

## LIFFE NOTICE NO. 3827

Issue Date: 30 April 2014

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### SANCTIONS RELATING TO THE SITUATION IN THE UKRAINE

#### Executive Summary

This Notice reminds Members of their obligations in light of recent events relating to the situation in the Ukraine.

1. Members will be aware of the political situation in Ukraine and the various sanctions that have consequently been imposed by governments around the world. Sanctions lists and legislation published by the HM Treasury and OFAC are available at the following links. Other countries (including other member states of the European Union) have separate sanctions requirements in place which may be of relevance to Members.

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

UK sanctions: <https://www.gov.uk/government/publications/financial-sanctions-ukraine-sovereignty-and-territorial-integrity>

U.S. OFAC's SDN List: <http://www.treasury.gov/ofac/downloads/t11sdn.pdf>

U.S. Ukraine-related sanctions home page: <http://www.treasury.gov/resource-center/sanctions/Programs/Pages/ukraine.aspx>

U.S. EO 13660: [http://www.treasury.gov/resource-center/sanctions/Programs/Documents/ukraine\\_eo.pdf](http://www.treasury.gov/resource-center/sanctions/Programs/Documents/ukraine_eo.pdf)

U.S. EO 13661: [http://www.treasury.gov/resource-center/sanctions/Programs/Documents/ukraine\\_eo2.pdf](http://www.treasury.gov/resource-center/sanctions/Programs/Documents/ukraine_eo2.pdf)

U.S. EO 13662: [http://www.treasury.gov/resource-center/sanctions/Programs/Documents/ukraine\\_eo3.pdf](http://www.treasury.gov/resource-center/sanctions/Programs/Documents/ukraine_eo3.pdf)

Canada sanctions: <http://www.international.gc.ca/sanctions/ukraine.aspx?lang=eng>

2. In the light of these developments, this Notice is intended to remind Members of their obligations under Liffe Rules and ICE Clear Europe Rules. In particular:
  - Under LIFFE Rule 1.3.1 (Book II) "... It shall be the responsibility of each *Member* to ensure so far as practicable that the facilities are not used for any improper purpose. The *Board* shall have the power to regulate the *Market* so as to ensure, inter alia, that the facilities are not used for any improper purpose". For the avoidance of doubt, the use of the Exchange's facilities in any way that would violate any applicable law, including the sanctions referred to above, would be deemed to be for an improper purpose.

- Under ICE Clear Europe rule 202(a)(ii), each clearing member is required to "comply with all Applicable Laws relating to its status and performance as a Clearing Member".
  - Under ICE Clear Europe rule 405(a)(xi), when clearing for customers, clearing members are required to represent their compliance with applicable laws each time they enter into a contract and acknowledge that compliance with Applicable Laws "includes compliance with Applicable Laws ... relating to sanctions administered or imposed by the European Union, H.M. Treasury, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United Nations Security Council or any other relevant Governmental Authority affecting the Customer or any of its Customer's assets."
  - Under rule changes proposed in ICE Clear Europe Circular C14035, additional representations in relation to compliance with sanctions are proposed to be given by customers of clearing members pursuant to paragraph 3 of the applicable Standard Terms annex. In addition, a new Rule 202(a)(xxxii) has been proposed which will require clearing members to ensure that they are not "prevented from entering into any Contract or using the Clearing House as a result of any sanctions administered or imposed by the European Union, H.M. Treasury, the Office of Foreign Assets Control of the U.S. Department of the Treasury, the United Nations Security Council or any other relevant Governmental Authority affecting the Clearing Member or any of its assets."
3. In order to comply with these provisions, Members should therefore ensure that neither they, nor any of their customers (nor their senior officers/employees/controllers), are subjected to applicable sanctions measures. The situation should be monitored by Members as further sanctions are introduced in the future.

ICE is not responsible for the contents or accuracy of external or linked websites or for updating the above if new sanctions are put in place.

For further information in relation to this Notice, Members should contact:

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