

REGULATORY ALERT

DATE: April 16, 1996

NO.: 96-RA-1

TO ALL FEDERALLY INSURED CREDIT UNIONS:

Enclosed is a brochure entitled "What you need to know about Executive Order 12978" developed by the U.S. Treasury's Office of Foreign Assets Control (OFAC). The brochure provides an overview of the blocking of assets and prohibitions against transactions with narcotics traffickers. We are sending this document to all federally insured credit unions at the request of OFAC.

On November 22, 1995, we sent you Executive Order 12978 signed by President Clinton and a list of specially designated narcotics traffickers. OFAC recently added 198 international narcotics traffickers to its listing of "Specially Designated Nationals and Blocked Persons." This new listing was printed in the *Federal Register* on March 8, 1996, and is incorporated into this brochure.

If your credit union maintains any accounts or does business with any individual or entity on the enclosed list, you must block the accounts immediately and cease any business involvement with them. Questions about the Executive Order or this listing should be addressed to OFAC at 1-800-540-6322 or 202-622-2490.

To obtain copies of Regulatory Alert 95-1 or to get additional copies of this Alert, please contact your NCUA regional office. The entire list is also available on the Internet at <http://www.ustreas.gov/treasury/services/fac/fac.html>.

Sincerely,

/S/

Karl T. Hoyle

Executive Director

Enclosure