

ENFORCEMENT INFORMATION FOR May 6, 2014

Information concerning the civil penalties process is discussed in OFAC regulations governing the various sanctions programs and in 31 CFR part 501. On November 9, 2009, OFAC published as Appendix A to part 501 Economic Sanctions Enforcement Guidelines. See 31 C.F.R. part 501, app. A. The Economic Sanctions Enforcement Guidelines, as well as recent final civil penalties and enforcement information, can be found on OFAC's Web site at www.treasury.gov/ofac/enforcement.

ENTITIES – 31 CFR 501.805(d)(1)(i)

Decolar.com, Inc. Settles Potential Civil Liability for Apparent Violations of the Cuban Assets Control Regulations: Decolar.com, Inc. (previously known as Despegar.com, Inc.), together with its subsidiaries and affiliates (collectively “Decolar”), a Delaware company with headquarters in Buenos Aires, Argentina, has agreed to pay \$2,809,800 to settle potential civil liability for apparent violations of the Cuban Assets Control Regulations, 31 C.F.R. part 515 (the “CACR”). From March 2, 2009, through March 31, 2012, Decolar appears to have dealt in property in which Cuba or Cuban nationals had an interest when its foreign subsidiaries assisted 17,836 persons with flight reservations for travel between Cuba and countries other than the United States and/or hotel reservations for stays in Cuba, without authorization from OFAC.

OFAC determined that Decolar voluntarily self-disclosed this matter to OFAC and that the apparent violations occurred “prior to agency notice.” Under the Cuba Penalty Schedule, 68 Fed. Reg. 4429 (Jan. 29, 2003), the base penalty for the apparent violations is \$4,460,000.

The settlement amount reflects OFAC's consideration of the following facts and circumstances, pursuant to the General Factors under OFAC's Economic Sanctions Enforcement Guidelines, 31 C.F.R. part 501, app. A:

- (1) Decolar demonstrated reckless disregard for U.S. sanctions requirements when it failed to ascertain the U.S. sanctions requirements applicable to its business operations, relying instead upon a third party's oral assurances that Decolar's conduct did not require an OFAC license. With the exercise of appropriate due diligence, Decolar's senior management reasonably should have been aware of the applicable prohibitions under the CACR. Based upon the number of apparent violations and the length of time over which they occurred, the apparent violations also appear to have resulted from a pattern or practice of conduct;
- (2) Decolar's senior management appears to have been aware that its foreign subsidiaries were providing Cuba-related travel services to third-country nationals;
- (3) The apparent violations resulted in significant harm to U.S. sanctions program objectives regarding Cuba;
- (4) Decolar, which has a large customer base and established operations in numerous countries, is a sophisticated travel services provider; and
- (5) Decolar had no OFAC risk-based compliance program at the time of the apparent violations.

OFAC Enforcement also considered the following to be mitigating factors:

- (1) The Cuba-related transactions appear to have been a very small portion of Decolar's overall business;
- (2) Decolar has not been the subject of any prior OFAC enforcement action in the five years preceding the earliest date of the transactions giving rise to the apparent violations;
- (3) Upon discovering the apparent violations, Decolar immediately stopped offering any Cuba-related travel services to any of its customers. Decolar also recently adopted OFAC compliance policies and procedures; and
- (4) Decolar cooperated with OFAC by providing all relevant information regarding the apparent violations, and did so in a clear and organized fashion.

For more information regarding OFAC regulations, please go to: www.treasury.gov/ofac.