

2009 No. 2725

PREVENTION OF NUCLEAR PROLIFERATION

TERRORIST FINANCING AND MONEY LAUNDERING

The Financial Restrictions (Iran) Order 2009

Approved by both Houses of Parliament

Made - - - - 9th October 2009

Laid before Parliament at 10.00 a.m. on 12th October 2009

Coming into force - - at 10.30 a.m. on 12th October 2009

The Treasury make the following Order in exercise of the powers conferred by paragraphs 3, 9, 13 and 14 of Schedule 7 to the Counter-Terrorism Act 2008(a).

The Treasury believe that activity in Iran that facilitates the development or production of nuclear weapons poses a significant risk to the national interests of the United Kingdom.

Citation and commencement

1. This Order may be cited as the Financial Restrictions (Iran) Order 2009, and comes into force at 10.30 a.m. on 12th October 2009.

Relevant persons

2. The direction in article 4 is given to all persons operating in the financial sector(b) (referred to in that article as “relevant persons”).

Designated persons

3.—(1) The direction in article 4 is given in relation to transactions or business relationships with the following persons (referred to in that article as “designated persons”)—

- (a) Bank Mellat, whose head office is located at No. 327 Taleghani Avenue, Tehran 15817 Iran;
- (b) Islamic Republic of Iran Shipping Lines (“IRISL”), whose address is No.37, Aseman Tower, Sayyade Shirazee Square, Pasdaran Avenue, Tehran, Iran;
- (c) a branch of Bank Mellat or IRISL.

(a) 2008 c.28.

(b) “Person operating in the financial sector” is defined in paragraphs 4 and 6 of Schedule 7 to the Counter-Terrorism Act 2008.

(2) In paragraph (1), “branch” means a place of business of a person, other than its head office, which has no legal personality separate from that person, and which carries out directly all or some of the transactions inherent in that person’s business.

Direction to cease business

4. The Treasury direct that a relevant person must not—

- (a) enter into, or
- (b) continue to participate in,

any transaction or business relationship with a designated person.

Dave Watts
Steve McCabe

Two of the Lords Commissioners of
Her Majesty’s Treasury

9th October 2009

EXPLANATORY NOTE

(This note is not part of the Order)

This Order contains a direction given by the Treasury, under Schedule 7 to the Counter-Terrorism Act 2008 (c.28) (“the Act”), in response to the significant risk to the UK’s national interests posed by activity in Iran that facilitates the development or production of nuclear weapons.

The direction is given to all persons operating in the UK financial sector, as defined in paragraphs 4 and 6 of Schedule 7 to the Act. The direction prohibits such persons entering into new transactions or business relationships with the two entities named in article 3 (or their branches), or continuing to participate in transactions or business relationships with them. The Treasury may grant licences under paragraph 17 of Schedule 7 to the Act to exempt certain acts from these prohibitions.

The Order will cease to have effect at the end of the period of one year beginning with the day it is made, in accordance with paragraph 16(4) of Schedule 7 to the Act.

A full regulatory impact assessment of the effect that this instrument will have on the costs of business and the voluntary sector is available on the Treasury’s website (www.hm-treasury.gov.uk).

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