

# MONETARY AUTHORITY OF SINGAPORE ACT

## (CHAPTER 186)

### MONETARY AUTHORITY OF SINGAPORE (SANCTIONS AND FREEZING OF ASSETS OF PERSONS — IRAN) REGULATIONS 2007

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In exercise of the powers conferred by section 27A (1) (b) of the Monetary Authority of Singapore Act, the Monetary Authority of Singapore hereby makes the following Regulations:

#### **Citation and commencement**

**1.** These Regulations may be cited as the Monetary Authority of Singapore (Sanctions and Freezing of Assets of Persons — Iran) Regulations 2007 and shall come into operation on 7th March 2007.

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#### **Object**

**2.** The object of these Regulations is to assist in giving effect to Resolutions 1737 (2006), 1747 (2007), 1803 (2008) and 1929 (2010) of the Security Council of the United Nations.

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#### **Application**

**3.** These Regulations shall apply to all financial institutions in Singapore.

#### **Definitions**

**4.—(1)** In these Regulations, unless the context otherwise requires —

"Committee" means the Committee of the United Nations Security Council established under paragraph 18 of Resolution 1737 (2006);

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"designated item" means any item, material, equipment, goods or technology —

(a) falling within the class or description specified in the third column of the Seventh Schedule to the Regulation of Imports and Exports Regulations (Cap. 272A, Rg 1) in relation to Iran (specified in the first column of that Schedule); and

(b) the exporting from or transiting through Singapore of which is prohibited under regulation 6 (2) (d) of the Regulation of Imports and Exports Regulations in relation to Iran;

"designated person" means any individual or entity set out in the UN List subject to the conditions set out in paragraph (2);

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"funds" includes cheques, bank deposits and other financial resources;

"non-prohibited item" means any item, material, equipment, goods or technology —

(a) which is set out in section A.1 or B.1 of INFCIRC/254/Rev.8/Part 1 in the United Nations Security Council document S/2006/814 (updated from time to time and made available on the Internet through the official United Nations website at <http://www.un.org/>); and

(b) which is not a designated item;

"Resolution" means a Resolution of the Security Council of the United Nations;

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"UN List" means collectively the lists of individuals or entities identified by the Security Council of the United Nations or the Committee as individuals or entities to whom or which the measures referred to in —

(a) paragraph 12 of Resolution 1737 (2006);

(b) paragraph 4 of Resolution 1747 (2007);

(c) paragraph 7 of Resolution 1803 (2008); or

(d) paragraphs 11, 12 and 19 of Resolution 1929 (2010),

apply, and includes any such list as updated from time to time by the United Nations Security Council or the Committee, and made available on the Internet through the official United Nations website at <http://www.un.org/>.

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(2) The conditions referred to in the definition of "designated person" in paragraph (1) are —

(a) where any individual or entity is added to the UN List on or after 7th March 2007, the individual or entity is taken to be a designated person with effect from the date immediately following the date of addition to the UN List;

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(b) where any individual or entity is removed from the UN List, the individual or entity ceases to be a designated person with effect from the date of removal from the UN List; and

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(c) where the particulars of any individual or entity in the UN List are modified on or after 7th March 2007, the particulars of the individual or entity are taken to be modified for the purposes of these Regulations with effect from the date immediately following the date of modification of the UN List.

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#### **Assets of certain persons to be frozen**

**5.—(1)** Subject to paragraph (3), any financial institution that, on or after 7th March 2007, has in its possession, custody or control in Singapore, any funds, financial assets or economic resources owned or controlled, directly or indirectly, by any designated person shall —

(a) immediately freeze all such funds, financial assets or economic resources, as the case may be; and

(b) ensure that such funds, financial assets or economic resources are not made available, whether directly or indirectly, to or for the benefit of the designated person.

(2) For the purposes of paragraph (1), any funds, financial assets or economic resources that are held by —

(a) any entity owned or controlled, directly or indirectly, by any designated person; or

(b) any individual or entity who acts on behalf of or under the direction of any designated person,

shall be treated as funds, financial assets or economic resources owned or controlled by the designated person.

(3) The requirement in paragraph (1) shall not apply to any funds, financial assets or economic resources that have been determined by the Authority —

(a) to be necessary —

(i) for the payment of basic expenses, including any payment for foodstuff, rent, the discharge of a mortgage, medicine, medical treatment, taxes, insurance premiums and public utility charges; or

(ii) exclusively for —

(A) the payment of reasonable professional fees and the reimbursement of any expenses in connection with the provision of legal services; or

(B) the payment of fees or service charges imposed for the routine holding or maintenance of frozen funds, financial assets or economic resources;

(b) to be necessary for the payment of any extraordinary expenses;

(c) to be the subject of any judicial, administrative or arbitral lien or judgment, in which case the funds, financial assets or economic resources may be used to satisfy such lien or judgment, provided that the lien or judgment —

(i) arose or was entered before 23rd December 2006; and

(ii) is not for the benefit of a designated person; or

(d) to be necessary for any activity directly related to a non-prohibited item.

**Prohibition against provision of financial assistance, services, etc.**

**6.** Unless permitted under paragraph 9 of Resolution 1737 (2006), no financial institution in Singapore shall —

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(a) provide financial assistance;

(b) provide investment, brokering or other financial services; or

(c) transfer financial resources or services,

relating to the supply, sale, transfer, manufacture or use of any designated item, to any person in Iran or any citizen of Iran.

### **Duty to provide information**

**7.** Every financial institution which —

- (a) has possession, custody or control in Singapore of any funds, financial assets or economic resources owned or controlled, directly or indirectly, by any designated person;
- (b) has information about any transaction or proposed transaction in respect of any funds, financial assets or economic resources owned or controlled, directly or indirectly, by any designated person; or
- (c) has information about any act or thing prohibited by regulation 6,

shall immediately inform the Authority of that fact or information, and provide such further information relating to the funds, financial assets, economic resources, transaction, proposed transaction, act or thing as the Authority may require.

### **Prohibition against provision of financial services**

**8.—(1)** No financial institution shall —

- (a) provide any financial services or other related services, including insurance or re-insurance; or
- (b) transfer funds or financial assets, or other assets or resources,

where the financial institution has information that provides reasonable grounds to believe that such services, assets or resources could contribute to the proliferation-sensitive nuclear activities, or the development of nuclear weapon delivery systems, of Iran.

(2) Every financial institution shall apply enhanced monitoring to prevent financial transactions that could contribute to the proliferation-sensitive nuclear activities, or the development of nuclear weapon delivery systems, of Iran.

(3) Any financial institution which, on or after 6th August 2010, has in its possession, custody or control in Singapore, any funds or financial assets, or other assets or resources, that are related to the proliferation-sensitive nuclear activities, or the development of nuclear weapon delivery systems, of Iran, shall immediately freeze all such funds, assets or resources.

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### **Duty to exercise vigilance**

**9.—(1)** Every financial institution shall exercise vigilance when doing business with any prohibited person, where the financial institution has information that provides reasonable grounds to believe that such business could —

- (a) contribute to the proliferation-sensitive nuclear activities, or the development of nuclear weapon delivery systems, of Iran; or
- (b) violate Resolutions 1737 (2006), 1747 (2007), 1803 (2008) or 1929 (2010).

(2) In paragraph (1), “prohibited person” means —

- (a) any entity incorporated in Iran or subject to the jurisdiction of Iran, including those of the Islamic Revolutionary Guard Corps (also known as “Army of the Guardians of the Islamic Revolution”) and the Islamic Republic of Iran Shipping Lines;
- (b) any entity owned or controlled by any entity referred to in sub-paragraph (a); or

(c) any individual or entity acting on behalf of or at the direction of any entity referred to in subparagraph (a).

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**Prohibition against opening subsidiary, representative office, etc.**

**10.** No financial institution shall —

- (a) open any subsidiary, representative office or bank account in Iran; or
- (b) establish a joint venture, take an ownership interest in or establish or maintain a correspondent relationship, with any Iranian bank,

where the financial institution has information that provides reasonable grounds to believe that such activity could contribute to the proliferation-sensitive nuclear activities, or the development of nuclear weapon delivery systems, of Iran.

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**Made this 1st day of March 2007.**

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