



LEGAL NEWSLETTER

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TREASURY'S OFFICE OF
FOREIGN ASSETS CONTROL
(OFAC) ISSUED VENEZUELA
GENERAL LICENSE (GL) 41,
WHICH AUTHORIZES CERTAIN
TRANSACTIONS RELATED TO
CHEVRON CORPORATION'S
JOINT VENTURES IN
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Legal Newsletter | December 29, 2022

On November 26, 2022, the Department of the Treasury's Office of Foreign Assets Control (OFAC) issued General License number 41 (GL 41), which authorizes certain transactions related to Chevron Corporation's (Chevron) joint ventures in Venezuela.

Thus, it authorizes all necessary transactions for the execution of activities that were initially forbidden by Executive Order (E.O.) number 13850, as amended by E.O. 13857 and 13884, related to Chevron's operations with PDVSA and its subsidiaries.

Among the transactions that were authorized by GL 41 are the following:

- ❖ Production and lifting of petroleum or petroleum products produced by the Chevron JVs, and any maintenance, repair, or service related to the JVs.
- ❖ The sale to, exportation to, or importation into the United States of petroleum or petroleum products produced by the Chevron JVs, provided that the petroleum and petroleum products made by the JVs are first sold to Chevron.
- ❖ Ensuring the health or safety of personnel or the integrity of operations or assets of the Chevron JVs in Venezuela.
- ❖ Purchase and importation into Venezuela of goods or inputs related to the activities described in numerals (1) and (3) of the

GL 41, including diluents, condensates, petroleum, or natural gas products.

In addition, it is noted that the following transactions are not authorized:

- ❖ The payment of any taxes or royalties to the Government of Venezuela.
- ❖ The payment of any dividends, including dividends in kind, to PDVSA or any entity in which PDVSA owns, directly or indirectly, a fifty percent (50%) or greater interest.
- ❖ The sale of petroleum or any sub-product made by Chevron JV's to clients in any jurisdiction other than the United States.
- ❖ Any transaction involving an entity in Venezuela owned or controlled by an entity in the Russian Federation.
- ❖ Any expansion of the Chevron JVs into new fields in Venezuela beyond what was in place on January 28, 2019.
- ❖ Any transactions prohibited by the VSR, including transactions involving any person blocked under the VSR other than the blocked persons described in paragraph (a) of this general license unless separately authorized.

The authorization contained in G.L. 41 automatically renews on the first day of each month. It is valid for six months from the effective date of G.L. 41, or any subsequent renewal, whichever is later.

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