

## **Terrorism Finance Act\***

Article 1 : Preparation and collection of cash and property either intentionally or unintentionally in any legal or illegal way; and/or using all or part of the financial resources, gained in those ways such as smuggling of foreign exchange, getting financial and monetary assistance, donation, money transfer, sale and purchase of financial and credit bonds, direct or indirect opening of account or securing credit; or any economic activity by people -- either by themselves or through others-- with an aim to serve terrorists or the terrorist organizations, which have committed one of the following crimes, stand as terrorist financing and a crime as a result:

A. Committing or threatening to commit any violent act such as murder, assassination, violent act, that will result in severe physical damage, abduction, illegal confiscation and hostage taking of individuals; and/or conscious violent act against the people, having legal immunity; and/or endangering lives or freedom of them with an intention to influence the guideline, decisions and measures of the Government of the Islamic Republic of Iran, other countries and/or international organizations, that have representative offices in the territory of the Islamic Republic of Iran.

B. Committing the following crimes with the intentions cited in part A:

1-Sabotage in governmental and non-governmental public assets and installations

2. Inflicting severe damage on environment, including contaminating waters and setting forests ablaze

3. Illegal production, ownership, acquisition, transfer, transportation, preservation, development or accumulation, theft, forged acquisition and smuggling of poisons, nuclear, chemical, microbial and biological elements and substances

4. Illegal production, preparation, purchase and sale and smuggling of explosives, arms and munition

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B. Committing the following acts irrespective of the motivation behind committing and the results of:

1. Dangerous acts against plane or aviation safety
2. Capital of flying planes and illegal controlling of it
3. Violence against passenger or passengers and the crew or dangerous acts against assets in the plane while flying
4. Illegal production, ownership, acquisition, transfer, transportation, preservation, development or accumulation, illegal enrichment and explosion, theft, forged acquisition and smuggling of nuclear elements or substances in unjustified amount for medication, scientific and peaceful purposes
5. Illegal production, ownership, acquisition, theft, forged acquisition, smuggling, transportation, preservation, development or accumulation and use or threat to use nuclear, chemical, microbial and biological arms
- 6- The acts of piracy, illegal capture of vessel and/or illegal control of it, and/or endangering safety of shipping through consciously offering wrong information, or damaging and inflicting severe damage on ships and their consignment and crew or passengers.
7. Illegal capture or control of offshore platforms or facilities, taking violent actions against people there and any move to destroy or damage the platforms or facilities to pose danger to safety of the regions.
8. Bombing public centers, government facilities, public transportation networks or infrastructural facilities.

C. Committing crimes, which are distinguished as terrorist crimes by civil laws or international conventions, in case of accession of the Government of Islamic Republic of Iran to them

Note 1: To prosecute financiers of the terrorist acts taken against other countries -- irrespective of the place the crime was committed, the nationality and domicile of the criminal -- the provisions of this Act will be in force on condition of reciprocal action.

Note 2: The acts people, nations or groups or liberation seeking organizations take to counter such affairs as domination, foreign occupation, colonialism, and racism are not instances of terrorist measures being concern of this law. Determining instances of the groups and organizations subject to this note rests with the Supreme National Security Council.

Article 2: The person committing the terrorism Finance, which is taken as Muhariba (fighting) or corruption on earth, will be sentenced to due punishment and otherwise, besides confiscation of the cash and property, that is the concern of Article 1 of this Act, in favor of government, s/he will be sentenced to two to five years of imprisonment and cash penalty equal to two to five times the financial source thus secured.

Article 3: All persons, getting informed of the crimes, will in accordance with the Act, have the duty to inform the authoritative administrative, disciplinary, security or judicial personalities on the issue; otherwise they will be sentenced to the degree 7 penalties.

Article 4: In case the crimes subject to this Act are committed by the legal entities, actions will be taken per the Islamic Penal Code, approved on April 21, 2013.

Article 5: The judicial authorities and Justice Ministry prosecutors will have the duty to take the following actions under supervision and instructions and/or order of the judicial authorities in any way deemed necessary:

- A. Identification, discovery and freezing the assets used or allocated for the terror funding crimes and the revenues gained out of them
- B. Identification and confiscation of the properties subject to the crimes mentioned in this Act and their revenues that are completely or partially turned into other assets and undergone change in state
- C. Confiscation of the properties and revenues evidencing the crime which are intermingled with legal properties to the extent that the properties can be confiscated in the estimated portion

Article 6: The court will have the duty to sentence the culprit to maximum two counts of the complementary penalties of deprivation of social rights per the Islamic penal code in proportion to the crime committed, while envisaging penalties referred to in the Article 2

Article 7: Leading, organizing or guiding two or three individuals to commit the crimes being the concern of this law, including the cases when their move is taken as complicity or collaboration for committing crimes; and also that committing the said crimes is in organized form, while being the cause of fueling the crimes, and the culprit will be subject to Article 130 of the Islamic Penal Code

Article 8: Anybody, being member of the groups financing terrorism, and before prosecution had effective cooperation in identifying partners or accomplices, acquisition of proofs and evidence or discovery of properties and objects gained out of the crimes done for their commitment, will be exempted from penalty and if since beginning of the prosecution, he had effective cooperation with government officers, it will be among cases subject to reprieve and his crimes will be forgiven in accordance with related regulations

Note: If the person had committed other crime, the exemptions or reprieves under this article will not prevent penalty to the crime

Article 9: Investigation into the crimes subject to this law falls within jurisdiction of the penal courts in capital of a province

Article 10: The crimes, being the concern of this Act, are not covered by Article one hundred and sixty eight (168) of the Islamic Republic of Iran Constitution.

Article 11: In cases that per the international treaties, which are binding for the Islamic Republic of Iran, the task of investigation into the crimes, being the concern of this Act, falls within jurisdiction of any of the countries being signatory to this treaty and if the accused is found in Iran, Iranian courts will in accordance with this law have the jurisdiction to look into it.

Article 12: When the crimes subject to this law are taken place abroad and are against the Islamic Republic of Iran or the international organizations within territory of the Islamic Republic of Iran, investigation into them in proportion to the case falls within competency of the Tehran No. 1 Penal Courts.

Article 13: All people and institutions and organs subject to the Money Laundering Act, passed on January 22, 2008, will have the duty to take the following actions to prevent terrorism finance:

a) Identification of clients when rendering all services and doing the monetary and financial operations such as any receipts and payments, cash draft, issuance and payment of checks, extension of facilities, issuance of various receipt and payment cards, issuance of letter of guarantee, purchase and sale of foreign exchange and deposit certificates, contribution bonds, accepting guarantees and liability of guarantors in any way such as signing bill of exchange, bank bills and letters of credit and purchase and sale of stocks.

b) Preservation of documents relating to records of exchanges and financial operations, including active and non-active ones, and also of the documents, relating to records of identification of referents, at least for five years after end of operations.

Article 14: All people being the concern of the Money Laundering Act have the duty to send the report on operations, suspected of terrorism finance, to the Supreme Anti-Money Laundering Council per Article 4 of the said law.

The said council will have the duty to send reports, relating to the suspected operations, under this law to related authorities in order for undergoing legal procedures.

Note 1: If any of the said people consciously and intentionally or for help and facilitation of commitment of crimes does not abide by duties, s/he will be taken as an accomplice and in case the jobs are done out of negligence and shortcoming, the culprit will in proportion to the case be sentenced to due administrative and disciplinary punishments.

Note 2: Those, who in line with implementation of this article, send reports to related authorities, are not subject to penalties regarding disclosure of public privacy.

Article 15: If terror funding results in money laundering operations, the culprit will be subject to more severe penalties in proportion to the case.

Article 16: The Government of the Islamic Republic of Iran will have the permission in line with implementation of this law to cooperate with other countries in information sharing and judicial assistance per Article seventy seven (77) of the Islamic Republic of Iran Constitution.

Article 17: The executive procedures of this Act will be prepared within six months after release of the law by ministers of Economic Affairs and Finance, Justice and Intelligence and after confirmation by the Judiciary Chief, the cabinet will pass them.

The above-mentioned Act, consisting seventeen articles and five notes, was passed in the open session of the Parliament of the Islamic Republic of Iran on Tuesday, February 2, 2016, and was confirmed by the Guardian Council on March 3, 2016.

President of Islamic Parliament of Iran

Ali Larijani