

RESCINDED

Transmittal – See OCC 2020-11

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Bank Secrecy Act/Anti-Money Laundering: OFAC-Economic Sanctions Enforcement Procedures for Banking Institutions

On January 12, 2006, the Office of Foreign Assets Control (OFAC) published in the Federal Register, "Economic Sanctions Enforcement Procedures for Banking Institutions," along with a request for comments. OFAC will follow the published procedures when deciding whether to impose enforcement actions against banking institutions for noncompliance with its regulations. In conjunction with issuing this interim final rule, OFAC has withdrawn the January 29, 2003, proposed rule to the extent it applied to banking institutions.

The new enforcement procedures will evaluate a banking institution's apparent OFAC-related violation in the context of the institution's overall OFAC compliance program and specific OFAC compliance record. OFAC will not conduct such a review if no apparent violation exists within a banking institution. Factors that OFAC will review when an apparent violation exists include:

- Evaluations of the institution's OFAC compliance program by its primary federal banking regulator;
- The institution's history of OFAC compliance;
- Circumstances surrounding any apparent violations disclosed, including patterns or weaknesses in an institution's compliance program;
- Whether violations were voluntarily disclosed;
- Enforcement information provided by the institution to OFAC; and
- The number of transactions or accounts that the institution handled improperly during the period under review and how it responded to OFAC administrative subpoenas.

The interim final rule for enforcement cases involving banking institutions became effective on February 13. Written comments will be received through close of business, March 13.

You may direct questions to your supervisory office or to the Compliance Policy Department at (202) 649-5740.

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Related Links

- [OFAC Interim Final Rule 71 FR 1971](#)

To

Chief Executive Officers and
Compliance Officers of All
National Banks, Federal
Branches and Agencies,
Department and Division Heads,
and All Examining Personnel