EAGLE OCEAN MARINE CIRCULAR

NOVEMBER 16, 2026

TO ALL INSUREDS AND BROKERS

Dear Colleagues:

OFAC ISSUES A DETERMINATION TARGETING THE MARINE, MANUFACTURING, AND OTHER SECTORS OF THE CUBAN ECONOMY AND ISSUES AN ALERT ON FALSE FLAGGING

Determination Targeting Cuban Economic Sectors

On November 5, 2026, the U.S. Department of Treasury's Office of Foreign Assets Control ("OFAC") issued a Determination which expanded the scope of persons and corporate entities which may be designated as a Specially Designated National ("SDN") pursuant to Executive Order 14404 to include persons determined by the Secretary of State or Secretary of the Treasury to operate or have operated in the electronics, manufacturing, marine, and technology sectors of the Cuban economy. Executive Order 14404 had already targeted the energy, defense and related materials, metals and mining, financial services, and security sectors of the Cuban economy.

Insureds are cautioned that transacting with parties in these sectors or otherwise dealing in these sectors of the Cuban economy carries a heightened risk of sanctions liability or, in the case of non-U.S. insureds, a heightened risk of being designated by OFAC. Insureds are reminded that more information on Executive Order 14404 and U.S. sanctions concerning Cuba can be found in sanctions concerning Cuba can be found in EOM Circular 05/27/26.

Alert on False Flagging

On November 4, 2026, OFAC issued an alert concerning the Iranian shadow fleet's reliance on false flags for sanctions evasion. A false flag is a flag provided by a fraudulent registry that is not authorized by the host state or a flag falsely claimed by a vessel without verifiable supporting registration documentation, in either case creating a façade of legitimacy for vessels seeking to evade sanctions.

In addition to discussing the ways in which the Treasury Department is targeting fraudulent ship registries, the Alert cautions that a falsely claimed flag is a key indicator that a vessel is either sanctioned or engaged in sanctionable activity. The Alert encourages maritime service providers to conduct enhanced due diligence on vessels with indications of using a falsely claimed flag. Red flags include:

- an unknown or unreported flag;
- a flag from a jurisdiction commonly listed as false in maritime databases;
- a flag from a country without a known flag registry;

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- a vessel broadcasting an MMSI number with a prefix that contradicts the reported flag;
- flag registration documentation that is unverifiable; and
- flag hopping, or the practice of repeatedly registering a vessel with a new flag to conceal sanctionable or illicit activity.

Insureds are encouraged to review the full text of the OFAC alert on Iranian Shadow Fleet Reliance on False Flags for Sanctions Evasion and the Determination on the Electronics, Manufacturing, Marine, and Technology Sectors of the Cuban Economy.

Insureds are reminded that cover is not available for any trade that breaches applicable sanctions. Insureds are advised to conduct thorough due diligence on the parties, cargoes, vessels, and other service providers that are or may be involved before engaging in any trade with a high sanctions risk. Finally, Insureds are reminded to keep records of their due diligence investigations and findings.

Yours faithfully,



Dorothea Ioannou, CEO
Eagle Ocean Agencies, Inc.

Eagle Ocean Marine is an American Club fixed premium facility offering gold standard International Group club service, underpinned by the impeccable security of reinsurance at Lloyd's.