

CLIENT ALERT:

**U.S. IMPOSES NEW SANCTIONS AGAINST IRAN:
EFFECT ON SHIPPING SHOULD BE MINIMAL**

February 6, 2017

Introduction

On February 3, 2017, in response to a ballistic missile test reportedly conducted by Iran on January 29, the U.S. Office of Foreign Asset Control ("OFAC") sanctioned 25 individuals and entities either involved in Iran's missile program or in a network supporting terrorist activities in Lebanon. All of the individuals and entities are now named to the U.S. Specially Designated Nationals ("SDN") List.

Effect on Shipping Should be Minimal

Since these latest sanctions target specific individuals and entities, and not products or sectors of the Iranian economy, the overall effect on international shipping should be minimal. None of the secondary sanctions lifted on January 16, 2016 under the Joint comprehensive Plan of Action have been re-imposed. To read the OFAC press release on the new sanctions, click on the link below:

<https://www.treasury.gov/press-center/press-releases/Pages/as0004.aspx>

The link below provides a list of all the persons and entities that have been designated and added to the U.S. SDN List. Note that the list includes not only Iranians, but also individuals and entities in Lebanon, China, Kuwait and the UAE.

<https://www.treasury.gov/resource-center/sanctions/OFAC-Enforcement/Pages/20170203.aspx>

U.S. persons cannot deal with any of these designated persons or entities and non-U.S. persons should exercise due diligence in their trade with Iran to insure that none of these parties are involved.

Disclaimer: This Client Alert provides only a general summary of the February 3, 2017 sanctions imposed by OFAC, and is not intended to constitute comprehensive legal advice. Specific legal advice should be taken with respect to each individual inquiry regarding trade with Cuba. For additional clarification, please feel free to contact Bill Juska (juska@freehill.com), Gina Venezia (venezia@freehill.com) or Bill Pallas (pallas@freehill.com).

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