

Decision 2011-03 of 27 November 2012 against Bank Tejarat Paris, Mr Mohammad Mahdian and Mr Hossein Fazeli (compliance with regulations on the freezing of assets and economic resources and restrictive measures; anti-money laundering and counter-terrorist financing arrangements)

In a decision in which the company was named, the Committee handed Bank Tejarat Paris a reprimand together with a fine of EUR 300,000. It suspended Mr Fazeli from his executive management duties for a period of three months and noted that it could not issue any sanctions against Mr Mahdian, who had stepped down from his duties at the time of the ruling.

In respect of asset freezes, the Committee judged that credit institutions are required to inform the Treasury of any attempt to circumvent freeze measures, even if the initially intended transaction was not completed, whether because the institution refused to carry it out, the customer did not go ahead with it or the procedures were modified (names of listed persons removed from SWIFT messages). The Committee also judged that issuing a documentary credit involving third parties covered by freeze measures – for example a carrier or an insurer – constitutes indirect provision of funds and economic resources, even though the credit institution has not issued any direct financial flow in favour of those parties.

As regards the responsible executives, the Committee ruled that any responsible executive within the meaning of Article L.511-13 of the Monetary and Financial Code could be suspended or removed for failing to prevent violations by the company, and that such executives could not claim that they had been prevented from fully performing their duties.