



LSTA Publishes Revised OFAC Guidance

August 2, 2018 - LSTA published an updated version of the “LSTA Regulatory Guidance: US Sanctions Issues in Lending Transactions”. Given the U.S. Government’s activity in this area, we are updating this particular Guidance in our series at least a couple of times per year. This latest update addresses new developments with respect to Venezuela, Iran, and President Trump’s termination of the United States’ participation in the U.N.’s 2015 Joint Comprehensive Plan of Action, including a discussion of the specified wind-down periods with respect to activities permitted under the JCPOA.

In addition, we have revised the language in the sanctions representation and use of proceeds covenant. The deletion of “governments” in those provisions is no longer necessary and was a carryover from the Burma and Libya sanctions programs (although the governments of Russia and Venezuela are targets of sanctions, those countries are not the targets of territorial sanctions).