

[Embargo information on KBC website](#)

International organizations and authorities such as the United Nations, The European Union, and local or other national authorities can all impose restrictive measures against countries, organizations, legal entities and / or individuals for committing or being suspected of infringement of human rights and international law, acts of crime, terrorism, money-laundering etc.. These measures are most commonly referred to as sanctions or embargoes.

KBC has a responsibility towards customers and authorities to conduct business in a lawful and ethical way. Therefore we will observe laws and binding requirements of applicable laws and regulations, and for reasons of social responsibility, we may also choose to be more strict than legally imposed.

Embargoes

An embargo is a restrictive measure or sanction on national and/or international level. Although provisions differ by country, person or agency, we distinguish two common types of embargoes:

- Financial embargoes: restrictions related to financial operations and financial resources
- Trade embargoes: restrictions on the import and export of certain goods or trade with certain countries or parties

KBC Bank must comply with financial and trade embargoes issued by the United Nations (made enforceable in Belgium), the European Union and by the Belgian legislator, but also embargoes issued by the USA (OFAC). In some cases OFAC sanctions have extraterritorial effect, therefore OFAC sanctions need to be taken into account when executing transactions in USD, on US territory, with US nationals or when related to goods that have US content (full or partial US origin).

For more information on UN, EU and OFAC sanctions, please click on the respective links below.

Observing embargo regulations means that KBC will not provide funds or economic resources to persons, entities or government agencies that appear on embargo sanction lists or support any kind of transaction with these parties. This not only helps us to avoid penalties for breaching international sanctions, it also helps you, as our customer, manage some of the risks associated with international trade.

KBC has implemented certain screening measures in its different processes to ensure compliance with the applicable restrictions and regulations, and with its own policy where this is more strict. As a result, a customer may be requested to provide KBC with more information or documentation on transactions or counterparties before KBC can process a transaction or payment.

Please note that Correspondent Banks also have the right to suspend any transaction in case their monitoring system detects a potential breach of embargoes. In case of suspended transactions KBC Bank acts only as intermediary between the customer and the correspondent bank, without having any influence on the result of their investigation.

In order to avoid complications customers are advised to contact the bank when considering doing business with countries against which restrictive measures have been imposed. For more information on applicable embargoes or on specific KBC policies, please get in touch with your KBC contact person.

KBC specific country policies

With respect to embargoes against some particular countries, KBC has decided to go further than the legally applicable sanction programs and to apply a more strict embargo policy. Please always refer to your contact person at KBC when you have questions regarding our policy on a specific country. The details of each country policy may change at any given time, due to changing regulations or political circumstances.

Iran

KBC will not process any payments in USD, CAD and GBP that involve Iranian parties or that involve Iran in any way.

KBC will only process non-USD, non-CAD and non-GBP payments for its own customers, after thorough screening of the transaction details to make sure the transaction is legally allowed and within the limits of our own policy. (please refer to your KBC contact person for more details)

Outgoing and incoming transfers from Iranian counterparties or Iranian financial institutions (incl. all their branches and subsidiaries) who are not on EU sanction lists or US sanction lists, will be processed, provided that the following conditions are met:

- a) Transfers to and from Iranian counterparties will only be processed for customers of KBC Bank.
- b) For transfers from and towards Iranian financial institutions, KBC Bank will act as correspondent bank exclusively for KBC Group entities.
- c) Documentary transactions (trade finance) or open account payments (provided that they are documented with an invoice or transport documents) are only allowed as far as they are linked with the import or export of authorized goods (shipment must occur after 16/01/2016 – incl. related costs such as transport and insurances).
 - As for contracts signed before May 8th : non-humanitarian transactions will only be processed during the transition period ending no later than November 4^h for longstanding KBC customers subject to a comprehensive review of the transaction.
 - As for contracts signed after May 8th : only humanitarian transactions will be processed (food, medicine and medical devices) for longstanding KBC customers subject to a comprehensive review of the transaction.
- d) Goods remaining on sanctions lists, military equipment, non-licensed dual use goods and nuclear-related material are excluded.

Syria

KBC will not process any payments in USD, CAD or GBP that involve Syrian parties.

KBC will only process non-USD, non-CAD or non-GBP payments for its own customers, after thorough screening of the transaction details to make sure the transaction is legally allowed and within the limits of our own policy. (please refer to your KBC contact person for more details)

North-Korea

KBC will not process any payment or transaction that is related to North-Korea.

Cuba

KBC will not process any payments in USD that involve Cuban parties.

KBC will only process non-USD payments for its own customers, after thorough screening of the transaction details to make sure the transaction is legally allowed and within the limits of our own policy. (please refer to your KBC contact person for more details)

Sudan and South-Sudan

KBC will not process any open account payments in USD, CAD or GBP.

KBC will only process non-USD, non-CAD or non-GBP open account payments for its own customers, after thorough screening of the transaction details to make sure the transaction is legally allowed and within the limits of our own policy. (please refer to your KBC contact person for more details)

KBC will allow documentary transactions (trade transaction under documentary collection or documentary credit) in all currencies, after thorough screening of the transaction details to make sure the transaction is legally allowed and within the limits of our own policy. (please refer to your KBC contact person for more details)

Russia

Sanctions on Russia are very diverse and comprehensive, EU and OFAC sanctions are different.

Therefore every transaction that has any link to Russia will be thoroughly screened to make sure the transaction is legally allowed and within the limits of our own policy. (please refer to your KBC contact person for more details)

Crimea

KBC will not process any payments in USD that involve Crimean parties.

KBC has restrictions on non-USD payments with Crimean counterparties. For more details please refer to your contact person within KBC.

UN: <https://www.un.org/sc/suborg/en/sanctions/un-sc-consolidated-list>

EU: http://ec.europa.eu/dgs/fpi/what-we-do/sanctions_en.htm

US (OFAC): <http://www.ustreas.gov/offices/enforcement/ofac/sdn/>

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