

**FEDERAL RESERVE BANK
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. **10704**]
May 26, 1994]

**INTERNATIONAL BANKING CONNECTIONS
OF THE GOVERNMENT OF LIBYA**

*To the Chief Operating Officers at All Financial Institutions,
and Others Concerned, in the Second Federal Reserve District:*

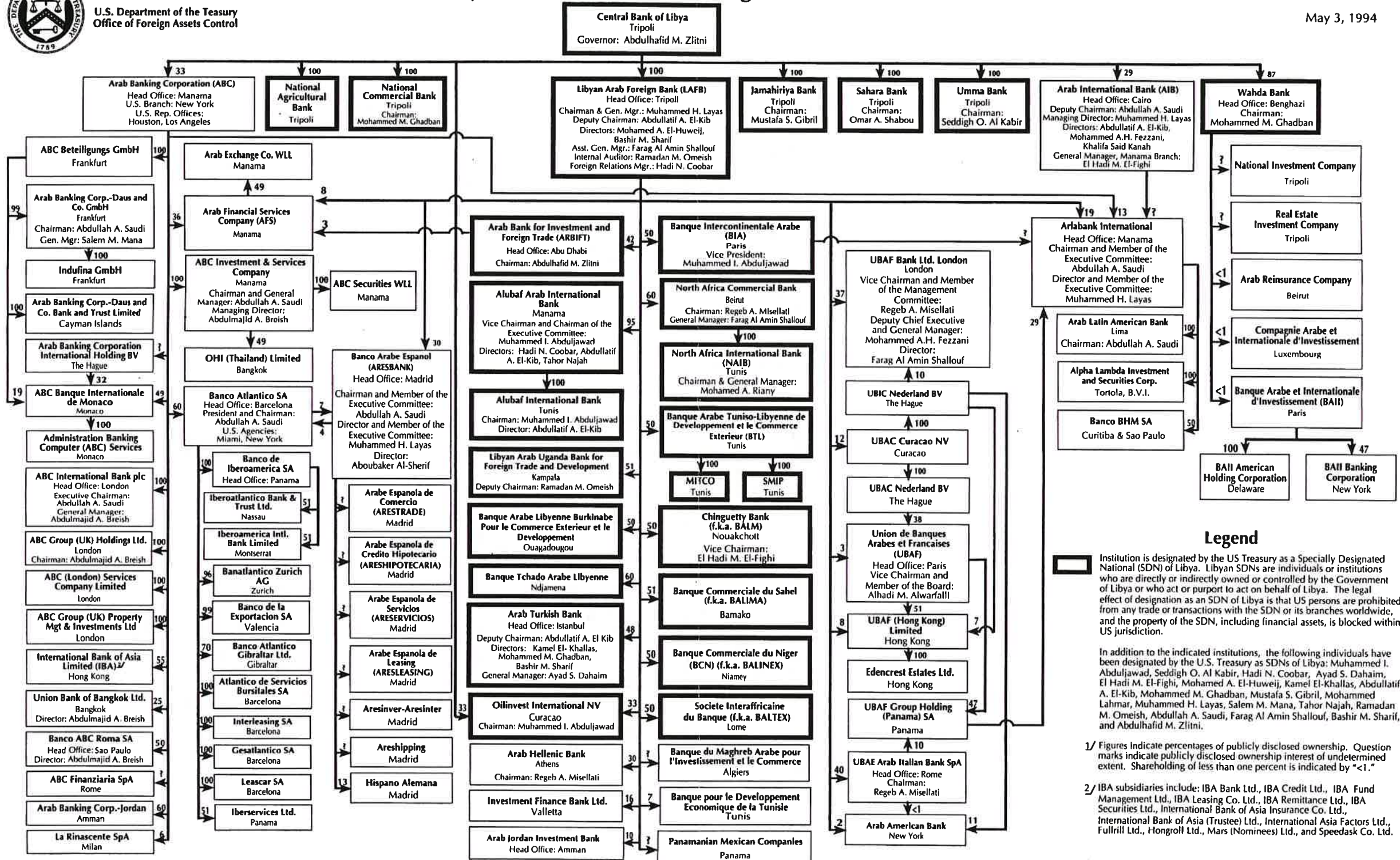
Printed on the following pages is a chart, prepared by the Office of Foreign Assets Control ("FAC") of the U.S. Department of the Treasury, showing the relationship of the government of Libya to 102 banks and financial institutions worldwide. We have been advised by FAC that 23 of those institutions, as well as 12 bank officers, are blocked under the Libyan Sanctions Regulations. The final page contains a statement by FAC describing the chart's contents and purpose.

If your institution has overseas branches, please send them a copy of this notice. Additional copies may be obtained from our Circulars Division (Tel. No. 212-720-5215 or 5216).

WILLIAM J. McDONOUGH,
President.



Libya's International Banking Connections



Legend

Institution is designated by the US Treasury as a Specially Designated National (SDN) of Libya. Libyan SDNs are individuals or institutions who are directly or indirectly owned or controlled by the Government of Libya or who act or purport to act on behalf of Libya. The legal effect of designation as an SDN of Libya is that US persons are prohibited from any trade or transactions with the SDN or its branches worldwide, and the property of the SDN, including financial assets, is blocked within US jurisdiction.

In addition to the indicated institutions, the following individuals have been designated by the U.S. Treasury as SDNs of Libya: Muhammed I. Abduljawad, Seddigh O. Al Kabir, Hadi N. Coobar, Ayad S. Dahaim, El Hadi M. El-Fighi, Mohammed M. Ghadban, Mustafa S. Gibril, Mohammed Lahmar, Muhammed H. Layas, Salem M. Mana, Tahor Najah, Ramadan M. Omeish, Abdullah A. Saudi, Farag Al Amin Shallouf, Bashir M. Sharif, and Abdulhafid M. Zlitni.

1/ Figures indicate percentages of publicly disclosed ownership. Question marks indicate publicly disclosed ownership interest of undetermined extent. Shareholding of less than one percent is indicated by "<1."

2/ IBA subsidiaries include: IBA Bank Ltd., IBA Credit Ltd., IBA Fund Management Ltd., IBA Leasing Co. Ltd., IBA Remittance Ltd., IBA Securities Ltd., International Bank of Asia Insurance Co. Ltd., International Bank of Asia (Trustee) Ltd., International Asia Factors Ltd., Fullril Ltd., Hongrol Ltd., Mars (Nominees) Ltd., and Speedask Co. Ltd.

This chart was released by the Office of Foreign Assets Control ("FAC") highlighting the Government of Libya's organizational relationship to 102 banks and other financial entities worldwide.

The chart provides a detailed look at current Libyan shareholdings and key Libyan officers in the complex web of financial institutions in which Libya has become involved, some of which are utilized by Libya to circumvent United Nations sanctions. It also exposes the known scope of Libya's international banking network and provides a visual reference for banks and businesses.

Of the 102 institutions depicted on the chart, 23 have been determined by FAC to be "Specially Designated Nationals" ("SDNs") of Libya. In addition, the chart lists 12 individual Libyan bank officers who are Libyan SDNs.

Economic transactions with SDNs by U.S. persons anywhere in the world are prohibited. The 23 Libyan SDNs shown on the chart include the Central Bank of Libya, the Libyan Arab Foreign Bank, six other financial institutions in Libya, and 15 entities outside of Libya determined by FAC to be owned or controlled by, or doing business on behalf of, the Libyan Government.

In the U.S., doing business with entities owned or controlled by, or doing business on behalf of the Libyan Government carries criminal penalties of up to \$500,000 per violation for corporations and \$250,000 per violation for individuals, plus prison sentences of up to 10 years for individuals and participating corporate officers. FAC also may levy administrative civil penalties of up to \$10,000 per violation.

The Libyan bank chart is intended to make U.S. persons aware of the SDN status of the 23 Libyan Government-controlled institutions and to ensure adherence with U.S. sanctions. This is part of a concerted United States and international effort to increase economic pressure against Libya in response to Libya's continued refusal to extradite the suspects of the Pan Am 103 bombing. Recently, a number of actions have been taken internationally to tighten sanctions against Libya, including the freezing of Libyan accounts, the blocking of Libyan shares in commercial enterprises, and the removal of key Libyan officers of major financial institutions.

The chart on Libya's International Banking Connections may be revised at any time, as new information becomes available to the Treasury Department. Persons with information on entities with a Libyan interest or individuals who act on behalf of Libya may call 202-622-2420. All calls will be kept confidential.