

**MEMO# 7707**

March 19, 1996

# **TREASURY LETTER ON TRANSACTIONS WITH SPECIALLY DESIGNATED NARCOTICS TRAFFICKERS**

March 19, 1996 TO: MEMBERS - ONE PER COMPLEX No. 24-96 OPERATIONS MEMBERS No. 11-96 TRANSFER AGENT ADVISORY COMMITTEE No. 14-96 RE: TREASURY LETTER ON TRANSACTIONS WITH "SPECIALLY DESIGNATED NARCOTICS TRAFFICKERS"

\_\_\_\_\_ The Treasury Department's Office of Foreign Assets Control sent a letter to the Institute requesting the Institute's assistance in disseminating information on Executive Order 12978, entitled "Blocking Assets and Prohibiting Transactions with Significant Narcotics Traffickers," which was signed by President Clinton last October. In general, the Order blocks all property subject to U.S. jurisdiction in which there is any interest of a person named as a "specially designated narcotics trafficker" ("SDNT"), and prohibits any transaction by a U.S. person, or within the U.S., in property of SDNTs. According to the letter from the Office of Foreign Assets Control, investment companies need to immediately freeze any accounts held for a SDNT. The letter also includes a brochure that lists persons designated as SDNTs pursuant to the Order, and summarizes the sanctions against SDNTs. A copy of the letter and brochure are attached. Anne M. Barr Assistant Counsel - Tax Attachments

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