



Office of Financial Sanctions Implementation HM Treasury

Financial Sanctions Notice

03/09/2018

Frozen Assets Reporting (2018)

Background

- 1 Financial sanctions legislation applicable in the UK requires that all funds or economic resources belonging to, owned, held or controlled by a designated person must be frozen. Under this legislation the Treasury, through its [Office of Financial Sanctions Implementation](#) (OFSI), can request information you may possess for the purpose of, among other things, monitoring compliance with the legislation.

Frozen Asset Reporting (2018)

- 2 Every year the Treasury carries out a review to update its records to reflect any changes to these assets during the reporting period. As part of this review, the Treasury requires all persons that hold or control funds or economic resources belonging to, owned, held, or controlled by a designated person, to provide a report to us with the details of these assets. **If you possess this information you are requested to complete such a report and submit it to OFSI by Friday 12 October 2018.**
- 3 Your report should include details of all funds or economic resources frozen in the UK as well as those overseas where these funds or economic resources are subject to UK financial sanctions legislation. Accounts blocked solely by other national authorities (e.g. OFAC) do not need to be reported to us. Your report to OFSI should include the value of all such assets as at close of business **on Friday 28 September 2018**. For a general description of what should be reported please see the Annex to this Notice.

- 4 All completed reports should be emailed to ofsi@hmtreasury.gov.uk using the template on the GOV.UK website:

<https://www.gov.uk/government/publications/annual-frozen-asset-review-and-reporting-form>

- 5 There is no need to provide a nil return to OFSI if you do not hold or control funds or economic resources belonging to, owned, held, or controlled by a designated person. However, if you submitted a report last year (other than a nil return) and no longer hold those assets, please submit a nil return.

What you should do now

- 6 You should identify all of the funds or economic resources belonging to, owned, held or controlled by designated persons that are held or controlled by you. You should report all identifying information concerning those funds or economic resources, along with their value as of 28 September 2018, to OFSI no later than **12 October 2018**.
- 7 You should ensure that one person in your organisation is responsible for collating and sending in your return to avoid duplication.
- 8 Failure to comply with financial sanctions legislation or to seek to circumvent its provisions is a criminal offence and may result in a criminal prosecution or monetary penalty:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/637470/Monetary_penalties_for_breaches_of_financial_sanctions.pdf
- 9 If you have a question regarding this exercise you should contact OFSI immediately by emailing: ofsi@hmtreasury.gov.uk.

Ongoing compliance

- 10 Separately to the above, you are required on an ongoing basis to:
 - I. check whether you hold or control any funds or economic resources belonging to, owned, held, or controlled by the persons listed on the Treasury's Consolidated List of asset freeze targets;
 - II. if yes to (i) above, freeze such funds or economic resources;

- III. refrain from dealing with the funds or economic resources or making the funds or economic resources available to, or for the benefit of, such persons unless licensed by OFSI;
- IV. report any findings to OFSI, together with any additional information that would facilitate compliance with the legislation; and
- V. provide any information concerning the frozen funds or economic resources of designated persons that OFSI may request. Information reported to OFSI may be passed on to other regulatory authorities or law enforcement.

11 Your reporting obligations to OFSI are set out in Chapter 5 of OFSI's guide to financial sanctions: <https://www.gov.uk/government/publications/financial-sanctions-faqs>.

12 You should not wait for the reporting deadline above to report newly frozen funds or economic resources to OFSI. All newly frozen funds or economic resources must be reported immediately.

Data Protection

13 Please note that all information reported to OFSI will be handled in accordance with the General Data Protection Regulation and/or the Data Protection Act 2018.

Further Information

14 For more information please see OFSI's guide to financial sanctions:
<https://www.gov.uk/government/publications/financial-sanctions-faqs>

Enquiries

15 Non-media enquiries, reports and licence applications should be addressed to:

Office of Financial Sanctions Implementation
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

Phone: 020 7270 5454

E-mail: ofsi@hmtreasury.gov.uk

- 16 Media enquiries about how financial sanctions are implemented in the UK should be addressed to the Treasury Press Office on 020 7270 5238.
- 17 Media enquiries about the sanctions measures themselves should be addressed to the Foreign and Commonwealth Office Press Office on 020 7008 3100.

ANNEX TO NOTICE

DESIGNATED PERSONS

For the purpose of this Notice a designated person is an individual, entity or body, listed under EU or UK legislation as being subject to financial sanctions.

The list of designated persons can be found on OFSI's consolidated list of asset freeze targets here:

<https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets>

Note that the financial sanctions also apply to persons and entities that are owned or controlled, directly or indirectly, by a designated person. Those persons or entities may not be designated in their own right, so their name may not appear on the consolidated list. However, those persons or entities are similarly the subject of the financial sanctions.

ECONOMIC RESOURCES

Economic resources means assets of every kind, whether tangible or intangible, movable or immovable, (such as goods, property, or rights) which are not funds themselves but which can be used to obtain funds, goods or services.

FUNDS

Funds means financial assets and benefits of every kind, including but not limited to:

- cash, cheques, claims on money, drafts, money orders and other payment instruments;
- deposits with financial institutions or other entities, balances on accounts, debts and debt obligations;
- loans and mortgages;
- publicly and privately traded securities and debt instruments, including stocks and shares, certificates representing securities, bonds, notes, warrants, debentures and derivatives contracts;
- interest, dividends or other income on or value accruing from or generated by assets;
- credit, right of set-off, guarantees, performance bonds or other financial commitments;
- letters of credit, bills of lading, bills of sale;
- documents evidencing an interest in funds or financial resources;
- any other instrument of export-financing.

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