DeFi Compli

OFAC Sanctions Compliance Oracle

CipherTrace DeFi Compli Simplifies Sanctions Compliance for Decentralized Finance

CipherTrace DeFi Compli is a compliance oracle on Chainlink that enables DeFi developers and DEX operators to integrate necessary sanctions compliance data and services into their smart contracts to meet regulatory obligations and protect their decentralized applications from transacting with sanctioned addresses.

Sanctions Screening Across Three Blockchains

Ethereum   **Matic**   **Binance Smart Chain**

Benefits of Using DeFi Compli

With CipherTrace DeFi Compli, DeFi projects can meet regulatory requirements and protect from money laundering, terrorism financing, and proliferation financing linked to sanctions violations.

Rapidly add core compliance capability

Keep your smart contracts connected to the most up to date sanctions lists

Ensure your DApp doesn't transact with sanctioned addresses

Cryptographic assurances that CipherTrace was the data source

For Developers and Operators

Decentralized Exchanges (DEXs)

DeFi Protocol Developers

Simple Smart Contract Integration

```
{
  "id": "1",
  "data": {
    "network": "ETH",
    "lookup_address": "0x514910771af9ca656
    af840dff83e8264ecf986ca"
  }
}
```

```
{
  "jobRunID": "278c97ffadb54a5bbb9
                3cfec5f7b5503",
  "data": {
    "result": false
  },
  "result": false,
  "statusCode": 200
}
```

OFAC Sanctions Violations

At the end of 2020, the US Treasury's Office of Foreign Asset Control (OFAC) levied its first enforcement action against a virtual asset service provider—BitGo—for more than 100 sanctions violations. By February 2021, OFAC levied another enforcement action against a VASP, this time for 2,102 apparent violations of multiple sanctions programs.

In its enforcement actions, OFAC emphasized that "sanctions compliance obligations apply to all US persons, including those involved in providing digital currency services."

As part of its settlement with OFAC, BitGo had to implement a new sanctions compliance policy, which now included screening against OFAC's Specially Designated Nationals and Blocked Persons (SDN) List.

Regulators Set Sights on DeFi in 2021

In March 2021, global regulatory watchdog the Financial Action Task Force (FATF) updated its definitions for Virtual Asset Service Provider. With over 200 jurisdictions around the world implementing FATF recommendations, this updated guidance could potentially bring new regulatory obligations to owners and operators of decentralized protocols.

Get Started on Chainlink

This oracle delivers CipherTrace's source-signed compliance data directly on-chain to your smart contract. To get started, write and deploy your Chainlink contract using the network details here and fund it with LINK:
https://market.link/nodes/57a9cf23-fc11-45e7-ba5b-18975e4562cf/integrations?network=1
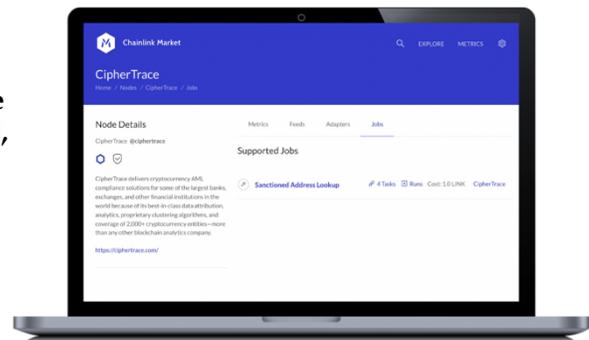
About CipherTrace | CipherTrace, the leading cryptocurrency intelligence company, bridges virtual currencies and financial services together with fraud protection, know-your-transaction, anti-money laundering, and financial crime prevention. CipherTrace derives superior cryptocurrency intelligence from analyzing massive amounts of validated blockchain transaction attribution. CipherTrace founders are dedicated to protecting consumer privacy and growing the blockchain economy, while defending against illicit finance. Deep expertise in cybersecurity, eCrime, blockchain payments, encryption, and virtual currencies form the foundation for CipherTrace's product offerings.