

ENFORCEMENT INFORMATION FOR DECEMBER 12, 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 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 www.treasury.gov/ofac/enforcement.

ENTITIES – 31 CFR 501.805(d)(1)(i)

Bank of Tokyo-Mitsubishi UFJ, Ltd. Settles Potential Civil Liability for Apparent Violations of Multiple Sanctions Programs. The Bank of Tokyo-Mitsubishi UFJ, Ltd. (“BTMU”), Tokyo, Japan, has agreed to remit \$8,571,634 to settle potential civil liability for apparent violations of: the Burmese Sanctions Regulations (“BSR”), 31 C.F.R. part 537; the Iranian Transactions Regulations (“ITR”), 31 C.F.R. part 560; Executive Order 13382, *Blocking Property of Weapons of Mass Destruction Proliferators and Their Supporters* (“E.O. 13382”); the Sudanese Sanctions Regulations (“SSR”), 31 C.F.R. part 538; and the Cuban Assets Control Regulations (“CACR”), 31 C.F.R. part 515, that occurred between April 3, 2006, and March 16, 2007.

BTMU's Tokyo operations engaged in practices designed to conceal the involvement of countries or persons subject to U.S. sanctions in transactions that BTMU processed through financial institutions in the United States. Pursuant to written operational instructions utilized in a Tokyo operations center, BTMU employees systematically deleted or omitted from payment messages any information referencing U.S. sanctions targets that would cause the funds to be blocked or rejected, prior to sending the transactions through the United States. As a result of these practices, BTMU processed at least 97 funds transfers, with an aggregate value of approximately \$5,898,943, through BTMU's New York branch or other banks in the United States, in apparent violation of the BSR, ITR, E.O. 13382, SSR, and CACR.

In 2007, BTMU's senior management learned of these practices, commenced an internal review of historical transaction data, and initiated a voluntary self-disclosure to OFAC. OFAC found that the apparent violations constitute an egregious case. 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: BTMU's conduct concealed the involvement of U.S. sanctions targets and displayed reckless disregard for U.S. sanctions; the general manager of the Operations Center in Tokyo knew or had reason to know that procedures had been implemented instructing employees to manipulate payment instructions; BTMU's conduct conferred a substantial economic benefit to targets of OFAC sanctions; BTMU is a large, commercially sophisticated financial institution; BTMU has undertaken significant remediation to improve its OFAC compliance policies and procedures; BTMU substantially cooperated with OFAC's investigation, including providing detailed and organized information regarding the apparent violations, and entering into a tolling agreement with OFAC; and BTMU has no history of prior OFAC violations.

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