

# EREN

*Economic Sanctions Lawyers, Sanctions Expertise*



*Washington*

## **Penalties for Violations of Economic Sanctions Prohibitions: A Brief Overview**

*May 6, 2024*

The International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) (IEEPA), the main sanctions statute underlying most OFAC sanctions programs, provides, in relevant part, for penalties for sanctions violations, as follows:

### **Penalties**

#### **(a) Unlawful acts**

It shall be unlawful for a person to violate, attempt to violate, conspire to violate, or cause a violation of any license, order, regulation, or prohibition issued under this chapter.

#### **(b) Civil penalty**

A civil penalty may be imposed on any person who commits an unlawful act described in subsection (a) in an amount not to exceed the greater of (1) \$368,136 or (2) an amount that is twice the amount of the transaction that is the basis of the violation with respect to which the penalty is imposed.

### **(c) Criminal penalty**

A person who willfully commits, willfully attempts to commit, or willfully conspires to commit, or aids or abets in the commission of, an unlawful act described in subsection (a) shall, upon conviction, be fined not more than \$1,000,000, or if a natural person, may be imprisoned for not more than 20 years, or both.

### **Schedule Amounts**

OFAC generally applies civil monetary penalties according to the following applicable schedule amounts:

1. \$1,000 with respect to a transaction valued at less than \$1,000;
2. \$10,000 with respect to a transaction valued at \$1,000 or more but less than \$10,000;
3. \$25,000 with respect to a transaction valued at \$10,000 or more but less than \$25,000;
4. \$50,000 with respect to a transaction valued at \$25,000 or more but less than \$50,000;
5. \$100,000 with respect to a transaction valued at \$50,000 or more but less than \$100,000;
6. \$170,000 with respect to a transaction valued at \$100,000 or more but less than \$170,000;
7. \$250,000 with respect to a transaction valued at \$170,000 or more, except that where the applicable schedule amount as defined above exceeds the statutory maximum civil penalty amount applicable to an apparent violation, the applicable schedule amount shall equal such applicable statutory maximum civil penalty amount.

See also OFAC's Enforcement Guidelines <https://ofac.treasury.gov/media/7566/download?inline>

### **The Eren Law Firm**

We are a responsive, innovative, efficient, and performance/results-oriented, boutique law firm in Washington, DC. We advise and represent banks, financial services companies, insurance companies, corporations, governments, shipowners, individuals, and other clients on a variety of issues and matters, especially those involving economic and financial sanctions. We assist entities and individuals successfully navigate complex legal challenges, answer all their questions, and provide to them the guidance they need.

The kind, blend, depth, and strength of our expertise and capabilities are unparalleled and ensure that our clients receive advice, representation, and insight that protect and advance their interests. Our lawyers are former senior U.S. Treasury – Office of Foreign Assets Control (OFAC) officials. The combined sanctions experience of our lawyers in private practice and their service at OFAC is over 80 years.

The Eren Law Firm advises and represents clients with respect to all aspects of US sanctions and the laws governing US sanctions. We, among other things, advise SDNs and represent clients in petitions to OFAC for their removal from the SDN list and the lifting of sanctions against them. We also represent clients in the unblocking of frozen assets.

For further information about our firm. Please visit [www.erenlaw.com](http://www.erenlaw.com) and <https://erenlaw.com/lawyers/hal-eren-2/>

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