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Locke Lord QuickStudy: ?OFAC Russia Related ?Sanctions Update ?to Extend Deadline for Transactions With Sanctioned ?Financial ?Institutions? ?

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On October 25, 2023, the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") published General License ("GL") 8H related to the? ?Russian Harmful Foreign Activities ?Sanctions Regulations, 31 CFR Part 587 (the ???"RuHSR").

GL 8H, which replaces GL 8G, extends to May 1, 2024, U.S. persons' authority to conduct transactions with the following listed financial institutions for energy related transactions (*e.g.*, the extraction, transport or purchase of petroleum):

- State Corporation Bank for Development and Foreign Economic ?Affairs Vnesheconombank;
- Public Joint Stock Company Bank Financial ?Corporation Otkritie;
- Sovcombank Open Joint Stock Company;
- Public ?Joint Stock Company Sberbank of Russia;
- VTB Bank Public Joint Stock ?Company;
- Joint Stock Company Alfa-Bank;
- Public Joint Stock Company Rosbank;
- Bank Zenit Public Joint Stock Company;
- Bank Saint-Petersburg Joint Stock Company;
- any entity in which one or ?more of the above persons own, directly or indirectly, individually or in the ?aggregate, a 50% or greater interest; and
- the Central Bank of the Russian ?Federation.?

Except for the Central Bank of the Russian Federation, all of the above financial institutions are "specially designated nationals" or "SDNs" and, unless another OFAC license exists, other transactions by U.S. persons with those entities are prohibited. Without the extension, the General License would have expired on November 1, 2024.

Conclusion

This paper is intended as a guide only and is not a substitute for specific legal or ?tax advice. ??Please ???reach out to the ?authors for any specific questions. We expect ?to continue to monitor the ??topics ???addressed in this paper and provide ?future ?client updates when useful.

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