

MEMO# 33045

January 14, 2021

President Trump Issues Executive Order on Amending Executive Order 13959

[33045]

January 14, 2021 TO: AML Compliance Working Group
Chief Compliance Officer Committee
Chief Risk Officer Committee
Compliance Advisory Committee
ETF (Exchange-Traded Funds) Committee
ETF Advisory Committee
Global Operations Advisory Committee
ICI Global Investing Subcommittee
ICI Global Regulated Funds Committee
ICI Global Regulated Funds Committee - Asia
Public Communications Committee
SEC Rules Committee
Securities Operations Advisory Committee
Small Funds Committee RE: President Trump Issues Executive Order on Amending Executive Order 13959

On January 13, President Trump signed an executive order making amendments to Executive Order 13959 regarding investments in companies identified as Communist Chinese Military Companies (CCMCs).[\[1\]](#) The original order, issued on November 12, 2020, prohibits by any US person “any transaction in publicly traded securities, or any securities that are derivative of, or are designed to provide investment exposure to such securities” of CCMCs.[\[2\]](#)

The amendments (1) explicitly prohibit possession of any publicly-traded CCMC following the end of the divestment period for such security, (2) revise the definition of “Communist Chinese Military Company” appearing to make it procedurally easier for entities to be added to the list, and (3) expand the definition of the term “transaction” to include sales of CCMC publicly-traded securities which seems to be administrative.

Eva M. Mykolenko
Associate Chief Counsel - Securities Regulation

endnotes

[1] The amendments to EO 13959 are *available at* <https://www.whitehouse.gov/presidential-actions/executive-order-amending-executive-order-13959-addressing-threat-securities-investments-finance-communist-chinese-military-companies/>.

[2] The original EO 13959 is *available at* <https://www.whitehouse.gov/presidential-actions/executive-order-addressing-threat-securities-investments-finance-communist-chinese-military-companies>, and FAQs are *found at* <https://home.treasury.gov/policy-issues/financial-sanctions/faqs/topic/5671>.

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