

**567. I am a U.S. person employee or work at an office of a company that was designated under E.O. 13661 or E.O. 13662, or blocked by operation of law pursuant to OFAC's 50 percent rule on April 6, 2018 as a result of such a designation. What am I authorized to do with respect to continuing activities of the blocked entity?**

In issuing [General License 12](#), OFAC is authorizing a time-limited maintenance or wind down of operations, contracts, or other agreements that were in effect prior to April 6, 2018 and in which the blocked entities listed in General License 12 have an interest, provided that any payment made directly or indirectly to the blocked entities listed in General License 12 be deposited in a blocked account at a U.S. financial institution.

In general, General License 12 would authorize all transactions ordinarily incident to the continuity of operations or to facilitate a wind down, including the provision of salary payments, pension payments, or other benefits, by the blocked entities listed in General License 12, or the provision of services by the employee to such blocked entities, until the expiry of General License 12.

U.S. person employees are encouraged to review the applicable OFAC regulations, authorizations, and public guidance. If, after conducting that review, you are concerned that your activities as an employee are not authorized by general license, you may contact OFAC.

If you are a U.S. person employee of an individual or entity that is not among the blocked entities listed in General License 12, including entities blocked pursuant to OFAC's 50 percent rule, you are prohibited from engaging in transactions with such individual or entity, including the provision or receipt of goods or services, or otherwise transacting or dealing in any property in which the individual or entity has an interest. If you wish to seek authorization to maintain or wind down operations, contracts, or other agreements with such individual or entity, [contact OFAC](#).

[04-06-2018]

**568. I am a U.S. person, and I am also an employee, or sit on the board, of an entity that was either designated under E.O. 13661 or E.O. 13662, or blocked by operation of law pursuant to OFAC's 50 percent rule on April 6, 2018 as a result of such a designation. Can I continue to be employed by or sit on the board of a blocked entity? What am I allowed to do with respect to severing ties with the entity?**

Absent authorization from OFAC, your continued employment or board membership with such an entity is prohibited. You should review the actions you view as necessary to sever your ties with the blocked entity against applicable OFAC regulations, authorizations, and public guidance. If, after conducting that review, you decide that any of the contemplated activities necessary to sever the relationship are prohibited, you should [apply for a specific license](#). If you are unsure about whether authorization is required, [contact OFAC](#). [04-06-2018]

**569. A U.S. company had ordered goods from an entity that was designated under E.O. 13661 or E.O. 13662, or blocked pursuant to OFAC's 50 percent rule on April 6, 2018 as a result of such a designation. May the U.S. company still accept the goods?**

Yes, provided that the importation is in accordance with the requirements and limitations specified in [General License 12](#). For the limited period of time specified in the general license, General License 12 authorizes all transactions ordinarily incident and necessary to the maintenance or wind down of operations, contracts, or other agreement, which includes authorization for U.S. persons to import goods into the United States from the blocked entities listed in General License 12, provided that any outstanding payment for the goods be deposited in a blocked account at a U.S. financial institution. [04-06-2018]

**570. I own shares in or global depository receipts (GDRs) related to shares in an entity that was designated under E.O. 13661 or E.O. 13662, or blocked pursuant to OFAC's 50 percent rule on April 6, 2018 as a result of such a designation. What action am I allowed to take with respect to those shares or GDRs?**

For the limited period of time specified in the general license, [General License 13](#) authorizes certain divestment and transfer activities related to debt, equity, or other holdings in the blocked entities listed in General License 13, subject to certain conditions and exceptions. Specifically, General License 13 authorizes U.S. persons to divest or transfer to a non-U.S. person, or to facilitate the transfer by a non-U.S. person to another non-U.S. person, of debt, equity, or other holdings in the blocked entities listed in General License 13, provided that such divestment, transfer, or facilitation does not result in U.S. persons selling debt, equity, or other holdings to; purchasing or investing in debt, equity, or other holdings in; or facilitating such transactions with, directly or indirectly, any blocked person, including the entities listed in General License 13. See General License 13 for further details. [04-06-2018]

**571. I am a U.S. person holding accounts for or other property of an entity or individual that was designated under E.O. 13661 or E.O. 13662, or blocked pursuant to OFAC's 50 percent rule on April 6, 2018 as a result of such a designation. Does General License 13 allow me to unblock this property?**

No. For the limited period of time specified in the general license, [General License 13](#) authorizes certain divestment and transfer activities related to debt, equity, or other holdings in the blocked entities listed in General License 13, subject to certain conditions and exceptions. It does not authorize U.S. persons to sell debt, equity, or other holdings to; to purchase or invest in debt, equity, or other holdings in; or to facilitate such transactions with, directly or indirectly, the blocked entities listed in General License 13 or any other blocked person. [04-06-2018]

**572. Prior to April 6, 2018, E.O. 13662 only applied to OFAC's Ukraine-/Russia-related sectoral sanctions and identifications under the Sectoral Sanctions Identification List. Why is OFAC designating individuals and entities under E.O. 13662?**

Although E.O. 13662 provides OFAC the authority to impose sectoral sanctions on specified persons operating in sectors of the Russian economy as [implemented through Directives 1-4](#), OFAC may also designate persons as blocked under E.O. 13662. Unlike with SSI entities, U.S. persons must block the property and interests in property of any person designated as blocked pursuant to E.O. 13662. Persons designated as blocked under E.O. 13662 are added to the SDN List. SSI entities on the SSI List are identified with the descriptive text "Executive Order 13662 Directive Determination," followed by the applicable Directive. [04-06-2018]

**573. A person designated under E.O. 13661 or E.O. 13662, or blocked by operation of law pursuant to OFAC's 50 percent rule on April 6, 2018 as a result of such a designation holds an ownership interest of less than fifty percent in a U.S. company. In such a scenario, how does the U.S. company comply with U.S. sanctions?**

If one or more blocked persons in such a scenario does not hold a 50 percent or more interest in the U.S. company, the U.S. company is not itself blocked, but the U.S. company must block all property and interests in property in which the blocked person has an interest. See OFAC's [50 percent rule guidance](#). Depending on the nature of the property blocked by the U.S. company, the U.S. company may be able to continue operating, but any payments, dividends, or disbursement of profits to the blocked person would be prohibited and, to the extent such payments are required, must be placed in a blocked account at a U.S. financial institution. If a U.S. company is in such a scenario, the U.S. company is encouraged to [contact OFAC](#) to determine whether a license or other authorization is required.

[04-06-2018]