at rates that are commercially reasonable.

(e) This section does not create an affirmative obligation for the holder of blocked tangible property, such as chattels or real estate, or of other blocked property, such as debt or equity securities, to sell or liquidate such property at the time the property becomes subject to §537.201(a). However, the Office of Foreign Assets Control may issue licenses permitting or directing such sales in appropriate cases.

(f) Funds subject to this section may not be held, invested, or reinvested in a manner that provides immediate financial or economic benefit or access to any person whose property or interests in property are blocked pursuant to §537.201(a), nor may their holder cooperate in or facilitate the pledging or other attempted use as collateral of blocked funds or other assets.

§ 537.209 Expenses of maintaining blocked property; liquidation of blocked account.

(a) Except as otherwise authorized, and notwithstanding the existence of any rights or obligations conferred or imposed by any international agreement or contract entered into or any license or permit granted before 12:01 a.m. eastern daylight time, July 29, 2003, all expenses incident to the maintenance of physical property blocked pursuant to §537.201(a), nor may their holder cooperate in or facilitate the pledging or other attempted use as collateral of blocked funds.

(b) Property blocked pursuant to §537.201(a) may, in the discretion of the Director, Office of Foreign Assets Control, be sold or liquidated and the net proceeds placed in a blocked interest-bearing account in the name of the owner of the property.

§ 537.210 Exempt transactions.

(a) Personal communications. The prohibitions contained in this part, other than those set forth in §537.203, do not apply to the importation from any country, or the exportation to any country, whether commercial or otherwise, of information or informational materials, regardless of format or medium of transmission.

NOTE TO PARAGRAPH (b)(1) OF §537.210: Section 537.203 prohibits the importation of products of Burma into the United States pursuant to the Burmese Freedom and Democracy Act of 2003. Therefore, the importation into the United States of information or informational materials that are products of Burma is not exempt from the prohibition set forth in §537.203. However, such transactions are authorized by the general license set forth in §537.515.

(2) This section does not exempt from regulation or authorize transactions related to information or informational materials not fully created and in existence at the date of the transactions, or to the substantive or artistic alteration or enhancement of informational materials, or to the provision of marketing and business consulting services. Such prohibited transactions include, but are not limited to, payment of advances for information or informational materials not yet created and completed (with the exception of prepaid subscriptions for widely-circulated magazines and other periodical publications); provision of services to market, produce or co-produce, create, or assist in the creation of information or informational materials; and, with respect to information or informational materials imported from persons whose property or interests in property are blocked pursuant to §537.201(a), payment of royalties with respect to income received for enhancements or alterations made by U.S. persons to such information or informational materials.

(3) This section does not exempt from regulation or authorize transactions incident to the exportation of software subject to the Export Administration Regulations, 15 CFR parts 730–774, or to the exportation of goods, technology or software, or to the provision, sale, or leasing of capacity on telecommunications transmission facilities (such as satellite or terrestrial network connectivity) for use in the transmission of any data. The exportation of...
such items or services and the provi-
sion, sale, or leasing of such capacity
or facilities to a person whose property
or interests in property are blocked
pursuant to §537.201(a) are prohibited.

(c) Pre-1997 contracts. The prohibi-
tions contained in this part, other than
those set forth in §537.203, do not apply
to any activity undertaken pursuant to
an agreement, or pursuant to the exer-
cise of rights under such an agreement,
that was entered into by a U.S. person
with the Government of Burma or a
non-governmental entity in Burma
prior to 12:01 a.m. eastern daylight
time on May 21, 1997.

(d) Travel exemption. The prohibitions
contained in this part, other than the
prohibition against the importation
into the United States of products of
Burma set forth in §537.203, do not
apply to transactions ordinarily inci-
dent to travel to or from any country,
including exportation or importation
of accompanied baggage (other than
importation of baggage that comes
within the prohibition set forth in
§537.203) for personal use, mainte-
nance within any country, including payment
of living expenses and acquisition of
goods or services for personal use, and
arrangement or facilitation of such
travel, including nonscheduled air, sea,
or land voyages.

NOTE TO §537.211: See the authorizations re-
lating to the importation of certain personal
and household effects set forth in §§537.511
and 537.514.

Subpart C—General Definitions

§537.301 Blocked account; blocked
property.
The terms blocked account and blocked
property shall mean any account or
property subject to the prohibitions in
§537.201 held in the name of a person
whose property or interests in property
are blocked pursuant to §537.201(a), or
in which such person has an interest,
and with respect to which payments,
transfers, exports, imports, withdrawals,
or other dealings may not be made or
affected except pursuant to an author-
ization or license from the Office of
Foreign Assets Control expressly au-
thorizing such action.

§537.302 Economic development of re-
sources located in Burma.

(a) The term economic development of
resources located in Burma means activi-
ties pursuant to a contract the subject
of which includes responsibility for the
development or exploitation of re-
sources located in Burma, including
making or attempting to make those
resources accessible or available for ex-
ploration or economic use. The term
shall not be construed to include not-
for-profit educational, health, or other
humanitarian programs or activities.

(b) Examples: The economic develop-
ment of resources located in Burma in-
cludes a contract conferring rights to
explore for, develop, extract, or refine
petroleum, natural gas, or minerals in
the ground in Burma; or a contract to
assume control of a mining operation
in Burma, acquire a forest or agricul-
tural area for commercial use of the
timber or other crops, or acquire land
for the construction and operation of a
hotel or factory.

§537.303 Effective date.
The term effective date refers to the
effective date of the applicable prohibi-
tions and directives contained in this
part as follows:

(a) With respect to prohibited trans-
fers or other dealings in blocked prop-
erty or interests in property of persons
listed in the Annex to Executive Order
13310 of July 28, 2003 (68 FR 44853, July
30, 2003), 12:01 a.m. eastern daylight
time, July 29, 2003;

(b) With respect to prohibited trans-
fers or other dealings in blocked prop-
erty or interests in property of persons
designated pursuant to §537.201(a)(2),
the earlier of the date on which either
actual notice or constructive notice is
received of such person's designation;

(c) With respect to the exportation or
reexportation of financial services to
Burma prohibited by §537.202, 12:01 a.m.
eastern daylight time, July 29, 2003;

(d) With respect to new investment
prohibited by §537.204, 12:01 a.m. east-
ern daylight time, May 21, 1997.