



JANUARY 10, 2020

CIRCULAR NO. 02/20

TO MEMBERS OF THE ASSOCIATION

Dear Member:

ADDITIONAL US ECONOMIC SANCTIONS IMPOSED AGAINST IRAN

Today, the US Treasury Department announced additional US sanctions against Iran. This latest round of US sanctions is in response to Iran's missile attack against a US air base in Iraq.

The additional sanctions, which are pursuant to a new Executive Order, may be imposed against any individual owning, operating, trading with, or assisting sectors of the Iranian economy including construction, manufacturing, textiles, and mining. As a result, trade with Iran in almost all industry sectors is now off limits for US, as well as non-US persons, except for trade in **medicine/medical items and food and agricultural commodities**.

Concurrent with issuance of the new Executive Order, the US Treasury Department has added additional blocked individuals, entities and vessels to its SDN List.

The new sanctions also authorize the imposition of sanctions on a foreign financial institution upon a determination that the foreign financial institution has, on or after January 10, 2020, knowingly conducted or facilitated any significant financial transaction: i) for the sale, supply, or transfer to or from Iran of significant goods or services used in connection with a prohibited sector of the Iranian economy, or (ii) for or on behalf of any person whose property and interests in property are blocked. The US Treasury Department's announcement dealing with the new, additional sanctions can be found at:

<https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20200110.aspx>

The Executive Order providing for the imposition of today's sanctions can be found at:

<https://www.whitehouse.gov/presidential-actions/executive-order-imposing-sanctions-respect-additional-sectors-iran/>

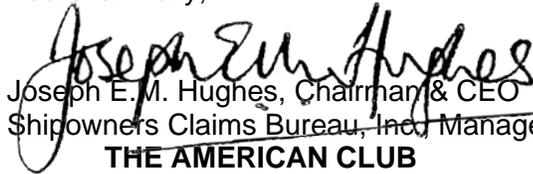
Questions and Guidance

Your Managers will keep abreast of developments regarding the implementation of the additional sanctions against Iran and inform Members of developments of significance. 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 conduct additional sanctions due diligence to ensure their own and the American Club's compliance with relevant prohibitions.



Should Members have any questions or need additional guidance regarding the above, sanctions in general, or for confirmations as to the availability of cover for voyages involving countries (Iran, Syria, Cuba, North Korea, Russia, the Crimea region of Ukraine, Venezuela), entities and individuals subject to US economic sanctions (designated entities and individuals appearing on the OFAC SDN List), please contact: Daniel A. Tadros, Chief Legal Officer, ph +1 212 847 4501, mob +1 504 460 7226, daniel.tadros@american-club.com, or Charles J. Cuccia, Senior Vice President - Compliance, 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

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