

ENFORCEMENT INFORMATION FOR MAY 21, 2012

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 new Economic Sanctions Enforcement Guidelines. See 74 Fed. Reg. 57,593 (Nov. 9, 2009). The Economic Sanctions Enforcement Guidelines, as well as recent final civil penalties and enforcement information, can be found on OFAC's Web site at <http://www.treasury.gov/resource-center/sanctions/CivPen/Pages/civpen-index2.aspx>.

ENTITIES – 31 CFR 501.805(d)(1)(i)

Genesis Asset Managers, LLP Settles Apparent Violation of the Iranian Transactions

Regulations: Genesis Asset Managers, LLP (“GAM US”) has agreed to remit \$112,500 to settle potential civil liability for an apparent violation of the Iranian Transactions Regulations (“ITR”), 31 C.F.R. part 560 that occurred on or about August 1, 2007.

This settlement covers the following apparent violation of the ITR, which OFAC has determined was not egregious:

GAM US is the investment manager of Genesis Emerging Markets Fund (“GEMF”), a Guernsey-organized investment fund. Pursuant to a Management Agreement between GAM US and GEMF, GAM US has the authority to act as GEMF's manager, investing and re-investing cash, securities and other property comprising the assets of GEMF. GAM US contracts with its London-based subsidiary, Genesis Investment Management LLP (“GIM UK”) through an Investment Advisory Agreement, pursuant to which GIM UK provides investment advice and recommendations to GAM US relating to GEMF, in return for a fee. The Investment Advisory Agreement authorizes GIM UK to carry out transactions as an agent of GAM US in accordance with the investment policies and strategies adopted from time to time by GEMF. In 2007, pursuant to this delegated authority, GIM UK purchased approximately \$3 million of shares for GEMF in the First Persian Equity Fund (“FPEF”), a Cayman Islands company that invests exclusively in Iranian securities.

OFAC considered the following to be aggravating factors in this case: GAM US failed to exercise a minimal degree of caution or care in the conduct that led to the apparent violation of the ITR; officers of GAM US were aware of the conduct giving rise to the apparent violation; substantial economic benefit was conferred to Iran, thereby undermining the objectives of the ITR; and GAM US did not have an OFAC compliance program in place at the time of the apparent violation. OFAC considered the following to be mitigating factors in this case, however: GAM US has not received a penalty notice or Finding of Violation from OFAC for substantially similar violations; GAM US substantially cooperated with OFAC's investigation by responding promptly and completely to OFAC's requests for information, by voluntarily self-disclosing the apparent violation in question, and by agreeing to settle this matter without the issuance of a Prepenalty Notice; GAM US took appropriate remedial action; and GAM US may not have fully understood its OFAC obligations under U.S. law.