Office of Foreign Assets Control, Treasury

§ 561.405

to the provision of assistance by a for-
eign financial institution for those ef-
forts, activities, or transactions, in-
cluding, but not limited to, the provi-
sion of currency, financial instru-
ments, securities, or any other trans-
mission of value; purchasing; selling; 
transporting; swapping; brokering; fi-
nancing; approving; guaranteeing; or 
the provision of other services of any 
kind; or the provision of personnel; or 
the provision of software, technology, 
or the provision of any kind.

§ 561.404 Significant transaction or 
transactions; significant financial 
services.

In determining, for purposes of para-
graph (a)(5) of §561.201, whether a 
transaction is significant, whether 
transactions are significant, or wheth-
er financial services are significant, 
the Secretary of the Treasury may con-
sider the totality of the facts and cir-
cumstances. As a general matter, the 
Secretary may consider some or all of 
the following factors:

(a) Size, number, and frequency. The 
size, number, and frequency of trans-
actions or financial services performed 
over a period of time, including wheth-
er the transactions or financial serv-
ices are increasing or decreasing over 
time and the rate of increase or de-
crease.

(b) Nature. The nature of the trans-
action(s) or financial services, includ-
ing the type, complexity, and commer-
cial purpose of the transaction(s) or fi-
nancial services.

(c) Level of awareness; pattern of con-
duct. (1) Whether the transaction(s) or 
financial service(s) are performed with 
the involvement or approval of man-
agement or only by clerical personnel; and 
(2) Whether the transaction(s) or fi-
nancial services are part of a pattern of 
conduct or the result of a business de-
velopment strategy.

(d) Nexus. The proximity between the 
party to the transaction or trans-
actions or the provider of the financial 
services and a blocked person described 
in paragraph (a)(5)(i) or (ii) of §561.201. 
For example, a transaction or financial 
service in which a foreign financial in-
stitution provides brokerage or clear-
ing services to such a blocked person in 
a direct customer relationship gen-
erally would be of greater significance 
than a transaction or financial service 
a foreign financial institution provides 
to such a blocked person in an indirect 
or tertiary relationship.

(e) Impact. The impact of the trans-
action(s) or financial services on the 
objectives of the Comprehensive Iran 
Sanctions, Accountability, and Divest-
ment Act of 2010, including:

(1) The economic or other benefit 
conferred or attempted to be conferred 
on a blocked person described in para-
graph (a)(5)(i) or (ii) of §561.201;

(2) Whether and how the trans-
action(s) or financial services con-
tribute to the proliferation of weapons 
of mass destruction or delivery sys-
tems for such weapons, to support for 
international terrorism, or to the sup-
pression of human rights; and

(3) Whether the transaction(s) or fi-
nancial services support humanitarian 
activity or involve the payment of 
basic expenses as specified in and au-
thorized pursuant to UNSC Resolution 
1737 or the payment of extraordinary 
expenses that have been authorized by 
the Sanctions Committee established 
pursuant to UNSC Resolution 1737.

(f) Deceptive practices. Whether the 
transaction(s) or financial services in-
volve an attempt to obscure or conceal 
the actual parties or true nature of the 
transaction(s) or financial service(s).

(g) Other Relevant factors. Such other 
factors that the Secretary deems rel-
levant on a case-by-case basis in deter-
mining the significance of a trans-
action, transactions, or financial serv-
ices.

§ 561.405 Entities owned by a person 
whose property and interests in 
property are blocked.

A person whose property and inter-
ests in property are blocked pursuant 
to the International Emergency Eco-
nomic Powers Act (50 U.S.C. 1701 et 
seq.) ("IEEPA") has an interest in all 
property and interests in property of 
an entity in which it owns, directly or 
indirectly, a 50 percent or greater in-
terest. The property and interests in 
property of such an entity, therefore, 
are blocked, and such an entity is a 
person whose property and interests in 
property are blocked pursuant to