



Iran Sanctions Solution

Are your clients or counterparties doing business with Iran? You are accountable.

THE CHALLENGE

In early 2010, after four intensifying rounds of UN sanctions aimed at preventing Iran from developing a nuclear weapons programme, the US and the EU issued their own set of sanctions against Iran, quickly followed by Canada, Australia, South Korea and Japan. Avoiding Iran is not sufficient – you are expected to know if any of your business relationships are linked to Iran.

THE SOLUTION

World-Check Iran Economic Interest (IEI)

Identifying the risks

Identifying where your direct and indirect Iran sanction exposure is hidden is anything but straightforward. You are looking for relevant Iranian entities, as well as non-Iranian entities engaged in the sanction-targeted activity.

Iranian banks and companies are known to conceal their involvement in transactions by using shell companies or removing their names from transaction documents.

Non-sanctioned banks also step in to help conceal sanctioned entities. Recent reports reveal that Iran is secretly setting up banks in Muslim countries with false names and obscure ownership structures. The state of Iran and Iranian-linked companies have been known to use front companies and individuals to conduct business on their behalf.

The penalties for not complying are severe

Rapid and significant enforcement is expected to compel adoption and compliance, with financial services and multinationals as main targets.

Risks include:

Massive fines

1. Twice the transaction value
2. Criminal penalties for willful violations of up to \$1 million or 20 years in prison

Severe
reputational
damage

Loss of
commercial
opportunity

Civil liability

Shareholder risk



It is not as simple as avoiding Iran or Iranian companies. You face risk by doing business with parties that are directly or indirectly engaged in activities targeted by the expanded global Iran sanctions – be they Iranian companies or not.

And then there is the rest of the world. The sanctions apply equally to foreign entities engaged directly or indirectly in the sanction-targeted activities as they do to the Iranian entities engaged in these activities and sectors. Screening for Iranian addresses or Iranian-incorporated entities is not sufficient.

What is expected of you?

Sanctions stipulate that an organization will be held accountable for what it **should have known** about the Iran-related interests of its clients and counterparties. The onus is therefore on you to proactively conduct due diligence and know what information is available in the public domain on those with whom you do business. You need a comprehensive intelligence database derived from credible public sources to uncover your potential risk. Checking watch lists or checking for Iranian addresses or incorporations is not good enough.

About World-Check

Providing highly effective compliance and risk management solutions since 2000, World-Check risk intelligence is used daily by thousands of clients globally to find out who they are really doing business with.

The Iran Economic Interest (IEI) Solution

World-Check, the industry leader in risk management and compliance solutions, now offers a unique and effective solution tailored to reduce the risk posed by international sanctions against Iran. Whilst delivering reliable and useful intelligence, it helps you meet your obligation by providing an auditable paper trail that can be used as proof of due diligence.

The solution has two components:

The IEI Database

The IEI Database empowers businesses to automatically and cost-effectively screen all of their customers, partners, employees and business transactions for potential Iran sanction risk. World-Check's research team, which numbers in the hundreds, monitors the public domain around the clock for parties that are reported to have potentially direct or indirect involvement in activities targeted by the expanded global Iran sanctions. These parties may or may not be violating any sanctions, but their activity warrants further due diligence based on its possible relevance to Iran sanctions. World-Check's solution makes you aware of what information is readily available in the public domain about your customers and counterparties.

The intelligence is captured in a structured file that is updated and delivered to clients daily, in the same industry-standard World-Check file format relied upon by thousands of institutions worldwide. Upon signing up, existing World-Check clients need not make a single change to their settings. The specially keyworded data will be delivered along with their standard World-Check subscription. You can begin monitoring your business for known potential Iran sanction risk instantly.

The IEI IntegraScreen Report

While the IEI Database allows for the automatic screening of every relationship and transaction, select relationships may require a more targeted investigation. Certain indicators warrant enhanced due diligence - individuals and entities with links to sensitive industries or countries, or those with a particular operational history, for example. In such cases, World-Check offers the IEI IntegraScreen Report.

The IEI IntegraScreen Report empowers businesses to quickly and cost-effectively commission a due diligence report on any individual or business relationship of particular concern.

Due to our global research infrastructure, we can conduct intensive research on subjects anywhere. We employ over 350 local language speaking, specialist researchers in 11 key locations worldwide, who speak more than 60 languages between them. We do not use translation software or services. Our researchers not only understand the languages and all of their local nuances, but also understand the local environments and customs. Our language capability means that, for example, if a French company is operating in Iran or the Middle East, we can conduct research in French, Farsi and English. By not relying on third parties, we can provide consistent, high-quality research reports at a set low price and set fast turnaround. Investigations are conducted legally and ethically with the utmost discretion.



As thought leaders and experts in the field of risk mitigation, compliance solutions and open source intelligence, we help clients to successfully navigate today's changing risk landscape. We employ high standards of quality control, structuring raw risk data into valuable and accessible intelligence that assist clients

to comply with legislation and avoid reputational damage, wherever they are. A strong culture of innovation supported by investment in product development ensures that our products continue to evolve as the market changes.

With an annual client renewal rate of more than 95% and clients in various industries including insurance, legal, high-tech, manufacturing, defence, aviation, real estate, consultancy, oil, gas, mining, energy and accounting, World-Check is the product of choice for those who are serious about finding risk.

Contact us for more information

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Understand who you are really doing business with. www.world-check.com