

ENFORCEMENT INFORMATION FOR (April 10, 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. 57593 (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)

Essie Cosmetics Ltd. and Individual Corporate Officer Settle Iranian Transactions Regulations Allegations: Essie Cosmetics Ltd. (“Essie”) and a former individual corporate officer (“Individual”), New York City, New York, have agreed to settle OFAC allegations involving Essie and Individual’s unlicensed exports to Iran in violation of the Iranian Transactions Regulations (the “ITR”), promulgated pursuant to, *inter alia*, the International Emergency Economic Powers Act (“IEEPA”), and administered by OFAC. The apparent violations relate to Essie and Individual’s knowing sale and export of nail care products on or about September 17, 2009, December 8, 2009 and February 23, 2010, to an Iranian distributor pursuant to an Exclusive Distributorship Agreement in apparent violation of § 560.204 of the ITR. OFAC determined that Essie and Individual did not voluntarily self-disclose the apparent violations and that the apparent violations constituted an egregious case in light of Essie and Individual’s intentional efforts to evade sanctions. The total transaction value for the three transactions settled with OFAC was \$33,299, and the base penalty was \$750,000. Essie, Individual and OFAC agreed to a settlement in the amount of \$450,000. 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: Essie and Individual have no history of prior OFAC violations; Essie and Individual have cooperated with the investigation by the U.S. Immigration and Customs Enforcement, resulting in executed Non-Prosecution Agreements with the United States Attorney’s Office for the Southern District of New York related to Essie and Individual’s violations of IEEPA, and pursuant to which they agreed to the civil forfeiture of \$200,000 by the Department of Homeland Security. OFAC has considered \$200,000 of its total settlement amount satisfied by Essie and Individual’s agreement with the United States Attorney’s Office for the Southern District of New York and by the \$200,000 administrative forfeiture by the Department of Homeland Security.

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