

ENFORCEMENT INFORMATION FOR OCTOBER 24, 2013

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. 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 <http://www.treasury.gov/resource-center/sanctions/CivPen/Pages/civpen-index2.aspx>.

ENTITIES – 31 CFR 501.805(d)(1)(i)

Ameron International Corporation Settles Potential Civil Liability for Apparent Violations of the Iranian Transactions and Sanctions Regulations and Cuban Assets Control Regulations:

Ameron International Corporation (“Ameron”), Pasadena, CA, has agreed to pay \$434,700 to settle potential civil liability for apparent violations of the Iranian Transactions and Sanctions Regulations, 31 C.F.R. part 560 (the “ITSR”),¹ and the Cuban Assets Control Regulations, 31 C.F.R. part 515 (the “CACR”), occurring on or about March 14, 2005, through on or about October 5, 2006. In apparent violation of the ITSR, Ameron: (1) approved, on two occasions, capital expenditure requests made by Ameron B.V., a Dutch subsidiary of Ameron, and Ameron (Pte) Ltd. (“PTE”), a Singaporean subsidiary of Ameron, to purchase toolings and other equipment needed to fulfill orders for a South Pars project, located in Iran; (2) referred to its foreign subsidiaries three business opportunities involving the sale of goods to Iran that Ameron itself could not have directly performed as a result of the prohibitions set forth in the ITSR; and (3) provided testing services from its Burkburnett, Texas facility to PTE with reason to know that they would be provided to Arvand Petrochemical, an entity located in Iran. Furthermore, in apparent violation of the CACR, the Colombian branch office of Ameron's U.S. subsidiary, American Pipe & Construction International, on two occasions sold concrete pipe to a consortium in which a Cuban company was a partner.

OFAC determined that Ameron did not voluntarily self-disclose this matter to OFAC and that the apparent violations constitute a non-egregious case. The base penalty amount for the apparent violations was \$690,000.

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: Ameron's reckless disregard of U.S. sanctions requirements, including by Ameron's management and supervisory staff; Ameron knew, or should reasonably have known with reasonable due diligence, that the transactions underlying the apparent violations involved Iran or Cuba; two of the apparent violations (the approvals of the two capital

¹ On October 22, 2012, OFAC changed the heading of 31 C.F.R. part 560 from the Iranian Transactions Regulations to the Iranian Transactions and Sanctions Regulations (“ITSR”), amended the renamed ITSR, and reissued them in their entirety. See 77 Fed. Reg. 64,664 (Oct. 22, 2012). For the sake of clarity, all references herein to the ITSR shall mean the regulations in 31 C.F.R. part 560 in effect at the time of the activity, regardless of whether such activity occurred before or after the regulations were renamed.

expenditure requests) resulted in significant harm to U.S. sanctions program objectives on Iran; given the nature and size of Ameron's operations, Ameron's compliance program was inadequate to address the sanctions risks that Ameron faced as a business and to prevent the apparent violations; many of the apparent violations involved transactions that were ultimately not consummated; Ameron has not received a penalty notice or Finding of Violation from OFAC in the five years preceding the date of the transactions giving rise to the apparent violations; Ameron undertook significant remedial steps in response to the apparent violations; and Ameron provided substantial cooperation during OFAC's investigation, including by providing records in a clear and organized fashion and by agreeing to toll the statute of limitations.

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