



The process for imposing
monetary penalties for breaches
of financial sanctions:

Consultation response form

Name: [REDACTED]	
Organisation: [REDACTED]	
<input checked="" type="checkbox"/> Please tick if you are responding on behalf an organisation	
Name of organisation (if applicable) [REDACTED]	
Address: [REDACTED] Email: [REDACTED]	Telephone: +[REDACTED]
<p>1. Do these introductory sections give you enough information to understand the scope of the law on monetary penalties? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>What else would be useful?</p> <ul style="list-style-type: none"> • We welcome a risk-based approach and a varied approach that accounts for whether something is a systemic failure versus a one-off occurrence • Regarding knowledge as a criteria for applying monetary penalties, we would need to understand more on the nuances of how breaching of a prohibition or failing to comply are to be defined because the indirect provision of services could be a challenge • Clearer direction could be provided, specifically around indirect provision of funds or economic resources (i.e., because there is limited knowledge, there ideally would not be a monetary penalty in that case) • When administering sanctions and penalties against individuals in addition to the company, due consideration should be given to the influence and position of the individual vs. the responsibility of the company 	
<p>2. What are your views on OFSI's compliance and enforcement approach?</p> <ul style="list-style-type: none"> • We think they're reasonable, fair, and proportionate because they take a holistic approach • As far as enabling compliance by making it easier to comply, more work could be done on the Specially Designated Nationals (SDN) regime itself, including the lists and administration, as there is not a lot of data to match easily and false hits occur often 	
<p>3. Is there anything else you would expect a compliance model to tackle?</p>	

☒ Yes ☐ No

(if yes please explain what below)

- We would also expect a compliance model to the size of the business in consideration as well as the risk profile of the firm (i.e., look at the landscape and design proportionately)

4. Do you understand our proposed case assessment approach?

☐ Yes ☐ No

(if no please explain why below)

- Yes, but would be helpful to understand more about weighting factors (but understand risk of people structuring breaches around it)

5. What are your views on our proposed case assessment approach?

- **Proportionate and reasonable criteria**
- **Good that it takes a holistic risk based approach/view**
- **Takes a good view of component factors and elements, particularly around how they measure/assess severity & third party advice**

6. Does this guidance give you enough information to help you understand how a penalty is calculated?

☐ Yes ☐ No

(if no please explain why below)

- **Yes, gives enough info to understand how calculated**
- **Greater clarity on up to 30% – what are the component parts that would make this work?**
- **Could most serious / voluntary disclosure be higher?**

7. OFSI will reduce the level of penalty if there is voluntary disclosure. What are your views on OFSI's approach to this?

- **We welcome the approach; it's fair and proportionate and encourages transparency, and is also representative of firms who are less willfully negligent – good indicator if a firm is willing to admit to accidental breaches when they have occurred**

8. Is the process for imposing a penalty and making representations clear from this guidance?

☐ Yes ☐ No

(if no please explain why below)

Yes, it's clear but "28 days when waiting for letter in post" rather than emailed could go quickly (take longer to get letter) – should consider making an email version of the letter of representation

9. Do you understand the guidance on seeking a Ministerial review?

☐ Yes ☐ No

- Yes, we understand the guidance, think it could consider making it clearer about when monetary penalties would become finalized and payable if we are in a ministerial review, procedural mistakes, and right of appeal process
- Assuming it's not at the end / delay
- Same about published penalties – want to make sure this does not happen until end of review process
- Could make more clear if when have already paid
- If in right of appeal, not final and payable until after it's been agreed & haven't gone through any ministerial/review process

10. What are your views on the process for seeking a Ministerial review?
Click here to enter text.

11. Does this guidance clearly explain why and how OFSI will publish information on penalties imposed for breaches of financial sanctions regulations?

☐ Yes ☐ No

What are your views on the level of information OFSI will publish?

- Yes, regarding the level of information published by OFSI – we think it should be lessened

12. Considering the document as a whole, does this guidance help you clearly understand OFSI's approach to imposing monetary penalties?

Yes, it's well laid out & fairly communicative

Please e-mail this form to: OFSIConsultation@hmtreasury.gsi.gov.uk

Or post to OFSI Consultation, HM Treasury, 1 Horse Guards Road, London SW1A 2HQ