



## Beau Barnes on the Impact of OFAC Blacklisting Digital Currency Addresses in Sanction Enforcement Actions with Law360

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Kobre & Kim's Beau Barnes discusses the U.S. Office of Foreign Assets Control's (OFAC) recent blacklisting of cryptocurrency addresses with *Law360*. With experience handling investigations and regulatory actions, Barnes speaks on what this new tactic means for the future of regulations and the digital currency industry.

August 21 marked the second time ever that OFAC blacklisted cryptocurrency account numbers belonging to sanctioned individuals. Barnes sees this as a clear message from federal law enforcement that targeting of cryptocurrency addresses with sanctions will become commonplace.

"Today's announcement is a significant development in OFAC's evolving regulation of the crypto industry," he said. "But what's perhaps most significant is OFAC's nonchalant inclusion of crypto addresses in the designation announcement, which implies that the agency's 'new normal' will include digital currency addresses in its sanctions designations."

Barnes also notes that the inclusion of cryptocurrencies in sanction enforcement has new implications for the crypto industry at large. "I think this is an example of the type of engagement that the Treasury Department would want from exchanges... Part of it is making sure that these big, widely used and accessible exchanges themselves truly understand their compliance obligations."

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