Iran Business Symposium
Renaissance Hotel, Amsterdam, February 21, 2017

Adib Y Tohme

Arjan Capital, Partner

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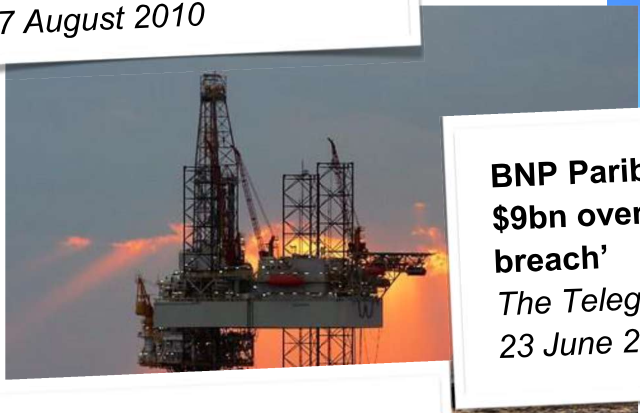
We deliver clarity

Navigating banking, trade finance and payment with Iran

Enforcement making the Headlines

Barclays fined $298m over sanctions breach
The Financial Times
17 August 2010



BNP Paribas 'to pay $9bn over sanctions breach'
The Telegraph
23 June 2014

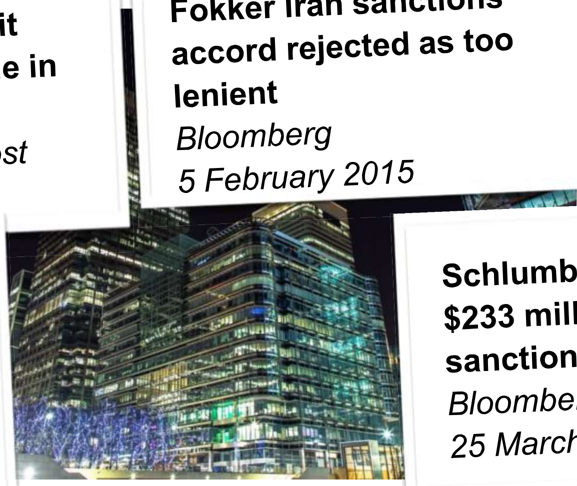
Commerzbank to pay $1.45bn for US banking violations
The BBC
12 March 2015

PayPal to pay $7.7 million to U.S. over alleged sanctions violations
Bloomberg
25 March 2015

Dutch aerospace company Fokker hit with $21 million fine in sanctions case
The Washington Post
5 June 2014

Fokker Iran sanctions accord rejected as too lenient
Bloomberg
5 February 2015

US charges four companies and five people over alleged tech exports to Iran
Reuters
17 April 2015



Standard Charter 'to pay $667 million over Iran sanctions breach'
Bloomberg
23 December 2016

Schlumberger unit to pay $233 million in Iran-sanctions case
Bloomberg
25 March 2015

Photo: Art Konovalov / Shutterstock.com

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We deliver clarity…

Fear Makes The Wolf Bigger Than He Is

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Sanctioned activities

Transacting with any individual or entity on List of SDN List, List of Foreign Sanctions Evaders, or any activity that would be prohibited by non-Iran sanctions administered by OFAC if engaged in by a US person or in the US

Engaging in the trade of certain services and goods involving Iran that are subject to US export control (technology 20% US source)

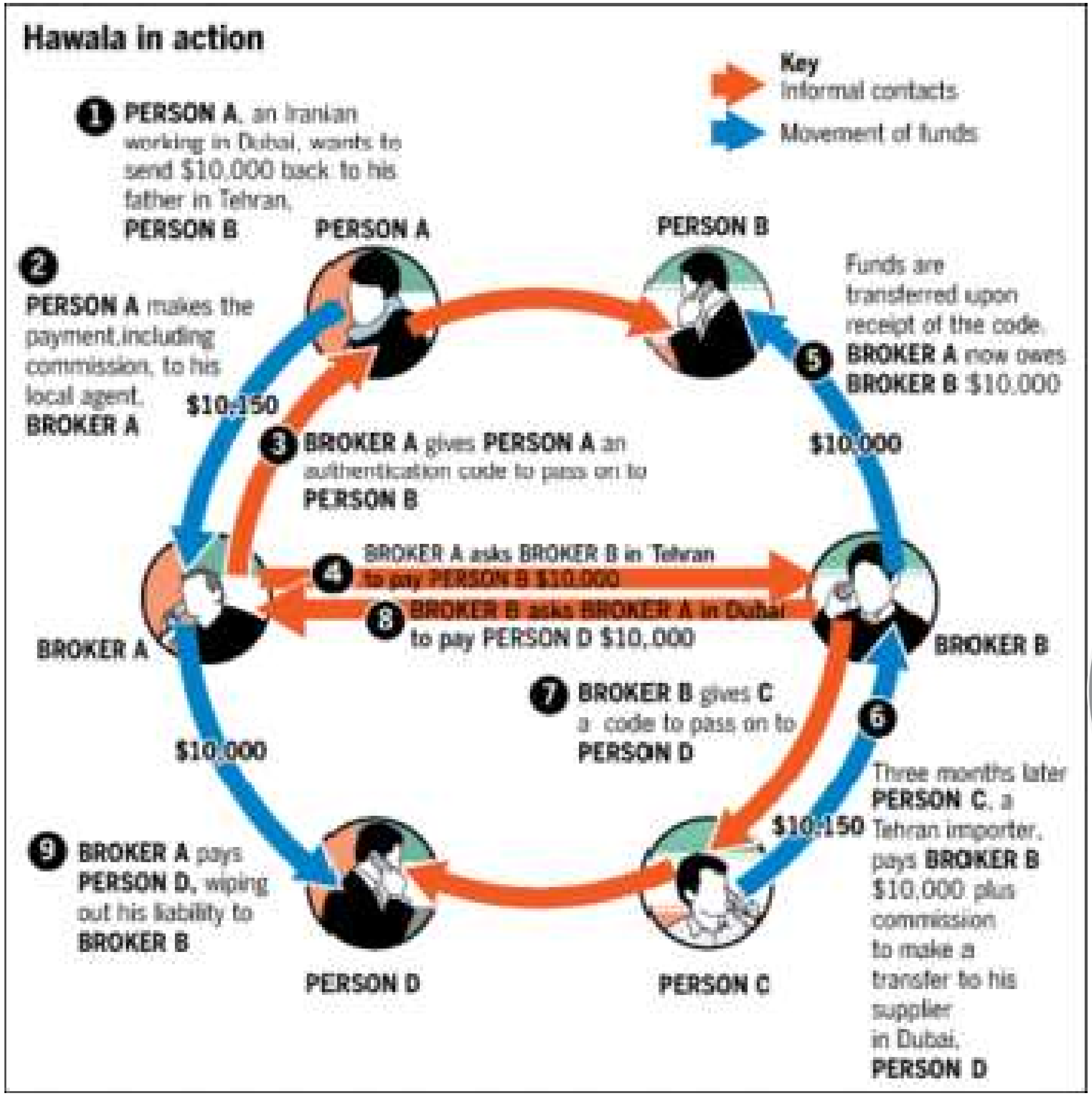
Transferring funds to, from, or through the US financial system

Transacting with any military, paramilitary, intelligence, or law enforcement entity of the Government of Iran

Any activity that is sanctionable in relation to proliferation of weapons of mass destruction and their means of delivery, including ballistic missiles, international terrorism, Syria, Yemen, Iran's commission of human rights abuses against its citizens

Any nuclear activity involving Iran that is subject to the procurement channel that has not been approved through the procurement channel process.

Payment mechanisms



High RRI
+25%

+SM 100 banks
India, Korea, China, Turkey, Italy, Switzerland, Japan, Germany

Evolving nature of sanctions

Trade Finance and AML

Internal compliance programs

Training (etc)

Not just sanctions (money laundering etc)

L/C
180 days payments

Reach of US sanctions

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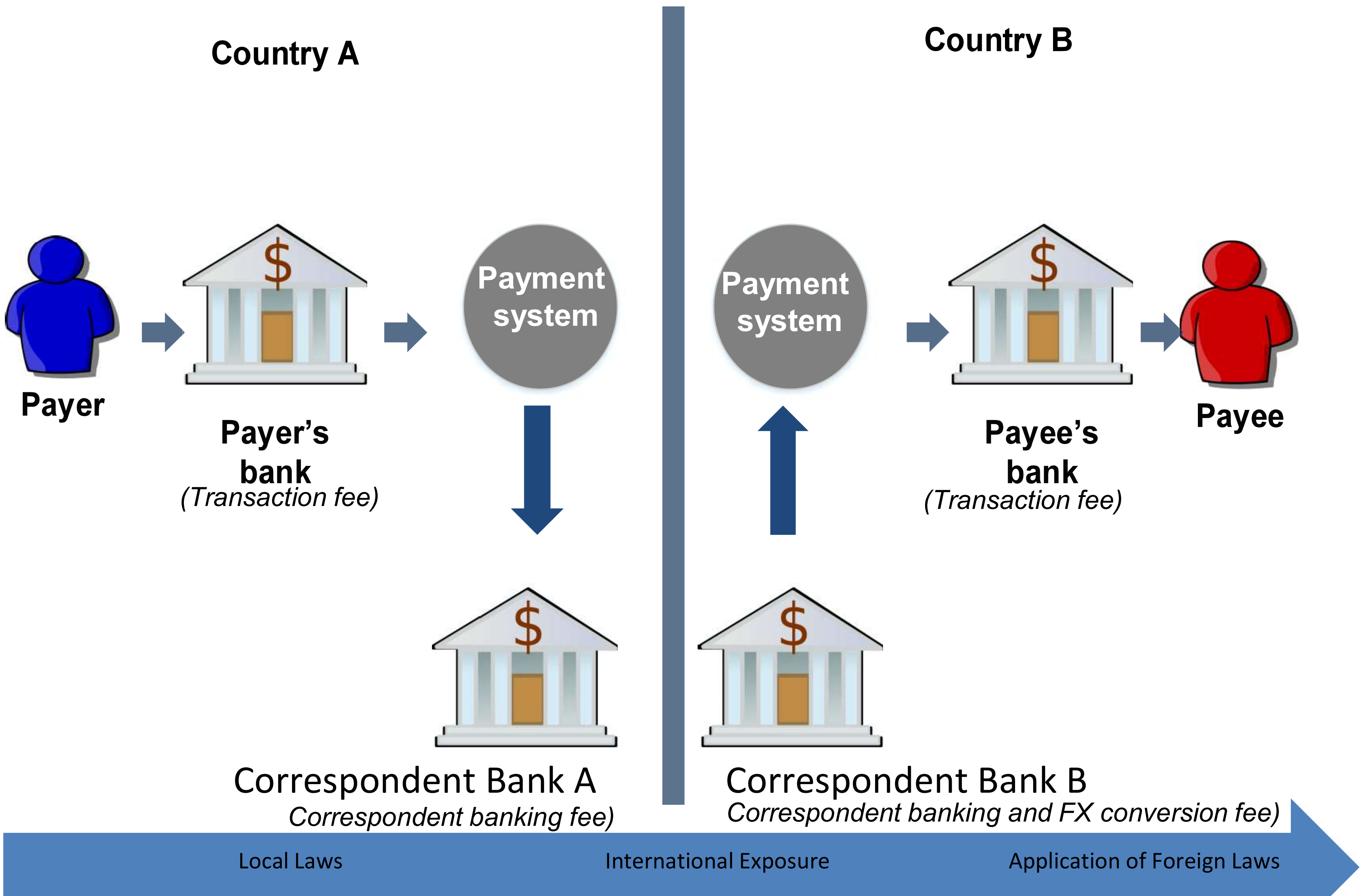
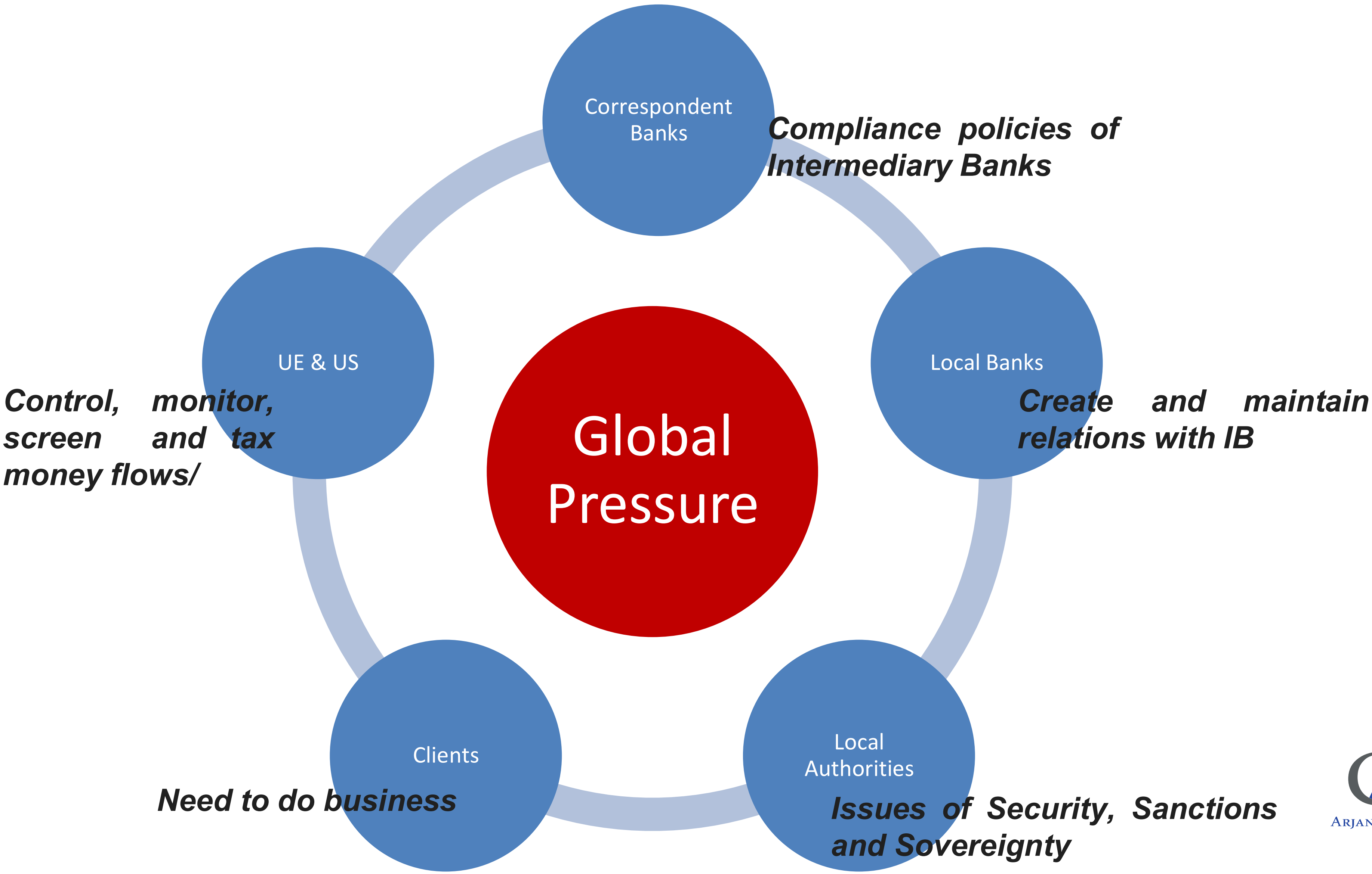
Compliance: Cross border payments



Local Laws…Compliance policies of Intermediary Banks

Compliance Agenda(s)



Strategic Risk Management Compliance
Trade Finance Compliance

Sufficient policies & procedures to ensure compliance with US sanctions

Sufficient due diligence to ensure that it is not **knowingly** engaged in transactions with SDN

Governance and management guidelines

Conduct a financial crime risk assessment for trade finance business that gives appropriate weight to money laundering risks as well as sanctions risks.

Developing the appropriate policies and procedures

Sufficient policies & procedures to ensure compliance with US sanctions

Training and awareness:

AML procedures

Used non-transparent methods and practices to conduct US operations

Circumvent the control designed to detect potentially problematic payments:
Wire stripping
Non-transparent cover payment

Sanctions from fines to losing its $ clearing license

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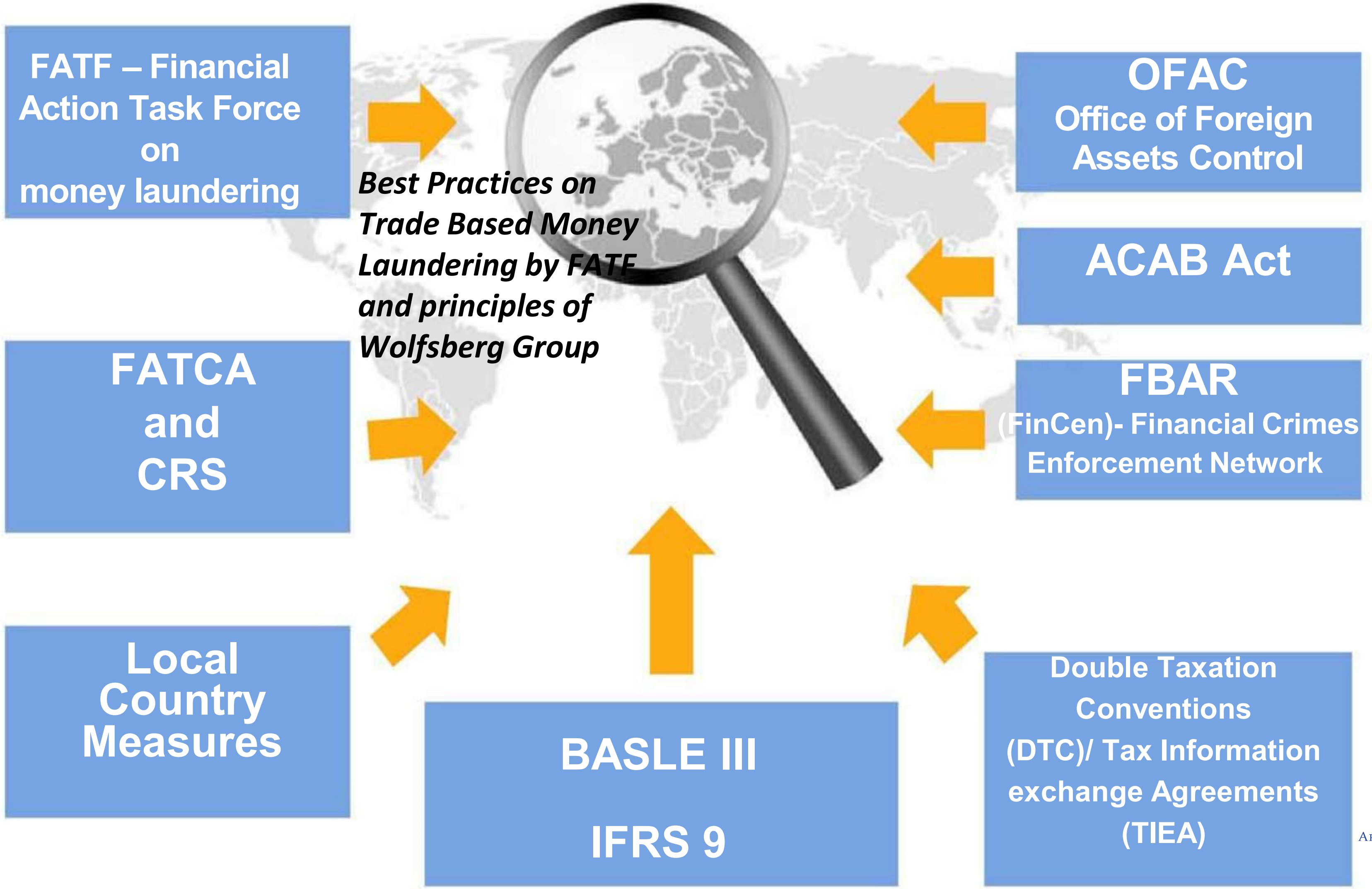
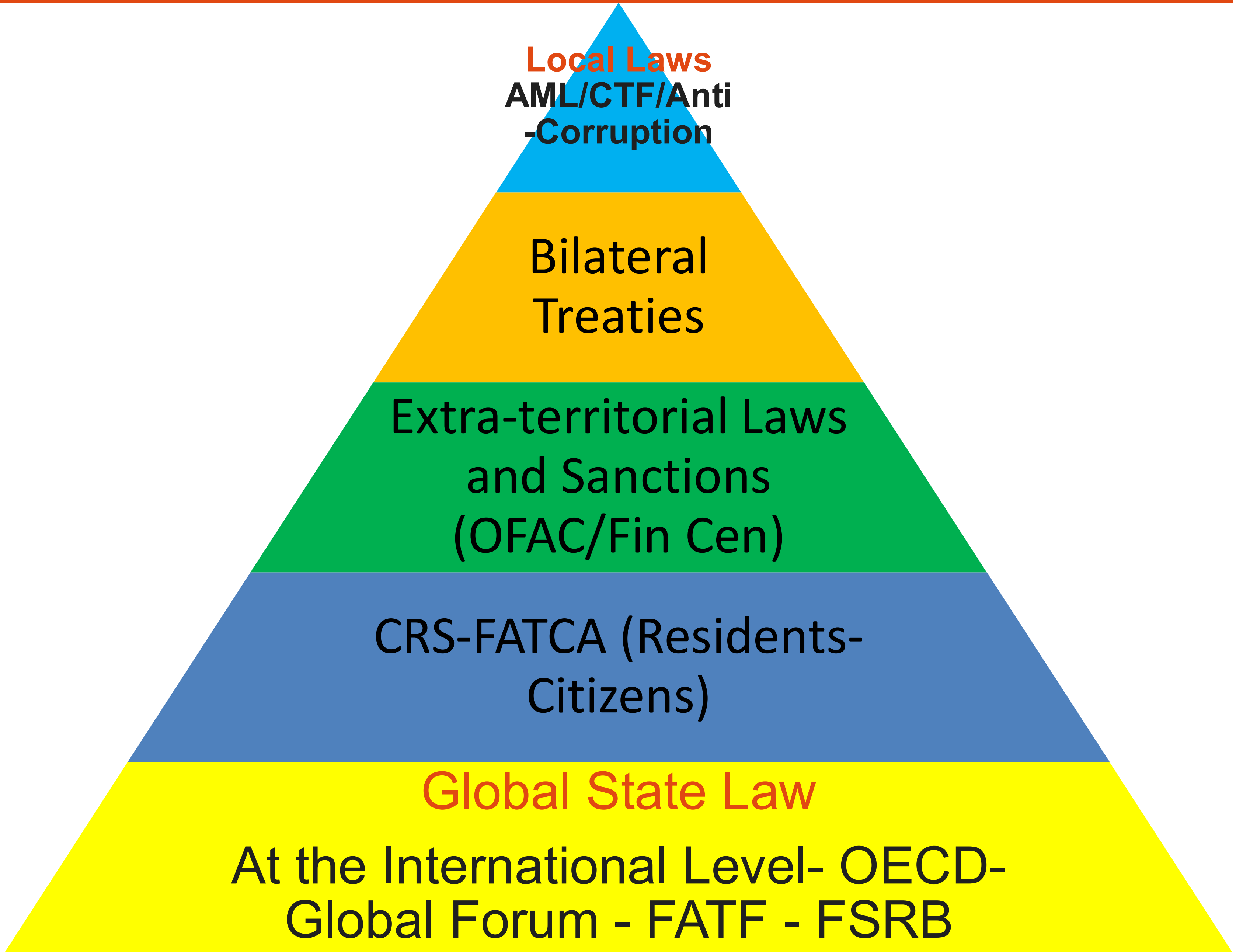
To comply with what?



To comply with what?



Scope of Compliance

Sanctions	AML / Terrorism Financing/Trade Finance
Goods	Regulatory Compliance
Parties/Clients	Sanctions
Bank considerations	Tax Evasion
Conformity Procedures	Capital Markets
	Anti-bribery / Corruption
Documents Control	Consumer Protection
Documents Control	Cybercrime
Documents Control	

✓**Cross-border Exposure**

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These are presentation slides only. The information within these slides does not constitute definitive advice and should not be used as the basis for giving definitive advice without checking the primary sources.

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Thank You