

Treasury Targets Iran's Central Bank Governor and an Iraqi Bank Moving Millions of Dollars for IRGC-Qods Force

May 15, 2018

Washington – Today, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) imposed sanctions on the Governor and a senior official of the Central Bank of Iran, an Iraq-based bank and its chairman, and a key Hizballah official, all of whom have moved millions of dollars on behalf of the Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF) to Hizballah. They were designated as Specially Designated Global Terrorists (SDGTs) pursuant to Executive Order (E.O.) 13224, which targets terrorists and those providing support to terrorists or acts of terrorism.

"Iran's Central Bank Governor covertly funneled millions of dollars on behalf of the IRGC-QF through Iraq-based al-Bilad Islamic Bank to enrich and support the violent and radical agenda of Hizballah. It is appalling, but not surprising, that Iran's senior-most banking official would conspire with the IRGC-QF to facilitate funding of terror groups like Hizballah, and it undermines any credibility he could claim in protecting the integrity of the institution as a central bank governor," said Treasury Secretary Steven T. Mnuchin. "The United States will not permit Iran's increasingly brazen abuse of the international financial system. The global community must remain vigilant against Iran's deceptive efforts to provide financial support to its terrorist proxies."

Today's action cuts off Iran's use of a critical banking network and follows last Thursday's disruption of an IRGC-QF-associated currency exchange network procuring millions of dollars through the UAE. Both actions seek to stifle Iran's ability to abuse the U.S. and regional financial systems. These actions continue the aggressive campaign against the IRGC and its proxies that the Treasury Department has led under this Administration. These actions build upon President Trump's May 8 decision to cease the United States' participation in the Joint Comprehensive Plan of Action (JCPOA) and begin reimposing U.S. sanctions that had been lifted under the JCPOA, including against the Central Bank of Iran.

The IRGC-QF was designated pursuant to E.O. 13224 on October 25, 2007. The IRGC-QF's parent organization, the Islamic Revolutionary Guard Corps (IRGC) itself was also designated on

October 13, 2017 pursuant to E.O. 13224 for its support to the IRGC-QF, and consistent with the Countering America's Adversaries Through Sanctions Act.

Hizballah was designated by the Department of State as a Foreign Terrorist Organization in October 1997 and as an SDGT pursuant to E.O. 13224 in October 2001. It was listed in January 1995 in the Annex to E.O. 12947, which targets terrorists who threaten to disrupt the Middle East peace process, and also designated in August 2012 pursuant to E.O. 13582, which targets the Government of Syria and its supporters.

IRAN'S CENTRAL BANK GOVERNOR AND A SENIOR STAFF OFFICER

OFAC is designating Valiollah Seif, Iran's Central Bank Governor, for assisting, sponsoring, or providing financial, material, or technological support for, or financial or other services to or in support of, the IRGC-QF. Seif has conspired with the IRGC-QF to move millions of dollars through the international financial system in a variety of foreign currencies to allow the IRGCQF to fund its activities abroad. Seif has also supported the transfer of IRGC-QF-associated funds to al-Bilad Islamic Bank, an Iraq-based bank which is also being designated today.

OFAC also is designating Ali Tarzali, the assistant director of the International Department at the Central Bank of Iran, for assisting, sponsoring, or providing financial, material, or technological support for, or financial or other services to or in support of, the IRGC-QF. Tarzali has worked with Hizballah and proposed that the terrorist group send funds through Iraq-based al-Bilad Islamic Bank.

As a result of today's actions, Veifollah Seif and Ali Tarzali are subject to secondary sanctions pursuant to the Iranian Financial Sanctions Regulations (IFSR), which implement, among other authorities, the Comprehensive Iran Sanctions and Divestment Act of 2010 (CISADA). Pursuant to the IFSR, OFAC can prohibit or impose strict conditions on the opening or maintaining in the United States of a correspondent account or a payable-through account by a foreign financial institution that knowingly facilitates a significant transaction for designated agents or affiliates of the IRGC or persons designated pursuant to E.O. 13224 in connection with Iran's support for international terrorism or E.O. 13382 in connection with Iran's proliferation of weapons of mass destruction and their means of delivery.

Today's designations of Valiollah Seif, Iran's Central Bank Governor, and Ali Tarzali, assistant director of the International Department at the Central Bank of Iran, do not extend to the Central Bank of Iran. However, due to President Trump's May 8, 2018 decision to cease the

United States' participation in the JCPOA, as of August 7, 2018, the United States Government will re-impose sanctions that extend to certain transactions with the Central Bank of Iran, including sanctions on the purchase or acquisition of U.S. dollars banknotes by the Government of Iran. Furthermore, on November 5, 2018, additional sanctions will be re-imposed on persons knowingly engaging in certain significant transactions with the Central Bank of Iran.

AL-BILAD ISLAMIC BANK AND ITS CHAIRMAN AND CHIEF EXECUTIVE

OFAC is designating Aras Habib, the Chairman and Chief Executive of Al-Bilad Islamic Bank, for assisting, sponsoring, or providing financial, material, or technological support for, or financial or other services to or in support of, the IRGC-QF. Aras Habib enabled the IRGC-QF's exploitation of Iraq's banking sector to move funds from Tehran to Hizballah, jeopardizing the integrity of the Iraqi financial system. Habib, who has a history of serving as a conduit for financial disbursements from the IRGC-QF to Iranian-backed Iraqi groups, has also helped provide IRGC-QF financial support to Lebanese Hizballah. Al-Bilad Islamic Bank is being designated for being owned or controlled by Aras Habib.

As a result of today's actions, Aras Habib and Al-Bilad Bank are subject to secondary sanctions pursuant to the IFSR, which implement, among other authorities, CISADA. Pursuant to the IFSR, OFAC can prohibit or impose strict conditions on the opening or maintaining in the United States of a correspondent account or a payable-through account by a foreign financial institution that knowingly facilitates a significant transaction for designated agents or affiliates of the IRGC or persons designated pursuant to E.O. 13224 in connection with Iran's support for international terrorism or E.O. 13382 in connection with Iran's proliferation of weapons of mass destruction and their means of delivery.

HIZBALLAH OFFICIAL WORKING WITH IRGC-QF

OFAC is designating Muhammad Qasir (Qasir) for acting for or on behalf of Hizballah. Qasir acted as a critical conduit for financial disbursements from the IRGC-QF to Hizballah. Qasir has worked with the IRGC-QF to transfer funds.

Qasir is subject to secondary sanctions pursuant to the Hizballah Financial Sanctions Regulations, which implements the Hizballah International Financing Prevention Act of 2015. Pursuant to this authority, OFAC can prohibit or impose strict conditions on the opening or maintaining in the United States of a correspondent account or a payable-through account by a

foreign financial institution that knowingly facilitates a significant transaction for Hizballah, or a person acting on behalf of or at the direction of, or owned or controlled by, Hizballah.

[Identifying information on the individuals and entities designated today.](#)

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