

## **ENFORCEMENT INFORMATION FOR May 2, 2008**

**Information concerning the civil penalty process is discussed in OFAC regulations governing the various sanctions programs or, in the case of sanctions regulations issued pursuant to the Trading with the Enemy Act, in 31 CFR part 501. Civil penalty procedures are also discussed in OFAC's proposed Enforcement Guidelines, 68 FR 4422 – 4429 (January 29, 2003). However, please note that, for banking institutions regulated by one of the agencies belonging to the Federal Financial Institutions Examination Council, the proposed enforcement guidelines have been withdrawn and replaced by an interim final rule ("Economic Sanctions Procedures for Banking Institutions"), 71 FR 1971 – 1976 (January 12, 2006), which has an effective date of February 13, 2006. Both the proposed Enforcement Guidelines and the interim final rule are available on OFAC's website, available at <http://www.treas.gov/offices/enforcement/ofac/civpen/enfguide.pdf>.**

**OFAC is now posting on this website copies of its final agency Penalty Notices with the relevant case reports to the extent permitted under applicable law.**

### **ENTITIES – 31 CFR 501.805(d)(1)(i)**

**York International Corporation Settles Embargo Program Allegations:** York International Corporation ("York") has remitted \$669,507 to settle allegations of violations of the Iranian Transactions Regulations, the Sudanese Sanctions Regulations, and the Iraqi Sanctions Regulations. The alleged violations relate to the sale of air conditioning and refrigeration equipment to Iran and Sudan by foreign nationals employed at a foreign branch of York, and improper payments made to the Government of Iraq in connection with licensed sales of refrigeration equipment to Iraq under the United Nations Oil-for-Food Program. Johnson Controls, Inc., which acquired York after the alleged violations occurred, voluntarily disclosed this matter to OFAC.

**Engineering Dynamics Inc. Settles Iranian Transactions Regulations Allegations:** Engineering Dynamics Inc., Kenner, LA 70065 (EDI), has remitted \$132,791.39 to OFAC as part of a multi-agency settlement including the United States Attorneys Office, Eastern District of Louisiana and the Department of Commerce to settle allegations of violations of the Iranian Transactions Regulations occurring between March 2003 and February 2007. OFAC alleged that EDI acted in a knowing and willful manner by importing and exporting unauthorized goods and services to and from Iran in the form of an engineering software program intended to assist in the design of offshore oil and gas structures. EDI voluntarily disclosed this matter to OFAC.

**Knight Industries and Associates Inc. Settles Iranian Transactions Regulations:** Knight Industries and Associates, Inc. ("Knight"), of Auburn Hills, MI has remitted \$17,469.63 to settle allegations of violations of the Iranian Transactions Regulations. The alleged violations occurred between November 2003 and June 2007. OFAC alleged that goods in the form of material handling systems were exported to Iran

without an OFAC license. Knight self-disclosed this matter to OFAC and they have instituted a comprehensive U.S. sanctions compliance program in order to avoid sanctions violations in the future.

**Journey Corp. Travel Management Assessed a Penalty for Violating the Cuban Assets Control Regulations:** Journey Corp. Travel Management (“Journey”), New York, NY 10022 has been assessed a \$1,875.00 civil monetary penalty for its violation of the Cuban Assets Control Regulations occurring on or about October 22, 2003. Journey facilitated the purchase of airline tickets to Cuba on behalf of a U.S. person. Journey did not voluntarily disclose this matter to OFAC. For a copy of OFAC’s Penalty Notice issued to Journey, *please visit the following url:*

<http://www.treas.gov/offices/enforcement/ofac/civpen/penalties/journey.pdf>

**The Newman Group Computer Services Corp. Assessed a Penalty for Violating the Sudanese Sanctions Regulations:** The Newman Group Computer Services Corp. (“Newman Group”), Dexter, MI 48130 has been assessed a \$2,414.10 civil monetary penalty for its violation of the Sudanese Sanctions Regulations occurring on or about March 30, 2007. Newman Group attempted to export computer equipment to an entity in Khartoum, Sudan, without a license. Newman Group did not voluntarily disclose this matter to OFAC. For a copy of OFAC’s Penalty Notice issued to Newman Group, *please visit the following url:*

<http://www.treas.gov/offices/enforcement/ofac/civpen/penalties/newman.pdf>

**International Transports Solutions, Inc. Assessed a Penalty for Violating the Former Liberian Regime of Charles Taylor Sanctions Regulations:** International Transports Solutions, Inc. (“ITS”), Carlstadt, NJ 07072 has been assessed a \$2,700.00 civil monetary for its violation of the Former Liberian Regime of Charles Taylor Sanctions Regulations occurring on or about May 4, 2005. ITS attempted to send a funds transfer to a blocked person. ITS did not voluntarily disclose this matter to OFAC. For a copy of OFAC’s Penalty Notice issued to ITS, *please visit the following url:*

<http://www.treas.gov/offices/enforcement/ofac/civpen/penalties/its.pdf>

**Jor Creek Enterprises Assessed a Penalty for Violating the Former Liberian Regime of Charles Taylor Sanctions Regulations:** Jor Creek Enterprises (“Jor Creek”), Olney, MD 20832 has been assessed a \$1,085.63 civil monetary penalty for its violation of the Former Liberian Regime of Charles Taylor Sanctions Regulations occurring between August 11, 2004 and March 10, 2005. Jor Creek made prohibited payments for auto insurance premiums for the benefit of a blocked person. Jor Creek did not voluntarily disclose this matter to OFAC. For a copy of OFAC’s Penalty Notice issued to Jor Creek, *please visit the following url:*

<http://www.treas.gov/offices/enforcement/ofac/civpen/penalties/jorcreek.pdf>

## **INDIVIDUALS – 31 CFR 501.805(d)(1)(ii)**

**One individual has agreed to a settlement totaling \$5,425.50 for allegedly dealing in property in which Cuba or a Cuban national had an interest:** Between November

2004 and May 2006, the individual allegedly purchased Cuban-origin cigars offered for sale on the Internet. The individual did not voluntarily disclose this matter to OFAC.

**One individual has agreed to a settlement totaling \$1,014 for allegedly dealing in property in which Cuba or a Cuban national had an interest:** Between December 2003 and April 2006, the individual allegedly purchased Cuban-origin cigars offered for sale on the Internet. The individual did not voluntarily disclose this matter to OFAC.

**One individual has agreed to a settlement totaling \$1,000 for allegedly dealing in property in which Cuba or a Cuban national had an interest:** Between January 2005 and December 2005, the individual allegedly purchased Cuban-origin cigars offered for sale on the Internet. The individual did not voluntarily disclose this matter to OFAC.

**One individual has agreed to a settlement totaling \$830 for allegedly dealing in property in which Cuba or a Cuban national had an interest:** Between January 2005 and June 2006, the individual allegedly purchased Cuban-origin cigars offered for sale on the Internet. The individual did not voluntarily disclose this matter to OFAC.

**One individual has agreed to a settlement totaling \$562.50 for allegedly dealing in property in which Cuba or a Cuban national had an interest:** Between December 2004 and March 2005, on three occasions, the individual allegedly purchased Cuban-origin cigars offered for sale on the Internet. The individual did not voluntarily disclose this matter to OFAC.

**For more information regarding OFAC regulations, please go to:**  
<http://www.treas.gov/offices/enforcement/ofac/legal/>.