



FOREIGN ASSETS CONTROL ACT

FIL-6-2003
January 21, 2003

TO: CHIEF EXECUTIVE OFFICER (also of interest to BSA Compliance Officer)
SUBJECT: Previously Blocked Property of the Federal Republic of Yugoslavia (FRY)
Summary: *Treasury's Office of Foreign Assets Control (OFAC) has unblocked certain property and assets owned by FRY.*

On December 27, 2002, the Department of the Treasury's Office of Foreign Assets Control (OFAC), as part of the U.S. Government's efforts to assist the FRY in recovering from the effects of the former Milosevic Regime, has issued general licenses authorizing the unblocking of all remaining blocked property and interests in 60 days (from December 27, 2002), with certain exceptions. A copy of the OFAC Operational Bulletin is attached. Please note that the master list of Specially Designated Nationals and Blocked Persons, which is also attached, continues to include a number of individuals either related to the former Milosevic Regime and/or under open indictment by an international jurisdiction.

OFAC has asked that we distribute the information to all FDIC-supervised institutions so records can be checked for accounts that are required to be blocked. OFAC information also may be found on the Internet at www.treas.gov/offices/enforcement/ofac/.

Please distribute this information to the appropriate personnel in your institution. For further information about Executive Orders, U.S. Sanctions, blocked accounts, or the procedures to block accounts, please call OFAC's Compliance Programs Division at 1-800-540-6322.

For your reference, FDIC Financial Institution Letters may be accessed from the FDIC's Web site at www.fdic.gov/news/news/financial/2003/index.html. To learn how to automatically receive FDIC Financial Institution Letters through e-mail, please visit <http://www.fdic.gov/news/news/announcements/index.html>.

Michael J. Zamorski
Director

Attachment: Master list may be accessed at www.treas.gov/offices/enforcement/ofac/.
Distribution: FDIC-Supervised Banks (Commercial and Savings)

12/27/02 OFAC Operational Bulletin

As part of the U.S. Government's efforts to assist the Federal Republic of Yugoslavia (Serbia & Montenegro) in recovering from the effects of the Milosevic regime, OFAC has issued general licenses, effective 60 days after today's publication in the Federal Register, authorizing the unblocking of all remaining blocked property and interests in property under the Federal Republic of Yugoslavia (Serbia & Montenegro) Sanctions Regulations, 31 C.F.R. Part 585, and the Federal Republic of Yugoslavia (Serbia and Montenegro) Kosovo Sanctions Regulations, 31 C.F.R. Part 586, with the following three exceptions:

1) property or interests in property of diplomatic and/or consular missions of the former Socialist Federal Republic of Yugoslavia,

2) property or interests in property of those persons who are presently subject to sanctions under either the Milosevic Regulations set forth at 31 CFR part 587 or the Western Balkans Transactions Regulations set forth at 31 CFR part 588, or who are otherwise subject to sanctions under other parts of 31 CFR chapter V, and

3) property or interests in property of the central bank of the former Socialist Federal Republic of Yugoslavia, i.e., the National Bank of Yugoslavia, that have been blocked pursuant to 31 CFR part 585. (Property and interests in property of the National Bank of Yugoslavia blocked pursuant to 31 CFR part 586 will be unblocked in accordance with the general license issued at § 586.520.)

OFAC has also issued general licenses, effective upon today's publication in the Federal Register, authorizing any person or government to seek judicial or other legal process with respect to property or interests in property being unblocked. These general licenses are intended to help persons and governments, including the successor states to the former Socialist Federal Republic of Yugoslavia, to protect any rights they may have with respect to such property or interests in property.

All of OFAC's informational material has been updated accordingly.