

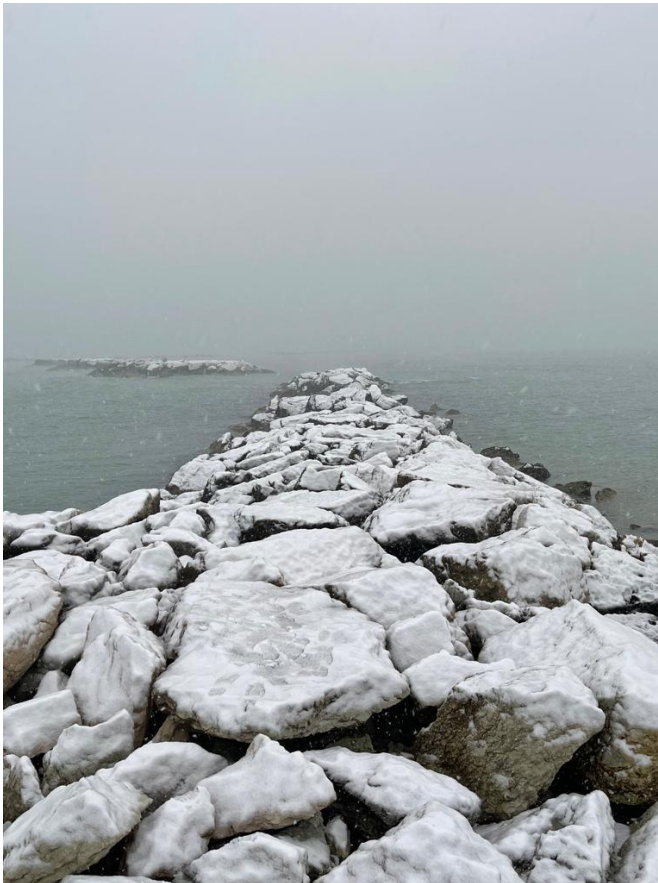


LINARI LAW FIRM

AVOCATS A LA COUR

Luxembourg financial sector to implement restrictive measures of the EU against Russia immediately

As the Russian military offensive against its neighbor-state Ukraine is carried over into its seventh day, the Luxembourg regulator of the financial sector (Commission de Surveillance du Secteur Financier or CSSF) has issued a statement earlier today reminding the professionals of the financial sector under its supervision to implement immediately the restrictive measures adopted by the European Union against Russia, certain Russian banks, companies and individuals.



The CSSF further reminds about a prohibition under the EU Council Regulation (EU) 2022/263 to provide certain financial services to companies and individuals located in the non-government controlled areas of the Donetsk and Luhansk regions of Ukraine – failure to comply with the prohibition will be strictly enforced and may subject the violators to hefty sanctions. Furthermore, these sanction regulations are binding in their entirety and directly applicable so that the CSSF supervised entities are required to apply these restrictive measures without delay. Those Luxembourg entities providing their services on a cross-border basis should as well ensure that they comply with financial restrictive measures of other countries where they provide their services. Finally, Luxembourg supervised entities are invited to stay extra vigilant as to potential cyberattacks and be ready to act in accordance with a business continuity plan and to ensure the proper functioning and recovery of their backups.

Our team will closely follow on the developments related to further legislative and regulatory measures related to restrictive measures against Russia.

Don't hesitate to reach out to our team should you need any assistance on this matter.