

MODEL LEASE CLAUSE

Make Tenant Certify It's Not Banned or Blocked

The following clause was drafted by Washington, D.C., attorney Christopher A. Myers and Chicago attorney Carole L. Pechi. Put it in your leases to help you comply with Executive Order 13224.

In paragraph a, the tenant certifies that it's not a "person" (used in the legal sense to mean an individual or entity) banned or blocked by the U.S.

government—or acting on behalf of such a person. In paragraph b, the tenant promises to indemnify—that is, reimburse—you and defend you and hold you harmless from claims by third parties if the tenant violates the certification.

Show this clause to your attorney before putting it into your lease.

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OFAC CERTIFICATION

a. Certification. Tenant certifies that:

- (i) It is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by any Executive Order or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, nation, or transaction pursuant to any law, order, rule, or regulation that is enforced or administered by the Office of Foreign Assets Control; and
- (ii) It is not engaged in this transaction, directly or indirectly on behalf of, or instigating or facilitating this transaction, directly or indirectly on behalf of, any such person, group, entity, or nation.

b. Indemnification. Tenant hereby agrees to defend, indemnify, and hold harmless Landlord from and against any and all claims, damages, losses, risks, liabilities, and expenses (including attorney's fees and costs) arising from or related to any breach of the foregoing certification.