

## **ENFORCEMENT INFORMATION FOR FEBRUARY 22, 2016**

**Information concerning the civil penalties process can be found in the OFAC regulations governing each sanctions program; the Reporting, Procedures, and Penalties Regulations, 31 C.F.R. part 501; and the Economic Sanctions Enforcement Guidelines, 31 C.F.R. part 501, App. A. These references 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)**

**CGG Services S.A., and Its Affiliated Companies, Settle Potential Civil Liability for Alleged Violations of the Cuban Assets Control Regulations.** CGG Services S.A., formerly known as CGGVeritas S.A. (“CGG France”), has agreed to pay \$614,250 on its own behalf and on behalf of its affiliated companies, CGG Services (U.S.) Inc., formerly known as CGGVeritas Services (U.S.) Inc. (“CGG U.S.”), and Veritas Geoservices Ltd. S.A. (“Veritas Geoservices”) (collectively the “affiliated companies”), to settle potential civil liability for alleged violations of the Cuban Assets Control Regulations, 31 C.F.R. part 515 (the “Regulations”). CGG France and its affiliated companies provide services, spare parts, and equipment for oil and gas exploration and seismic surveys.

On or about December 14, 2010, CGG France and CGG U.S. appear to have violated § 515.201 of the Regulations when they exported spare parts and other equipment from the United States to M/V *Amadeus* while the vessel operated in Cuba's territorial waters.

On or about March 10, 2011, CGG France and CGG U.S. appear to have violated § 515.201 of the Regulations when they exported spare parts and other equipment from the United States to M/V *Veritas Vantage* while the vessel operated in Cuba's territorial waters.

From on or about February 28, 2011 to on or about July 20, 2011, CGG France appears to have violated § 515.201 of the Regulations when, on 13 occasions, it exported U.S.-origin goods from companies unaffiliated with CGG France to the vessel M/V *Veritas Vantage* while the vessel operated in Cuba's territorial waters.

From on or about February 1, 2011 to on or about February 3, 2011, CGG France appears to have violated § 515.201 of the Regulations when, on two occasions, it exported U.S.-origin goods from companies unaffiliated with CGG France to the vessel M/V *Princess* while the vessel operated in Cuba's territorial waters.

From on or about September 20, 2010 to on or about February 22, 2011, Veritas Geoservices, a Venezuelan subsidiary of CGG U.S., appears to have violated § 515.201 of the Regulations when it engaged in five transactions at the request of CGGVeritas France involving the processing of data from seismic surveys conducted in Cuba's Exclusive Economic Zone benefiting a Cuban company.

OFAC determined that CGG France did not voluntarily self-disclose the alleged violations to OFAC, and that the alleged violations constitute a non-egregious case. The statutory maximum

civil monetary penalty amount for the alleged violations was \$2,340,000 and the base penalty amount was \$975,000.

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: (1) CGG France acted with reckless disregard for U.S. sanctions requirements by exporting U.S.-origin goods to Cuban waters, especially after its U.S. affiliate informed it that such exports could be a violation of U.S. sanctions; (2) Veritas Geoservices acted with reckless disregard for U.S. sanctions requirements by performing data processing related to seismic surveys conducted in Cuban waters without determining if there was a Cuban interest in the data; (3) CGG France was aware of the conduct giving rise to the alleged violations because it knew where the vessels were located and the origin of the goods; (4) the underlying transactions had a total value of \$2,758,701 and were related to oil exploration, which likely caused significant harm to U.S. sanctions program objectives by providing a substantial economic benefit to Cuba; (5) CGG France and its affiliated companies have not been the subject of a penalty notice or Finding of Violation from OFAC in the five years preceding the earliest date of the transactions giving rise to the alleged violations; (6) CGG France took some steps to avoid OFAC violations as part of its compliance program, including removing U.S. personnel and equipment for M/V *Vantage* prior to it entering Cuba's territorial waters; (7) CGG France has adjusted its supply procedures to minimize the risk of future sanctions violations; and (8) CGGVeritas agreed to toll the statute of limitations and substantially cooperated with Enforcement's investigation.

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