Office of Foreign Assets Control, Treasury


For purposes of § 535.216, an act of the Government of Iran, includes any acts ordered, authorized, allowed, approved, or ratified by the Government of Iran, its agencies, instrumentalities or controlled entities.


§ 535.335 Claim arising out of events in Iran.

For purposes of § 535.216, a claim is one “arising out of events” of the type specified only if such event is the specific act that is the basis of the claim.


§ 535.337 Funds.

For purposes of this part, the term funds shall mean monies in trust, escrow and similar special funds held by non-banking institutions, currency and coins. It does not include accounts created under § 535.568.


[46 FR 30341, June 8, 1981]
§ 535.413
be deemed to be property in which there exists an interest of Iran or an Iranian entity.
[45 FR 24433, Apr. 9, 1980]

§ 535.413 Transfers between dollar accounts held for foreign banks.

Transfers authorized by §535.901 include transfers by order of a non-Iranian foreign bank from its account in a domestic bank (directly or through a foreign branch or subsidiary of a domestic bank) to an account held by a domestic bank (directly or through a foreign branch or subsidiary) for a second non-Iranian foreign bank which in turn credits an account held by it abroad for Iran. For the purposes of this section, a non-Iranian foreign bank means a bank which is not a person subject to the jurisdiction of the United States.
[44 FR 66833, Nov. 21, 1979]

§ 535.414 Payments to blocked accounts under § 535.508.

(a) Section 535.508 does not authorize any transfer from a blocked account within the United States to an account held by any bank outside the United States or any other payment into a blocked account outside the United States.

(b) Section 535.508 only authorizes payment into a blocked account held by a domestic bank as defined by §535.320.
[44 FR 67617, Nov. 26, 1979]

§ 535.415 Payment by Iranian entities of obligations to persons within the United States.

A person receiving payment under §535.904 may distribute all or part of that payment to anyone: Provided, That any such payment to Iran or an Iranian entity must be to a blocked account in a domestic bank.
[44 FR 67617, Nov. 26, 1979]

§ 535.416 Letters of credit.

(a) Question. Prior to the effective date, a bank subject to the jurisdiction of the United States has issued or confirmed a documentary letter of credit for a non-Iranian account party in favor of an Iranian entity. Can payment be made upon presentation of documentary drafts?

Answer. Yes, provided payment is made into a blocked account in a domestic bank.

(b) Question. Prior to the effective date, a domestic branch of a bank organized or incorporated under the laws of the United States has issued or confirmed a documentary letter of credit for a non-Iranian account party in favor of an Iranian entity. Payment is to be made through a foreign branch of the bank. Can payment be made upon presentation of documentary drafts?

Answer. Yes, provided payment is made into a blocked account in a domestic bank.

(c) Question. Prior to the effective date, a foreign bank confirms a documentary letter of credit issued by its U.S. agency or branch for a non-Iranian account party in favor of an Iranian entity. Can the U.S. agency or branch of the foreign bank transfer funds to the foreign bank in connection with that foreign bank’s payment under the letter of credit?

Answer. No, the U.S. agency’s payment is blocked, unless the foreign bank made payment to the Iranian entity prior to the effective date.

(d) Question. Prior to the effective date, a bank subject to the jurisdiction of the United States has issued or confirmed a documentary letter of credit for a non-Iranian account party in favor of an Iranian entity. The Iranian entity presents documentary drafts which are deficient in some detail. May the non-Iranian account party waive the documentary deficiency and authorize the bank to make payment?

Answer. Yes, provided payment is made into a blocked account in a domestic bank. However, the non-Iranian account party is not obligated by these Regulations to exercise a waiver of documentary deficiencies. In cases where such a waiver is not exercised, the bank’s payment obligation, if any, under the letter of credit remains blocked, as does any obligation, contingent or otherwise, of the account party. The documents are also blocked.

(e) Question. Prior to the effective date, a bank subject to the jurisdiction of the United States has issued or confirmed a documentary letter of credit...