

# IRAN SANCTIONS EASED, BUT RESTRICTIONS REMAIN

*Corporate & Business Law Alert*  
February 19, 2016

The United States recently lifted certain sanctions against the Islamic Republic of Iran, but the general prohibition on exporting to Iran remains in place. Specifically, on January 16, 2016 (commonly known as “Implementation Day”) the United States lifted certain limited sanctions against Iran pursuant to the terms of a Joint Comprehensive Plan of Action (the “JCPOA”) agreed to by the P5+1 (the United States, China, Russia, the United Kingdom, France, and Germany), the European Union and Iran. On Implementation Day, the U.S. Secretary of State verified that the International Atomic Energy Agency confirmed Iran’s compliance with certain nuclear-related measures in the JCPOA, leading the United States to lift particular sanctions relating largely to non-U.S. persons. Specifically, the United States undertook the following measures:

1. Lifting of sanctions against non-U.S. persons relating to finance and banking, underwriting and insurance, energy, shipping and shipbuilding, automotive goods and services, gold and other metals, coal, and software and services in support of the foregoing (however the general prohibitions against U.S. persons engaging in these activities in, or in connection with, Iran remain in place);
2. The removal of over 400 individuals and entities from the U.S. Department of the Treasury’s Office of Foreign Asset Control (“OFAC”) Specially Designated Nationals and Block Persons List (the “SDN List”), Foreign Sanctions Evaders List, and the Non-SDN Iran Sanctions Act List;
3. The issuance of a policy statement whereby OFAC will grant, on a case-by-case basis, specific licenses related to the export, re-export, sale, lease, or transfer to Iran of commercial passenger aircraft and related parts and services; and
4. Revisions to certain existing regulations to permit the import of Iranian-origin carpets and certain foodstuffs.

However, these are new exceptions to the overall general prohibition on the export, re-export, sale, or supply (directly or indirectly) from the United States or by a U.S. person (wherever located) of goods, services, or technology to Iran. Contrary to popular belief, the general prohibition remains in place, and U.S. persons cannot, directly or indirectly, export to Iran absent a specific regulatory exception or authorization from OFAC. Additionally, over 200 Iranian and Iranian-related individuals and entities remain on the SDN List, thereby prohibiting U.S. persons

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and non-U.S. persons from dealing with such parties. Sanctions also continue to prohibit dealings with certain individuals and entities in Iran found to be supporting terrorism, the proliferation of weapons of mass destruction, or human rights abuses.

