

November 5, 2018

**WASHINGTON** – Today, in its largest ever single-day action targeting the Iranian regime, the U.S. Department of the Treasury’s Office of Foreign Assets Control (OFAC) sanctioned more than 700 individuals, entities, aircraft, and vessels. This action is a critical part of the re-imposition of the remaining U.S. nuclear-related sanctions that were lifted or waived in connection with the Joint Comprehensive Plan of Action (JCPOA). OFAC’s action is designed to disrupt the Iranian regime’s ability to fund its broad range of malign activities, and places unprecedented financial pressure on the Iranian regime to negotiate a comprehensive deal that will permanently prevent Iran from acquiring a nuclear weapon, cease Iran’s development of ballistic missiles, and end Iran’s broad range of malign activities. This brings to more than 900 the number of Iran-related targets sanctioned under this Administration in less than two years, marking the highest-ever level of U.S. economic pressure on Iran.

“Treasury’s imposition of unprecedented financial pressure on Iran should make clear to the Iranian regime that they will face mounting financial isolation and economic stagnation until they fundamentally change their destabilizing behavior. Iran’s leaders must cease support for terrorism, stop proliferating ballistic missiles, end destructive regional activities, and abandon their nuclear ambitions immediately if they seek a path to sanctions relief,” said Treasury Secretary Steven Mnuchin. “The maximum pressure exerted by the United States is only going to mount from here. We are intent on making sure the Iranian regime stops siphoning its hard currency reserves into corrupt investments and the hands of terrorists.”

Today’s action includes the designation of 50 Iranian banks and their foreign and domestic subsidiaries; the identification of more than 400 targets, including over 200 persons and vessels in Iran’s shipping and energy sectors, and an Iranian airline and more than 65 of its aircraft; and the placement on the list of Specially Designated Nationals and Blocked Persons (“SDN List”) of nearly 250 persons and associated blocked property that appeared until today on the List of Persons Identified as Blocked Solely Pursuant to Executive Order (E.O.) 13599 (“E.O. 13599 List”). OFAC has deleted the E.O. 13599 List as part of the cessation of the United States’ participation in the JCPOA. For a complete list of targets sanctioned today, please click [here](#).

As of today, significant transactions with most persons moved from the E.O. 13599 List to the SDN List (other than those Iranian financial institutions identified solely pursuant to E.O. 13599) could be sanctionable. Such persons will have a notation of “Additional Sanctions Information – Subject to Secondary Sanctions” in their SDN List entries.

This action targets the Iranian regime, not the Iranian people. OFAC continues to maintain humanitarian authorizations and exceptions to our Iran sanctions that allow for the sale of agricultural commodities, food, medicine, and medical devices to Iran.

## OVERVIEW OF TODAY'S ACTION

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On May 8, 2018, the President ceased the United States' participation in the JCPOA. That same day, the President issued National Security Presidential Memorandum-11, instructing the Secretary of State and the Secretary of the Treasury to begin taking steps to re-impose all U.S. sanctions lifted or waived in connection with the JCPOA, including to prepare to relist persons removed from U.S. sanctions lists in connection with the JCPOA as appropriate. The President directed that these steps be accomplished as expeditiously as possible, and in no case later than 180 days from May 8, 2018.

Yesterday marked the end of the 180-day wind-down period. As of today, all U.S. sanctions lifted or waived in connection with the JCPOA are re-imposed and in full effect. OFAC has published additional frequently asked questions (FAQs) with respect to the re-imposition of these sanctions [here](#).

As part of the re-imposition of U.S. sanctions and the relisting of persons removed from U.S. sanctions lists in connection with the JCPOA, hundreds of targets were designated or identified and added to the SDN List today. Among those identified are 92 entities owned or controlled by Ghadir Investment Company, which OFAC previously identified as an investment firm affiliated with the Execution of Imam Khomeini's Order (EIKO).

Additionally, persons and associated blocked property that were previously included on the E.O. 13599 List have been moved to the SDN List. OFAC has removed the E.O. 13599 List, which was created on January 16, 2016 to denote the continued status as blocked of persons solely identified pursuant to E.O. 13599 as meeting the definition of the terms "Government of Iran" or "Iranian financial institution."

Moreover, an amendment to the Iranian Transactions Sanctions Regulations (ITSR) takes effect today that reflects the re-imposition of sanctions pursuant to certain sections of Executive Order 13846 and the changes to the SDN List and E.O. 13599 List.

## BANKING SECTOR

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Today marks the largest single-day OFAC action targeting the Iranian regime's abuse of Iran's banking sector to fund its destabilizing activities. For example, the Iranian regime has funneled the equivalent of billions of dollars for the Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF) through the banking sector. The action targets, in particular, Iranian banks that have provided support to, or are owned or controlled by, persons designated in connection with the Iranian regime's support to international terrorism, proliferation of weapons of mass destruction (WMD) or their means of delivery, and human rights abuses. Some of the banks designated today have served as financial conduits for the IRGC-QF, the Ministry of Defense and Armed Forces Logistics (MODAFL), the Islamic Republic of Iran Broadcasting (IRIB), the Martyrs Foundation, Mahan Air, and Iran's Law Enforcement Forces (LEF) – all entities that remained designated throughout the JCPOA.

"As the Iranian people suffer from fiscal mismanagement and a plummeting rial, the Iranian regime abuses the country's banking system to enrich its elite and finance repressive state institutions. The IRGC and other destabilizing entities leverage their access to the global financial system to fund proxies fighting in Syria, Iraq, and Yemen,

subsidize the proliferation of WMD or their means of delivery, and arm those who abuse the human rights of Iranian citizens,” said Treasury Under Secretary Sigal Mandelker. “This action is aimed at cutting off Iranian banks that facilitate Iran’s domestic repression and foreign adventurism from the international financial system, and will highlight for the world the true nature of the regime’s abuse of its domestic banking system.”

Today, more than 70 Iran-linked financial institutions and their foreign and domestic subsidiaries were designated or identified and placed on the SDN List.

Bank Melli is being designated pursuant to E.O. 13224 for assisting in, sponsoring, or providing financial, material, or technological support for, or financial or other services to or in support of, the IRGC-QF, which was previously designated pursuant to E.O. 13224 on October 25, 2007. As of 2018, the equivalent of billions of dollars in funds have flowed through IRGC-QF controlled accounts at Bank Melli. Bank Melli has acted as a conduit for payments to the IRGC-QF. The IRGC-QF has used Bank Melli to dispense funds to Iraqi Shia militant groups, and Bank Melli’s presence in Iraq was part of this scheme. Since the mid-2000s, Bank Melli increasingly provided services to Iranian military-related entities as they became further involved in all aspects of the Iranian economy. Bank Melli has enabled the IRGC and its affiliates to move funds inside and outside of Iran. The IRGC was designated pursuant to E.O. 13224 on October 13, 2017.

Bank Melli has also provided financial services to MODAFL, which was designated pursuant to E.O. 13382 on October 25, 2007.

Arian Bank, a Bank Melli subsidiary, is being designated pursuant to E.O. 13224 for being owned or controlled by Bank Melli.

Along with Arian Bank, OFAC designated another 12 entities pursuant to E.O. 13224 for being owned or controlled by Bank Melli or one of Bank Melli’s subsidiaries: Bank Kargoshaee, Melli Bank PLC, Tose-E Melli Group Investment Company, Tose-E Melli Investment Company, National Industries and Mining Development Company, Behshahr Industrial Development Corp., Cement Industry Investment and Development Company, Melli International Building & Industry Company, BMIIC International General Trading LLC, Shomal Cement Company, Persian Gulf Sabz Karafarinan, and Mir Business Bank (MB Bank).

Future Bank B.S.C. is being identified as a person whose property and interests in property are blocked due to the fact that Bank Melli and Bank Saderat, entities whose property and interests in property are blocked pursuant to E.O. 13224, hold a 50 percent or greater aggregate interest in the bank.

The Export Development Bank of Iran (EDBI) is being designated pursuant to E.O. 13224 for assisting in, sponsoring, or providing financial, material, or technological support for, or financial or other services to or in support of, MB Bank. Three other entities are being designated pursuant to E.O. 13224 for being owned or controlled by, or for acting for or on behalf of, EDBI: EDBI Stock Exchange, EDBI Exchange Brokerage, and Banco Internacional de Desarrollo, C.A. Additionally, the Iran-Venezuela Bi-National Bank is being designated pursuant to E.O. 13224 for assisting in, sponsoring, or providing financial, material, or technological support for, or financial or other services to or in support of, EDBI.

Ghavamin Bank is being designated pursuant to E.O. 13553 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, Iran's LEF. Ghavamin Bank has provided extensive banking services and facilitated routine financial transactions for the LEF. The LEF was designated in 2011 for being responsible for or complicit in serious human rights abuses in Iran, including operating detention centers where detained protestors were deprived of basic needs such as medical care.

Bank Sepah is being designated pursuant to E.O. 13382 for having provided, or attempted to provide, financial, material, technological, or other support for, or goods or services in support of, MODAFL. As of 2017, Bank Sepah served as a financial platform for MODAFL to pay its agents abroad.

Bank of Industry and Mine (BIM) is being designated pursuant to E.O. 13382 for having provided, or attempted to provide, financial, material, technological, or other support for, or goods or services in support of, Bank Sepah. As of 2018, BIM provided bank account services for Bank Sepah, including engaging in the exchange of Iranian rials for euros for the benefit of Bank Sepah. BIM coordinated the transfer of the equivalent of millions of dollars' worth of euros for the benefit of Bank Sepah.

Europaisch-Iranische Handelsbank AG (EIH) is being designated pursuant to E.O. 13382 for being owned or controlled by BIM, and for having provided, or attempted to provide, financial, material, technological, or other support for, or goods or services in support of, Bank Sepah. As recently as 2018, EIH maintained active account services for Bank Sepah, including processing the equivalent of millions of dollars' worth of euro payments in support of Bank Sepah.

Post Bank of Iran is being designated pursuant to E.O. 13382 for having provided, or attempted to provide, financial, material, technological, or other support for, or goods or services in support of, Bank Sepah. As recently as 2018, Post Bank of Iran engaged in the exchange of Iranian rials for euros for the benefit of Bank Sepah through active euro accounts.

Bank Tejarat is being designated pursuant to E.O. 13382 for having provided, or attempted to provide, financial, material, technological, or other support for, or goods or services in support of, Bank Sepah. As recently as 2018, Bank Tejarat provided critical financial services for Bank Sepah. Bank Tejarat also is being designated pursuant to E.O. 13224 for assisting in, sponsoring, or providing financial, material, or technological support for, or financial or other services to or in support of, Mahan Air, a designated Iranian airline that provides transportation, funds transfers, and personnel travel services to the IRGC-QF. Mahan Air was designated pursuant to E.O. 13224 on October 12, 2011. Belarus-based Trade Capital Bank (TC Bank) is being designated pursuant to E.O. 13382 and E.O. 13224 for being owned or controlled by Bank Tejarat.

Ayandeh Bank is being designated pursuant to E.O. 13846 and the Iran Threat Reduction Act of 2012 for having materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services to or in support of, IRIB, Iran's state-media apparatus that routinely broadcasts false news reports and propaganda, including forced

confessions of political detainees. IRIB was designated pursuant to E.O. 13628 in February 2013 for restricting or denying the free flow of information to or from the Iranian people.

IRIB was implicated in censoring multiple media outlets and airing forced confessions from political detainees.

Day Bank is being designated pursuant to E.O. 13224 for being owned or controlled by, and for assisting in, sponsoring, or providing financial, material, or technological support for, or financial or other services to or in support of, Martyrs Foundation, an Iranian parastatal organization that channels financial support from Iran to several terrorist organizations in the Levant, including Hizballah, Hamas, and the Palestinian Islamic Jihad (PIJ). The Martyrs Foundation, which was designated pursuant to E.O. 13224 in July 2007, has established branches in Lebanon staffed by leaders and members of terrorist groups to serve the families of killed or imprisoned Hizballah and PIJ members. Day Bank provides significant financial support and banking services to the Martyrs Foundation.

Additionally, 14 entities are being designated pursuant to E.O. 13224 for being owned or controlled by Day Bank. These 14 subsidiaries, which engage in a wide range of business activities across different Iranian economic sectors, are Atieh Sazan Day, Buali Investment Company, Tejarat Gostar Fardad, Day Exchange Company, Day Leasing Company, Day Bank Brokerage Company, Tose-e Didar Iranian Holding Company, Royay-e Roz Kish Investment Company, Day E-Commerce, Tose-e Donya Shahr Kohan Company, Damavand Power Generation Company, Omid Bonyan Day Insurance Services, Omran Va Maskan Abad Day Company, and Day Iranian Financial and Accounting Services Company.

Persia International Bank PLC, First East Export Bank PLC, and Mellat Bank Closed Joint-Stock Company are being designated pursuant to E.O. 13224 for being owned or controlled by Bank Mellat. Bank Mellat was designated pursuant to E.O. 13224 on October 16, 2018.

## SHIPPING SECTOR

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Among those in Iran's shipping sector placed on the SDN List today are Iran's national maritime carrier, the Islamic Republic of Iran Shipping Lines (IRISL), and oil transport giant National Iranian Tanker Company (NITC), both of which were identified pursuant to E.O. 13599 for meeting the definition of the term "Government of Iran." In addition, these entities have been determined to be part of the shipping sector of Iran. As a result, the knowing provision of significant financial, material, technological, or other support to, or goods or services in support of, these entities could be sanctionable.

OFAC added to the SDN List 65 IRISL subsidiaries and associated individuals pursuant to E.O. 13599. In addition, 122 vessels also were identified as property in which IRISL has an interest.

One IRISL subsidiary, Valfajr Shipping Company PJS, has been used regularly by the IRGC to transfer passengers, cargo, containers, and IRGC personnel from IRGC-controlled ports in Iran to major ports in the Persian Gulf region.

Another IRISL subsidiary, Hafez Darya Arya Shipping Company, has shipped cargo to at least one known cover company for Iran's Defense Industries Organization (DIO). DIO was previously designated pursuant to E.O. 13382 on March 30, 2007 for engaging in activities

that materially contributed to the development of Iran's nuclear and missile programs.

In 2017, IRISL subsidiary Safiran Payam Darya Shipping Company shipped more than 136,000 metric tons of Iranian light crude oil from Iran to Syria.

Additionally, pursuant to E.O. 13599, OFAC identified 37 NITC-affiliated entities and vessels in which NITC has an interest. Identifying information for another 52 vessels confirmed as being property in which NITC has an interest was updated as well. Each year, these vessels move tens of millions of barrels' worth of Iranian oil, as well as Iranian natural gas, which constitute a major source of revenue to fund the Iranian regime's malign activities. It is essential to close off this funding stream to Tehran.

The Iranian shipping industry is reviving previously employed deceptive practices in an effort to obfuscate IRISL or NITC's interests in vessels and other property. Among the IRISL vessels identified today are four vessels that recently underwent name and partial ownership changes but that are still property in which IRISL has a blockable interest. The global maritime industry should be on alert for Iran's use of such tactics and make every effort to thwart Iran's use of their jurisdictions to create front companies; to revoke their flags from IRISL and NITC vessels; and to deny other means that enable Iran to conceal its interest in the vessels. For additional information related to Iran's deceptive practices, please click [here](#) for FinCEN's recent Iran Advisory.

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## ATOMIC ENERGY ORGANIZATION OF IRAN

Today, OFAC added to the SDN List the Atomic Energy Organization of Iran (AEOI) as well as 23 AEOI subsidiaries and associated individuals, and identified them as meeting the definition of the term "Government of Iran" pursuant to E.O. 13599 and section 560.211 of the ITSR. AEOI has operational and regulatory control over Iran's nuclear program and bears responsibility for nuclear research and development.

Additionally, OFAC designated Morteza Ahmadali Behzad pursuant to E.O. 13382 for acting or purporting to act for or on behalf of, directly or indirectly, Pishro Company. Pishro Company, which is responsible for research and development efforts across Iran's nuclear program, was designated pursuant to E.O. 13382 on May 9, 2013.

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## AVIATION

Today OFAC identified Iran Air, the national airline of Iran, pursuant to E.O. 13599 for being owned or controlled by the Government of Iran. OFAC also added to the SDN List 67 aircraft operated by Iran Air.

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## SANCTIONS IMPLICATIONS

As a result of today's action, all property and interests in property of these targets that are in the United States or in the possession or control of U.S. persons must be blocked and reported to OFAC. OFAC's regulations generally prohibit all dealings by U.S. persons or within the United States (including transactions transiting the United States) that involve any property or interests in property of blocked or designated persons.

In addition, persons that engage in certain transactions with the entities designated and

identified today may themselves be exposed to enforcement action, designation, or blocking sanctions. Furthermore, unless an exception applies, any foreign financial institution that knowingly facilitates a significant transaction for any of the entities designated today or for certain other Iranian persons on the SDN List (other than Iranian financial institutions solely identified as “Government of Iran”) could be subject to U.S. correspondent or payable-through account sanctions.

Identifying information on the entities designated today.

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