

Our Ref: HWRB/C3/2020

19 August 2020

## **TO THE MEMBERS**

Dear Sirs

### **U.S. – VENEZUELAN SANCTIONS**

The Membership will recall that by Notice dated 25 June 2020, the Association prohibited any Owner from any dealings with the oil sector of the Venezuelan economy. This prohibition, made pursuant to Rule 14.1, took effect from 29 June 2020 (the “**June Prohibition**”).

In view of the further deterioration of relations between the U.S. and Venezuela, and the consequent increased risk of further U.S. sanctions, pursuant to Rule 14.1 the Directors of the Association hereby prohibit any Owner from conducting any trade with Venezuela, effective from **27 August 2020** (the “**Prohibition**”). The Prohibition extends, but is not limited to, the following activities:

1. The loading of Venezuelan cargo;
2. The import of goods to Venezuela;
3. Transshipment of Venezuelan origin goods; and
4. Carriage of PdVSA Cargo.

The Prohibition shall be subject to the following exemptions (the “**Exemptions**”):

1. An Owner provides the Managers with a Special Licence issued by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“**OFAC**”) which authorises the activity otherwise subject to the Prohibition.
2. The activity is authorised by an OFAC General License.

Documentation in relation to the above should accompany an Owner’s enquiry for cover within the Venezuelan Additional Premium Area and the Prohibition shall continue to apply pending provision of compliant documentation and confirmation by the Managers.

This Prohibition supersedes the June Prohibition, which shall be deemed revoked on **27 August 2020**.

Should an Owner be engaged in an activity that does or may violate the Prohibition, then it should inform the Managers in writing immediately so that the Managers may consider, at their sole discretion, whether and on what terms a limited exception may be appropriate.

The Association's cover remains strictly in accordance with the Association's Rules at all times and attention is particularly directed to Rule 3.9 (Sanctions Exclusion and Limitation).

Members are reminded of their obligation to conduct their own due diligence to ensure that they do not carry cargoes in breach of sanctions against Venezuela, Iran or other sanctioned states. This is especially important in the case of transshipment cargoes, where the true origin of the cargo may not be readily ascertainable without further enquiry.

The Managers would be pleased to answer any questions that may arise.

Yours faithfully

THOMAS MILLER (BERMUDA) LTD  
Managers

*Copies of this Circular and other publications, including the Association's Rules, can be viewed and downloaded from the Association's website at [www.hellenicwarrisks.com](http://www.hellenicwarrisks.com)*