



MARCH 16, 2018

CIRCULAR NO. 13/18

TO MEMBERS OF THE ASSOCIATION

Dear Member:

THE UNITED STATES IMPOSES SANCTIONS AGAINST ADDITIONAL RUSSIAN ENTITIES AND INDIVIDUALS

For reasons widely reported in the press, the US Department of the Treasury's Office of Foreign Assets Control (OFAC), yesterday announced the imposition of sanctions against additional Russian entities and individuals (New US Sanctions Targets).

The designation of the New US Sanctions Targets includes the designation of three entities and 13 individuals which are now included on OFAC's SDN and Blocked Persons List. This is searchable at:

<https://sanctionssearch.ofac.treas.gov/>

The new sanctions prohibit transactions by US persons or transactions with a US nexus involving the New US Sanctions Targets. The American Club, as a US person, is prohibited from providing insurance cover for voyages or vessels involving the New US Sanctions Targets, and payments through the US involving these persons along with their property are blocked.

The press release issued by the US Department of the Treasury dealing with yesterday's action can be found at:

<https://home.treasury.gov/index.php/news/press-releases/sm0312>

Questions and further guidance

Members are reminded that pursuant to American Club rules there is no cover for voyages where the extension of cover would violate or pose a risk of violating sanctions prohibitions and also that causing a violation could entail the imposition of sanctions or penalties. Members are accordingly reminded to proceed with caution in dealing with or involving Russian entities and to conduct additional sanctions compliance due diligence to ensure their own and the American Club's compliance with sanctions prohibitions.

Should Members wish to discuss any questions, or need additional guidance regarding any aspect of the foregoing or other sanctions in general, or for confirmations as to the availability of cover for voyages involving countries (Iran, Syria, Cuba, North Korea, Russia, Crimea region of Ukraine, Venezuela (presently only SDNs)) or entities or individuals subject to US economic sanctions (e.g., OFAC SDN List), they are invited to contact: Charles J. Cuccia, Senior Vice President - Compliance & Enterprise Risk Management, ph +1 212 847 4539, mob +1 917 215 2883, charles.cuccia@american-club.com.

Yours faithfully,

Joseph E.M. Hughes, Chairman & CEO
Shipowners Claims Bureau, Inc., Managers for
THE AMERICAN CLUB