



DEPARTMENT OF THE TREASURY
OFFICE OF FOREIGN ASSETS CONTROL

ENFORCEMENT INFORMATION FOR FEBRUARY 3, 2006

Information concerning the civil penalty process is discussed in OFAC regulations governing the various sanctions program 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belonging to the Federal Financial Institutions Examination Council, the proposed enforcement guidelines have been withdrawn and replaced by an interim final rule ("Economic Sanctions Procedures for Banking Institutions"), 71 FR 1971 – 1976 (January 12, 2006), which has an effective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)

OFAC has reached settlement with the following company:

The Coca-Cola Company Settles Sudan Sanctions Allegations: The Coca-Cola Company, Atlanta, GA 30301 ("Coca-Cola"), has remitted \$136,500 to settle allegations of violations of the Sudan sanctions occurring between June 2002 and April 2004. OFAC alleged that Coca-Cola exported to its bottler in Sudan services not authorized by its OFAC license and disregarded or evaded certain OFAC license restrictions. The services included financial and market support. Coca-Cola has represented to OFAC that it has taken remedial measures and made upgrades to its OFAC compliance program. Coca-Cola voluntarily disclosed this matter to OFAC.

OFAC has assessed a penalty against the following companies:

The Chinese American Bank Assessed a Penalty for Iran Program Violations: The Chinese American Bank, New York, NY 10002, has remitted a \$7,370 civil monetary penalty for its violation of the Iran program in July 2000. OFAC imposed the penalty for The Chinese American Bank's exportation of services to and facilitation of a foreign party's transactions with Iran. The Chinese American Bank initiated an unauthorized funds transfer on behalf of a corporate offshore customer destined for an account at Bank Melli Iran – Dubai Branch, a bank owned and controlled by the government of Iran. The Chinese American Bank did not voluntarily disclose this matter to OFAC. For a copy of OFAC's Penalty Notice issued to The Chinese American Bank, *please visit the following url: http://www.treas.gov/offices/enforcement/ofac/civpen/penalties/chinese_american_bank_pn.pdf*

Demars International, Inc. Assessed a Penalty for Kosovo Program Violations: OFAC imposed a penalty of \$2,357.95 against Demars International, Inc., Jamaica, NY 11430 ("Demars"), for violations of the Kosovo program in December 2000. OFAC determined that, at the time the prohibitions were in effect, Demars made multiple shipments of merchandise to Belgrade, Yugoslavia without OFAC authorization. Demars did not voluntarily disclose this information to OFAC. For a copy of OFAC's Penalty Notice issued to Demars, *please visit the following url:*

http://www.treas.gov/offices/enforcement/ofac/civpen/penalties/demars_pn.pdf



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INDIVIDUALS - 31 CFR 501.801 (d)(1)(ii)

Civil penalty settlements for allegations of Cuban embargo violations:

Two individuals have agreed to settlements totaling \$2,000 for travel-related transactions

incident to travel to Cuba: The travel-related transactions included, but were not limited to, the purchase of food, entertainment, lodgings, ground transportation and incidentals. One of the individuals traveled to and from Cuba through Nassau, The Bahamas, and round-trip between Nassau and Cuba aboard Cubana Airlines (“Cubana”), a Specially Designated National of Cuba. The other individual traveled through Montreal, Canada.

Civil penalty assessments for Cuban embargo violations:

OFAC assessed a civil penalty against an individual for travel-related transactions incident to travel to Cuba and importing Cuban merchandise. The individual paid \$1,000 to the U.S. Treasury for Cuban embargo violations. The violations involved the purchase from a Canadian travel company of a tour package that included round-trip airfare between Montreal, Canada, and Cuba aboard Cubana. Upon returning from Cuba, the individual transported goods of Cuban-origin into the jurisdiction of the United States.

Hearings Requested: Four hearings have been requested for allegations of violations of the Cuban embargo involving travel-related transactions.



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