

URGENT: LEGAL AND COMPLIANCE NOTICE

TO: [Name of Department/Individual]

FROM: [Legal/Compliance Department]

DATE: [Insert Date]

RE: Legal Liability and Sanctions Warning Regarding Ransomware Payment

Dear [Name],

This letter serves as an official notice regarding the legal implications and potential liabilities associated with making a cryptocurrency payment to an external threat actor in response to the recent ransomware incident.

1. Sanctions Compliance and OFAC Regulations

The U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) has issued advisories stating that paying a ransom to parties on the Specially Designated Nationals and Blocked Persons List (SDN List), or those located in sanctioned jurisdictions, is a violation of federal law. Under the International Emergency Economic Powers Act (IEEPA), strict liability applies; this means a company can be held liable even if it did not know the recipient was a sanctioned entity.

2. Criminal Liability

Making a payment may be construed as providing material support to a terrorist organization or participating in money laundering activities. Such actions may trigger investigations by the FBI, Department of Justice, or other international law enforcement agencies.

3. Regulatory Consequences

Unauthorized or undocumented payments may result in:

- Civil monetary penalties exceeding several million dollars.
- Criminal prosecution of corporate officers.
- Permanent loss of professional licenses or government contracting eligibility.

4. No Guarantee of Recovery

There is no legal or technical guarantee that the payment of a ransom will result in the successful decryption of data or the prevention of data leaks. Furthermore, such payments fund future criminal activity and increase the likelihood of the organization being targeted again.

5. Mandatory Procedure

Before any discussion regarding payment proceeds, the organization must:

- Complete a full forensic identification of the ransomware variant.
- Cross-reference all identified wallet addresses against OFAC sanction lists.
- Obtain written authorization from the Board of Directors and Legal Counsel.
- Report the incident to the appropriate law enforcement authorities.

Failure to adhere to these compliance protocols may result in immediate disciplinary action and personal legal exposure.

Sincerely,

[Signature]

[Name of General Counsel/Chief Compliance Officer]

[Company Name]