

<b>OFAC DIRECTIVE 1 (AS AMENDED ON SEPTEMBER 29, 2017)</b>		
<b>“New” Debt</b>	The key to determining if debt is prohibited (or allowable maturity periods) under Directive 1 is the date on which the debt was issued.	
<b>Period When the Debt Was Issued</b>	<b>Allowable Maturity Period</b>	<b>Examples of Compliance and Risk Allocation and Mitigation Measures to be Taken by Persons Obligated to Comply with Directive 1</b>
On or after July 16, 2014 and before September 12, 2014	90 days or less	<ul style="list-style-type: none"> <li>➤ Check the SSIL before and on the transaction execution date to determine if the relevant transaction parties are listed SSIL entities.</li> <li>➤ Conduct due diligence to determine if the debt issuer/borrower/beneficiary of credit is owned 50% or more by one or more listed or non-listed SSIL or other sanctioned entities.</li> <li>➤ Adopt contractual measures, such as Representations and Warranties, Covenants, and Default provisions that: (1) mitigate risk; (2) allocate risk to the debt (or equity) issuer, other borrower, or the direct or indirect recipient(s) or beneficiary(ies) of credit; and, (3) facilitate the clear and cost and time-effective exit from a transaction. For example:                             <ul style="list-style-type: none"> <li>-Representations and Warranties that the debt issuer or other borrower (or equity issuer) is not an SSIL entity or owned 50% or more by an SSIL entity (and, of course, that all information provided as to ownership/group composition was at the relevant times true and correct and that notification of any change (or reasonably likely change) in ownership/group composition will be provided before or on the date of such change).</li> <li>-Impose restrictions on the use of borrowed funds or credit extensions, such as prohibiting their use to acquire the debt of or extend credit to/for the benefit of an SSIL/sanctioned party or provide financing in support of prohibited transactions.</li> <li>- Indemnification terms providing for appropriate indemnification in the event of a Directive 1 or other applicable sanctions event constituting a breach.</li> </ul> </li> </ul>
On or after September 12, 2014 and before November 28, 2017	30 days or less	
On or after November 28, 2017	14 days or less	
<b>New Equity</b>	The date on which equity is “new” (and thus prohibited if issued by an SSIL entity) is the date on which the equity issuer became an SSIL entity (by the entity’s listing on the SSIL or operation of the 50% Rule). The earliest date on which an entity could have become an SSIL entity subject to Directive 1’s prohibitions is July 16, 2014.	
<b>Financing for and other dealings in prohibited debt and equity.</b>	Directive 1 prohibits, within the United States and by U.S. Persons, the “the provision of financing for, and other dealings in” debt and equity transactions prohibited by Directive 1.	

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