

ENFORCEMENT INFORMATION FOR JANUARY 12, 2017

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)

Aban Offshore Limited Settles Potential Civil Liability for an Apparent Violation of the Iranian Transactions and Sanctions Regulations: Aban Offshore Limited (“Aban”), of Chennai, India, has agreed to pay \$17,500 to settle potential civil liability for an apparent violation of the Iranian Transactions and Sanctions Regulations, 31 C.F.R. part 560 (ITSR).¹ The apparent violation of § 560.204 of the ITSR occurred on the approximate date of June 27, 2008, when Aban's Singapore subsidiary placed an order for oil rig supplies from a vendor in the United States with the intended purpose of re-exporting these supplies from the United Arab Emirates to a jack-up oil drilling rig located in the South Pars Gas Fields in Iranian territorial waters. The transactional value of the order was \$10,127.

OFAC determined that Aban did not voluntarily disclose the apparent violation and that the apparent violation constitutes a non-egregious case. The statutory maximum civil monetary penalty amount for the apparent violation was \$250,000, and the base penalty amount for the apparent violation was \$25,000.

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) Aban failed to exercise a minimal degree of caution when it re-exported U.S.-origin goods from the United States to a jack-up oil drilling rig while it was located in Iranian territorial waters; (2) Aban's re-exportation of equipment to the jack-up oil drilling rig aided in the development of Iran's energy resources; (3) Aban is a large sophisticated company with approximately 15 jack-up oil drilling rigs doing business throughout the world; and (4) Aban did not have an OFAC compliance program in place at the time of the transaction despite conducting business with the United States and/or with U.S. companies in relation to the petrochemical and offshore drilling sectors. OFAC considered the following to be mitigating factors: (1) Aban has no prior sanctions history with OFAC and has not received a penalty notice or Finding of Violation in the five years preceding the date of this apparent violation; (2) Aban took remedial action by instituting an OFAC sanctions compliance program; and (3) Aban displayed substantial cooperation throughout the course of OFAC's investigation, including by conducting an internal

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.

look-back investigation for potential ITSR violations, by providing OFAC with detailed and well-organized information, and by entering into multiple tolling agreements with OFAC and tolling the Statute of Limitations for a total of 1,134 days.

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