

Points to Note regarding Domestic and Overseas Restrictions on Foreign Exchange Transactions

The Hachijuni Bank (the Bank) is now required to confirm that its customers' transactions are not subject to economic sanctions such as asset-freezing, including those restrictions related to North Korea and Iran as stipulated in the "Foreign Exchange and Foreign Trade Act" nor any restrictions as stipulated by the Office of Foreign Assets Control (OFAC) under U.S. Treasury Department.

In this regard, as the Bank could not handle transactions shown in the columns below. Customers who may wish to make foreign exchange transactions are kindly requested to pre-confirm that their transactions fully comply with those restrictions before requesting us to do so.

Furthermore, even after having accepted a transaction from a customer, upon confirming the contents of the transaction, the Bank may suspend or cancel said transaction at its own discretion, in the event that the requested transaction may infringe on said restrictions. In addition, during our confirmation process, there is the possibility that U.S. financial institutions may conduct their own independent investigation of the transaction, separately from the investigation conducted at the Japanese side. Your cooperation is much appreciated.

Transactions subject to economic sanctions such as asset-freezing, including those restrictions related to North Korea and Iran as stipulated by the "Foreign Exchange and Foreign Trade Act" (as of January 2023)

- Transactions involving persons subject to economic sanctions, such as asset-freezing, to combat terrorism and the like
- Transactions concerning imports or intermediary trade of all cargos originating from or shipped from North Korea
- Transactions concerning intermediary trade of cargo destined for North Korea
- Transactions intended to benefit "activities with the potential to contribute to nuclear-related planning and the like by North Korea"
- Payments to "natural persons whose address and/or residence is in North Korea" or to "legal entities and other organizations whose main office is in North Korea (including branches, local offices and other offices of said entities and organizations located in overseas)" or to "legal entities and other organizations which are practically controlled by those natural persons, legal entities and other organizations (including branches, local officers and other offices of said entities and organizations located in overseas)"
- Transactions intended to benefit "nuclear-related activities and the like by Iran"
- Transactions intended to benefit "activities related to the supply of large-scale conventional weapons and the like for Iran"
- Payments to organizations (excluding organizations having their main offices in Japan) in which 50% or more of the total number or total value of shares is directly owned by Russian or Belarusian organizations subject to economic sanctions, such as asset-freezing.

<Note> The above are by way of example; please refer to the Ministry of Finance website for current information and more details. https://www.mof.go.jp/international_policy/gaitame_kawase/gaitame/economic_sanctions/index.htm

Transactions subject to Regulations as stipulated by OFAC of the United States of America (as of March 2019)

- Transactions denominated in U.S. dollars to which either (1) or (2) applies:
 - (1) Transactions which involve North Korea, Iran, Cuba, Sudan, Syria, Crimean area of Ukraine, and the like as locations of the parties concerned (specifically importers and exporters, banks and shipping companies related to the transactions, consignees, transport ships, remitters and recipients, and guarantee beneficiaries and the like), and as places and others related to transactions (specifically places of origin, loading ports, destinations, shipping and the like)
 - (2) Transactions which involve those identified by the U.S. Government as specific terrorists, specific drug dealers, multinational criminal organizations, specific dealers in weapons of mass destruction, and problematic legal entities and individuals and the like regarding the nuclear non-proliferation
- Transactions to which either of the above (1) or (2) applies, and the following applies as well, even when not denominated in U.S. dollars:

Transactions which involve U.S. financial institutions (including those located in the U.S.A. such as branches in the U.S.A. and non-U.S. footholds of U.S.-based financial institutions), U.S. legal entities (including those with U.S. citizenship stationed outside of the U.S.A.), U.S. citizens, and U.S. residents (including foreign legal entities and foreign nationals residing in the U.S.A.)

- <Note>
1. The above are by way of example; please refer to the OFAC website for current information and more details (in English). <http://www.treasury.gov/resource-center/sanctions/Pages/default.aspx>
 2. In the event that a transaction requested by a customer is asset frozen as a transaction targeted by OFAC restrictions, it will not be possible for us to return the funds deposited by the customer as a substitute for the transaction. Please kindly note that in such case, the customer himself/herself must undertake the necessary procedures, such as submitting an application to OFAC, to release frozen funds.

Furthermore, in addition to the above, restrictions imposed by the counterpart countries may be applied to requested transactions, depending on the country concerned. We sincerely request that you pre-confirm that any requested transactions do not infringe on any restrictions imposed by the relevant countries.