

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

access to specialized financial 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)) includes doing so by serving as an intermediary financial institution with access to such messaging services.

(3) Form of report

A report submitted under paragraph (1) shall be submitted in unclassified form but may contain a classified annex.

(c) Authorization of imposition of sanctions

(1) In general

Except as provided in paragraph (2), if, on or after the date that is 90 days after August 10, 2012, a person continues to knowingly and directly provide specialized financial messaging services to, or knowingly enable or facilitate direct or indirect access to such messaging services for, the Central Bank of Iran or a financial institution described in paragraph (2)(E)(ii) of section 104(c) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (22 U.S.C. 8513(c)), the President may impose sanctions pursuant to that section or the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) with respect to the person.

(2) Exception

The President may not impose sanctions pursuant to paragraph (1) with respect to a person for directly providing specialized financial messaging services to, or enabling or facilitating 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)) if—

(A) the person is subject to a sanctions regime under its governing foreign law that requires it to eliminate the knowing provision of such messaging services to, and the knowing enabling and facilitation of direct or indirect access to such messaging services for—

- (i) the Central Bank of Iran; and
- (ii) a group of Iranian financial institutions identified under such governing foreign law for purposes of that sanctions regime if the President determines that—

(I) the group is substantially similar to the group of financial institutions 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

(II) the differences between those groups of financial institutions do not adversely affect the national interest of the United States; and

(B) the person has, pursuant to that sanctions regime, terminated the knowing provision of such messaging services to, and the knowing enabling and facilitation of direct or indirect access to such messaging services for, the Central Bank of Iran and each Ira-

nian financial institution identified under such governing foreign law for purposes of that sanctions regime.

(d) 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, §220, Aug. 10, 2012, 126 Stat. 1237.)

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 subsecs. (c)(1) and (d), 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. (d), 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.

§ 8727. Identification of, and immigration restrictions on, senior officials of the Government of Iran and their family members

(a) Identification

Not later than 180 days after August 10, 2012, and annually thereafter, the President shall publish a list of each individual the President determines is—

(1) a senior official of the Government of Iran described in subsection (b) that is involved in Iran's—

(A) illicit nuclear activities or proliferation of weapons of mass destruction or delivery systems for weapons of mass destruction;

(B) support for international terrorism; or

(C) commission of serious human rights abuses against citizens of Iran or their family members; or

(2) a family member of such an official.

(b) Senior officials of the Government of Iran described

A senior official of the Government of Iran described in this subsection is any senior official of that Government, including—

(1) the Supreme Leader of Iran;

(2) the President of Iran;

(3) a member of the Cabinet of the Government of Iran;

(4) a member of the Assembly of Experts;

(5) a senior member of the Intelligence Ministry of Iran; or

(6) a senior member of Iran's Revolutionary Guard Corps, including a senior member of a paramilitary organization such as Ansar-e Hezbollah or Basij-e Motaz'afin.