



FINANCIAL SERVICES COMMISSION

9th October 2020

Financial Sanction Notice

Frozen Assets Reporting (2020)

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 HM 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 (2020)

2. Every year HM Treasury carries out a review to update our records to reflect any changes to these assets during the reporting period. As part of this review, HM Treasury request 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 16 October 2020.
3. Your report must 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 must include the value of all such assets as at close of business on Wednesday 30 September 2020. For a general description of what should be reported please see the Annex to this Notice.

4. All returns need to be made, in the form of a completed template from the GOV.UK website, to ofsi@hmtreasury.gov.uk. The template can be found here:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/914390/Frozen Assets Reporting Template 2020.xlsx](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/914390/Frozen_Assets_Reporting_Template_2020.xlsx)

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.
6. Additional fields have been added to the 2020 Frozen Asset Reporting template to ensure that data submitted to OFSI is as accurate as possible.

What you should do now

7. 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 at 30 September 2020, to OFSI no later than 16 October 2020.
8. You should ensure that one person in your organisation is responsible for collating and sending in your return to avoid duplication.
9. Failure to comply with financial sanctions legislation or seeking to circumvent its provisions is a criminal offence. Such conduct could lead to either a criminal conviction or civil action by OFSI. This might include the imposition of a monetary penalty of up to either £1 million or 50% of the monetary value of the breach, whichever is greater. Guidance on OFSI's enforcement can be found here:

<https://www.gov.uk/government/publications/monetary-penalties-for-breaches-of-financial-sanctions>

10. If you have a question regarding this exercise you should contact OFSI immediately by emailing: ofsi@hmtreasury.gov.uk.

Ongoing compliance

11. 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 HM 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 the Governor
- IV. report any findings to the Governor, 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 the Governor may request. Information reported to the Governor may be passed on to other regulatory authorities or law enforcement.

12. 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>.

13. 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

14. 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

15. For more information please see OFSI's guide to financial sanctions:

<https://www.gov.uk/government/publications/financial-sanctions-faqs>.

Enquiries

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

His Excellency, the Governor
The Governor's Office
#8 Farara Plaza
Brades, MSR 1110
Montserrat
Email: David.Arkley@fco.gov.uk

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

Financial Services Commission

03/09/2020

