



# Financial Crimes Enforcement Network

*A bureau of the U.S. Department of the Treasury*

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## **Fact Sheet: FinCEN Implements Provision of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010**

### ***Regulation Will Require U.S. Banks to Seek Information from Foreign Banks on Iranian Financial Ties***

Today, the U.S. Department of the Treasury's Financial Crimes Enforcement Network (FinCEN) delivered to the *Federal Register* a [final rule](#) to implement section 104(e) of the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (CISADA) to complement Treasury's ongoing efforts to protect the international financial system from abuse by Iran. The final rule will become effective upon publication in the *Federal Register*.

CISADA requires the Secretary of the Treasury to issue regulations that impose certain requirements on U.S. banks. The rule issued today requires a U.S. bank, upon request from FinCEN, to inquire of specified foreign banks for which the U.S. bank maintains a correspondent account, and report to the Treasury Department, with respect to whether each foreign bank:

- Maintains a correspondent account for an Iranian-linked financial institution designated under the International Emergency Economic Powers Act (IEEPA);
- Has processed one or more transfers of funds within the preceding 90 calendar days for or on behalf of, directly or indirectly, an Iranian-linked financial institution designated under IEEPA, other than through a correspondent account; or
- Has processed one or more transfers of funds within the preceding 90 calendar days for or on behalf of, directly or indirectly, Iran's Islamic Revolutionary Guard Corps (IRGC) or any of its agents or affiliates designated under IEEPA.

In August 2010, Treasury published the Iranian Financial Sanctions Regulations (IFSR) to implement sections 104(c) and 104(d) of CISADA. Among its provisions, the IFSR allows Treasury to prohibit U.S. financial institutions from opening or maintaining a correspondent account or a payable-through account in the United States for a foreign financial institution that is found to knowingly facilitate significant transactions or provide significant financial services for Iranian-linked financial institutions or IRGC affiliates designated by the United States. *To view a fact sheet on the IFSR, click [here](#).*

As soon as the regulation takes effect, FinCEN will issue a number of information requests to U.S. banks regarding several foreign banks that Treasury has reason to believe may be engaged in activity that is sanctionable under the IFSR. Information gained by FinCEN's implementation of section 104(e) of CISADA will complement efforts to identify foreign financial institutions whose activities are sanctionable under the IFSR.

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***F**inCEN's mission is to enhance U.S. national security, deter and detect criminal activity, and safeguard financial systems from abuse by promoting transparency in the U.S. and international financial systems.*