



FUND FINANCE FRIDAY

Russia Sanctions Update

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The Russian invasion of Ukraine brought sanctions to the forefront in the past week, with significant compliance implications for financial institutions and a minor update to fund finance credit agreements. Specifically, the “Sanctioned Country” defined term in our form credit agreements has been updated to include the regions referred to as the Donetsk People’s Republic and the Luhansk People’s Republic, formal recognition of which by Moscow triggered the application of comprehensive territorial sanctions earlier this week. The real work, as Cadwalader’s James Treanor points out in a [Law360 article](#) yesterday, will be the internal processes at financial institutions to identify and stop processing prohibited transactions involving newly sanctioned Russian banks and other entities and individuals targeted by the United States and other countries.