

# OFAC Issues New Compliance and Enforcement Guidance for Securities Industry

November 25, 2008

On November 5, 2008, the Department of Treasury's Office of Foreign Assets Control ("OFAC"), which administers and enforces U.S. economic and trade sanctions, issued new enforcement guidance for securities and futures firms regarding measures these firms are now expected to take when accepting new clients. The new guidance builds upon an interim final rule that OFAC issued on September 8, 2008, regarding new enforcement procedures. The new guidance underscores the increased priority that OFAC is giving to sanctions compliance by securities and futures firms, and the heightened risks attendant to non-compliance.

Kelley Drye's [International Trade](#) Practice has prepared a client advisory outlining the new guidance.

Firms are well-advised to take actions ensure compliance with the enforcement guidance. For example, firms should take efforts to update their existing compliance programs, document actions that are taken to implement compliance with OFAC's sanctions regulations, and review all eleven factors that OFAC is now using to determine penalties for non-compliance.