

## Imposition of Monetary Penalty – Sabre Global Technologies Limited (SGTL)

### SUMMARY

1. On 26 May 2026, the Office of Financial Sanctions Implementation (OFSI), part of HM Treasury, imposed a penalty of £1,000,920.59 on the UK-registered company Sabre Global Technologies Limited (SGTL), in accordance with section 146 of the Policing and Crime Act 2017 (PACA).
2. The penalty was imposed for breaches of the Russia (Sanctions) (EU Exit) Regulations 2019 (Russia Regulations), namely regulation 13 (making funds available for benefit of designated person), regulation 14 (making economic resources available to designated person), and regulation 19 (circumventing etc. prohibitions).
3. SGTL had a contract to provide services to JSC Ural Airlines (Ural Airlines) since 2007. Ural Airlines was designated under the Russia Regulations on 19 May 2022 and SGTL were informed on the same day.
4. In April, May, and June 2022, SGTL invoiced Ural Airlines and instructed that funds be paid into its bank account totalling \$906,576.30 (£744,305.13). Between June 2022 and September 2022, three payments related to this were made by Ural Airlines to SGTL, which were subsequently frozen by SGTL's UK bank.
5. In July and August 2022, SGTL explored alternative options for receiving payment from the designated person in respect of pre-existing contractual amounts that it was owed, which OFSI considered amounted to circumvention under regulation 19.
6. OFSI imposed a monetary penalty on SGTL because it was satisfied that, on the balance of probabilities, it had breached prohibitions imposed by financial sanctions legislation.
7. On 31 October 2022, SGTL made a voluntary disclosure to OFSI in respect of the payments and thereafter cooperated fully with OFSI's investigation. OFSI considered that SGTL was eligible for a voluntary disclosure discount.
8. On 16 January 2026, OFSI issued a Notice of Intention to impose a monetary penalty on SGTL. On 24 February 2026, SGTL submitted formal representations to OFSI in response to the Notice of Intention.
9. OFSI introduced a new enforcement framework enabling the settlement of penalty cases on 9 February 2026.
10. On 16 March 2026, OFSI and SGTL agreed to enter formal settlement discussions under transitional arrangements. Settlement was agreed on 26 May 2026 and OFSI imposed a penalty of £1,000,920.59.

## BACKGROUND

11. SGTL, among other activities, supplies a Global Distribution System (GDS) service which provides entities within the travel industry access to travel content from a broad range of travel suppliers. SGTL receives a booking fee from travel suppliers in exchange for distribution of their content via the GDS.
12. On 14 September 2007, SGTL entered into a contract with Ural Airlines, granting access to its GDS and other services. This agreement was extended multiple times, with the most recent contract update on 1 December 2021 and an amendment agreement on 1 September 2022. The contract was due to expire on 30 November 2022 and access to the GDS continued until 6 December 2022. SGTL decided not to renew the contract.
13. On 19 May 2022, Ural Airlines was designated under the Russia Regulations (unique ID RUS 1446) and added to the consolidated list of individuals and entities subject to financial sanctions in the UK. SGTL were informed by their legal representatives of this designation on the same day.
14. The senior responsible officer at the relevant time misunderstood which entity within the Sabre group held the contract with Ural Airlines and, while transitioning out of the role, did not escalate key information. A broader restructuring meant that SGTL did not have, for a period, a permanent Chief Legal Officer or a Chief Compliance Officer, and the legal team were short-staffed, which contributed to delays in escalation to the appropriate internal teams. Additionally, SGTL's sanctions documentation at the time emphasised general procedures and US sanctions requirements rather than UK-specific regimes. SGTL's third-party sanctions screening software did not automatically flag the relevant designation to the compliance team, further contributing to the delay in identifying and addressing the issue.
15. SGTL were repeatedly notified by its UK bank of sanctions concerns with regard to payments from the designated person, including:
  - a. 6 June 2022, SGTL's UK bank notified SGTL that a payment made on 3 June 2022 by the designated person had been held by the bank's sanctions team.
  - b. 27 June 2022, SGTL's UK bank confirmed that it had declined to process a payment made on the 3 June 2022 pursuant to its internal sanctions policy.
  - c. 5 July 2022, SGTL's UK bank informed SGTL that the 1 July 2022 payment had been held by the bank's sanctions team.
  - d. 21 September 2022, SGTL's US bank flagged the September payment for review by its compliance team. These funds were inadvertently transferred to SGTL's UK bank on 8 February 2023 and at SGTL's request were subsequently frozen by the UK bank.
16. On 31 October 2022, SGTL submitted to OFSI a voluntary breach report covering three payments made by Ural Airlines to SGTL in June, July, and September 2022, which were frozen by SGTL's UK bank. Upon request, SGTL subsequently provided further evidence to OFSI on these payments and other relevant activities with Ural Airlines.

17. In assessing this case, OFSI applied the guidance in place at the time of the decision to issue notice of a penalty, which was the November 2024 version of the Financial Sanctions Enforcement and Monetary Penalties Guidance (Enforcement Guidance).
18. The breaches subject to the penalty in this case occurred both before and after the strict liability amendments to PACA came into effect on 15 June 2022. This has been accounted for in OFSI's assessment of this case.

## **THE BREACHES**

19. SGTL's contract with Ural Airlines created a debt obligation. By invoicing Ural Airlines and instructing that funds be paid into its account, SGTL made funds available to its bank for the benefit of the designated person. This is in breach of regulation 13 of the Russia Regulations. In line with the definition in regulation 13(4)(a) which states that funds are made available for the benefit of a designated person only if that person thereby obtains, or is able to obtain, a significant financial benefit, Ural Airlines received a significant financial benefit as the payments were to discharge its financial obligations to SGTL.
20. SGTL provided an economic resource directly to a designated person by allowing Ural Airlines continued access to its GDS between 19 May 2022 and 6 December 2022. This is in breach of regulation 14 of the Russia Regulations.
21. During July and August 2022, SGTL explored alternative routes to receive funds and engaged with its US bank to determine whether payments from Ural Airlines could be received into their US bank account, explicitly referencing prior sanctions problems with its UK bank account. Internal SGTL emails in August 2022 and October 2022 stated that if a test payment was successful, SGTL expected Ural Airlines to pay the full outstanding amount owed in respect of GDS fees by this route. On 21 September 2022, Ural Airlines sent a \$200 (£176.48) test payment to SGTL's US Bank account. The object or effect of this payment was to circumvent the prohibitions in the Russia Regulations. This is in breach of regulation 19 of the Russia Regulations.
22. The total value of the breaches has been assessed as \$3,222,379.89 (£2,634,001.54). This represents the combined value of funds and economic resources in breach of regulations 13, 14, and 19 and has been calculated to avoid double counting of amounts already paid by Ural Airlines.
23. This total comprises:
  - a. \$2,576,550.57 (£2,107,876.02): OFSI's assessment of the value of the economic resource provided by SGTL under its agreement with Ural Airlines between 19 May and 6 December 2022) (engaging regulation 14).
  - b. Deduction of \$50 (£40.91): for booking fees paid by UK persons, in line with OFSI's Russian Travel General Licence (INT/2022/1839676).

- c. \$312,129.65 (£248,143.07): the frozen June 2022 payment, made for services provided in April 2022 (engaging regulation 13). This is separate from the fees for services provided in the 19 May – 6 December 2022 period.
- d. \$333,549.67 (£277,846.87): the pro rata portion of the frozen July 2022 payment for services provided between 1 – 18 May 2022 (engaging regulation 13).
- e. \$200 (£176.48): the test payment made on 21 September 2022 (engaging regulation 19).

24. The figures at 23a, c, and d include VAT. A proportion of the July payment (for services provided between 19 – 31 May 2022) and the September 2022 payment have not separately been included in the value of the regulation 13 breach, as these amounts are taken to be included in the valuation of the economic resource (at point 23a).

25. OFSI considers this approach reasonable and consistent with the evidence and applicable regulations.

## CASE ASSESSMENT

26. OFSI takes several factors into account that could be assessed as aggravating or mitigating when determining how seriously to view a case (case factors). Within these case factors, OFSI makes an overall assessment of the breach severity and the conduct of the person who has breached.

27. With reference to the factors set out in OFSI's Enforcement Guidance, OFSI's assessment is that the aggravating factors in this case were:

- a. SGTL actively explored alternative means to receive payments from Ural Airlines, notably by requesting the airline to send a test payment to a non-UK SGTL bank account and planned for future settlements to be routed through this account. This was to circumvent the prohibitions in the Russia Regulations (case factor A).
- b. The value of the breaches in this case was considered to be high (case factor B).
- c. Ural Airlines was designated due to its role in supporting the Russian government by operating in the strategically significant transport sector. By enabling the designated person to access its GDS, SGTL undermined the objectives of the sanctions regime, particularly given the heightened importance of robust enforcement following the invasion of Ukraine. That the actual payments were from Ural Airlines to SGTL is not mitigating to harm given they were for the continued provision of services (case factor C).
- d. Sanctions against Russia are a strategic priority for the UK and its foreign policy (other relevant factors under severity).

- e. SGTL had reasonable cause to suspect that its actions could breach UK sanctions. SGTL's conduct in seeking alternative payment routes and continuing the commercial relationship after designation amounted to circumventing sanctions (case factor D).
- f. At the time of the breaches, SGTL faced a number of compliance issues and challenges, including in relation to staffing and process. OFSI notes that SGTL has since strengthened its compliance function, including by bringing in additional senior and expert resource and undertaking external reviews of key functions. During the relevant period, however, SGTL lacked competent senior oversight of sanctions, was unable to properly assess or mitigate its exposure to financial sanctions, or to understand its due diligence or financial sanctions responsibilities. On balance, while the post-breach remediation is positive, SGTL's knowledge of sanctions and compliance systems during the breach period is overall assessed as aggravating (case factor E).
- g. SGTL did not apply to OFSI for a licence to permit receipt of payments or the continued provision of services to a designated person. OFSI considers it aggravating that SGTL did not seek advice or consider applying for a licence when trying to receive payment despite there being multiple red flags (case factor G).
- h. The breaches in this case, and in particular the provision of an economic resource directly to the designated person was done over a period of seven months (between 19 May 2022 and 6 December 2022) (case factor I).

28. These factors were weighed against the mitigating factors in the case, which were assessed as follows:

- a. While the initial report did not contain all relevant information, throughout the investigation SGTL provided significant detail regarding the underlying causes of the breaches. SGTL conducted internal investigations and provided OFSI with relevant material, including full responses to all voluntary questions in requests for information. Responses have been timely and therefore, in this regard, SGTL has demonstrated its full co-operation with OFSI (case factor K).

29. Factors considered, on balance, to be neither aggravating nor mitigating:

- a. SGTL's disclosure to OFSI was voluntary and unprompted. The disclosure contained limited information as to the circumstances, fact pattern, or cause of the breaches. SGTL failed to proactively submit further relevant information to OFSI prior to a formal request for information in June 2023 and continued to provide services to a designated person after submission of the initial report. Following each request for further information, SGTL cooperated fully and promptly in providing its responses. On balance, this case factor was assessed as neither aggravating nor mitigating (case factor J).

30. In accordance with the Enforcement Guidance, and through considering both aggravating and mitigating factors, OFSI assessed this case overall to be “most serious” as opposed to “serious”. Of the most serious criteria, SGTL demonstrated particularly poor conduct through their circumvention of UK sanctions, negligent conduct including the continued provision of services for months after identifying potential breaches, and the direct undermining of the purpose of the sanctions regime in the provision of an economic resource directly to a designated person.
31. OFSI notes that SGTL cooperated throughout the investigation and following identification of the breaches, it implemented a comprehensive remediation programme. OFSI considers these measures to be constructive and relevant in reducing the risk of recurrence. However, OFSI’s view is that these measures largely address deficiencies that OFSI reasonably expected should have been in place at the time of the breaches. Overall, in light of the factors set out in this notice, including the presence of circumvention, OFSI assesses this case as most serious.
32. OFSI values voluntary disclosure and expects suspected breaches to be disclosed as soon as reasonably practicable after discovery. The November 2024 Enforcement Guidance applied in this case states that OFSI may make reductions of up to 30% in a case assessed as most serious.
33. The total breach value in this case was assessed as £2,634,001.54. The permitted statutory maximum penalty was £1,317,000.77.
34. OFSI considered that a reasonable and proportionate baseline penalty amount was £1,251,150.73. OFSI applied a 20% discount to reflect SGTL’s voluntary disclosure and settlement of the case under the transitional arrangements and imposed a final penalty of £1,000,920.59.

## NOTES ON COMPLIANCE

35. This case highlights important compliance lessons for a wide range of industry stakeholders.
36. First, firms must not test, reroute, restructure, or otherwise manipulate payment pathways in order to avoid, evade, or defeat the effect of UK sanctions. Attempts to engineer alternative channels, including staging of payments through third countries, may constitute circumvention and a breach in and of itself. Such conduct will be treated as aggravating and will significantly increase the seriousness of any case.
37. Second, firms must be vigilant in identifying what may constitute an “economic resource” under UK sanctions regulations. Economic resources are assets of every kind, whether tangible or intangible, movable or immovable, which are not funds but can be used to obtain funds, goods, or services. Services that can be exchanged, directly or indirectly, for funds, goods, or services may constitute an economic resource even if they are intangible or provided digitally. In particular, firms should not assume that software, data services, or digital tools fall outside the scope of financial sanctions. A service that enables a designated person or entity to generate

revenue, maintain operations, or otherwise obtain an economic advantage may amount to making an economic resource available. Firms should undertake careful assessment of all products and services they offer to ensure that they are not inadvertently providing economic resources to sanctioned persons. Where uncertainty exists, firms should seek appropriate specialist legal advice.

38. Third, firms should maintain up-to-date policies, procedures, and training, supported by competent senior oversight and clear accountability. Sanctions policies for firms operating in the UK must be tailored to the UK's sanctions regime. Firms should test that sanctions screening systems are working as intended and have clear and robust escalation of potential sanctions concerns. Firms must take appropriate action in response to sanctions red flags such as blocked payments or notification of sanction concerns from financial institutions.
39. Fourth, firms must ensure prompt, comprehensive, and detailed reporting of suspected breaches to OFSI, as soon as reasonably practicable. Delays and incomplete submissions are likely to undermine mitigation. Although it is reasonable for a firm to take some time to assess the nature and extent of the breach, or seek legal advice, this should not delay an effective response to the breach. In practice, firms should contact OFSI early to inform us of a breach or potential breach. Where full disclosure is not possible, firms should make an early disclosure with partial information on the basis that it is still working out the facts and will make a further and full disclosure as soon as possible. In these circumstances, firms are expected to provide a timeline for such a full disclosure, with updates if this is likely to be delayed, and to follow up with OFSI when they have indicated they will do so.

## NOTES ON SETTLEMENT

40. This case was resolved by means of settlement. OFSI regards settlement as a means to achieve timely and efficient enforcement outcomes. Resolving cases through settlement reduces the resource burden on OFSI and subjects that would otherwise be spent through the contested monetary penalty process. It can also result in messages about financial sanctions compliance being published sooner. OFSI therefore considers that it is in the public interest for matters to settle, and settle early, if possible.
41. Settlement is an agreement between OFSI and the subject of an enforcement action to resolve a monetary penalty case following a time-limited negotiation. As a condition of settlement, the subject must agree: 1) to pay the penalty as imposed; and 2) to waive their rights to a ministerial review and to appeal OFSI's decision to the Upper Tribunal concerning the matters within the scope of the settlement. In return, the subject will have the opportunity as part of the negotiations to input into the summary of the case that will be published, and under the new scheme will also be entitled to a discount to the baseline monetary penalty (in addition to any other available discount) if they sign a settlement agreement within the applicable timeframe, usually 30 business days.

42. Further information and guidance on UK financial sanctions can be found on OFSI's website: <https://www.gov.uk/government/organisations/office-of-financial-sanctions-implementation>.