

General Embargoes restrictions and sanctions information towards clients of UBB AD

Guided by the responsibility towards customers, counterparties and authorities, United Bulgarian Bank (UBB) carries out its activities in strict compliance with statutory requirements, aiming to conduct its business in a lawful, ethical and responsible way. In particular, UBB observes laws and binding requirements of applicable national and international Laws and regulations to implement measures against human rights violations, terrorist financing, and money laundering and other. For reasons of social engagement, the Bank may also choose to be more conservative than legally imposed.

The introduction of international restrictive measures has become an instrument of a diplomatic or economic nature, which seeks to induce changes in activities or policies such as violations of international Law or human rights or in policies that do not respect the rule of Law or democratic principles. Restrictive measures may be directed to third country governments (embargoes) or to non-state entities, companies and individuals (sanctions).

Embargo is a restrictive measure at national and/or international level. There are various forms of embargo, the most common being:

- Financial embargoes: restrictions on the conduct of financial transactions and access to financial funds;
- Trade embargoes: restrictions on the import and export of certain goods or trade with certain countries;

UBB AD complies with financial and trade embargoes issued by the United Nations, the European Union, applicable Bulgarian legal framework, OFAC (USA) as well. In some cases OFAC sanctions have extraterritorial effect, therefore OFAC sanction need to be taken into account when executing transactions/deals in USD, by persons on US territory, with US nationals or when related to goods that have US content.

For more details about sanctions please follow the links below:

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/>

Observing embargo restrictions and sanctions means that UBB does not provide payment services, funds or economic resources to any persons, legal entities or government agencies that appear on embargo sanction lists or which are under financial sanctions or to which financial services are not allowed, due to decisions of the Security Council of the United Nations Organization or decisions or regulations of the European Union, imposed for the scope of fighting against terrorism financing, preventing the proliferation of weapons of mass destruction or other objectives of the international community laid down in the above decisions or regulations or does not support any kind of transaction with these parties. Following this approach, this not only helps the Bank to avoid penalties for breaching international sanctions, it also helps our clients, to manage some of the risks associated with international trade.

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To ensure compliance with the applicable restrictive measures and relevant provisions, UBB has implemented certain screening measures in its processes related with customer payment services. As a result, our customer may be requested to provide UBB with more information or documentation on concrete operation or counterparty that certifies the concrete operation

Please note, that Correspondent Banks also have right to suspend, even refuse any transaction in case they detect a potential breach of embargo restrictions and sanctions. In such cases UBB acts only as intermediary between the customer and the correspondent bank, without having any influence on the final decision of Correspondent Bank.

In order to avoid complications customers are advised to contact in advance the Bank via feedback form on UBB' website, when considering doing business with countries against which restrictive measures have been imposed.

<https://www.ubb.bg/contacts/feedback>

With respect to embargoes against some particular countries, UBB as part of KBC Group, follows adopted within the Group, more strict measures. This especially applies to: North Korea, Iran, Syria, Venezuela, Cuba, Sudan, Belarus, Russia and Crimea (Sevastopol).

Please be aware, that UBB does not process any payments and any currency that is related to North Korea, Iran, Syria, Cuba and Afghanistan.