

2024 Office of Foreign Assets Control (OFAC) Sanctions Annual Report

An analysis of OFAC sanctions programs, sanctions issued under the Biden Administration, Specially Designated Nationals (SDN) list activities, the impact of the Russo-Ukrainian and Israel-Hamas Wars, the rise of the Houthis, and enforcement trends



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About This Report

Current situation

The Office of Foreign Assets Control (OFAC) of the US Department of the Treasury administers and enforces economic and trade sanctions based on US foreign policy and national security goals against targeted foreign countries and regimes, terrorists, and international narcotics traffickers. OFAC issues multiple lists of individuals, entities and vessels that US persons are prohibited from doing business with. Since 2022, the active Specially Designated Nationals (SDN) List has increased by more than 47%.

Do sanctions change based on the US Presidential Administration?

Each US President has faced various world events during their administration with President Biden as the sitting President during both the Russo-Ukrainian War of 2022 and Israel-Hamas War of 2023, which remain ongoing. Sanctions increased by 7% from President Obama's first term to his second, 54% under President Trump, and 100% under President Biden. Long gone are the days where sanctions were considered historical embargoes and basic awareness of countries/regions to avoid doing business with. Sanctions is a key instrument in US foreign diplomacy that has significant impact on companies doing business and transacting globally.

How to comply with ever-changing sanctions regulations

This report is designed to offer insights into the fluidity of sanctions and OFAC's continued expansion beyond financial services and US borders. 2024 demonstrated an ongoing emphasis on penalties to the commercial sector, non-US companies, and even individuals. OFAC penalties continue to reference previously issued guidance on establishing a sanctions-specific and risk-based compliance program as a proactive measure to identify and mitigate sanctions risks.

“As the Kremlin seeks to leverage entities in the financial technology space, Treasury will continue to expose and disrupt the companies that seek to help sanctioned Russian financial institutions reconnect to the global financial system.”

– Under Secretary of the Treasury for Terrorism and Financial Intelligence, Brian E. Nelson *on March 25, 2024*

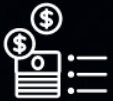


2024 OFAC Sanctions Overview

An overview of OFAC sanctions programs, SDN list progression, and key developments

OFAC Sanctions Overview

OFAC administers economic sanctions and embargoes that target geographic regions and governments. Some programs are comprehensive in nature and include broad-based trade and financial restrictions, while others target specific individuals and entities such as terrorists, narcotics traffickers, and human rights abusers. Sanctions targets, also known as SDNs, are published through OFAC's SDN List, which now includes almost 17,000 names of companies and individuals and imposes the following prohibitions:



Properties and Interests

Anything of financial value including money, checks, notes, drafts, contracts, negotiable instruments, even debts – basically anything that a bank handles.



Trade, Import and Export

Related to the exchange or trade of products or services (e.g. crude oil, diamonds, charcoal, etc.), whether as import or export, and may include banning of certain business transactions or even cargoes, aircrafts or vessels.



Donations, Contributions or Support

Includes, but are not limited to, provision or contribution of funds, goods, and services.



Technology, Data and Infrastructure

Includes, but are not limited to provision of data information, or technology, such as downloading software or programs or even accessing a platform.



Financial Services or Issuance of Securities

Prohibitions from US financial institutions to provide loans or credit, foreign exchange transfer of credit or payments, purchasing equities and investing in securities.



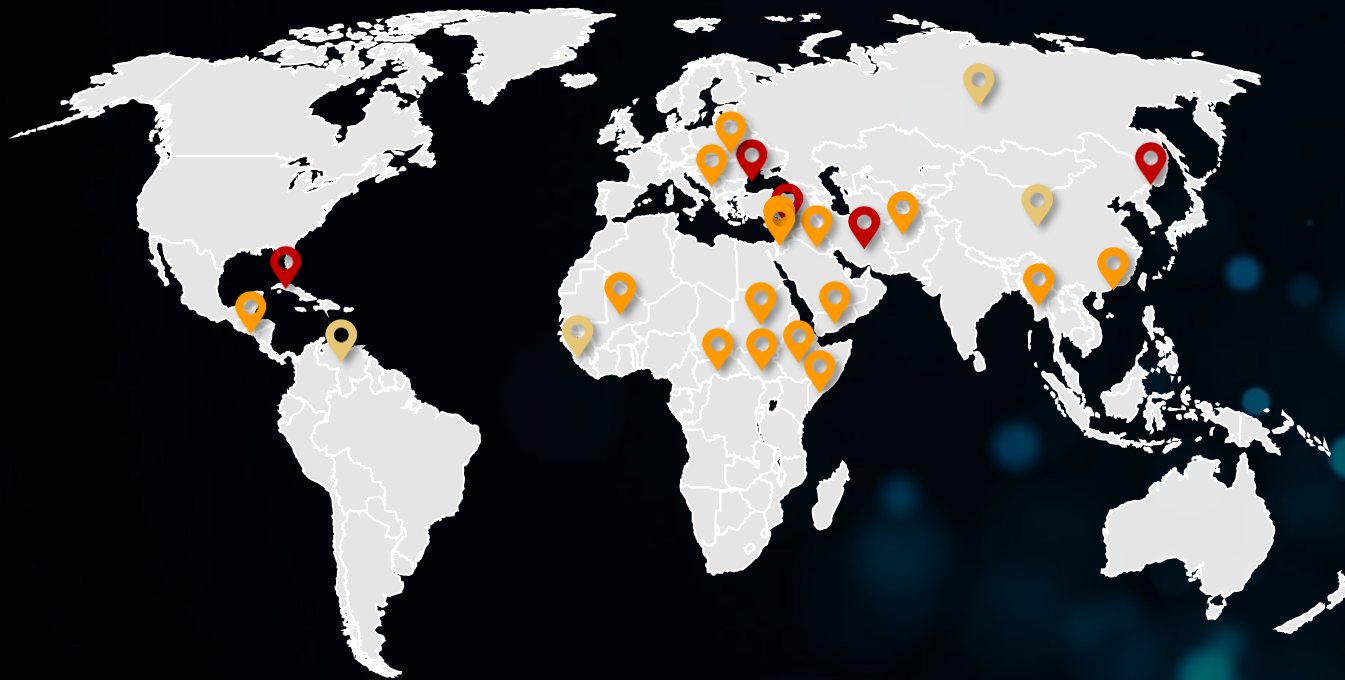
Travel, Immigration, or Visa

Involves suspension of entry to the US, whether as an immigrant or a non-immigrant. This also includes revoking an existing visa or travel permit for the US, where applicable.



Types of OFAC Sanctions Programs

Sanctions programs vary in scope and may encompass prohibitions at a country level, which is why OFAC does not maintain an actual list of countries that US persons cannot do business with. Instead, OFAC maintains numerous Sanctions Programs, which can be comprehensive, selective, geographically-oriented or individuals or entities-focused. The sanctions are very dynamic, but all utilizing the blocking of assets and imposing trade restrictions to accomplish foreign policy and national security goals. In 2024, there were 38 active Sanctions Programs, which can be categorized into three (3) categories:



Targeted Sanctions

Targeted sanctions involve blocking of property, freezing of assets, certain trade restrictions and other prohibitions on specific individuals or entities listed on OFAC's SDN List.

Additionally, targeted sanctions also consider the 50% Rule, which implies that entities which are 50% owned by sanctioned parties, whether directly or indirectly, are also subject to sanctions regardless if they appear on the SDN List or not.

This may be applicable to a country or a theme, such as narcotics or terrorism, cyber, foreign interference to US elections, human rights abuse, and transnational crimes.

Comprehensive Sanctions

Comprehensive sanctions impose broad restrictions, which prohibit almost all transactions and business activities associated to regions or countries.

Sectoral Sanctions

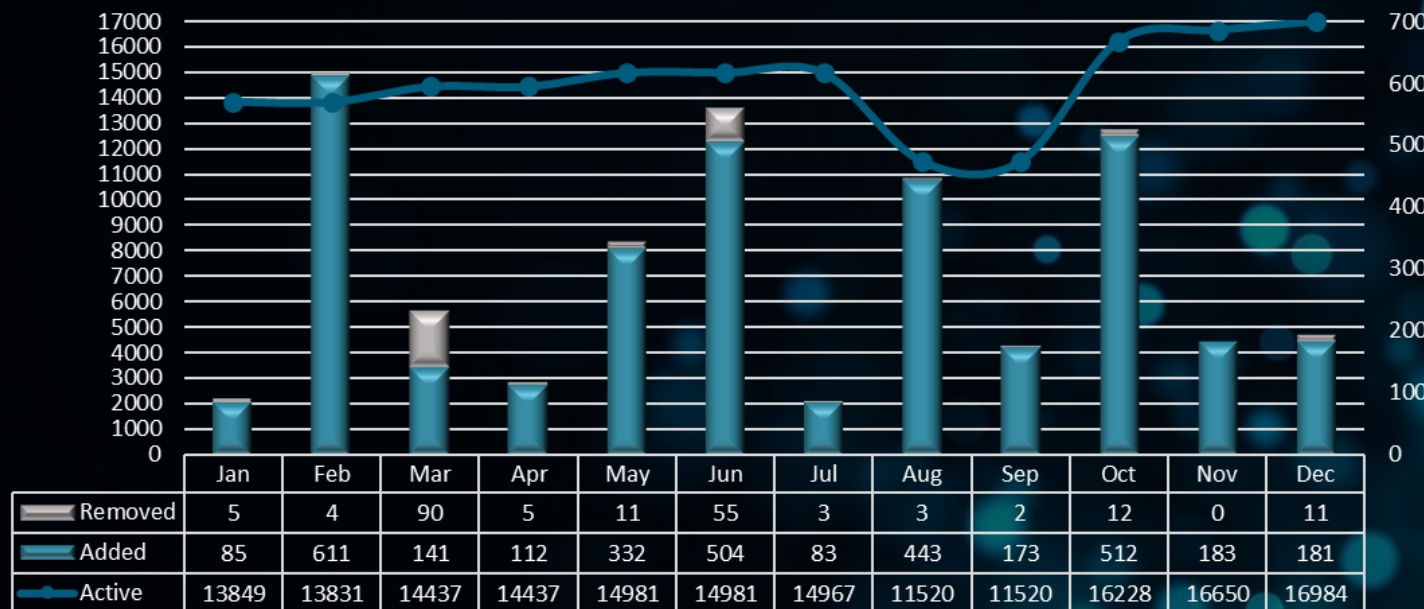
Sectoral sanctions are not subject to blanket prohibitions and are imposed only to specific sectors of a sanctioned country or regime.



2024 SDN List Progression

OFAC publishes a list containing individuals, groups or entities designated under sanctions programs, called the SDN List. This list also includes companies controlled or owned by, or acting for or on behalf of, sanctioned parties or targeted countries. There is no predetermined schedule for updates to the list and entries are added, changed, or removed as necessary.

2024 continued another year of unprecedented sanctions designations by OFAC with more than 3,100 new designations on the SDN List. 2024 also marks the highest addition under Russian sanctions with more than 2,200 new additions, representing almost 70% of total designations. This demonstrates momentum since 2022 as a response to Russia's invasion of Ukraine. Other top drivers for SDN additions were related to counter terrorism, Iran, counter narcotics trafficking, Global Magnitsky, and Belarus sanctions programs:



2024 Key Sanctions Developments

Sanctions and export controls continued to expand in the last few years, mainly as a response to the Russo-Ukrainian war. However, other geopolitical developments and deepening tensions among US adversaries in 2024 resulted in expansion and enhancements to US sanctions programs:



Continued Sanctions Pressures on Russia

In 2023, President Biden imposed secondary sanctions on foreign financial institutions (FFIs) under Executive Order (EO) 14114 if found to be involved with Russia's military-industrial base.

In 2024, the US further expanded these secondary sanctions in June 2024, updating the definition of "Russia's military-industrial base" and issuing revised guidance to address how FFIs can mitigate risks.

OFAC also showed continued vigilance over Russia's financial infrastructure, imposing sanctions on key players, the National Clearing Center (NCC), and Non-Bank Credit Institution Joint Stock Company National Settlement Depository (NSD). Additionally, new sanctions and export control restrictions were also carried out in 2024, determining prohibitions for specific information technology and software services and exportation or reexportation.



Targeting China Due to Support Offered to Russia, Iran and Belarus

To this day, no sanctions program specifically targets the People's Republic of China (PRC) due to the potential ramifications of the US economy and diplomatic relations. But for the first time, the US imposed sanctions on two (2) China-based drone suppliers and their alleged Russian partners for supplying complete weapons systems to Russia.

Collectively, entities and individuals from China received the 2nd highest designations in 2024 overall, next to Russia. However, Chinese persons added on the SDN List were designated under Russia, Iran or Belarus sanctions. Notably, OFAC does not maintain a direct sanctions program against China.



Escalating Concerns Against Terrorism

2024 saw another increase in counter terrorism designations, making it the most used sanction unrelated to a specific jurisdiction or country for the 2nd year in a row.

Sanctions on Iranian persons accounted for a large portion of the designations, partially driven by Iran's strikes on Israel in April.

Apart from Iran, counter terrorism designations also targeted terrorist evasion networks, again with Chinese entities, playing a role in illicit terrorist financing. Other designations were made against Hamas, malicious cyber activities, and Houthis' networks.

Ansarallah, commonly known as the Houthis, was re-added to the SDN List in February after they attacked international maritime vessels in the Red Sea and the Gulf of Aden.



2024 SDN List Top Hits by First and Last Name

One of the key pieces of identifying information included on the SDN List are the names or aliases of sanctioned individuals, entities, as well as maritime vessels and aircrafts. Below are the top names on the SDN List by Last Name and by First Name:

Last Names			
1	Kim	26	Ali
2	Al-Tikriti	27	Ahmed
3	Ri	28	Ruelas Avila
4	Khan	29	Salim
5	Ibrahim	30	Myint
6	Ahmad	31	Kovalchuk
7	Wang	32	Chang
8	Ivanov	33	Yusuf
9	Choe	34	Zakharov
10	Pak	35	Wu
11	Li	36	Wei
12	Oo	37	Salman
13	Al-Rawi	38	Rincon Castillo
14	Zhang	39	Popov
15	Chen	40	Omar
16	Aung	41	Makhluf
17	Al-Assad	42	Milosevic
18	Muhammad	43	Hassan
19	Mohamed	44	Jong
20	Kang	45	Hijazi
21	Saleh	46	Gusev
22	Rotenberg	47	Barakat
23	Petrov	48	Abdallah
24	Khalil	49	Zamudio Lerma
25	Gonzalez Valencia	50	Zagaria

First Names			
1	Muhammad	26	Nikolaevich
2	Ali	27	Reza
3	Mohammad	28	Hasan
4	Vladimirovich	29	Jesus
5	Ahmad	30	Yuryevich
6	Jose	31	Dmitry
7	Vladimir	32	Ben
8	Aleksandrovich	33	Antonio
9	Sergey	34	Carlos
10	Alexander	35	Viktor
11	Andrey	36	Hussein
12	Ibrahim	37	Sergeyevich
13	Ahmed	38	Ivan
14	Mohamed	39	Maria
15	Abdul	40	Borisovich
16	Viktorovich	41	Aleksey
17	Aleksandr	42	Nikolay
18	Ivanovich	43	Sergei
19	Mikhail	44	Hossein
20	Igor	45	Alexey
21	Oleg	46	Anatolyevich
22	Hassan	47	Vladimirovna
23	Nikolayevich	48	Juan
24	Luis	49	Chol
25	Mohammed	50	Dmitriy



2024 SDN List Top Hits by Last Known Country

Apart from names and aliases, personal information about designated individuals are also included in the SDN List, such as date of birth, address, identification numbers such as passport or social security information, and the last known country address. The following identifies the last known country where 2024-designated individuals are believed to be located. Russian retains top billing in 2023 and 2024:

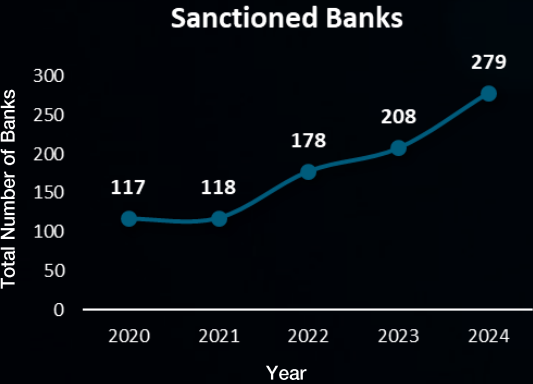
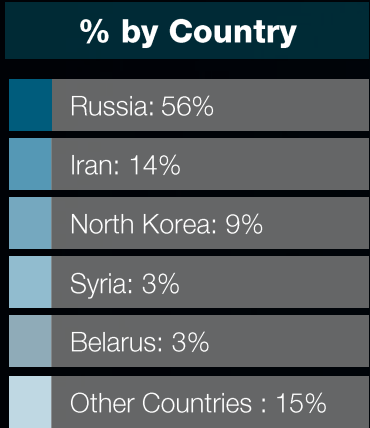


Top 20 Countries	
1	Russia
2	China
3	Iran
4	United Arab Emirates
5	Turkey
6	Mexico
7	Belarus
8	India
9	Venezuela
10	Lebanon
11	Yemen
12	Marshall Islands
12	Bosnia and Herzegovina
13	Ukraine
13	Cyprus
14	Malaysia
15	Liechtenstein
16	Thailand
16	Syria
16	Korea, North
16	Kyrgyzstan
17	Colombia
17	Singapore
17	Guatemala
18	United Kingdom
18	Iraq
19	Germany
19	Serbia
20	Zimbabwe
20	Georgia



2024 Top Sanctioned Banks

Since 2022, OFAC has cast a wider net to combat Russian sanctions evasion by actively designating Russian banks. By 2023, more than 80% of Russia’s banking sector assets were under US sanctions. By the end of 2024, a total of 279 banks have been sanctioned by OFAC with banks located in Russia representing 56%, followed by Iran at 14% and North Korea at 9%.



2024 Digital Currency Address Holders

Since 2018, OFAC started to identify digital currency addresses as blocked property on the SDN List. Digital currency addresses on the SDN List include the digital currency it corresponds to (e.g., Bitcoin (XBT), Ethereum (ETH), etc.) and their unique alphanumeric identifiers. For 2024, the digital currency addresses identified by OFAC held more than \$250 million USD with two addresses holding approximately 97% of the value. Moreover, overall, digital currency addresses associated with Russia and China represented more than half of the entries:

% by Country	
<div></div>	Russia: 32%
<div></div>	China: 19%
<div></div>	Iran: 8%
<div></div>	Unidentified by OFAC: 8%
<div></div>	UK: 3%
<div></div>	UAE: 3%
<div></div>	Gaza: 3%
<div></div>	Estonia: 3%
<div></div>	Pakistan: 3%
<div></div>	Other Countries: 16%



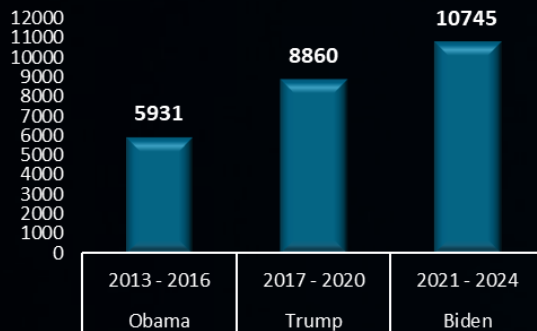
Sanctions Issued by US Presidential Administration

A review of sanctions under the
Obama, Trump, and Biden Administrations

Sanctions under the Obama, Trump, and Biden Administrations

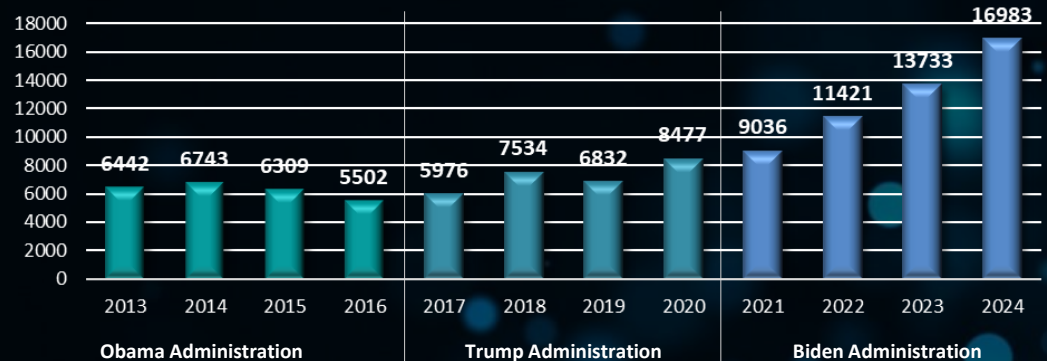
Each OFAC sanctions program is based on different national security and foreign policy goals and may originate from the executive or legislative branch. The President launches the process by the issuance of an EO that declares a national emergency with extraordinary or unusual threats to national security or foreign policy. EOs allow the President special powers to amend sanctions programs or to regulate commerce related to threats for a period of a year, unless extended or terminated by a joint resolution of Congress. Below are highlights of the Obama, Trump, and Biden administrations:

Sanctioned Entities by US President



**2013 to 2019 data are only indicative due to the difference in OFAC data output.*

Active and Unique SDN Entries



Obama

- **Imposed or Amended Sanctions Programs:** Cyber, Counter Terrorism, Transnational Crimes, Global Magnitsky, Iran, Ukraine, North Korea, Venezuela, Libya, Central African Republic, South Sudan, Yemen, Burundi and Syria.
- **Top 5 Sanctions Programs with the highest additions to designations:** Counter Terrorism, Non-Proliferation, Counter Narcotics Trafficking, Ukraine, and Iran.

Trump

- **Imposed or Amended Sanctions Programs:** Global Magnitsky, Interference to US Elections, International Crimes Court, Iran, Venezuela, North Korea, Syria, Countering America's Adversaries, Hong Kong, Nicaragua, Mali, and Ethiopia.
- **Top 5 Sanctions Programs with the highest additions to designations:** Iran, Counter Terrorism, Syria, Non-Proliferation, Global Magnitsky, and North Korea.

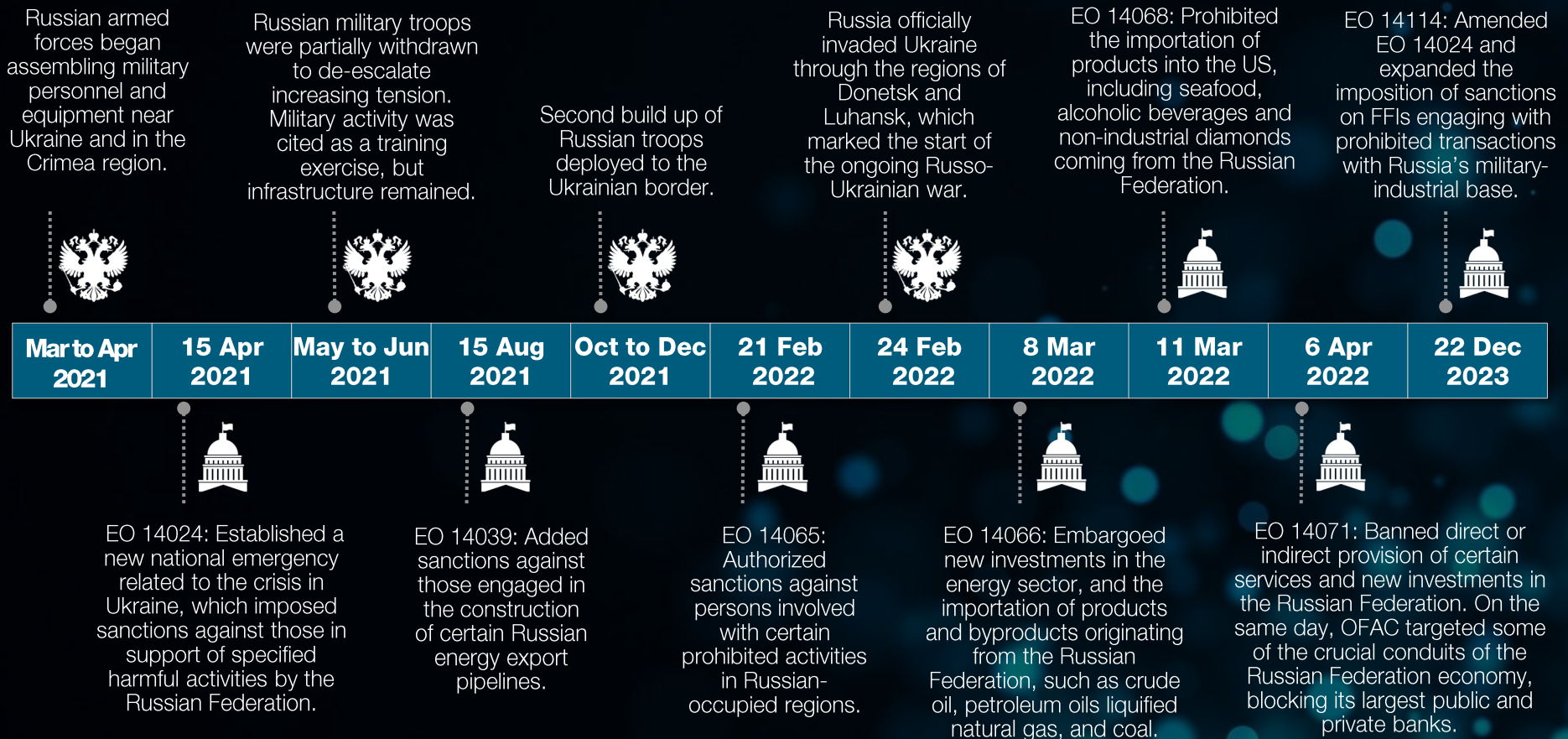
Biden

- **Imposed or Amended Sanctions Programs:** Russia, Belarus, Burma, Counter Narcotics Trafficking, Ukraine, Western Balkans, and Syria.
- **Top 5 Sanctions Programs with the highest additions to designations:** Russia, Counter Terrorism, Iran, Hong Kong, and Sudan.



The Escalation of Russian Sanctions under the Biden Administration

In 2024, sanctions on Russia reached an all-time high due to the ongoing Russo-Ukrainian War. While the situation heated up in 2021 during President Trump's final year in the White House, the Russo-Ukrainian War started on February 24, 2022 during President Biden's first year in office. As a result, sanctions increased by an average of almost 2,700 annually and with an overall increase of more than 100% during his four-year term. Below are the key escalations by Russia and the US sanctions responses:

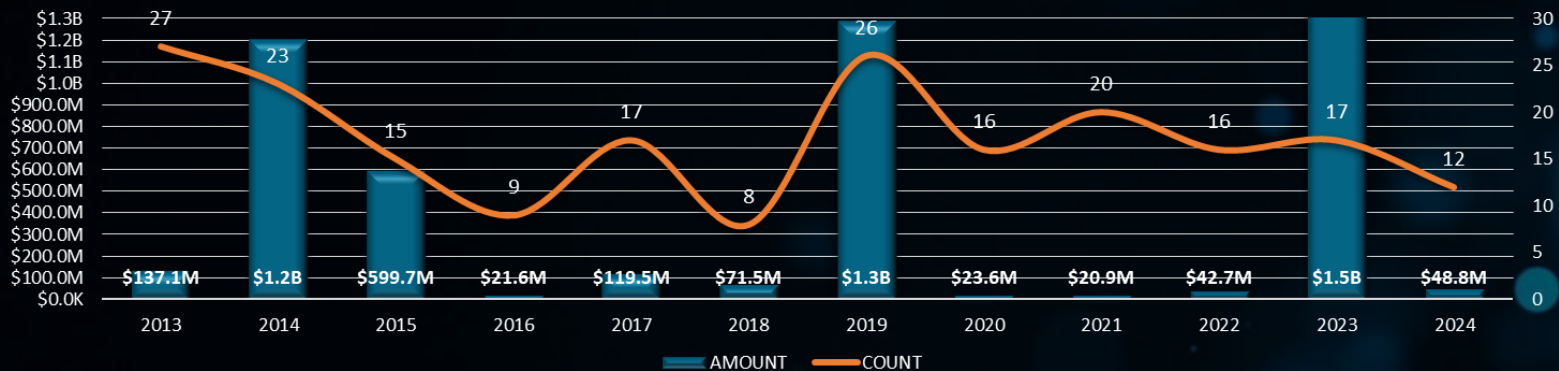


Enforcement Trends for OFAC Sanctions Violations

An analysis of all enforcement actions
issued by OFAC within the year

Civil Penalties, Fines, and Enforcement Actions

OFAC administers and enforces US sanctions programs, and where necessary, may coordinate with federal, state, local and even foreign regulators and law enforcement agencies related to these investigative and enforcement activities. Settlements and penalties, whether civil or criminal, are meant to discourage misconduct and violation of sanctions programs. Below are the civil monetary penalties imposed by OFAC since 2013:



2024 Enforcement in a Nutshell

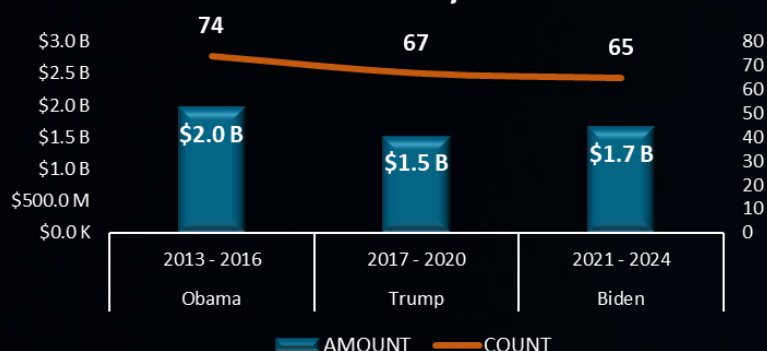
- 2024 enforcement saw a drop compared to 2023, with only 12 public enforcement actions and monetary penalties amounting to a total of almost \$49M, involving a violation of six (6) sanctions programs. This is a significant decrease from 2023 where OFAC imposed over \$1.5B in penalties across 17 enforcement actions, which included massive and record-breaking penalties against Binance and British American Tobacco (BAT). Despite 2024 being a relatively slow enforcement year for OFAC, new ground was broken when two (2) prosecutions issued were for US individuals - a reminder of the increasing focus on not just corporate but also individual liability.
- 50% of the enforcement actions in 2024 involved violation of the Iranian sanctions programs and were against a wide range of commercial activity from non-US companies who utilized the US financial system as they transacted with sanctions parties and jurisdictions and non-US persons facilitating such transactions, one of which represented the highest penalty and about 41% of the total penalties imposed for the year. Almost half of the violations also involved the exportation and re-exportation of goods, services, and technology originating from the US. The enforcements highlighted the importance of US companies integrating an effective sanctions compliance program into their operations and employing the appropriate due diligence, especially if it involves engagement with a foreign affiliate, subsidiary, third party, or a newly acquired company.
- 2024 enforcement activity represents a notable decrease since 2019 and showed low turn-out on Russian-related enforcement, which experts have attributed to complex and ongoing Russia investigations at OFAC.



Enforcement under the Obama, Trump, and Biden Administrations

Apart from being responsible for civil investigation and enforcement of economic and trade sanctions, OFAC also administers and enforces sanctions programs pursuant to Presidential and statutory authorities. Enforcement has changed through the years but has remained key in sanctions compliance.

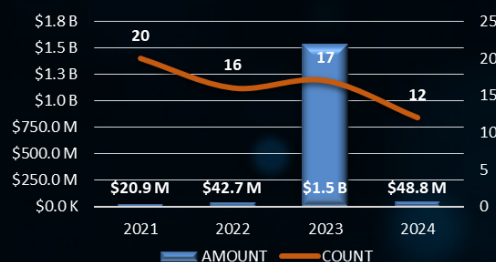
OFAC Enforcements by US President



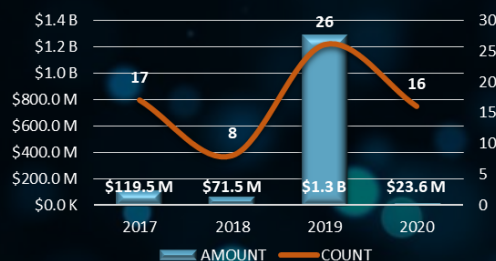
OFAC Enforcement Guidance Updates

- **March 2024** – OFAC, together with the US Department of Commerce and the US Department of Justice, issued a tri-seal compliance note which highlights the obligations of foreign-based persons when complying with the US sanctions and export control laws.
- **April 2024** – The US Congress increased the statute of limitations for criminal and civil violations of the US sanctions from five (5) to ten (10) years, under the International Emergency Economic Powers Act, 50 U.S.C. 1705 (IEEPA), and the Trading with the Enemy Act, 50 U.S.C. 4315 (TWEA).
- **September 2024** – OFAC issued an Interim Final Rule (IFR), extending recordkeeping requirements from five (5) to ten (10) years. Unless the IFR is amended based on public comments, the new requirements will take effect on March 12, 2025.

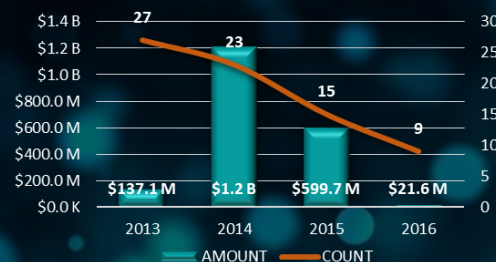
Biden Administration



Trump Administration



Obama Administration



Top 2024 Enforcement Actions, Penalties and Themes



\$20M

Industry Type: Manufacturing

Key Deficiency: SCG Plastics, a trading company headquartered in Bangkok, Thailand, engaged in a joint venture set up by its parent company SCG Chemicals and the National Petrochemical Company of Iran (NPC), employing shipping and documentation practices, with the objective of disguising the Iranian origin of the products for distribution and NPC's involvement. Such obfuscation cause US financial institutions to process wire transfers to Iran.

Compliance Considerations: Emphasizes the risks that non-US companies are exposed to, as well as the potential costs, when they utilize the US financial system and obfuscate documentation to be able to transact with US sanctioned persons or jurisdictions.



Non-US Companies
Involved in US
Commercial
Activities are Likely
Subject to US
Sanctions



\$14.6M

Industry Type: Industrial Equipment Sourcing

Key Deficiency: Aiotec, headquartered in Berlin, Germany, conspired with an Australian company that hired a US company as a broker to resell a decommissioned polypropylene plant in Australia. The US company was contractually obligated under the Sale agreement to dismantle and remove the plant from the site, which they delegated to Aiotec. Aiotec stipulated that the plant was to be operated in Türkiye and will not be resold to any US sanctioned country or jurisdiction. However, a separate agreement with Aiotec's subsidiary in the Middle East and an Iranian petrochemical company was being set up without the knowledge of the US broker, to divert the plant to Iran, essentially causing the US company to indirectly sell the plant to Aiotec for supply, shipment, or exportation to Iran.

Compliance Considerations: Demonstrates the risk and potential costs for non-US persons and entities when they get involved with US sanctioned persons or jurisdictions. Aiotec may be a German company and the plant involved was in Australia, but involved a US company reseller or broker. Even if financial transactions are in a different currency, such as euros, Aiotec still exposed itself by sending the funds to US financial institutions. Finally, this case highlights the damage that conspiracies involving multiple actors can cause to undermine sanctions controls of an unwitting third party from the US.



Non-US Companies
Involved in US
Commercial
Activities are Likely
Subject to US
Sanctions



Top 2024 Enforcement Actions, Penalties and Themes (continued)



\$7.5M



**Increased
Sanctions Risk
Posed by M&A**



**Sanctions are
Not Limited to
the SDN List**

Industry Type: Bank and Trust Company

Key Deficiency: State Street, a Massachusetts-based financial institution and its subsidiary, Charles River Systems, Inc., a non-bank technology company was involved in redating and reissuing invoices for customers subjected to Directive 1 of Executive Order (EO) 13662, which prohibits dealings with new debt beyond specified maturity periods for persons or entities contributing to the situation in Ukraine. State Street acquired Charles River in 2018 and prior to that, Charles River had been involved with regularly redating or reissuing old invoices to get the invoices paid by customers identified under OFAC's Sectoral Sanctions Identifications (SSI) List.

Compliance Considerations: Highlights the importance of acquiring companies establishing and maintaining an effective sanctions compliance program among their subsidiaries, commensurate to the risk of their customer base and business operations. This also emphasizes the importance of understanding and adhering to the prohibitions, not just to comprehensive or targeted sanctions under the SDN List, but to other sectoral sanctions programs.



\$3.7M



**Sanctions Risks
of Foreign
Financial
Institutions**

Industry Type: Global Bank

Key Deficiency: EFG International AG is a global private bank based in Switzerland with around 40 subsidiaries around the world (collectively, EFG). EFG apparently caused US securities firms to process securities-related transactions for customers blocked under Cuba sanctions, the Kingpin Act and Russian sanctions programs, through multiple subsidiaries located in the Bahamas, Cayman Islands, Luxembourg, Monaco, Switzerland and Singapore. This was made possible through omnibus accounts which obfuscated the transactions.

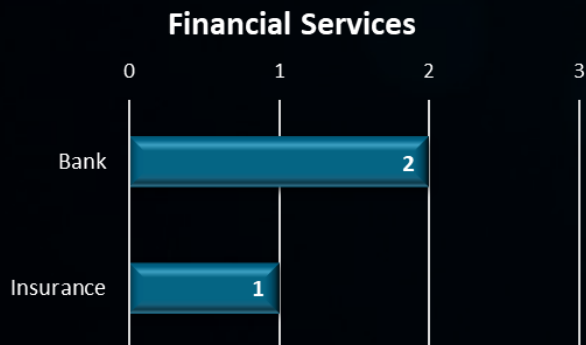
Compliance Considerations: Demonstrates sanctions risks that financial institutions with a global market-base and with omnibus accounts at US custodians may face. Violations may arise when US firms lacking direct visibility to underlying ownership of omnibus account structures process transactions or implement corporate actions for the benefit of sanctioned parties or jurisdictions. This also emphasizes the importance of conducting the appropriate due diligence to identify customers or parties with potential sanctions connections, and screening such customers against the SDN and other sanctions programs list.



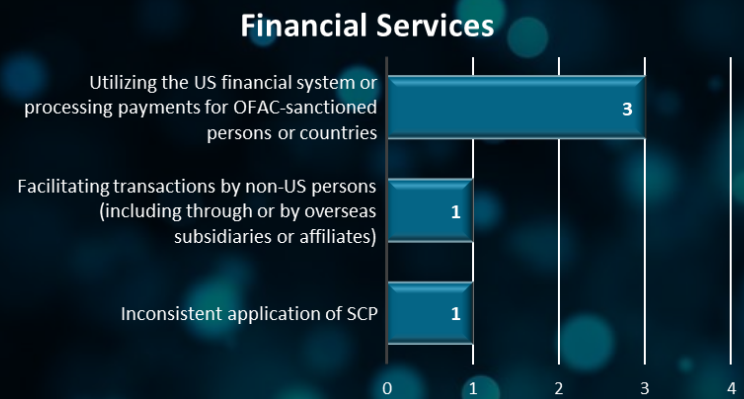
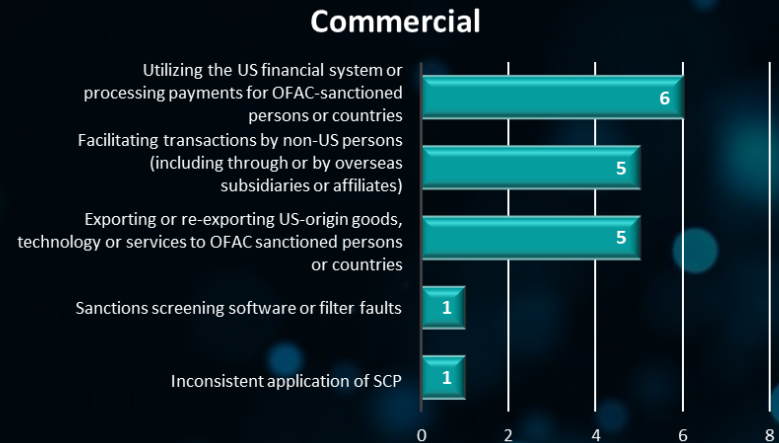
Enforcement by Industry and Root Causes Contributing to Penalties

For 2024, more commercial entities were penalized by OFAC than financial services companies, with payment processing through the US financial system, transactions by non-US persons, and exporting US goods to sanctioned persons or countries as the leading causes for penalties.

Industries of Sanctions Violators



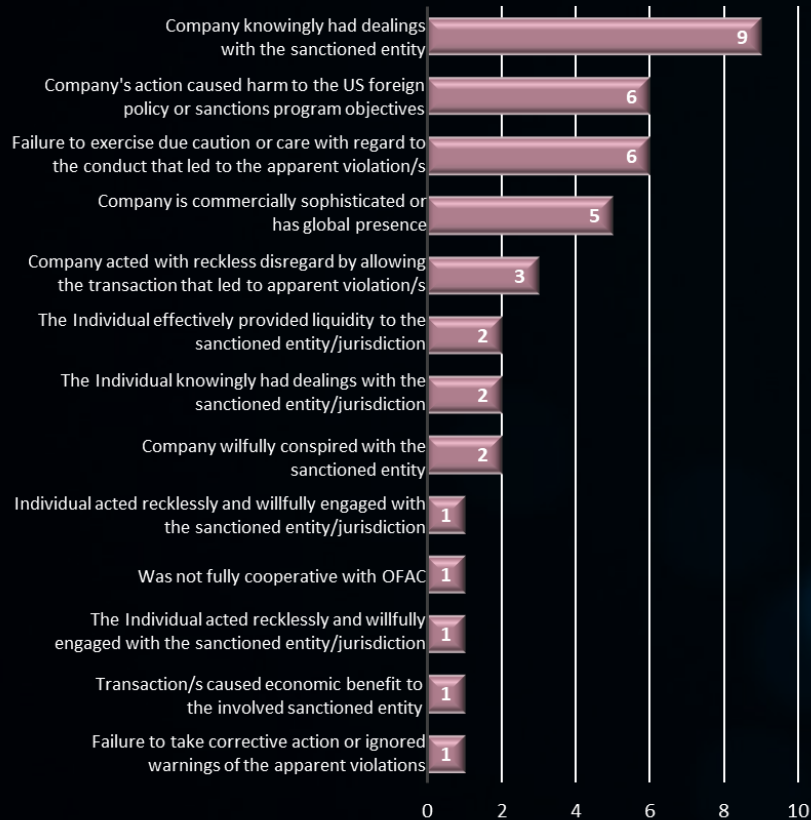
Root Causes of Deficiencies



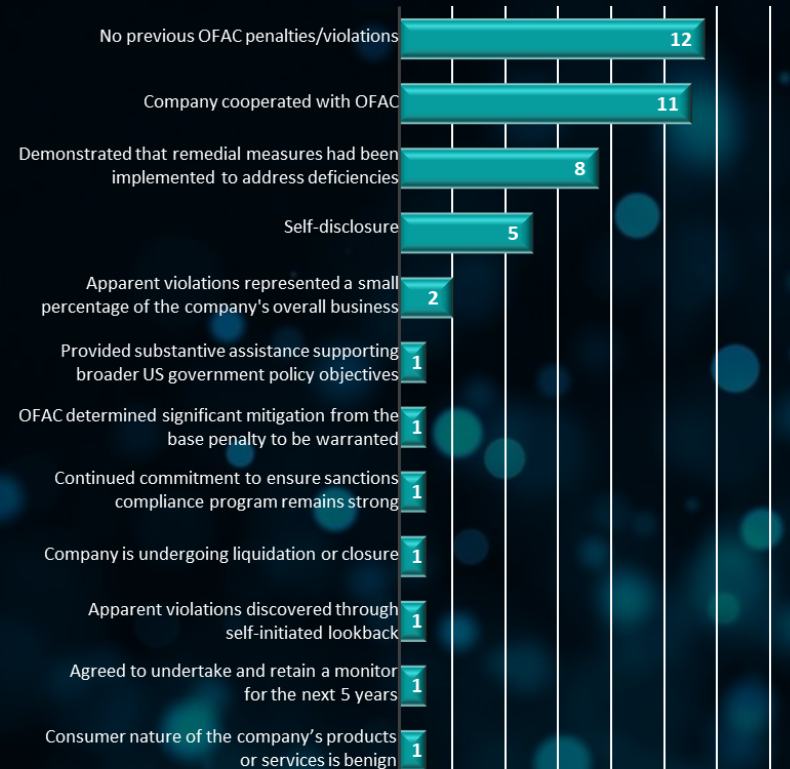
Aggravating and Mitigating Factors in Determining Penalties

OFAC employs a balancing test for assessing penalties for sanctions violations. For 2024, while knowingly and willfully engaging with a sanctioned entity represented a common aggravating factor, a deeper look identified that the penalized entity often had the awareness, means, sophistication, and global presence to avoid the violations, however, failed to do so.

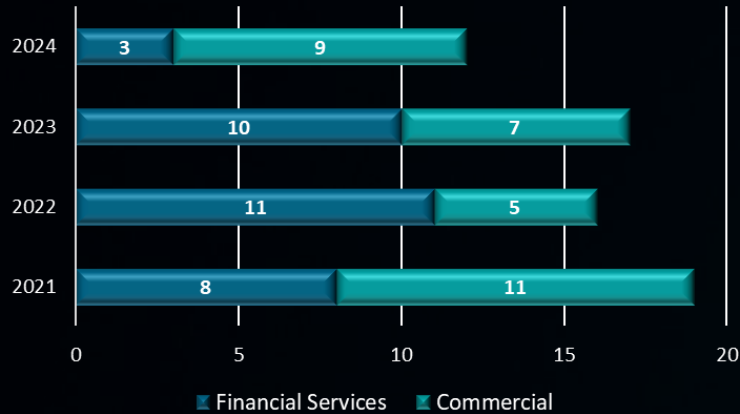
Aggravating Factors



Mitigating Factors



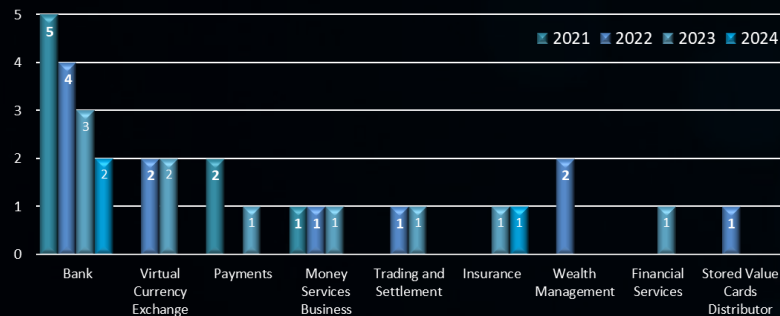
OFAC Enforcement Applies to the Commercial Sectors



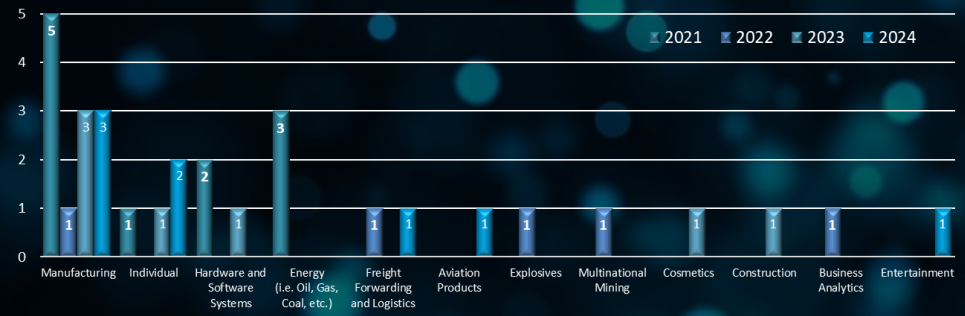
Contrary to historical belief, OFAC enforcement extends beyond financial institutions. After all, it applies to all US persons and businesses, including non-banking and commercial industries, and even foreign companies and subsidiaries of US companies all over the world.

During the past four (4) years, OFAC has increased sanctions on the commercial sector – typically, an area that maintains less awareness and specialized systems, staff, and training on sanctions compliance. As such, with each public sanctions penalty, OFAC continues to remind companies to develop and maintain a sanctions compliance program.

Financial Services



Commercial



Building a Better Sanctions Program

2024 enforcement themes to enhance
sanctions programs, screening, risk
assessments, and training

Proactively Building a Defense Using 2024 Enforcement Themes

2024 continued the push for accountability to avoid evasion of Russian sanctions, which will likely remain until the conflict is resolved. However, it also displayed that OFAC's enforcement casts a wide net and reaches where it needs to, even outside Russia. Below are 2024's key themes and compliance considerations that organizations can integrate into their sanctions compliance programs to enhance risk mitigation and seek to avoid apparent violations:



Non-US Companies Involved in US Commercial Activities are Likely Subject to US Sanctions

Commercial activity such as the sale of non-US goods or technology by a non-US person to an OFAC sanctioned country may not exactly violate OFAC regulations. However, it may result in a violation if it involves processing transactions through US financial institutions.



Heightened Vigilance from Companies Operating in High-Risk Industries and Jurisdictions

US-based companies, particularly those involved in sensitive industries and jurisdictions, should remain vigilant of suspicious conduct, as some sanctioned countries employ efforts to evade sanctions through conspiracies and deceptive practices to continue acquiring goods, services, and technology from the US. It is of utmost importance that risk-based controls are consistently employed to ensure compliance with OFAC sanctions.



Sanctions are Not Limited to the SDN List

There are other lists other than the SDN List. Aside from blocking, jurisdictional and other standard prohibitions, companies should also implement controls to screen clients and activities that may be subject to "less-than-blocking" sectoral sanctions, including directives and limitations related to debt and equities.



Increased Sanctions Risk Posed by Mergers and Acquisitions (M&A)

Apart from pre- and post-acquisition due diligence, M&A of companies in the US and abroad should promptly establish appropriate compliance controls and training to limit risk exposure from the acquired entity's current practices and operations.



Individuals Must Also Be Accountable to Sanctions

All US persons and entities, including individuals, are required to comply with US sanctions, regardless of their familiarity with sanctions-related issues. OFAC is not confined to the corporate context for sanctions violations.



Sanctions Risks of Foreign Financial Institutions

Foreign financial institutions with global operations and customers, especially those maintaining omnibus accounts with US custodians, are recommended to conduct screening and due diligence, as well as implement risk-based controls to compensate for the absence or lack of direct insight to underlying sub-accounts.



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Sanctions Risk Assessment and Program Development

The foundation of an effective sanctions compliance program starts with understanding your organization's sanctions risks and how to mitigate them, while an effective sanctions program has been proven to identify and strengthen preventive measures against violating sanctions laws and regulations. Stratis can execute a customized global sanctions risk assessment that allows you to evaluate your potential high-risk areas, screening and mitigation strategies, and vulnerabilities to sanctions-related risks. At the same time, Stratis can help you develop a sanctions program proportionate to your business model, scale, and risk profile.



Sanctions Screening of Your Customers

Accurate and timely sanctions screening is a critical process for businesses to ensure compliance with global regulations by identifying individuals, entities, or transactions that may be subject to sanctions. Stratis has developed Valkyrie, a streamlined OFAC sanctions screening service, designed to help businesses meet sanctions compliance standards with ease. Simply provide us the data and we will deliver the result.



Screening Systems Integration and Validation

Sanctions screening is crucial to any institution to maintain compliance with sanctions laws and regulations. An often-overlooked element with screening systems is ensuring all onboarding and transactions are screened with sufficient and accurate data. Stratis can help you implement, test, and validate customer onboarding and transaction data to ensure your sanctions screening systems and processes are functioning properly across all data sets.



IPO and M&A Due Diligence

Gearing up for an initial public offering (IPO) or acquiring a company? For an IPO, you will want to know your sanctions risk exposure before registering with the Securities and Exchange Commission (SEC). For an acquisition, understanding your target's business operations, customers, and potentially even customer's customers, can unearth possible sanctions violations during the deal that will become the acquirer's issue once the deal closes. Stratis can execute the operational sanctions due diligence that can provide you with the actionable insight prior to filing for your IPO or acquiring your target.



About Stratis Advisory

Stratis Advisory was founded in 2013 by seasoned risk executives, consultants, and serial entrepreneurs who believe in the transformative power of innovation and technology. Headquartered in San Francisco, CA with a globally situated team, we offer clients unmatched, highly specialized experience in strategy, risk, and cyber compliance management. Stratis serves a global portfolio of clients, including fintech clients that have collectively raised more than \$20 billion through Fortune 500 companies. We operate across six continents and advise clients on launching, scaling, and optimizing risk management operations in APAC, EMEA, LATAM, and NA.

Stratis connects the dots between companies, investors and banks by integrating deep regulatory risk domain expertise into the broad context of business strategy, risk management, and compliance operations at the appropriate size for their growth stage and business scale. Stratis provides the expertise, flexibility and critical industry knowledge—from traditional deposit services to new financial technology driven solutions—to help identify, mitigate, and govern risk. Our tailored solutions deliver the market insight, risk-based strategy, governance, licensing execution and operational compliance advisory to reduce risks and maximize success.

From Sydney to Hong Kong and New York to London, Stratis has helped global companies to open new markets by providing the expertise to manage and cost-effectively comply with regulatory requirements, secure strategic partnerships, and achieve various licenses. This end-to-end knowledge of the legal, practical, technology, and conceptual aspects of AML, sanctions, fraud, cyber, risk, and licensee management paired with the mindset of appropriately matching these aspects to the scale and scope of the business, give Stratis an unparalleled ability to support multi-jurisdictional companies.

For more information, call 1.415.352.1060 or visit stratisadvisory.com.



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