

ENFORCEMENT INFORMATION FOR SEPTEMBER 7, 2016

Information concerning the civil penalties process can be found in the Office of Foreign Assets Control (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.

ENTITIES – 31 CFR 501.805(d)(1)(i)

World Class Technology Corporation Settles Potential Civil Liability for Alleged Violations of the Iranian Transactions and Sanctions Regulations: World Class Technology Corporation (“WCT”), Portland, Oregon, has agreed to pay \$43,200 to settle potential civil liability for alleged violations of the Iranian Transactions and Sanctions Regulations (ITSR), 31 C.F.R. part 560.¹ The alleged violations involve WCT's exportation of seven shipments of orthodontic devices, collectively valued at \$59,886, from the United States to Germany, United Arab Emirates, and/or Lebanon, with knowledge or reason to know that the shipments were intended specifically for supply, transshipment, or reexportation to Iran, in apparent violation of §§ 560.204 and 560.206 of the ITSR between April 2008 and July 2010.

OFAC determined that WCT did not voluntarily self-disclose the alleged violations, and that the alleged violations constitute a non-egregious case. The maximum statutory civil penalty amount for the alleged violations was \$1,750,000, and the base penalty amount was \$80,000.

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. OFAC considered the following to be aggravating factors: (1) WCT willfully violated U.S. sanctions laws; (2) WCT's management had actual knowledge or reason to know that WCT's products were being exported to Iran; and (3) WCT had no OFAC compliance program in place until June 2008. OFAC considered the following to be mitigating factors: (1) the alleged violations did not result in great economic or other benefit conferred on Iran, as the transactions likely would have been licensed by OFAC had WCT applied for a license; (2) WCT has no sanctions history with OFAC for the five years preceding the date of the first transaction giving rise to the alleged violations; (3) WCT cooperated with OFAC by agreeing to toll the statute of limitations; (4) WCT developed an economic sanctions compliance procedure in June 2008 and subsequently drafted a written compliance policy; and (5) WCT lacked commercial sophistication in conducting international sales at the time of the alleged violations.

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

¹ On October 22, 2012, OFAC changed the heading of 31 C.F.R. part 560 from the Iranian Transactions Regulations to the 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.