



ENB's Statement on the Observance of U.S. Imposed Sanctions Relating to Venezuela

Eastern National Bank ("ENB") is committed to complying with all applicable sanctions laws and regulations of the United States, including the Executive Order issued by President Donald J. Trump on August 24, 2017, imposing additional sanctions with respect to situations in Venezuela ("EO #13808"). Specifically, EO #13808 prohibits all transactions related to, provision of financing for, and other dealings in the following within the United States or by U.S. person:

- (i) New debt with a maturity of greater than 90 days of Petroleos de Venezuela, S.A. ("PdVSA");
- (ii) New debt with a maturity of greater than 30 days, or new equity, of the Government of Venezuela (other than debt of PdVSA covered by item (i) above);
- (iii) Bonds issued by the Government of Venezuela prior to August 25, 2017; or
- (iv) Dividend payments or other distributions of profits to the Government of Venezuela from any entity owned or controlled, directly or indirectly, by the Government of Venezuela.

EO #13808 also prohibits the purchase, directly or indirectly, by a U.S. person or within the United States, of securities from the Government of Venezuela, other than securities qualifying as new debt with a maturity of less than or equal to 90 or 30 days as covered by items (i) and (ii) above, respectively.

The Government of Venezuela is defined to include any political subdivision, agency, or instrumentality thereof, including the Central Bank of Venezuela and PdVSA, and any person owned or controlled by, or acting for or on behalf of, the Government of Venezuela.

The above prohibitions apply except to the extent provided by statutes, or in regulations, orders, directives, or licenses that may be issued pursuant to EO #13808, and notwithstanding any contract entered into or any license or permit granted before the effective date of this order.

Simultaneous with the issuance of EO #13808, The U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") published 4 new general licenses authorizing certain transactions that would otherwise be prohibited under EO #13808. The licenses include: (1) a wind-down authorization; (2) an authorization for otherwise prohibited transactions where the only Government of Venezuela entities involved are CITGO Holding, Inc. and any of its subsidiaries; (3) an authorization to deal in specific bonds identified in an annex to General License 3; and (4) an authorization to engage in certain financing transactions in connection with agricultural and medical exports to Venezuela.

ENB requires that its customers be responsible for understanding and abiding by the new U.S. sanctions related to Venezuela imposed under EO #13808.

For more information on EO #13808, the OFAC general licenses, or for guidance on these sanctions in the form of frequently asked questions, please visit:

https://www.treasury.gov/resource-center/faqs/Sanctions/Pages/faq_other.aspx#venezuela.