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# REGULATORY ALERT

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NATIONAL CREDIT UNION ADMINISTRATION

1775 DUKE STREET, ALEXANDRIA, VA 22314

DATE: October 1999 NO.: 99-RA-6

TO: All Federally Insured Credit Unions

SUBJECT: Office of Foreign Assets Control

The Office of Foreign Assets Control (OFAC) of the Department of the Treasury administers and enforces economic sanctions against targeted foreign countries, terrorism sponsoring organizations, and international narcotics traffickers based on U.S. foreign policy and national security goals. OFAC acts under Presidential wartime and national emergency powers, as well as authority granted by specific legislation, to impose controls on transactions and freeze foreign assets under U.S. jurisdiction.

Financial institutions, including credit unions, are required, by law, to support these sanctions. Failure to comply could expose a credit union to adverse publicity, fines, and even criminal penalties. While OFAC is responsible for promulgating, developing, and administering the sanctions for the Secretary of the Treasury, all of the financial institution regulators, including the NCUA, cooperate to ensure financial institution compliance.

The primary tool used by the OFAC is a listing of "Specially Designated Nationals and Blocked Persons." This list changes regularly in response to changes in foreign policy. Credit union staff should be aware of the persons and entities on the list and assure that such accounts and transactions are blocked and reported to the OFAC in compliance with its regulations. Complete and current regulations and listings are available at the OFAC website at <http://www.ustreas.gov/ofac/> or via fax back by calling 1-800-540-OFAC(6322).

Credit unions should contact OFAC staff directly to ask questions or obtain further information with regard to this notification. 1-800-540-6322.

This Regulatory Alert replaces Regulatory Alert number 97-RA-8; dated May 8, 1997.

Sincerely,

/s/

Norman E. D'Amours

Chairman