzlov		● (Reg 269)	
Boris Litvinov		● (Reg 269)	
Boris Rotenberg	● (EO 13661)		
Denis/Denys Pushlin/Pushilin/Pushylin	● (EO 13660)	● (Reg 269)	● (Public Notice)
Deniz/Denis Berezovskiy		● (Reg 269)	● (Public Notice)
Dmitry Kiselyov		● (Reg 269)	
Dmitry Kozak	● (EO 13661)	● (Reg 269)	
Dmitry Rogozin	● (EO 13661)	● (Reg 269)	
Dmytro Tabachnyk		● (Reg 208)	
Edward Stavtyskiy		● (Reg 208)	

³ As of August 21, 2014, the UK HM Treasury lists correspond identically to the EU lists. However, the UK lists could develop to include individuals/entities additional to individuals/entities identified under EU lists in the future.

⁴ This list includes all entities sanctioned by the United States, including those sanctioned by the US Department of the Treasury as a specially designated national and blocked person (SDN) under EO 13660 or EO 13661 and those designated under the US sectoral sanctions identification list (SSIL).

Individuals/Entities	US	EU/UK	Japan
Ekaterina/Yekaterina Gubareva		• (Reg 269)	
Elena/Yelena Mizulina	• (EO 13661)	• (Reg 269)	
Evgeni Bushmin	• (EO 13661)	• (Reg 269)	
Evgeniy Murov	• (EO 13661)		
Fedor Berezin		• (Reg 269)	
Gennady Timchenko	• (EO 13661)		
German Prokopiv		• Reg (269)	• (Public Notice)
Igor Bezler		• (Reg 269)	• (Public Notice)
Igor Girkin aka Igor Strelkov	• (EO 13660)	• (Reg 269)	• (Public Notice)
Igor Kakidzyanov		• (Reg 269)	• (Public Notice)
Igor Plotnitsky/Plotnitskiy		• (Reg 269)	• (Public Notice)
Igor Sechin	• (EO 13661)		
Igor Sergun	• (EO 13661)	• (Reg 269)	
Igor Shchegolev/Shchyogolev	• (EO 13661)		
Igor Shevchenko		• (Reg 269)	• (Public Notice)
Igor Turchenyuk		• (Reg 269)	
Ihor/Igor Kalinin		• (Reg 208)	
Konstantin Malofeev/Malofeyev		• (Reg 269)	
Leonid Slutski/Slutsky/Slutskiy	• (EO 13661)	• (Reg 269)	
Ludmila Shvetsova		• (Reg 269)	
Marat Bashirov		• (Reg 269)	• (Public Notice)
Mikhail Degtyarev		• (Reg 269)	
Mikhail Fradkov		• (Reg 269)	
Mikhail Malyshev	• (EO 13660)	• (Reg 269)	• (Public Notice)
Mykola Azarov		• (Reg 208)	
Natalia Poklonskaya		• (Reg 269)	• (Public Notice)
Nikolai/Nikolay Patrushev		• (Reg 269)	
Nikolai Ryzhkov	• (EO 13661)	• (Reg 269)	
Nikolay Kozitsyn		• (Reg 269)	• (Public Notice)
Nikolay Shamalov		• (Reg 269)	
Oksana Tchigrina/Chigrina		• (Reg 269)	
Oleg Belaventsev/Belavencev	• (EO 13661)	• (Reg 269)	
Oleg Kozyura		• (Reg 269)	• (Public Notice)
Oleg Panteleev	• (EO 13661)	• (Reg 269)	
Oleg Savelyev	• (EO 13661)	• (Reg 269)	
Oleg Tsariv		• (Reg 269)	• (Public Notice)
Oleksandr Yanukovych		• (Reg 208)	
Oleksandr/Alexander Klymenko		• (Reg 208)	
Oleksandr Yakymenko		• (Reg 208)	
Oleksii Azarov		• (Reg 208)	
Olena Lukash		• (Reg 208)	
Olga Kovatidi/Kovitidi		• (Reg 269)	• (Public Notice)

Individuals/Entities	US	EU/UK	Japan
Pavel Gubarev		• (Reg 269)	
Petr Jarosh		• (Reg 269)	• (Public Notice)
Pyotr/Petr Zima	• (EO 13660)	• (Reg 269)	• (Public Notice)
Raisa Bohatyriova		• (Reg 208)	
Ramzan Kadyrov		• (Reg 269)	
Rashid Nurgaliev/Nurgaliyev		• (Reg 269)	
Roman Lyagin		• (Reg 269)	• (Public Notice)
Rustam Temirgaliev	• (EO 13660)	• (Reg 269)	• (Public Notice)
Sergei/Sergey Mironov	• (EO 13661)	• (Reg 269)	
Sergei Chemezov	• (EO 13661)		
Sergei/Sergey Ivanov	• (EO 13661)		
Sergei Menyailo	• (EO 13660)	• (Reg 269)	• (Public Notice)
Sergei/Sergey Neverov	• (EO 13661)	• (Reg 269)	
Sergei Zheleznyak	• (EO 13661)	• (Reg 269)	
Sergei/Sergey Beseda	• (EO 13661)	• (Reg 269)	
Sergei/Sergey Naryshkin	• (EO 13661)	• (Reg 269)	
Sergey Abisov		• (Reg 269)	
Sergey Aksyonov	• (EO 13660)	• (Reg 269)	• (Public Notice)
Sergey Glazyev	• (EO 13661)	• (Reg 269)	
Sergey Tsekov	• (EO 13660)	• (Reg 269)	• (Public Notice)
Sergey Tsyplakov Gennadevich		• (Reg 269)	• (Public Notice)
Serhii Kliuiev		• (Reg 208)	
Serhii Zdriliuk		• (Reg 269)	
Serhiy Kurchenko		• (Reg 208)	
Serhiy Arbuzov		• (Reg 208)	
Valentina Matviyenko	• (EO 13661)	• (Reg 269)	
Valeriy/Valery Bolotov	• (EO 13660)	• (Reg 269)	• (Public Notice)
Valery Gerasimov		• (Reg 269)	
Valeriy/Valery Kaurov	• (EO 13660)	• (Reg 269)	
Valery Kulikov		• (Reg 269)	
Valery Medvedev	• (EO 13660)	• (Reg 269)	• (Public Notice)
Vasyl/Vasiliy Nikitin		• (Reg 269)	• (Public Notice)
Viacheslav/Vyacheslav Ponomariov	• (EO 13660)	• (Reg 269)	• (Public Notice)
Victor Ivanov	• (EO 13661)		
Viktor Fedorovych Yanukovych (senior)	• (EO 13660)	• (Reg 208)	• (Public Notice)
Viktor Viktorovych Yanukovych (junior)		• (Reg 208)	
Viktor Medvedchuk	• (EO 13660)		
Viktor Ozerov	• (EO 13661)	• (Reg 269)	
Viktor Pshonka		• (Reg 208)	
Viktor Ratushniak		• (Reg 208)	
Vitalii Zakharchenko		• (Reg 208)	
Vladimir Antyufeyev		• (Reg 269)	

Individuals/Entities	US	EU/UK	Japan
Vladimir Dzhabarov	• (EO 13661)	• (Reg 269)	
Vladimir Konstantinov	• (EO 13660)	• (Reg 269)	• (Public Notice)
Vladimir Kozhin	• (EO 13661)		
Vladimir Pligin		• (Reg 269)	
Vladimir Shamanov		• (Reg 269)	
Vladimir Yakunin	• (EO 13661)		
Vladislav Surkov	• (EO 13661)	• (Reg 269)	
Vyacheslav Volodin	• (EO 13661)	• (Reg 269)	
Yuriy Ivanyushchenko		• (Reg 208)	
Yuriy Zherebtsov	• (EO 13660)	• (Reg 269)	• (Public Notice)
Yuriy/Yuri Kovalchuk	• (EO 13661)	• (Reg 269)	
Yuriy/Yurij Ivakin		• (Reg 269)	• (Public Notice)
Aquanika	• (EO 13661)		
Army Of The Southeast		• (Reg 269)	
Avia Group LLC	• (EO 13661)		
Avia Group Nord LLC	• (EO 13661)		
Azov Distillery Plant		• (Reg 269)	
Bank of Moscow aka Aktsionerny Kommercheski Bank Moskvyy, Otkrytoe Aktsionernoe Obschestvo aka Joint Stock Commercial Bank - Bank Of Moscow, Open Joint Stock Company	• (SSIL)		
Bank Rossiya	• (EO 13661)		
Chernomorneftegaz	• (EO 13660)		
CJSC Zest	• (EO 13661)		
Dobrolet aka Dobrolyot		• (Reg 269)	
Donbass People's Militia		• (Reg 269)	
Donetsk People's Republic	• (EO 13660)	• (Reg 269)	
Factory Of Sparkling Wine Novy Svet		• (Reg 269)	
Federal State Of Novorossiyya		• (Reg 269)	
Federal State Unitary Enterprise State Research and Production Enterprise Bazalt	• (EO 13661)		
Feodosia aka Feodosyskoje Predpriyatije po obespecheniju nefteproduktami		• (Reg 269)	• (Public Notice)
Feodosiya Enterprise	• (EO 13660)		
Gazprombank aka Gazprombank Gas Industry OJSC aka Gazprombank OJSC aka Gazprombank Open Joint Stock Company aka Gazprombank Otkrytoe Aktsionernoe Obschestvo aka GPB, OAO aka GPB, OJSC	• (SSIL)	• (Reg 833)	
International Union Of Public Associations 'Great Don Army'		• (Reg 269)	
Investcapitalbank	• (EO 13661)		
Joint Stock Company Concern Almaz-Antey aka Almaz-Antey Corp aka Almaz-Antey Defense Corporation aka Almaz Antey JSC, OAO	• (EO 13661)	• (Reg 269)	
Joint Stock Company Concern Radio-Electronic Technologies	• (EO 13661)		
Joint Stock Company Concern Sozvezdie	• (EO 13661)		

Individuals/Entities	US	EU/UK	Japan
Joint Stock Company Military-Industrial Corporation NPO Mashinostroyeniya	• (EO 13661)		
JSB Sobinbank	• (EO 13661)		
Kalashnikov Concern	• (EO 13661)		
Kerch Commercial Sea Port		• (Reg 269)	
Kerch Ferry		• (Reg 269)	
Konstruktorskoe Byuro Priborostroeniya Otkrytoe Aktsionernoe Obshchestvo	• (EO 13661)		
Lugansk Guard		• (Reg 269)	
Lugansk/Luhansk People's Republic	• (EO 13660)	• (Reg 269)	
Magarach Of The National Institute Of Wine		• (Reg 269)	
National Association Of Producers Massandra		• (Reg 269)	
OAO Novatek aka Finansovo-Investitsionnaya Kompaniya Novafininvest OAO aka Novatek	• (SSIL)		
Open Joint Stock Company Rosneft Oil Company aka OAO Rosneft Oil Company aka Oil Company Rosneft aka OJSC Rosneft Oil Company aka Rosneft aka Rosneft Oil Company	• (SSIL)		
PJSC Chernomorneftegaz aka Chornomornaftogaz		• (Reg 269)	• (Public Notice)
Resort Nizhnyaya Oreanda		• (Reg 269)	
Russian Agricultural Bank aka Rosselkhozbank fka Otkrytoe Aktsionernoe Rossiski Selskokhozyaistvenny Bank aka Rosselkhozbank aka Rossiyski Selskokhozyaistvenny Bank OAO	• (SSIL)	• (Reg 833)	
Russian National Commercial Bank		• (Reg 269)	
Sakhatrans LLC	• (EO 13661)		
Sberbank		• (Reg 833)	
Sevastopol Commercial Seaport		• (Reg 269)	
SMP Bank	• (EO 13661)		
Sobol		• (Reg 269)	
Stroygazmontazh	• (EO 13661)		
Stroytransgaz Group	• (EO 13661)		
Stroytransgaz Holding	• (EO 13661)		
Stroytransgaz LLC	• (EO 13661)		
Stroytransgaz OJSC	• (EO 13661)		
Stroytransgaz-M LLC	• (EO 13661)		
The Limited Liability Company Investment Company Abros	• (EO 13661)		
Transoil	• (EO 13661)		
United Shipbuilding Corporation	• (EO 13661)		
Universal-Avia		• (Reg 269)	
Uralvagonzavod	• (EO 13661)		
Vnesheconombank aka Bank for Development and Foreign Economic Affairs (Vnesheconombank) State Corporation aka Bank Razvitiya I Vneshneekonomicheskoi Deyatelnosti (Vnesheconombank) Gosudarstvenaya Korporatsiya aka VEB	• (SSIL)	• (Reg 833)	

Individuals/Entities	US	EU/UK	Japan
Volga Group	• (EO 13661)		
Vostok Battalion		• (Reg 269)	
VTB Bank fka Bank Vneshney Torgovli Rossiyskoy Federatsii, Closed Joint-Stock Company fka Bank Vneshney Torgovli Rsfstr fka Bank Vneshney Torgovli, Joint-Stock Company fka Bank Vneshey Torgovli, Open Joint-Stock Company aka Bank VTB OAO aka Bank VTB, Open Joint-Stock Company aka JSC VTB Bank fka Vneshtorgbank fka Vneshtorgbank Rossii, Closed Joint-Stock Company aka VTB Bank, Open Joint-Stock Company	• (SSIL)	• (Reg 833)	

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This memorandum is intended only as a general discussion of these issues. It should not be regarded as legal advice. We would be pleased to provide additional details or advice about specific situations if desired.

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