DABELSTEIN & PASSEHL

Rechtsanwälte Hamburg · Leer

Sanctions

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Update 2012 on Developments since Zurich 2011

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United States and Europe

- Presidential Order „Additional Sanctions With Respect To Iran“ – 31 July 2012
- Iran Threat Reduction and Syria Human Rights Act of 2012 – 10 August 2012

- Council Regulation 264 and 267/2012 - Iran
- Council Regulation 36 and 509/2012 - Syria

United States - Iran Threat Reduction and Syria Human Rights Act

- Targets:
  - energy-related services
  - insurance and reinsurance services
  - shipping services

- Broadened extraterritorial effect
  - responsibility of US firms for their foreign subsidiaries
  - non-US firms and their corporate officers subject to possible US sanctions

- Sanctioned Activities:
  - Transportation of crude oil from Iran
  - Concealment of Iranian origin of crude oil and refined petroleum products
  - Underwriting services or insurance or reinsurance for NIOC or NITC

United States - Iran Threat Reduction and Syria Human Rights Act

- Addressed:
  - persons controlling, beneficially or otherwise owning, operating or **insuring** a vessel

- New sanctions:
  - Prohibition of visas to and the entry into the United States of, corporate officers or principals of, or shareholders with a controlling interest in, a sanctioned entity
  - Imposition of ISA/CISADA sanctions on the principal executive officers of any sanctioned person, or on persons performing similar functions and with similar authority

- Generally no sanctions for transportation and insurance as regards Syria

United States - Presidential Order „Additional Sanctions With Respect To Iran“

- Targets:
  - transactions with NIOC/NICO
  - purchase or acquisition of petroleum, or petroleum products petrochemical products from Iran.

- Addressed:
  - foreign financial institutions and foreign persons
  - NOTE: definition does not extend to insurers or reinsurers

European Union

- Regulations on Iran:

  - 267/2012 of 23.03.2012

- Regulations in Syria

- 36/2012 of 18.01.2012
- 509/2012 of 16.08.2012

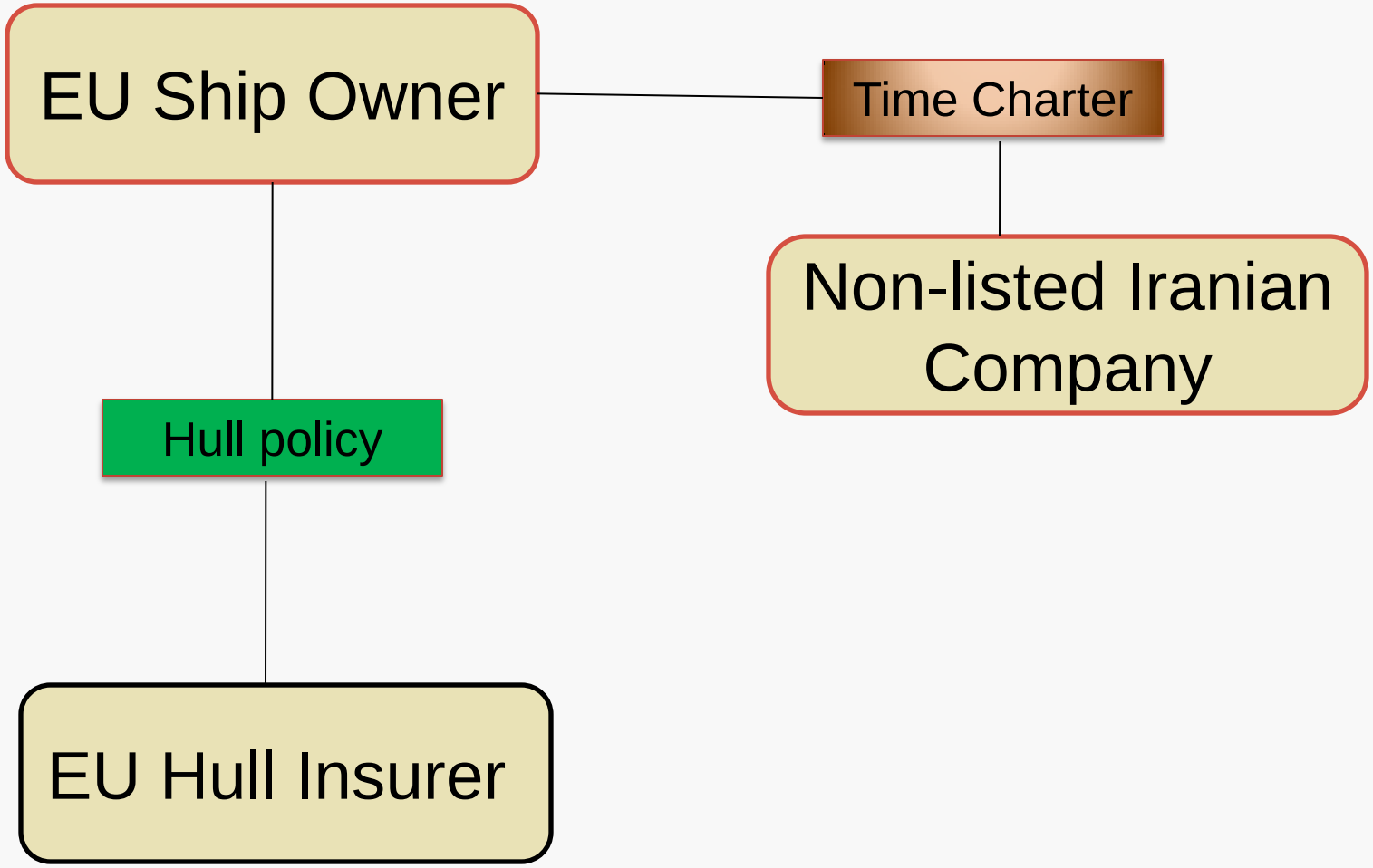
European Union – Iran

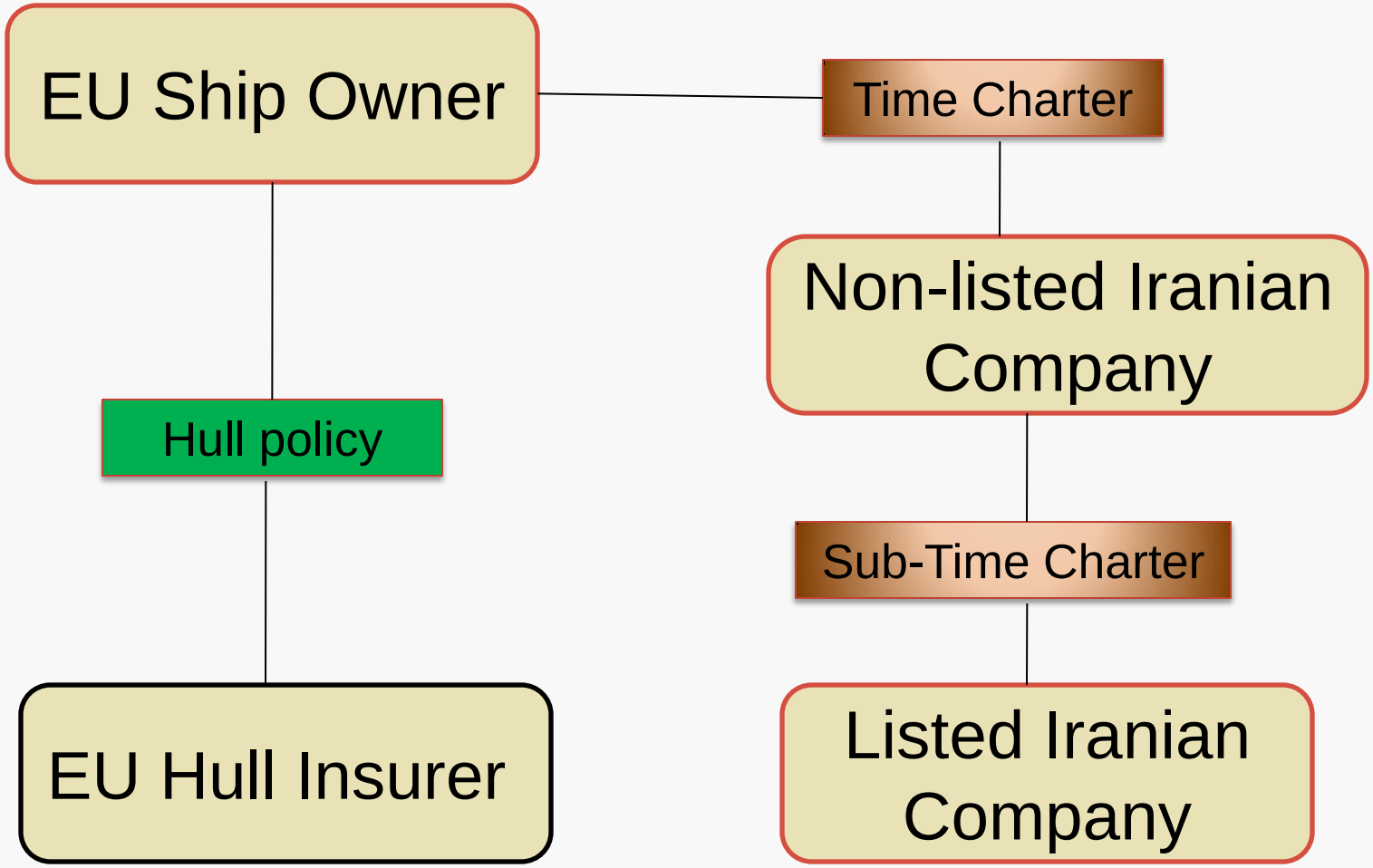
- Regulation 267/2012

  - replacing Council Regulation 961/2010

  - clarification: prohibition to broker insurance or reinsurance

  - charter to Iranian entity does not affect validity of insurance, even if chartered to a listed entity


EU Ship Owner
Time Charter
Non-listed Iranian Company
Hull policy
EU Hull Insurer


EU Ship Owner
Time Charter
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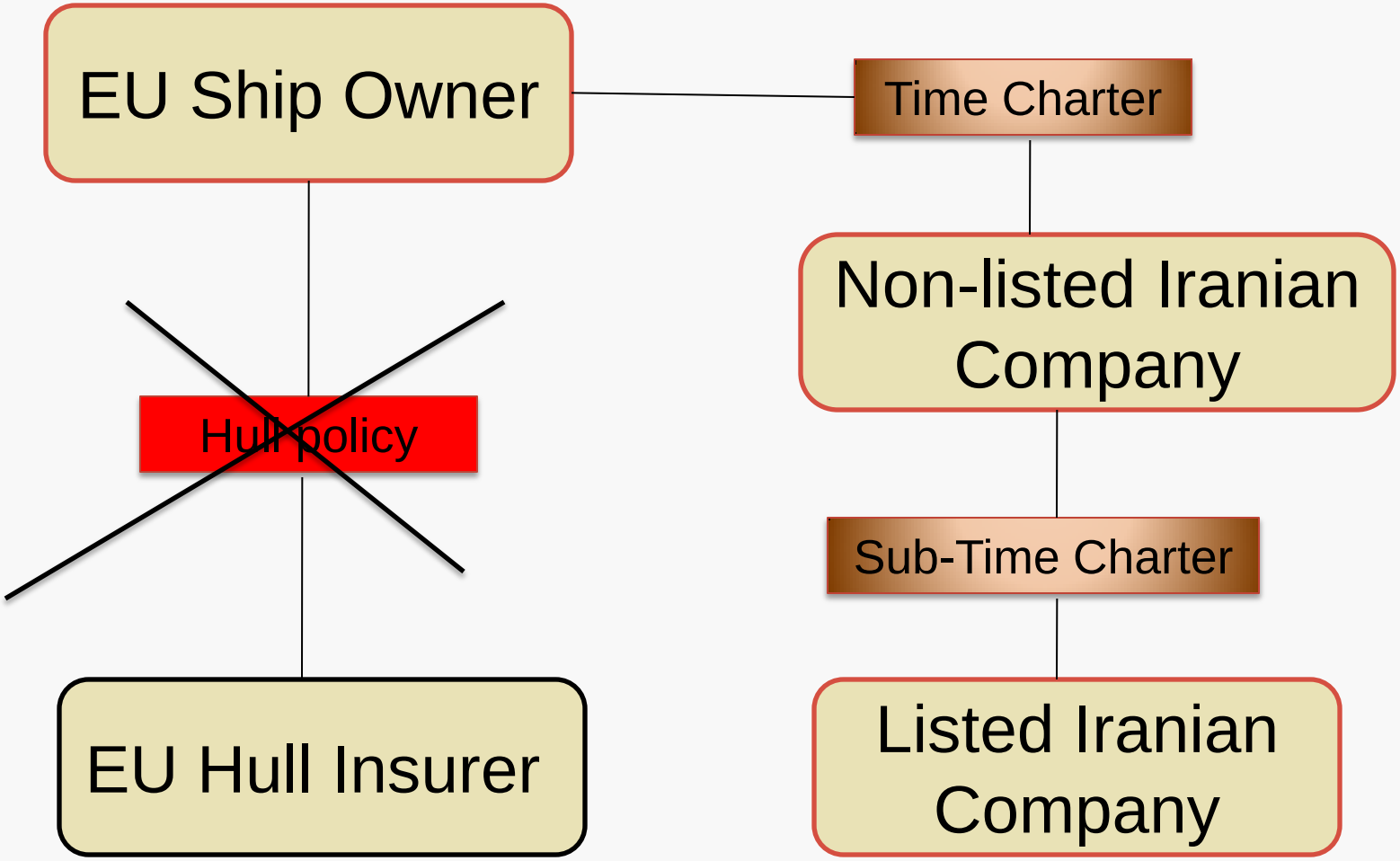
Hull policy
Sub-Time Charter
EU Hull Insurer
Listed Iranian Company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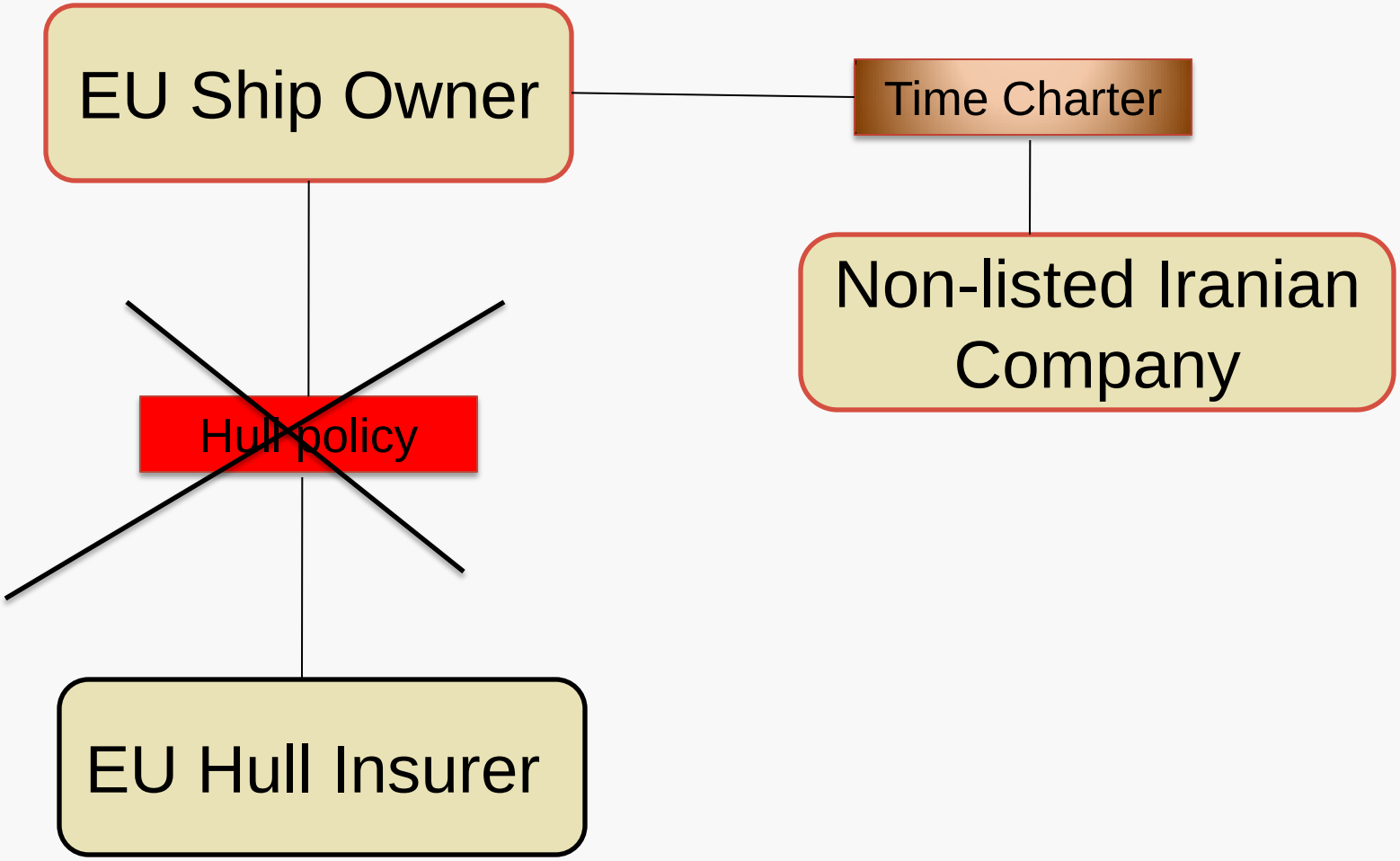
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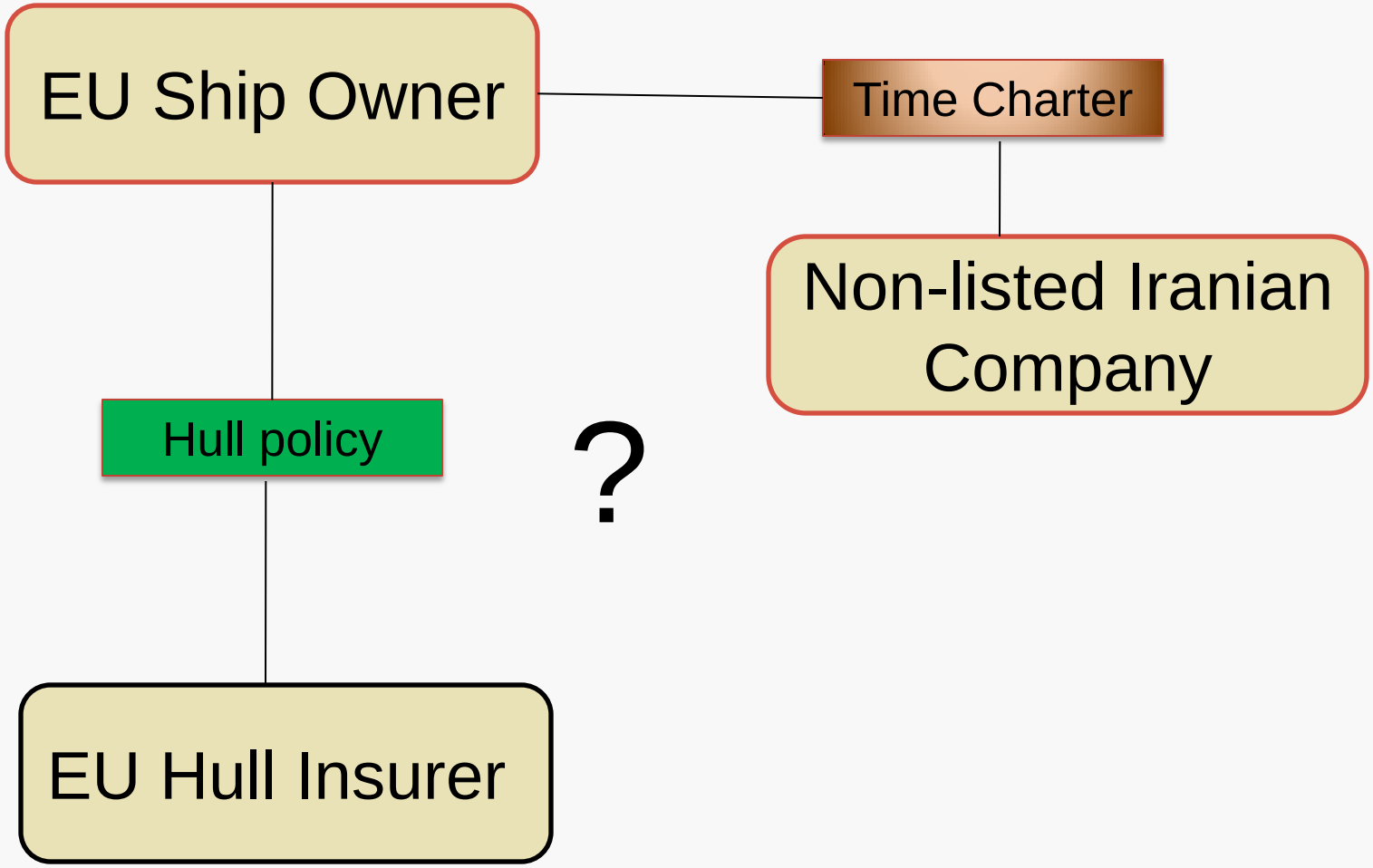
EU Ship Owner
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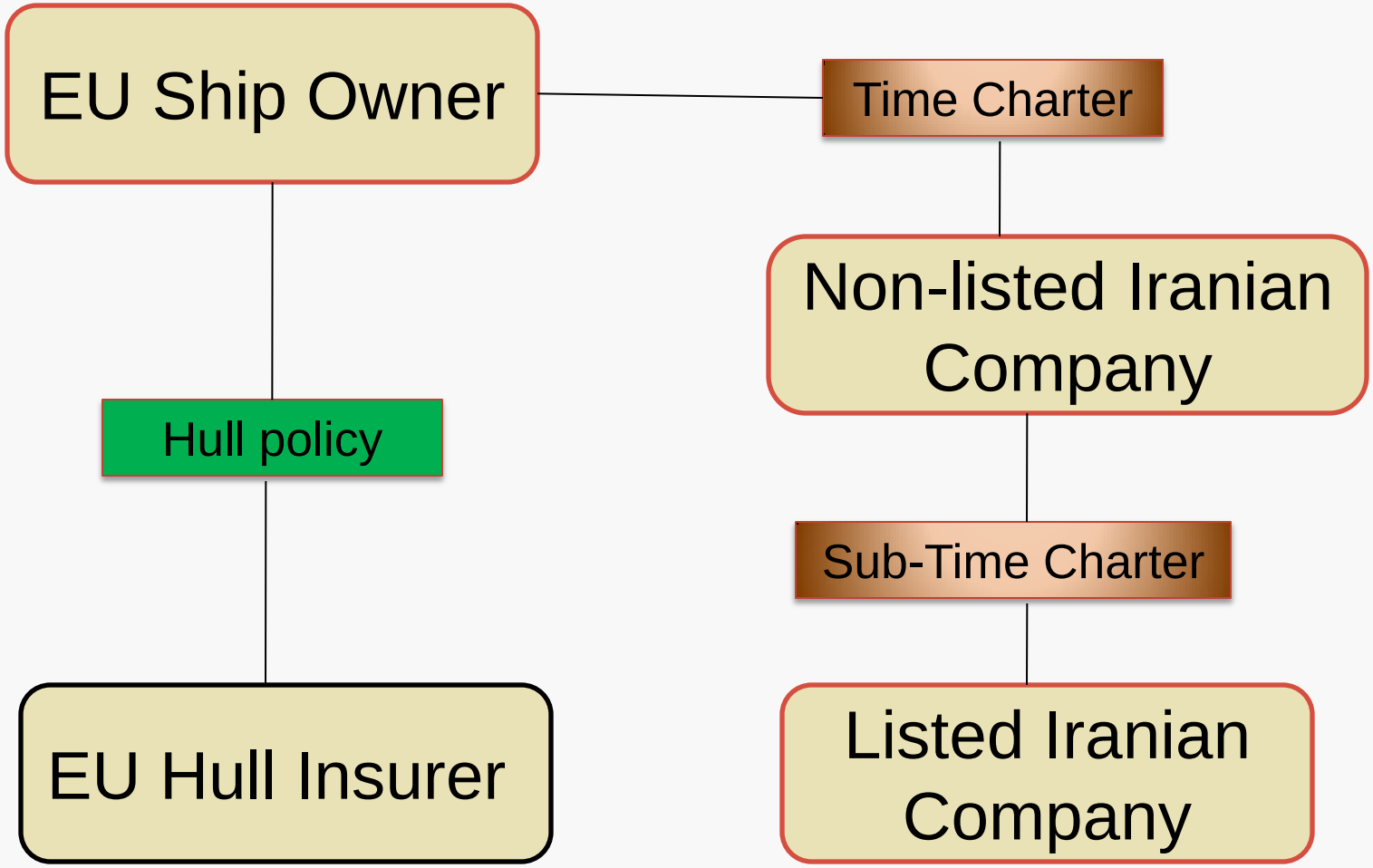
Non-listed Iranian Company
Hull policy
?
EU Hull Insurer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European Union – Iran

- Regulation 267/2012

  - prohibition of transport of crude oil as well as petroleum or petrochemical products originating from Iran or being exported from Iran to any other country

  - prohibition of providing financial assistance as well as insurance and re-insurance related to the transport of crude oil as well as petroleum and petrochemical products of Iranian origin or that have been imported from Iran

    except third party liability insurance or environmental liability insurance and reinsurance (for a grace period until 1 July 2012)

European Union – Syria

- Regulation 36/2012

  - replacing Regulation 442/2011

  - prohibition of provision of insurance and reinsurance

  - charter to Syrian entity does not affect validity of insurance

  - prohibition of transport of crude oil as well as petroleum or petrochemical products originating from Syria or being exported from Syria to any other country

  - prohibition of providing financial assistance as well as insurance and re-insurance related to the transport of crude oil as well as petroleum and petrochemical products of Syrian origin or that have been imported from Syria

European Union – Syria

- Regulation 36/2012

  - amended by 509/2012 on 16.08.2012, i.e. after 267/2012 on Iran

  - **no clarification** as to prohibition to broker insurance or reinsurance; so: what about brokers?

  - **no exception** for third party liability insurance or environmental liability insurance and reinsurance, not even for grace period

Thank you

Please feel free to direct questions or comments to

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