

## **ENFORCEMENT INFORMATION FOR August 13, 2010**

**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. Although these new guidelines replace earlier enforcement guidelines published by OFAC, for certain matters that were in process at the time the new guidelines were published, the prior guidelines (which can be found at 68 *Fed. Reg.* 4422 and 71 *Fed. Reg.* 1971) are still applicable. Please see OFAC's Revised Interim Policy regarding use of the prior guidelines. The Revised Interim Policy, along with the new guidelines and copies of recent final Penalty Notices, can be found on OFAC's website at <http://www.treas.gov/offices/enforcement/ofac/civpen>.**

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

**Compass Bank Settles Sudanese Sanctions Regulations Allegations:** Compass Bank, Birmingham, AL, has remitted \$607,500 to settle allegations of violations of the Sudanese Sanctions Regulations, 31 C.F.R. Part 538 occurring during September 2006. OFAC alleged that Compass Bank acted without an OFAC license or outside the scope of its license by initiating three funds transfers on behalf of one of its clients related to the petroleum or petrochemical industries in Sudan. Compass Bank did not voluntarily disclose this matter to OFAC and the alleged violation constituted a non-egregious case. The base penalty amount was \$750,000. The settlement amount reflects OFAC's consideration of the following General Factors: Compass Bank has not previously received a Penalty Notice or Finding of Violation from OFAC; fully cooperated with OFAC during its investigation of this matter; and has undertaken significant remedial actions to strengthen its OFAC compliance program and to manage potential sanctions risk, not just in the area of funds transfers but more broadly across its entire business line.

**Custom Polymers, Inc. Settles Sudanese Sanctions Violation Allegation:** Custom Polymers, Inc., Charlotte, NC ("CPI") has agreed to remit \$57,800 to settle an allegation of violation of the Sudanese Sanctions Regulations occurring on or about August 17, 2007. OFAC alleged that CPI attempted to make a payment involving Sudan, on behalf of its affiliate, without an OFAC license. The payment, which amounted to \$116,250, was allegedly for the purchase and export of bottle regrind from Sudan. OFAC determined that CPI did not voluntarily disclose this matter to OFAC and the alleged violation constituted a non-egregious case. The base penalty amount for the violation totaled \$170,000. The settlement amount reflects OFAC's consideration of the following General Factors: CPI had no history of sanctions violations; CPI entered into the underlying contract with its supplier without knowledge or reason to know the goods were from Sudan; CPI immediately ceased all business activities with its supplier in order to avoid future U.S. sanctions violations; and CPI implemented a sanctions compliance program.

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