

# Treasury Targets Price Cap Violation-Linked Shipping Company

January 18, 2024

WASHINGTON — Today, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) is taking its first oil price cap enforcement action of 2024, targeting a shipping company linked to a price cap violation.

“Today’s actions once again demonstrate that anyone who violates the price cap will face the consequences,” said Deputy Secretary of the Treasury Wally Adeyemo. “No one should doubt our coalition’s commitment to stopping those who help the Kremlin.”

## THE PRICE CAP

The United States is part of an international coalition of countries (the Price Cap Coalition), including the G7, the European Union, and Australia, that have committed to prohibit the import of crude oil and petroleum products of Russian Federation origin. These countries, home to many best-in-class financial and professional services, have also committed to restrict a broad range of services related to the maritime transport of crude oil and petroleum products of Russian Federation origin (“Russian oil”)—unless that Russian oil is bought and sold at or below the specific price caps established by the Coalition or is authorized by a license. This policy is known as the “price cap.” The price cap is intended to maintain a reliable supply of crude oil and petroleum products to the global market while reducing the revenues the Russian Federation earns from oil after its own war of choice against Ukraine inflated global energy prices.

On December 20, 2023, OFAC, [in coordination with the Coalition](#) , updated its [Guidance on Implementation of the Price Cap Policy for Crude Oil and Petroleum Products of Russian Federation Origin](#), to strengthen the attestation and recordkeeping processes for certain covered service providers and reduce opportunities for bad actors to disguise Russian oil purchased above the cap.

On October 12, 2023, the Price Cap Coalition published a [Coalition Advisory for the Maritime Oil Industry and Related Sectors](#) (“the Advisory”). The Advisory, which is directed at both government and private sector actors involved in the maritime trade of crude oil and refined

petroleum products, provides recommendations concerning specific best practices and reflects our commitment to promoting responsible practices in the industry, preventing and disrupting sanctioned trade, and enhancing compliance with the price cap.

OFAC previously published an [Alert on Possible Evasion of the Russian Oil Price Cap](#) on April 17, 2023.

## HENNESEA HOLDINGS LIMITED

United Arab Emirates-based shipping company **Hennesea Holdings Limited** (Hennesea) is the ultimate owner of 18 vessels, including the ***HS Atlantica***, which OFAC previously identified as having engaged in the transport of crude oil of Russian Federation origin priced above the \$60 per barrel price cap while using a covered U.S.-based provider after the price cap policy came into effect. On December 1, 2023, OFAC identified the *HS Atlantica* as property in which Hennesea's subsidiary, U.S.-designated HS Atlantica Limited, has an interest. Today, OFAC is additionally re-identifying the *HS Atlantica* as property in which Hennesea has an interest.

Shortly before the price cap went into effect, Hennesea, which was established in late 2022, acquired older tankers that ship Russian crude oil and petroleum products. Tankers ultimately owned by Hennesea have repeatedly conducted port calls in Russian Federation ports.

Hennesea was designated pursuant to E.O. 14024 for operating or having operated in the marine sector of the Russian Federation economy.

## HENNESEA VESSELS

OFAC identified the following vessels, all of which are beneficially owned by Hennesea, as property in which Hennesea has an interest:

1. ***ARISTO*** (IMO 9327413)
2. ***HAI II*** (IMO 9259599)
3. ***HS ARGE*** (IMO 9299745)
4. ***HS ATLANTICA*** (IMO 9322839)
5. ***HS BURAQ*** (IMO 9381732)
6. ***HS ESBERG*** (IMO 9410894)
7. ***HS EVERETT*** (IMO 9410870)

8. **HS GLORY** (IMO 9249087)
9. **HS LEGEND** (IMO 9381744)
10. **HS STAR** (IMO 9274446)
11. **LA PRIDE** (IMO 9274616)
12. **MONA** (IMO 9314818)
13. **NELLIS** (IMO 9322267)
14. **OSPEROUS** (IMO 9412995)
15. **PERIA** (IMO 9322827)
16. **SARA II** (IMO 9301615)
17. **SENSUS** (IMO 9296585)
18. **UZE** (IMO 9323338)

## SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of the person above that are in the United States or in the possession or control of U.S. persons are blocked and must be reported to OFAC. In addition, any entities that are owned, directly or indirectly, 50 percent or more by one or more blocked persons are also blocked. All transactions by U.S. persons or within (or transiting) the United States that involve any property or interests in property of designated or blocked persons are prohibited unless authorized by a general or specific license issued by OFAC, or exempt. These prohibitions include the making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any blocked person and the receipt of any contribution or provision of funds, goods, or services from any such person.

The power and integrity of OFAC sanctions derive not only from OFAC's ability to designate and add persons to the SDN List, but also from its willingness to remove persons from the SDN List consistent with the law. The ultimate goal of sanctions is not to punish, but to bring about a positive change in behavior. For information concerning the process for seeking removal from an OFAC list, including the SDN List, please refer to [OFAC's Frequently Asked Question 897 here](#). For detailed information on the process to submit a request for [removal from an OFAC sanctions list, please click here](#).

[For identifying information on the entity sanctioned and vessels identified today, click here.](#)

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