

# HSBC – Sanctions Exposure Questionnaire

## Corporate Legal Entity Assessment

The United Nations Security Council (UN), European Union and its member states (EU), Her Majesty's Treasury-United Kingdom (UKHMT), the Hong Kong Monetary Authority (HKMA), and the United States Department of the Treasury's Office of Foreign Assets Control (OFAC) are all public bodies recognised by HSBC, which informs HSBC's Global Sanctions Policy<sup>1</sup>. In addition, HSBC observes any additional sanctions laws where it operates. In this regard, HSBC endeavours to understand the extent of its clients' activities with certain sensitive sanctioned countries and list based sanctions regimes. The purpose of this form is to ask questions which seek to best identify and understand the nature of any such exposure.

Please answer the questions set out in section 1 for the Legal Entity<sup>2</sup>. Where answering "YES" to any question in section 1, please respond to the corresponding question(s) in section 2. Please complete the Sanctions Exposure Attestation in section 3 in all circumstances.

### FOR INTERNAL USE ONLY

Legal Entity Name:	
Customer Group Name:	
Country of Incorporation:	Branch Location (where applicable):
Banking Sector/Sub-sector:	Line of Business:
Customer Unique Identifier/GRID ID:	

### TO BE COMPLETED BY THE CUSTOMER, RELATIONSHIP MANAGER (RM) OR BRANCH MANAGER

Customer Contact/Position:	Date:
RM/Branch Manager Name/Position:	

### Section 1: Exposure to Sensitive Sanctioned Countries and Selective Programmes

a. To the best of your knowledge, is the company or are any of the company's Connected Parties <sup>3</sup> or Other Related Parties <sup>4</sup> currently targeted by sanctions administered by the following bodies: UN, EU, UKHMT, HKMA, OFAC, or as part of local sanctions law?  • <i>If you have answered "Yes", please provide further details in section 2 question a of this form</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
b. To the best of your knowledge, does the company have any current Business Activity <sup>6</sup> involving individuals, entities or organisations which are currently targeted by sanctions administered by the following bodies: UN, EU, UKHMT, HKMA, OFAC, or as part of local sanctions law?  • <i>If you have answered "Yes", please provide further details in section 2 question b of this form</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
c. Does the company, or any of the company's Connected Parties <sup>3</sup> or Other Related Parties <sup>4</sup> to the best of your knowledge, have any current presence <sup>5</sup> in the following countries?  Iran, North Korea, Syria, or Cuba  • <i>If you have answered "Yes" for Iran, North Korea, Syria or Cuba please provide further detail in section 2 questions c and e of this form</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
d. Does the company, to the best of your knowledge, have any current Business Activity <sup>6</sup> in the following countries?  Iran, North Korea, Syria, Cuba, Sudan, Belarus or Zimbabwe  • <i>If you have answered "Yes" for Iran, North Korea, Syria or Cuba please provide further detail in section 2 questions d and e of this form</i> • <i>If you have answered "Yes" for Sudan, Belarus or Zimbabwe please provide further detail in section 2 question h of this form</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
e. Does the company or any of the company's Connected Parties <sup>3</sup> or Other Related Parties <sup>4</sup> to the best of your knowledge, have any current presence <sup>5</sup> in Crimea/Sevastopol regions?  • <i>If you have answered "Yes", please provide further details in section 2 question f and g of this form</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
f. Does the company to the best of your knowledge, have any current Business Activity <sup>6</sup> in Crimea/Sevastopol regions?  • <i>If you have answered "Yes", please provide further details in section 2 question f and g of this form</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No



<p>g. Does the company, to the best of your knowledge, have any current exposure to Russia</p> <p>i in the energy, military or defence industry sectors?</p> <p>ii any deep-water<sup>8</sup>, Arctic offshore or shale projects that have the potential to produce oil anywhere in the world?</p> <ul style="list-style-type: none"> <li>If you have answered "Yes" to i) please provide further detail in section 2 question i of this form</li> <li>If you have answered "Yes" to ii) please provide further detail in section 2 question j of this form</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>h. Is the company 50% or more owned or controlled by the government of Venezuela?</p> <ul style="list-style-type: none"> <li>If you have answered "Yes", please provide further detail in section 2 question k of this form</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>i. Does the company, to the best of your knowledge, have any current Business Activity<sup>6</sup> with the government of Venezuela or any entity that is 50% or more owned or controlled by the government of Venezuela?</p> <ul style="list-style-type: none"> <li>If you have answered "Yes", please provide further detail in section 2 question l of this form</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No

<sup>1</sup> HSBC's sanctions policy is available at <http://www.hsbc.com/our-approach/risk-and-responsibility/financial-crime-risk/hsbc-group-sanctions-policy-statement>.

<sup>2</sup> Where Legal Entity is referenced, for the purposes of this questionnaire this includes but is not limited to corporates, partnerships, trusts, sole traders and non-profit organisations.

<sup>3</sup> Connected Parties include but are not limited to, beneficial owners, key controllers, trustees, settlors/grantors/founders, protectors and beneficiaries.

<sup>4</sup> Other Related Parties include parties who may support or provide advice to the customer, but who sit outside of the ownership structure. These may include syndicate lending deals, arrangers in SPVs, insurance manager in captive insurance and distributors.

<sup>5</sup> The term 'presence' means an entity that has its registered office address, business address, correspondence address or principal place of operations in one of the locations provided.

<sup>6</sup> Business activity includes operations, suppliers, customers, agents, origin or shipping of goods and interactions/exposure to state owned or controlled entities, investments in bonds and/or securities.

<sup>7</sup> The term 'government of Venezuela' means the government of Venezuela, any political subdivision, agency or instrumentality thereof, including the Central Bank of Venezuela and Petroleos de Venezuela, S.A. ('PdVSA'), and any individual or entity owned or controlled by, or acting for, or on behalf of, the government of Venezuela.

<sup>8</sup> Deep-water<sup>1</sup> is defined as a depth of 500ft or greater.

**TO BE COMPLETED BY CUSTOMER/RM/BRANCH MANAGER if any questions in section 1 are answered "YES"**

**Section 2: Explanation of Company's Sanctions Exposure**

**Section 2.1: Explanation of company's exposure to Sanctioned Bodies**

- a. Is the company or are any of the company's Connected Parties<sup>3</sup> or Other Related Parties<sup>4</sup> currently targeted by sanctions administered by the following bodies: UN, EU, UKHMT, HKMA, OFAC, or as part of local sanctions law?  Yes  No

If YES, please provide an overview below, including the sanctioned party's name, location, sanctions regime targeting them, connection to the company, whether any sanctions license or legal advice is relied upon for continuing the connection, details of how transactions are made between the company and sanctioned party (including banks and currencies involved, and extent of involvement of HSBC products and services for such activity)

- b. Does the Company have any current Business Activity<sup>6</sup> involving individuals, entities or organisations which are currently targeted by sanctions administered by the following bodies: UN, EU, UKHMT, HKMA, OFAC, or as part of local sanctions law?  Yes  No

If YES, please provide an overview below, including the sanctioned party's name, location, sanctions regime targeting them, connection to the company, whether any sanctions license or legal advice is relied upon for continuing the connection, details of how transactions are made between the company and sanctioned party (including banks and currencies involved), and extent of involvement of HSBC products and services for such activity)

## Section 2.2: Explanation of Company's exposure to Sensitive Sanctioned Countries

For Iran, North Korea, Syria and Cuba

- c. Does the company, or are any of the company's Connected Parties<sup>3</sup> or Other Related Parties<sup>4</sup>, have a presence in any of these countries?  Yes  No

If YES, please provide a summary of the entity (including the legal name, ownership, its activities, the strategy in the country, how the entity is funded and transactions undertaken (including banks and currencies), and the extent of HSBC's involvement)

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- d. Does the company have any direct or indirect<sup>9</sup> Business Activity<sup>6</sup>, legal commitments or exposures relating to any of these countries (including via customers, suppliers, agents, brokers, distributors, and origin or shipping of goods)?  Yes  No

If YES, please provide a description of each activity, including the entity's countries of incorporation, goods and services involved, customer and 3rd party entities involved, the future strategy for the activity (increase/reduce), how the activity is funded and transactions undertaken (including banks and currencies), and the extent of involvement of HSBC products and services for such activity

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- e. For each of the countries, please list the annual percentage contribution derived from that country relative to the company's total revenues/sales/assets<sup>10</sup> (please select the most relevant measure dependent on industry)

	Iran	North Korea	Syria	Cuba
% of company's total revenues/sales/assets				

## Section 2.3: Explanation of company's exposure to Crimea/Sevastopol regions

- f. Does the company or any of its Connected Parties<sup>3</sup> or Other Related Parties<sup>4</sup>:
- i have a presence in these regions, and/or?  Yes  No
- ii have any direct or indirect<sup>9</sup> Business Activity<sup>6</sup>, legal commitments or exposures<sup>11</sup> relating to these regions?  Yes  No

If YES, please provide details consistent with the responses requested in questions 2c and 2d, above

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- g. Please list the annual percentage contribution derived from Crimea/Sevastopol relative to the company's total revenues/sales/assets<sup>10</sup> (please select the most relevant measure dependent on industry)

	Crimea/Sevastopol
% of company's total revenues/sales/assets	

## Section 2.4:

### Explanation of company's exposure to countries subject or exposed to Selective Programmes

#### For Sudan, Belarus & Zimbabwe

- h. Does the company have activities, interests or connections with the government or government owned or controlled entities in Sudan, Belarus or Zimbabwe?  Yes  No

If YES, please provide a summary of the activity, including entities that are involved, how the activity is funded and transactions undertaken (including banks and currencies) and the extent of involvement of HSBC products and services for such activity

#### For Russia

- i. Does the company operate in the petrochemical, petroleum, oil or gas industries or the military or defence sectors and have exposure to Russia?  Yes  No

If YES, please provide a summary of the activity, including entities that are involved, how the activity is funded and transactions undertaken (including banks and currencies) and the extent of involvement of HSBC products and services for such activity

- j. Does the company have any exposure to any deep-water<sup>9</sup>, Arctic offshore or shale projects that have the potential to produce oil anywhere in the world?  Yes  No

If YES, please provide a summary of this activity, including any activity involving named SSI<sup>12</sup> Targets, or a 50% or more owned subsidiary of an SSI Target that holds either 33% or more ownership interest or own a majority of the voting rights

#### For Venezuela

- k. Is the company 50% or more owned or controlled by the government of Venezuela?  Yes  No

If YES, please provide further details of the ownership structure of the company

- l. Does the company, have any current Business Activity<sup>6</sup> with the government of Venezuela or any entity that is 50% or more owned or controlled by the government of Venezuela?  Yes  No

If YES, please provide a summary of the activity, including entities that are involved, how the activity is funded and transactions undertaken (including banks and currencies) and the extent of involvement of HSBC products and services for such activity

<sup>9</sup> Indirect exposure is defined as "Financial services or transactional support provided to customers not based in Iran, Sudan, North Korea, Syria, Cuba, or the Crimea region who have business that has some involvement, asset, or investment with or in Iran, Sudan, North Korea, Syria, Cuba, or the Crimea region, or with an individual, entity or organisation targeted by sanctions administered by the UN, EU, OFAC, HKMA, HMT or as part of local sanctions law, but where HSBC products and services do not support the financial activity involving that country".

<sup>10</sup> Absolute US Dollar amounts are not required. Percentage ranges are acceptable (e.g. < 1%).

<sup>11</sup> A Russian incorporated bank may be obligated due to local law and its regulatory status, to provide domestic payment services which may involve the Crimea/Sevastopol regions.

<sup>12</sup> Entities that are the target of sectoral sanctions administered by EU or OFAC under the Russia/Ukraine Sanctions Programme.

**Section 3: Sanctions Exposure Attestation**

**3.1: Customer/Relationship Manager/Branch Manager Attestation**

The company acknowledges, that in the absence of prior HSBC approval, even if authorised under local regulation, that they may not utilise HSBC products or services for activity involving Iran, North Korea, Syria, Cuba, or Crimea region or an individual, entity or organisation targeted by sanctions administered by the UN, EU, UKHMT, HKMA, OFAC, or as part of local sanctions law.

Confirmed

If CONFIRMED, please state who at the company has provided this attestation, their position, and the date on which this was obtained and by what means i.e. call/meeting in person/e-mail/written correspondence