

transaction, or property, in the custody or control of the persons required to make such reports. Reports with respect to transactions may be required either before, during, or after such transactions. Except as provided in parts 596 and 597, the Office of Foreign Assets Control may, through any person or agency, conduct investigations, hold hearings, administer oaths, examine witnesses, receive evidence, take depositions, and require by subpoena the attendance and testimony of witnesses and the production of any books, contracts, letters, papers, and other hard copy or electronic documents relating to any matter under investigation, regardless of whether any report has been required or filed in connection therewith.

(b) For purposes of paragraph (a) of this section, the term “document” includes any written, recorded, or graphic matter or other means of preserving thought or expression (including in electronic format), and all tangible things stored in any medium from which information can be processed, transcribed, or obtained directly or indirectly, including correspondence, memoranda, notes, messages, contemporaneous communications such as text and instant messages, letters, emails, spreadsheets, metadata, contracts, bulletins, diaries, chronological data, minutes, books, reports, examinations, charts, ledgers, books of account, invoices, air waybills, bills of lading, worksheets, receipts, printouts, papers, schedules, affidavits, presentations, transcripts, surveys, graphic representations of any kind, drawings, photographs, graphs, video or sound recordings, and motion pictures or other film.

(c) Persons providing documents to OFAC pursuant to this section must produce documents in a usable format agreed upon by OFAC. For guidance, see OFAC’s data delivery standards available on OFAC’s website (<http://www.treasury.gov/ofac>).

NOTE 1 TO § 501.602: See subpart F of part 597 for the relationship between this section and part 597.

[84 FR 29053, June 21, 2019]

§ 501.603 Reports on blocked and unblocked property.

(a) *Who must report*—(1) *Holders of blocked property.* Any U.S. person (or person subject to U.S. jurisdiction), including a financial institution, holding property blocked pursuant to this chapter or releasing property from blocked status (*i.e.*, unblocking property) pursuant to this chapter shall submit the relevant reports described in this section to the Office of Foreign Assets Control (OFAC). This requirement applies to all U.S. persons (or persons subject to U.S. jurisdiction) who have or have had in their possession or control any property blocked pursuant to this chapter, including financial institutions that receive and block payments or transfers.

(2) *Primary responsibility to report.* A report may be filed on behalf of a holder of blocked property or a releaser of property from blocked status by an attorney, agent, or other person. Primary responsibility for reporting, however, rests with the actual holder or releaser of the property, or the person exercising control over property located outside the United States, with the following exceptions: Primary responsibility for reporting any trust assets rests with the trustee; and primary responsibility for reporting real property rests with any U.S. co-owner, legal representative, agent, or property manager in the United States. No person is excused from filing a report by reason of the fact that another person has submitted a report with regard to the same property, except upon actual knowledge of the report filed by such other person.

(3) *Financial institution.* For purposes of this section, the term “financial institution” includes a banking institution, domestic bank, United States depository institution, financial institution, or U.S. financial institution, as those terms are defined in the applicable part of this chapter.

(b) *What must be reported*—(1) *Initial blocking reports*—(i) *When reports are due.* Reports shall be filed within 10 business days from the date that property becomes blocked.

(ii) *Required information to be reported.* Initial reports on blocked property shall include the following:

(A) The name and address of the person holding the property blocked pursuant to this chapter (*i.e.*, the person filing the report on blocked property, such as a financial institution), and the name, telephone number, and email address of a contact from whom additional information may be obtained;

(B) A description of any transaction associated with the blocking, including: The type of transaction; any persons, including financial institutions, participating in the transaction and their respective locations (*e.g.*, if relevant, customers, beneficiaries, originators, letter of credit applicants, and their banks; intermediary banks; correspondent banks; issuing banks; and advising or confirming banks); and any reference numbers, dates, or other information necessary to identify the transaction;

(C) The associated sanctions target(s) whose property is blocked (such as a Specially Designated National or other blocked person), the location(s) of the target(s) (if known), and, if not evident, a narrative description of the interest(s) of the target(s) in the property; if there is no target or the target is not known, include a reference to the relevant written communication from OFAC pursuant to which the blocking action was taken;

(D) A description of the property that is the subject of the blocking and its location in the United States or otherwise, including any relevant account numbers and account types, check numbers, reference numbers, dates, or other information necessary to identify the property;

(E) The date the property was blocked;

(F) The actual, or if unknown, estimated value of the property in U.S. Dollars. If the blocked property represents an outstanding loan, a credit card receivable, or other property with a negative balance, the amount blocked should be reported as \$0.00 (zero) with the amount owed reflected in a narrative description. Blocked trade finance documents should also be reported as \$0.00 (zero) with the value of the shipment reflected in a narrative description. Transactions blocked in foreign currencies must be reported in U.S. Dollars with the foreign currency

amount and notional exchange rate in the narrative;

(G) The legal authority or authorities under which the property is blocked and any action taken with respect to the property (*e.g.*, that the property has been deposited into a new or existing blocked, interest-bearing account that is labeled as such and is established in the name of, or contains a means of clearly identifying the interest of, the person subject to blocking pursuant to the requirements of this chapter). This may include a reference to the sanctions program (current programs are listed here: www.treasury.gov/resource-center/sanctions/SDN-List/Pages/program_tags.aspx), the applicable part of this chapter (*e.g.*, 31 CFR part 515, 31 CFR part 544), an Executive order (E.O.) (*e.g.*, E.O. 13224, E.O. 13599), or a statute (*e.g.*, Foreign Narcotics Kingpin Designation Act). (*Note:* For this purpose, the term “SDN” is generic and cannot be used to identify the legal authority for blocking property); and

(H) A copy of any payment or transfer instructions, check, letter of credit, accompanying bill of lading, invoice, or any other relevant documentation received in connection with any related transaction.

(2) *Annual reports of blocked property—*
(i) *When reports are due.* A report on all blocked property held as of June 30 of the current year shall be filed annually by September 30.

(ii) *Required information to be reported.* Annual reports on blocked property shall include the following:

(A) The name and address of the person holding the property blocked pursuant to this chapter (*i.e.*, the person filing the report on blocked property, such as a financial institution), and the name, telephone number, and email address of a contact from whom additional information may be obtained;

(B) The number of accounts or items reported in the annual report;

(C) Beginning with the annual report due no later than September 30, 2020, and for each subsequent reporting year, the associated sanctions target(s) whose property is blocked, such as a Specially Designated National or other blocked person, the location(s) of the target(s), if known, and, if not evident,

a narrative description of the interest(s) of the target(s) in the transaction; if there is no target or the target is not known, include a reference to the relevant written communication from OFAC pursuant to which the blocking action was taken;

(D) A description of the property that is the subject of the blocking and its location in the United States or otherwise, including any relevant account numbers and account types, check numbers, reference numbers, dates, or other information necessary to identify the property;

(E) The date the property was blocked;

(F) The actual, or if unknown, estimated value of the property in U.S. Dollars as of June 30. If a June 30 value date is not available and a value date other than June 30 is reported, so indicate. If the blocked property represents an outstanding loan, a credit card receivable, or other property with a negative balance, the amount blocked should be reported as \$0.00 (zero) with the amount owed reflected in a narrative description. Blocked trade finance documents should also be reported as \$0.00 (zero) with the value of the shipment reflected in a narrative description. Transactions blocked in foreign currencies must be reported in U.S. Dollars with the foreign currency amount and notional exchange rate in the narrative; and

(G) The legal authority or authorities under which the property is blocked. This may include a reference to the sanctions program (current programs are listed here: www.treasury.gov/resource-center/sanctions/SDN-List/Pages/program_tags.aspx), the applicable part of this chapter (e.g., 31 CFR part 515, 31 CFR part 544), an Executive order (E.O.) (e.g., E.O. 13224, E.O. 13599), or a statute (e.g., Foreign Narcotics Kingpin Designation Act). (Note: For this purpose, the term “SDN” is generic and cannot be used to identify the legal authority for blocking property).

(iii) *Format of annual reports.* Annual reports shall be submitted to OFAC either using the most recent version of Form TDF 90-22.50, Annual Report of Blocked Property, or by another official reporting option, including elec-

tronic, as specified by OFAC on its website (<http://www.treasury.gov/ofac>). While blocked funds may be maintained in omnibus accounts, the annual reports must contain a disaggregated list showing each blocked asset contained within the omnibus account. Form TDF 90-22.50 may be obtained directly from OFAC by downloading the form from the OFAC Reporting and License Application Forms page on OFAC's website (<https://www.treasury.gov/resource-center/sanctions/Pages/forms-index.aspx>). Requests to submit the information required pursuant to § 501.603(b)(2)(ii) in an alternative format developed by the reporter are invited and will be considered by OFAC on a case-by-case basis. A copy of reports submitted pursuant to § 501.603(b)(2) shall be retained for the submitter's records.

(3) *Unblocking reports—(i) When reports are due.* These reports are only due when specifically required by OFAC, such as when they are made a condition of a general or specific license, and shall be filed within 10 business days from the date property is unblocked.

(ii) *Required information to be reported.* Reports on the release of property from blocked status (i.e., property that is unblocked) shall include the following:

(A) The name and address of the person holding the property immediately prior to the property's release from blocked status (i.e., the person filing the unblocking report, such as a financial institution), and the name, telephone number, and email address of a contact from whom additional information may be obtained;

(B) The associated sanctions target(s) whose property had been previously blocked and was released from blocked status, such as a Specially Designated National or other blocked person, the location(s) of the target(s), if known, and, if not evident, a narrative description of the interest(s) of the target(s) in the previously blocked property or transaction; if there is no target or the target is not known, include a reference to the relevant written communication from OFAC pursuant to which the blocking action was taken;

(C) A description of the property that has been unblocked and its location in

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the United States or otherwise immediately prior to its release from blocked status, including any relevant account numbers and account types, check numbers, reference numbers, dates, or other information necessary to identify the property;

(D) The date the property was unblocked;

(E) The actual value of the property that was released from blocked status in U.S. Dollars. If the property represented an outstanding loan, a credit card receivable, or other property with a negative balance, the amount unblocked should be reported as \$0.00 (zero) with the amount owed reflected in a narrative description. Trade finance documents should also be reported as \$0.00 (zero) with the value of the shipment reflected in a narrative description. Transactions that were previously blocked in foreign currencies and were unblocked in a foreign currency must be reported in U.S. Dollars with the foreign currency amount and notional exchange rate in the narrative;

(F) The legal authority or authorities under which the property was unblocked. This may include, for example, reference to a specific or general license under an applicable part of this chapter or an E.O.; and

(G) A copy of the original blocking report filed with OFAC pursuant to § 501.603(b)(1), when available.

(c) *Reports on retained funds pursuant to § 596.504(b) of this chapter.* The reporting requirements set forth in this section are applicable to any person retaining funds pursuant to § 596.504(b) or releasing such funds.

(d) *Where to report.* All reports under this section shall be submitted to OFAC using one of the following methods: Email: OFACreport@treasury.gov; U.S. mail: Office of Foreign Assets Control, Sanctions Compliance and Evaluation Division, U.S. Department of the Treasury, 1500 Pennsylvania Avenue, NW, Freedman's Bank Building, Washington, DC 20220; or any other official reporting option, including electronic, as specified by OFAC on its website (<http://www.treasury.gov/ofac>). OFAC strongly prefers to receive reports made pursuant to this section by email or any other official electronic

reporting option, as specified by OFAC on its website.

(e) *Rules governing availability of information.* OFAC records are made available to the public in accordance with the Freedom of Information Act (FOIA) (5 U.S.C. 552) and the provisions of 31 CFR part 1. See 31 CFR 1.5 for provisions pertaining to business information. Reports on blocked and unblocked property and the information required to be reported to OFAC pursuant to this section are subject to the FOIA. Information provided to OFAC pursuant to this section generally will be released upon the receipt of a valid FOIA request, unless OFAC determines that such information should be withheld in accordance with an applicable FOIA exemption.

[84 FR 29058, June 21, 2019]

§ 501.604 Reports on rejected transactions.

(a) *Who must report—(1) Persons rejecting transactions.* Any U.S. person (or person subject to U.S. jurisdiction), including a financial institution, that rejects a transaction that is not blocked under the provisions of this chapter, but where processing or engaging in the transaction would nonetheless violate a provision contained in this chapter, shall submit a report to the Office of Foreign Assets Control (OFAC).

(2) *Financial institution.* For purposes of this section, the term “financial institution” includes a banking institution, domestic bank, United States depository institution, financial institution, or U.S. financial institution, as those terms are defined in the applicable part of this chapter.

(3) *Transaction.* The term transaction includes transactions related to wire transfers, trade finance, securities, checks, foreign exchange, and goods or services.

(b) *Required information to be reported.* Reports on rejected transactions shall include the following:

(1) The name and address of the person that rejected the transaction pursuant to this chapter (*i.e.*, the person filing the report on the rejected transaction, such as a financial institution), and the name and telephone number of a contact from whom additional information may be obtained;