

Treasury Releases CFIUS Enforcement and Penalty Guidelines

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WASHINGTON – The Department of the Treasury, as Chair of the Committee on Foreign Investment in the United States (“CFIUS” or the “Committee”), today released the first-ever CFIUS Enforcement and Penalty Guidelines.

CFIUS’s mandate of identifying and mitigating certain national security risks while maintaining the U.S. openness to foreign investment often requires the Committee to enter into agreements or impose conditions on transaction parties to mitigate risks to national security that arise from a transaction. These Guidelines provide the public with information about how the Committee assesses violations of the laws and regulations that govern transaction parties, including potential breaches of CFIUS mitigation agreements.

“The vast majority of those who come before CFIUS abide by their legal obligations and work collaboratively with the Committee to mitigate any national security risks arising from the transaction; however, those who fail to comply with CFIUS mitigation agreements or other legal obligations will be held accountable,” said Assistant Secretary of the Treasury for Investment Security Paul Rosen. “Today’s announcement sends a clear message: Compliance with CFIUS mitigation agreements is not optional, and the Committee will not hesitate to use all of its tools and take enforcement action to ensure prompt compliance and remediation, including through the use of civil monetary penalties and other remedies.”

These Guidelines provide the public with important information about how CFIUS will assess whether and in what amount to impose a penalty or take some other enforcement action for a violation of a party’s obligation, and factors that CFIUS may consider in making such a determination, including aggravating and mitigating factors. Transaction parties’ compliance is critical to ensuring the protection of national security.

In response to the Foreign Investment Risk Review Modernization Act of 2018, which enhanced CFIUS’s enforcement authorities, Treasury’s Office of Investment Security created the Monitoring & Enforcement office, which oversees this effort. That office works closely with the



other CFIUS member agencies to monitor transaction parties' compliance with their obligations and take any appropriate enforcement action that may be required.

The Guidelines are available here: [CFIUS Enforcement and Penalty Guidelines](#). A public notice of availability of these Guidelines will also appear in the Federal Register. For more information about CFIUS, visit www.treas.gov/cfius. Examples of enforcement actions to date can be found on Treasury's "[CFIUS Monitoring and Enforcement](#)" page, which will be updated as appropriate.

