

## **ENFORCEMENT INFORMATION FOR June 5, 2014**

**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, the Office of Foreign Assets Control (“OFAC”) published as Appendix A to part 501 the Economic Sanctions Enforcement Guidelines. See 31 CFR part 501, app. A. 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](http://www.treasury.gov/ofac/enforcement).**

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

**Fokker Services B.V. Agrees to Settle Potential Civil Liability for Alleged Violations of the Iranian Transactions and Sanctions Regulations and the Sudanese Sanctions Regulations:** Fokker Services B.V. (“FSBV”), Hoofddorp, The Netherlands, has agreed to a settlement of its potential civil liability of \$50,922,208 for 1,112 alleged violations of the Iranian Transactions and Sanctions Regulations, 31 C.F.R. part 560 (the “ITSR”),<sup>1</sup> and 41 alleged violations of the Sudanese Sanctions Regulations, 31 C.F.R. part 538 (the “SSR”), occurring from approximately November 16, 2005, through approximately September 1, 2010. FSBV’s settlement with OFAC is part of a global settlement that also includes the Department of Commerce’s Bureau of Industry and Security (“BIS”), and the Department of Justice’s U.S. Attorney’s Office for the District of Columbia (“USAO”). As part of the settlement, FSBV will satisfy its liability with the payment of a \$10.5 million civil monetary penalty to OFAC and BIS, a forfeiture of an additional \$10.5 million pursuant to a deferred prosecution agreement (“DPA”) reached with the USAO, and the acceptance of responsibility for its egregious conduct involving over 1,150 alleged violations of U.S. sanctions.

On 1,112 occasions, FSBV indirectly exported or reexported aircraft spare parts to Iranian customers, that FSBV either procured or had repaired in the United States specifically to fill an Iranian customer’s order, or that were U.S.-origin and subject to export license requirements under U.S. law, independent of the ITSR, at the time of shipment. On 41 occasions, FSBV indirectly exported or reexported aircraft spare parts to Sudanese customers or end users, that FSBV either procured or had repaired in the United States, specifically to fill a Sudanese customer’s or end user’s order, or that were U.S.-origin and required the issuance of a license by a Federal agency at the time of shipment.

The base penalty for the alleged violations is \$145,492,023. OFAC determined that FSBV voluntarily self-disclosed this matter to OFAC and that the alleged violations constitute an egregious case.

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<sup>1</sup> 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.

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: FSBV engaged in willful and reckless alleged violations of U.S. law; FSBV knew that it was shipping U.S.-origin parts, and parts supplied from or repaired in the United States, to customers in Iran and Sudan; FSBV caused significant harm to the objectives of OFAC's Iran and Sudan sanctions programs given the volume and value of the transactions; FSBV is a sophisticated and experienced aerospace services provider; FSBV had no formal OFAC compliance program in place during most of the five-year period when the alleged violations occurred; FSBV did not institute sufficient controls to completely stop the conduct at issue upon discovering the alleged violations; FSBV has no OFAC sanctions history in the five years preceding the date of the earliest of the alleged violations, including no receipt of a penalty notice or Finding of Violation; FSBV has adopted new and more effective internal controls and procedures since launching its internal investigation, including robust enhancements to its export compliance program to prevent a recurrence of U.S. sanctions violations; and FSBV provided substantial cooperation during the investigation, including by conducting an extensive internal investigation, producing voluminous records in a clear and organized fashion, and by agreeing to toll the statute of limitations.

FSBV's settlement of its potential civil liability of \$50,922,208, described in OFAC's Prepenalty Notice issued to FSBV on January 30, 2014, is satisfied by the following: payment of a joint OFAC and BIS civil monetary penalty of \$10,500,000; payment of a separate forfeiture of \$10,500,000 pursuant to the DPA executed with the USAO; acceptance of responsibility, pursuant to the executed DPA, for its criminal conduct giving rise to the alleged violations; and acceptance of, and adherence to, all other terms and conditions of FSBV's agreements with OFAC, the USAO, and BIS.

For more information regarding OFAC regulations, please go to: [www.treasury.gov/ofac](http://www.treasury.gov/ofac).