

(B) facilitating transactions or providing financial services for—

- (i) Iran's Revolutionary Guard Corps; or
- (ii) financial institutions the property or interests in property of which are blocked pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) in connection with—

(I) Iran's proliferation of weapons of mass destruction or delivery systems for weapons of mass destruction; or

(II) Iran's support for international terrorism.

## (2) Submission to Congress

### (A) In general

The President shall submit the certification described in paragraph (1) to the appropriate congressional committees in writing and shall include a justification for the certification.

### (B) Form of certification

The certification described in paragraph (1) shall be submitted in unclassified form but may contain a classified annex.

### (e) Rule of construction

Nothing in this section shall be construed to limit the authority of the President pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) or the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8501 et seq.).

(Pub. L. 112-158, title II, §217, Aug. 10, 2012, 126 Stat. 1233.)

#### REFERENCES IN TEXT

Executive Order No. 13599, referred to in subsec. (a), is Ex. Ord. No. 13599, Feb. 5, 2012, 77 F.R. 6659, which is listed in a table under section 1701 of Title 50, War and National Defense.

Executive Order No. 13608, referred to in subsec. (b), is Ex. Ord. No. 13608, May 1, 2012, 77 F.R. 26409, which is listed in tables under section 1701 of Title 50, War and National Defense.

The International Emergency Economic Powers Act, referred to in subssecs. (c), (d)(1)(B)(ii), and (e), is title II of Pub. L. 95-223, Dec. 28, 1977, 91 Stat. 1626, which is classified generally to chapter 35 (§1701 et seq.) of Title 50, War and National Defense. For complete classification of this Act to the Code, see Short Title note set out under section 1701 of Title 50 and Tables.

The Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010, referred to in subsec. (e), is Pub. L. 111-195, July 1, 2010, 124 Stat. 1312, which is classified principally to chapter 92 (§8501 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 8501 of this title and Tables.

## § 8725. Liability of parent companies for violations of sanctions by foreign subsidiaries

### (a) Definitions

In this section:

#### (1) Entity

The term “entity” means a partnership, association, trust, joint venture, corporation, or other organization.

#### (2) Own or control

The term “own or control” means, with respect to an entity—

(A) to hold more than 50 percent of the equity interest by vote or value in the entity;

(B) to hold a majority of seats on the board of directors of the entity; or

(C) to otherwise control the actions, policies, or personnel decisions of the entity.

### (b) Prohibition

Not later than 60 days after August 10, 2012, the President shall prohibit an entity owned or controlled by a United States person and established or maintained outside the United States from knowingly engaging in any transaction directly or indirectly with the Government of Iran or any person subject to the jurisdiction of the Government of Iran that would be prohibited by an order or regulation issued pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) if the transaction were engaged in by a United States person or in the United States.

### (c) Civil penalty

The civil penalties provided for in section 206(b) of the International Emergency Economic Powers Act (50 U.S.C. 1705(b)) shall apply to a United States person to the same extent that such penalties apply to a person that commits an unlawful act described in section 206(a) of that Act if an entity owned or controlled by the United States person and established or maintained outside the United States violates, attempts to violate, conspires to violate, or causes a violation of any order or regulation issued to implement subsection (b).

### (d) Applicability

Subsection (c) shall not apply with respect to a transaction described in subsection (b) by an entity owned or controlled by a United States person and established or maintained outside the United States if the United States person divests or terminates its business with the entity not later than the date that is 180 days after August 10, 2012.

(Pub. L. 112-158, title II, §218, Aug. 10, 2012, 126 Stat. 1234.)

#### TERMINATION OF SECTION

*For termination of section, see section 8785(a) of this title.*

#### REFERENCES IN TEXT

The International Emergency Economic Powers Act, referred to in subsec. (b), is title II of Pub. L. 95-223, Dec. 28, 1977, 91 Stat. 1626, which is classified generally to chapter 35 (§1701 et seq.) of Title 50, War and National Defense. For complete classification of this Act to the Code, see Short Title note set out under section 1701 of Title 50 and Tables.

## § 8726. Reports on, and authorization of imposition of sanctions with respect to, the provision of specialized financial messaging services to the Central Bank of Iran and other sanctioned Iranian financial institutions

### (a) Sense of Congress

It is the sense of Congress that—

(1) providers of specialized financial messaging services are a critical link to the international financial system;

(2) the European Union is to be commended for strengthening the multilateral sanctions