

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 subsecs. (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 di-

vests 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.

Editorial Notes

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 regime against Iran by deciding that specialized financial messaging services may not be provided to the Central Bank of Iran and other sanctioned Iranian financial institutions by persons subject to the jurisdiction of the European Union; and

(3) the loss of access by sanctioned Iranian financial institutions to specialized financial messaging services must be maintained.

(b) Reports required

(1) In general

Not later than 60 days after August 10, 2012, and every 90 days thereafter, the Secretary of the Treasury shall submit to the appropriate congressional committees a report that contains—

(A) a list of all persons that the Secretary has identified that directly provide specialized financial messaging services to, or enable or facilitate direct or indirect access to such messaging services for, the Central Bank of Iran or a financial institution described in section 104(c)(2)(E)(ii) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8513(c)(2)(E)(ii)); and

(B) a detailed assessment of the status of efforts by the Secretary to end the direct provision of such messaging services to, and the enabling or facilitation of direct or indirect access to such messaging services for, the Central Bank of Iran or a financial institution described in that section.

(2) Enabling or facilitation of access to specialized financial messaging services through intermediary financial institutions

For purposes of paragraph (1) and subsection (c), enabling or facilitating direct or indirect