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rulemaking; and requests for documents pursuant to the Freedom of Information and Privacy Acts (5 U.S.C. 552 and 552a), see part 501, subpart E, of this chapter.

[64 FR 8716, Feb. 23, 1999, as amended at 68 FR 53658, Sept. 11, 2003]

§ 539.802 Delegation by the Secretary of the Treasury.

Any action that the Secretary of the Treasury is authorized to take pursuant to Executive Order 12938 of November 14, 1994 (59 FR 59099, 3 CFR, 1994 Comp., p. 950), as amended by Executive Order 13094 of July 28, 1998 (63 FR 40803, July 30, 1998), and any further Executive orders relating to the national emergency declared in Executive Order 12938 may be taken by the Director of the Office of Foreign Assets Control or by any other person to whom the Secretary of the Treasury has delegated authority so to act.

Subpart I—Paperwork Reduction Act

§ 539.901 Paperwork Reduction Act notice.

For approval by the Office of Management and Budget (“OMB”) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3507) of information collections relating to recordkeeping and reporting requirements, licensing procedures (including those pursuant to statements of licensing policy), and other procedures, see § 501.901 of this chapter. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

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AUTHORITY: 3 U.S.C. 301; 31 U.S.C. 321(b); 18 U.S.C. 2332d; 22 U.S.C. 287c; 22 U.S.C. 8791-8793; 22 U.S.C. 9528; 50 U.S.C. 1601-1651, 1701-1706; Pub. L. 108-175 (22 U.S.C. 2151 note); Pub. L. 116-92, Div. F, Title LXXIV, 133 Stat. 2291 (22 U.S.C. 8791 note); Pub. L. 101-410, 104 Stat. 890, as amended (28 U.S.C. 2461 note); E.O. 13338, 69 FR 26751, 3 CFR, 2004 Comp., p. 168; E.O. 13399, 71 FR 25059, 3 CFR, 2006 Comp., p. 218; E.O. 13460, 73 FR 8991, 3 CFR 2008 Comp., p. 181; E.O. 13572, 76 FR 24787, 3 CFR 2011 Comp., p. 236; E.O. 13573, 76 FR 29143, 3 CFR 2011 Comp., p. 241; E.O. 13582, 76 FR 52209, 3 CFR 2011 Comp., p. 264; E.O. 13606, 77 FR 24571, 3 CFR 2012 Comp., p. 243; E.O.13608, 77 FR 26409, 3 CFR, 2012 Comp., p. 252.

SOURCE: 79 FR 25416, May 2, 2014, unless otherwise noted.

Subpart A—General Provisions**§ 542.101 Relation of this part to other laws and regulations.**

This part is separate from, and independent of, the other parts of this chapter, with the exception of part 501 of this chapter, the recordkeeping and reporting requirements and license application and other procedures of which apply to this part. Actions taken pursuant to part 501 of this chapter with respect to the prohibitions contained in this part are considered actions taken pursuant to this part. Differing foreign policy and national security circumstances may result in differing interpretations of similar language among the parts of this chapter. No license or authorization contained in or issued pursuant to those other parts authorizes any transaction prohibited by this part. No license or authorization contained in or issued pursuant to any other provision of law or regulation authorizes any transaction prohibited by this part. No license or authorization contained in or issued pursuant to this part relieves the involved parties from complying with any other applicable laws or regulations.

§ 542.102 Records and reports.

For provisions relating to required records and reports, see part 501, subpart C, of this chapter. Recordkeeping and reporting requirements imposed by part 501 of this chapter with respect to the prohibitions contained in this part are considered requirements arising pursuant to this part.

[79 FR 25416, May 2, 2014. Redesignated from § 542.601 at 89 FR 48313, June 6, 2024]

§ 542.103 Procedures.

For license application procedures and procedures relating to amendments, modifications, or revocations of licenses; administrative decisions; rulemaking; and requests for documents pursuant to the Freedom of Information and Privacy Acts (5 U.S.C. 552 and 552a), see part 501, subpart E, of this chapter.

[79 FR 25416, May 2, 2014. Redesignated from § 542.801 at 89 FR 48313, June 6, 2024]

§ 542.104 Paperwork Reduction Act notice.

For approval by the Office of Management and Budget (“OMB”) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3507) of information collections relating to recordkeeping and reporting requirements, licensing procedures (including those pursuant to statements of licensing policy), and other procedures, see § 501.901 of this chapter. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

[79 FR 25416, May 2, 2014. Redesignated from § 542.901 at 89 FR 48313, June 6, 2024]

§ 542.105 [Reserved]**§ 542.106 Delegation of certain authorities of the Secretary of the Treasury.**

Any action that the Secretary of the Treasury is authorized to take pursuant to E.O. 13338 of May 11, 2004, and any further Executive orders relating to the national emergency declared therein, any action that the Secretary of the Treasury is authorized to take pursuant to the Presidential Memorandum of October 9, 2012: Delegation of Certain Functions and Authorities under the Iran Threat Reduction and Syria Human Rights Act of 2012; the Presidential Memorandum of September 29, 2017: Memorandum on Delegation of Certain Functions and Authorities Under the Countering America’s Adversaries Through Sanctions Act of 2017, the Ukraine Freedom Support Act of 2014, and the Support for the Sovereignty, Integrity, Democracy, and Economic Stability of Ukraine Act of 2014; or the Presidential Memorandum of March 31, 2020: Delegation of Certain Functions and Authorities Under the National Defense Authorization Act for Fiscal Year 2020, may be taken by the Director of OFAC or by any other person to whom the Secretary of the Treasury has delegated authority so to act.

[89 FR 41313, June 6, 2024]

Subpart B—Prohibitions**§ 542.201 Prohibited transactions involving blocked property.**

(a) All property and interests in property that are in the United States, that come within the United States, or that are or come within the possession or control of any U.S. person are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in:

(1) *E.O. 13582*. The Government of Syria and any person determined by the Secretary of the Treasury, in consultation with the Secretary of State:

(i) To have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, the Government of Syria or any other person whose property and interests in property are blocked pursuant to this paragraph (a)(1); or

(ii) To be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, the Government of Syria or any other person whose property and interests in property are blocked pursuant to this paragraph (a)(1).

(2) *E.O. 13338, as amended by E.O. 13460*. Any person determined by the Secretary of the Treasury, in consultation with the Secretary of State:

(i) To be or to have been directing or otherwise significantly contributing to the Government of Syria's provision of safe haven to or other support for any person whose property and interests in property are blocked under United States law for terrorism-related reasons, including, but not limited to, Hamas, Hizballah, Palestinian Islamic Jihad, the Popular Front for the Liberation of Palestine, the Popular Front for the Liberation of Palestine-General Command, and any persons designated pursuant to E.O. 13224 of September 23, 2001;

(ii) To be or to have been directing or otherwise significantly contributing to the Government of Syria's military or security presence in Lebanon;

(iii) To be or to have been directing or otherwise significantly contributing to the Government of Syria's pursuit of the development and production of chemical, biological, or nuclear weap-

ons and medium- and long-range surface-to-surface missiles;

(iv) To be or to have been responsible for or otherwise significantly contributing to actions taken or decisions made by the Government of Syria that have the purpose or effect of undermining efforts to stabilize Iraq or of allowing the use of Syrian territory or facilities to undermine efforts to stabilize Iraq; or

(v) To be owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, any person whose property or interests in property are blocked pursuant this paragraph (a)(2).

(3) *E.O. 13399*. Any person determined by the Secretary of the Treasury, in consultation with the Secretary of State:

(i) To be, or to have been, involved in the planning, sponsoring, organizing, or perpetrating of:

(A) The terrorist act in Beirut, Lebanon, that resulted in the assassination of former Lebanese Prime Minister Rafiq Hariri and the deaths of 22 others; or

(B) Any other bombing, assassination, or assassination attempt in Lebanon since October 1, 2004, that is related to Hariri's assassination or that implicates the Government of Syria or its officers or agents;

(ii) To have obstructed or otherwise impeded the work of the Commission established pursuant to United Nations Security Council Resolution 1595 of April 7, 2005;

(iii) To have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, any such terrorist act, bombing, or assassination attempt, or any person designated pursuant to this paragraph (a)(3); or

(iv) To be owned or controlled by, or acting or purporting to act for or on behalf of, directly or indirectly, any person designated pursuant to this paragraph (a)(3).

(4) *E.O. 13460*. Any person determined by the Secretary of the Treasury, in consultation with the Secretary of State, to be responsible for, to have engaged in, to have facilitated, or to have secured improper advantage as a result

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of, public corruption by senior officials within the Government of Syria.

(5) *E.O. 13572 Annex.* The persons listed in the Annex to E.O. 13572 of April 29, 2011.

(6) *E.O. 13572.* Any person determined by the Secretary of the Treasury, in consultation with the Secretary of State:

(i) To be responsible for or complicit in, or responsible for ordering, controlling, or otherwise directing, or to have participated in, the commission of human rights abuses in Syria, including those related to repression;

(ii) To be a senior official of an entity whose property and interests in property are blocked pursuant to paragraph (a)(5) of this section or this paragraph (a)(6);

(iii) To have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, the activities described in paragraph (a)(6)(i) of this section or any person whose property and interests in property are blocked pursuant to paragraph (a)(2) of this section or paragraphs (a)(4) and (5) of this section and this paragraph (a)(6); or

(iv) To be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to paragraphs (a)(4) and (5) of this section and this paragraph (a)(6).

(7) *E.O. 13573 Annex.* The persons listed in the Annex to E.O. 13573 of May 18, 2011.

(8) *E.O. 13573.* Any person determined by the Secretary of the Treasury, in consultation with the Secretary of State:

(i) To be a senior official of the Government of Syria;

(ii) To be an agency or instrumentality of the Government of Syria, or owned or controlled, directly or indirectly, by the Government of Syria or by an official or officials of the Government of Syria;

(iii) To have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, any person whose property and interests in property are blocked pursuant to para-

graph (a)(7) of this section or this paragraph (a)(8); or

(iv) To be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to paragraph (a)(7) of this section or this paragraph (a)(8).

(9) *E.O. 13606 Annex.* The persons listed in the Annex to E.O. 13606 of April 22, 2012.

(10) *E.O. 13606.* Any person determined by the Secretary of the Treasury, in consultation with or at the recommendation of the Secretary of State:

(i) To have operated, or to have directed the operation of, information and communications technology that facilitates computer or network disruption, monitoring, or tracking that could assist in or enable serious human rights abuses by or on behalf of the Government of Syria;

(ii) To have sold, leased, or otherwise provided, directly or indirectly, goods, services, or technology to Syria likely to be used to facilitate computer or network disruption, monitoring, or tracking that could assist in or enable serious human rights abuses by or on behalf of the Government of Syria;

(iii) To have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, the activities described in paragraph (a)(10)(i) or (ii) of this section, or any person whose property and interests in property are blocked pursuant to paragraph (a)(9) of this section or this paragraph (a)(10); or

(iv) To be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to paragraph (a)(9) of this section or this paragraph (a)(10).

(11) *Syria Human Rights Accountability Act of 2012.* (i) A person that is included by the Secretary of State, in consultation with the Secretary of Treasury, in the list submitted pursuant to section 702(b) of the Syria Human Rights Accountability Act of 2012 (22 U.S.C. 8791(b)) (SHRAA), because the person is an official of the Government of Syria

or a person acting on behalf of the Government of Syria, that is determined by the Secretary of the Treasury, in consultation with or at the recommendation of the Secretary of State, based on credible evidence, to be responsible for or complicit in, or responsible for ordering, controlling, or otherwise directing, the commission of serious human rights abuses against citizens of Syria or their family members, regardless of whether such abuses occurred in Syria;

(ii) A person that is included by the Secretary of State, in consultation with the Secretary of Treasury, in the list submitted pursuant to section 703(b) of the SHRAA (22 U.S.C. 8792(b)), because the person is determined by the Secretary of the Treasury, in consultation with or at the recommendation of the Secretary of State, to have knowingly engaged in one of the following activities on or after August 10, 2012:

(A) The transfer, or the facilitation of the transfer of, goods or technologies described in paragraph (a)(11)(ii)(C) of this section to Syria; or

(B) The provision of services with respect to goods or technologies described in paragraph (a)(11)(ii)(C) of this section after such goods or technologies are transferred to Syria.

(C) Goods or technologies described in paragraphs (a)(11)(ii)(A) and (B) of this section are goods or technologies that the Secretary of the Treasury, in consultation with or at the recommendation of the Secretary of State, determines are likely to be used by the Government of Syria or any of its agencies or instrumentalities to commit human rights abuses against the people of Syria, including:

(1) Firearms or ammunition (as those terms are defined in 18 U.S.C. 921), rubber bullets, police batons, pepper or chemical sprays, stun grenades, electroshock weapons, tear gas, water cannons, or surveillance technology; or

(2) Sensitive technology, as defined in § 542.320;

(iii) A person that the Secretary of Treasury, in consultation with or at the recommendation of the Secretary of State, determines:

(A) Is a successor entity to a person blocked pursuant to paragraph (a)(11)(ii) of this section;

(B) Owns or controls a person blocked pursuant to paragraph (a)(11)(ii) of this section, if the person that owns or controls such blocked person had actual knowledge, or should have known, that the blocked person engaged in the activity described in paragraph (a)(11)(ii) for which the person was blocked pursuant to paragraph (a)(11)(ii); or

(C) Is owned or controlled by, or under common ownership or control with, a person blocked pursuant to paragraph (a)(11)(ii) of this section, if the person owned or controlled by, or under common ownership or control with (as the case may be), the person blocked pursuant to paragraph (a)(11)(ii) knowingly engaged in the activity described in paragraph (a)(11)(ii) for which the person was blocked pursuant to paragraph (a)(11)(ii); or

(iv) A person that is included by the Secretary of State, in consultation with the Secretary of the Treasury, in the list submitted pursuant to section 704(b) of the SHRAA (22 U.S.C. 8793(b)), because the person is determined by the Secretary of the Treasury, in consultation with or at the recommendation of the Secretary of State, to have engaged in censorship, or activities relating to censorship, in a manner that prohibits, limits, or penalizes the legitimate exercise of freedom of expression by citizens of Syria.

(12) *Section 234 of the Countering America's Adversaries Through Sanctions Act (22 U.S.C. 9528)*. (i) A foreign person determined by the Secretary of the State, in consultation with the Secretary of the Treasury, to have, on or after August 2, 2017, knowingly exported, transferred, or otherwise provided to Syria, significant financial, material, or technological support that contributes materially to the ability of the Government of Syria to:

(A) Acquire or develop chemical, biological, or nuclear weapons or related technologies;

(B) Acquire or develop ballistic or cruise missile capabilities;

(C) Acquire or develop destabilizing numbers and types of advanced conventional weapons;

(D) Acquire significant defense articles, defense services, or defense information (as such terms are defined under the Arms Export Control Act (22 U.S.C. 2751 *et seq.*); or

(E) Acquire those items designated as items on the United States Munitions List under section 38(a)(1) of the Arms Export Control Act (22 U.S.C. 2778(a)(1));

(ii) A foreign person determined by the Secretary of the Treasury, in consultation with the Secretary of State, to be a successor entity to a foreign person described in paragraph (a)(12)(i) of this section; or

(iii) A foreign person determined by the Secretary of the Treasury, in consultation with the Secretary of State, to be owned or controlled by, or to have acted for or on behalf of, a foreign person described in paragraph (a)(12)(i) of this section.

(13) *Section 7412 of the Caesar Syria Civilian Protection Act of 2019.* Any foreign person that the Secretary of the Treasury, in consultation with the Secretary of State, determines knowingly engages in one of the following activities on or after June 17, 2020:

(i) Knowingly provides significant financial, material, or technological support to, or knowingly engaged in a significant transaction with:

(A) The Government of Syria (including any entity owned or controlled by the Government of Syria) or a senior political figure of the Government of Syria;

(B) A foreign person that is a military contractor, mercenary, or a paramilitary force knowingly operating in a military capacity inside Syria for or on behalf of the Government of Syria, the Government of the Russian Federation, or the Government of Iran; or

(C) A foreign person subject to sanctions pursuant to International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) with respect to Syria or any other provision of law that imposes sanctions with respect to Syria;

(ii) Knowingly sells or provides significant goods, services, technology, information, or other support that significantly facilitates the maintenance or expansion of the Government of Syria's domestic production of natural gas, petroleum, or petroleum products;

(iii) Knowingly sells or provides aircraft or spare aircraft parts that are used for military purposes in Syria for or on behalf of the Government of Syria to any foreign person operating in an area directly or indirectly controlled by the Government of Syria or foreign forces associated with the Government of Syria;

(iv) Knowingly provides significant goods or services associated with the operation of aircraft that are used for military purposes in Syria for or on behalf of the Government of Syria to any foreign person operating in an area described in paragraph (a)(13)(iii) of this section; or

(v) Knowingly, directly or indirectly, provides significant construction or engineering services to the Government of Syria.

(b) The prohibitions in paragraph (a) of this section include prohibitions on the following transactions:

(1) The making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any person whose property and interests in property are blocked pursuant to paragraph (a) of this section; and

(2) The receipt of any contribution or provision of funds, goods, or services from any person whose property and interests in property are blocked pursuant to paragraph (a) of this section.

(c) Unless authorized by this part or by a specific license expressly referring to this part, any dealing in securities (or evidence thereof) held within the possession or control of a U.S. person and either registered or inscribed in the name of, or known to be held for the benefit of, or issued by, the Government of Syria or any other person whose property and interests in property are blocked pursuant to paragraph (a) of this section is prohibited. The prohibition in paragraph (a) includes the transfer (including the transfer on the books of any issuer or agent thereof), disposition, transportation, importation, exportation, or withdrawal of, or the endorsement or guaranty of signatures on, any securities on or after the effective date. The prohibition in paragraph (a) applies irrespective of the fact that at any time (whether prior to, on, or subsequent to the effective date) the registered or inscribed

owner of any such securities may have or might appear to have assigned, transferred, or otherwise disposed of the securities.

(d) The prohibitions in paragraph (a) of this section apply except to the extent provided by statutes, or in regulations, rulings, instructions, orders, directives, or licenses that may be issued pursuant to this part, and notwithstanding any contract entered into or any license or permit granted prior to the effective date.

(e) All transactions prohibited pursuant to any Executive order issued after May 1, 2012 pursuant to the national emergency declared in E.O. 13338 of May 11, 2004, are prohibited pursuant to this part.

NOTE 1 TO § 542.201. The names of persons designated or identified as blocked pursuant to E.O. 13338, E.O. 13399, E.O. 13460, E.O. 13572, E.O. 13573, E.O. 13582, E.O. 13606, or any further Executive orders issued pursuant to the national emergency declared in E.O. 13338, whose property and interests in property therefore are blocked pursuant to this section, are published in the FEDERAL REGISTER and incorporated into OFAC's Specially Designated Nationals and Blocked Persons List (SDN List) using the following identifiers: for E.O. 13338, E.O. 13399, E.O. 13460, E.O. 13572, E.O. 13573, or E.O. 13582: "[SYRIA]"; for E.O. 13606: "[HRIT-SY]"; and for any further Executive orders issued pursuant to the national emergency declared in E.O. 13338: using the identifier formulation "[SYRIA-E.O.[E.O. number pursuant to which the person's property and interests in property are blocked]]." The names of persons designated or identified as blocked pursuant to the Syria Human Rights Accountability Act of 2012, whose property and interests in property therefore are blocked pursuant to this section, are published in the FEDERAL REGISTER and incorporated into the SDN List with the identifier "[SYRIA-TRA]." The names of persons designated or identified as blocked pursuant to Section 234(a) of the Countering America's Adversaries Through Sanctions Act, whose property and interests in property therefore are blocked pursuant to this section, are published in the FEDERAL REGISTER and incorporated into the SDN List with the identifier "[CAATSA-SYRIA]." The names of persons designated or identified as blocked pursuant to Section 7412 of the Caesar Syria Civilian Protection Act of 2019 ("Caesar Act"), whose property and interests in property therefore are blocked pursuant to this section, are published in the FEDERAL REGISTER and incorporated into the SDN List with the identifier "[SYRIA-CAESAR]." E.O. 13582 blocks the property and in-

terests in property of the Government of Syria, as defined in § 542.308. The property and interests in property of persons who meet the definition of the term Government of Syria are blocked pursuant to paragraph (a) of this section regardless of whether the names of such persons are published in the FEDERAL REGISTER or incorporated into the SDN List. Certain transactions with persons blocked pursuant to paragraph (a) of this section may result in the imposition of secondary sanctions pursuant to the Caesar Act, and therefore such blocked persons' entries on the SDN List will be updated to include the descriptive prefix text "Secondary sanctions risk:", followed by information about the applicable secondary sanctions authority. The SDN List is accessible through the following page on OFAC's website: <https://ofac.treasury.gov>. Additional information pertaining to the SDN List can be found in appendix A to this chapter. See § 542.411 concerning entities that may not be listed on the SDN List but whose property and interests in property are nevertheless blocked pursuant to this section.

NOTE 2 TO § 542.201. Section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702) authorizes the blocking of property and interests in property of a person during the pendency of an investigation. Except as described in note 3 to this section, the names of persons whose property and interests in property are blocked pending investigation pursuant to this section are published in the FEDERAL REGISTER and incorporated into the SDN List using the following identifiers: for E.O. 13338, E.O. 13399, E.O. 13460, E.O. 13572, E.O. 13573, or E.O. 13582: "[BPI-SYRIA]"; for E.O. 13606: "[BPI-HRIT-SY]"; for the Syria Human Rights Accountability Act of 2012: "[BPI-SYRIA-TRA]"; for Section 234 of the Countering America's Adversaries Through Sanctions Act: "[BPI-CAATSA-SYRIA]"; for Section 7412 of the Caesar Syria Civilian Protection Act of 2019: "[BPI-CAESAR]"; or for any further Executive orders issued pursuant to the national emergency declared in E.O. 13338: using the identifier formulation "[BPI-SYRIA-E.O.[E.O. number pursuant to which the person's property and interests in property are blocked pending investigation]]."

NOTE 3 TO § 542.201: In certain cases, OFAC may issue an order to: identify as blocked specific property or interests in property of a person designated or otherwise blocked pursuant to this section; block specific property or interests in property of a person pending investigation; or block or impose other prohibitions with respect to specific property or interests in property less than full blocking sanctions. Notice of such orders will be provided: by publication in the FEDERAL REGISTER; in writing to persons OFAC may assess to have an interest in the property; or by issuing an order or directive in writing to

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financial institutions or other transaction intermediaries, and requiring the recipient of the order or directive to promptly disclose it to affected persons with whom the recipient maintains direct commercial relationships. Inquiries regarding any such order should be directed to OFAC's Compliance Division at 202-622-2490 or <https://ofac.treasury.gov/contact-ofac>.

NOTE 4 TO § 542.201: Subpart E of part 501 of this chapter describes the procedures to be followed for the release of property and interests in property blocked pursuant to this section, including funds blocked due to mistaken identity or typographical or similar errors, and for administrative reconsideration of one's status as a person whose property and interests in property are blocked pursuant to paragraph (a) of this section.

[89 FR 48314, June 6, 2024, as amended at 89 FR 75959, Sept. 17, 2024]

§ 542.202 Effect of transfers violating the provisions of this part.

(a) Any transfer after the effective date that is in violation of any provision of this part or of any regulation, order, directive, ruling, instruction, or license issued pursuant to this part, and that involves any property or interest in property blocked pursuant to § 542.201, is null and void and shall not be the basis for the assertion or recognition of any interest in or right, remedy, power, or privilege with respect to such property or property interest.

(b) No transfer before the effective date shall be the basis for the assertion or recognition of any right, remedy, power, or privilege with respect to, or any interest in, any property or interest in property blocked pursuant to § 542.201, unless the person who holds or maintains such property, prior to that date, had written notice of the transfer or by any written evidence had recognized such transfer.

(c) Unless otherwise provided, a license or other authorization issued by OFAC before, during, or after a transfer shall validate such transfer or make it enforceable to the same extent that it would be valid or enforceable but for the provisions of this part and any regulation, order, directive, ruling, instruction, or license issued pursuant to this part.

(d) Transfers of property that otherwise would be null and void or unenforceable by virtue of the provisions of

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this section shall not be deemed to be null and void or unenforceable as to any person with whom such property is or was held or maintained (and as to such person only) in cases in which such person is able to establish to the satisfaction of OFAC each of the following:

(1) Such transfer did not represent a willful violation of the provisions of this part by the person with whom such property is or was held or maintained (and as to such person only);

(2) The person with whom such property is or was held or maintained did not have reasonable cause to know or suspect, in view of all the facts and circumstances known or available to such person, that such transfer required a license or authorization issued pursuant to this part and was not so licensed or authorized, or, if a license or authorization did purport to cover the transfer, that such license or authorization had been obtained by misrepresentation of a third party or withholding of material facts or was otherwise fraudulently obtained; and

(3) The person with whom such property is or was held or maintained filed with OFAC a report setting forth in full the circumstances relating to such transfer promptly upon discovery that:

(i) Such transfer was in violation of the provisions of this part or any regulation, ruling, instruction, license, or other directive or authorization issued pursuant to this part;

(ii) Such transfer was not licensed or authorized by OFAC; or

(iii) If a license did purport to cover the transfer, such license had been obtained by misrepresentation of a third party or withholding of material facts or was otherwise fraudulently obtained.

NOTE TO PARAGRAPH (d) OF § 542.202: The filing of a report in accordance with the provisions of paragraph (d)(3) of this section shall not be deemed evidence that the terms of paragraphs (d)(1) and (2) of this section have been satisfied.

(e) Unless licensed pursuant to this part, any attachment, judgment, decree, lien, execution, garnishment, or other judicial process is null and void with respect to any property and interests in property blocked pursuant to § 542.201.

§ 542.203 Holding of funds in interest-bearing accounts; investment and reinvestment.

(a) Except as provided in paragraphs (e) or (f) of this section, or as otherwise directed by OFAC, any U.S. person holding funds, such as currency, bank deposits, or liquidated financial obligations, subject to § 542.201 shall hold or place such funds in a blocked interest-bearing account located in the United States.

(b)(1) For purposes of this section, the term *blocked interest-bearing account* means a blocked account:

(i) In a federally-insured U.S. bank, thrift institution, or credit union, provided the funds are earning interest at rates that are commercially reasonable; or

(ii) With a broker or dealer registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*), provided the funds are invested in a money market fund or in U.S. Treasury bills.

(2) Funds held or placed in a blocked account pursuant to paragraph (a) of this section may not be invested in instruments the maturity of which exceeds 180 days.

(c) For purposes of this section, a rate is commercially reasonable if it is the rate currently offered to other depositors on deposits or instruments of comparable size and maturity.

(d) For purposes of this section, if interest is credited to a separate blocked account or subaccount, the name of the account party on each account must be the same.

(e) Blocked funds held in instruments the maturity of which exceeds 180 days at the time the funds become subject to § 542.201 may continue to be held until maturity in the original instrument, provided any interest, earnings, or other proceeds derived therefrom are paid into a blocked interest-bearing account in accordance with paragraphs (a) or (f) of this section.

(f) Blocked funds held in accounts or instruments outside the United States at the time the funds become subject to § 542.201 may continue to be held in the same type of accounts or instruments, provided the funds earn interest at rates that are commercially reasonable.

(g) 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. However, OFAC may issue licenses permitting or directing such sales or liquidation in appropriate cases.

(h) 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 and interests in property are blocked pursuant to § 542.201, nor may their holder cooperate in or facilitate the pledging or other attempted use as collateral of blocked funds or other assets.

§ 542.204 Expenses of maintaining blocked physical property; liquidation of blocked property.

(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 prior to the effective date, all expenses incident to the maintenance of physical property blocked pursuant to § 542.201 shall be the responsibility of the owners or operators of such property, which expenses shall not be met from blocked funds.

(b) Property blocked pursuant to § 542.201 may, in the discretion of OFAC, be sold or liquidated and the net proceeds placed in a blocked interest-bearing account in the name of the owner of the property.

§ 542.205 Evasions; attempts; causing violations; conspiracies.

(a) Any transaction by a U.S. person or within the United States that evades or avoids, has the purpose of evading or avoiding, causes a violation of, or attempts to violate any of the prohibitions set forth in this part is prohibited.

(b) Any conspiracy formed to violate any of the prohibitions set forth in this part is prohibited.

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§ 542.206 Prohibited new investment in Syria.

Except as otherwise authorized, new investment, as defined in § 542.315, in Syria by a United States person, wherever located, is prohibited.

[79 FR 25416, May 2, 2014, as amended at 89 FR 48317, June 6, 2024]

§ 542.207 Prohibited exportation, re-exportation, sale, or supply of services to Syria.

Except as otherwise authorized, the exportation, reexportation, sale, or supply, directly or indirectly, from the United States, or by a United States person, wherever located, of any services to Syria is prohibited.

§ 542.208 Prohibited importation of petroleum or petroleum products of Syrian origin.

Except as otherwise authorized, the importation into the United States of petroleum or petroleum products of Syrian origin is prohibited.

§ 542.209 Prohibited transactions or dealings in or related to petroleum or petroleum products of Syrian origin.

Except as otherwise authorized, any transaction or dealing by a United States person, wherever located, including purchasing, selling, transporting, swapping, brokering, approving, financing, facilitating, or guaranteeing, in or related to petroleum or petroleum products of Syrian origin is prohibited.

§ 542.210 Prohibited facilitation.

Except as otherwise authorized, United States persons, wherever located, are prohibited from approving, financing, facilitating, or guaranteeing a transaction by a foreign person where the transaction by that foreign person would be prohibited by §§ 542.206, 542.207, 542.208, or 542.209 of this part if performed by a United States person or within the United States.

§ 542.211 Exempt transactions.

(a) *United Nations Participation Act.* The exemptions described in this section do not apply to transactions involving property or interests in property of persons whose property and in-

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terests in property are blocked pursuant to the authority of the United Nations Participation Act, as amended (22 U.S.C. 287c(b)) (UNPA).

NOTE 1 TO PARAGRAPH (A). Persons whose property and interests in property are blocked pursuant to the authority of the UNPA include those listed on both OFAC's Specially Designated Nationals and Blocked Persons List (SDN List) and the Consolidated United Nations Security Council Sanctions List (UN List) (see <https://www.un.org>), as well as persons listed on the SDN List for being owned or controlled by, or acting for or on behalf of, persons listed on both the SDN List and the UN List.

(b) *Personal communications.* Except as set forth in paragraph (e) of this section, the prohibitions contained in this part do not apply to any postal, telegraphic, telephonic, or other personal communication that does not involve the transfer of anything of value.

(c) *Information or informational materials.* (1) Except as set forth in paragraph (e) of this section, the prohibitions contained in this part do not apply to the importation from any country and the exportation to any country of any information or informational materials, as defined in § 542.310, whether commercial or otherwise, regardless of format or medium of transmission.

(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 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 or authorize transactions incident to the exportation of software subject to the Export Administration Regulations, 15 CFR parts 730 through 774, or to the exportation of goods (including software) or technology for use in the transmission of any data, 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 provision, sale, or leasing of such capacity or facilities to Syria or to the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201 are prohibited.

NOTE 2 TO PARAGRAPH (c)(3) OF § 542.211: See § 542.510 for a general license authorizing the exportation or reexportation of certain items and services to Syria.

NOTE 3 TO PARAGRAPH (c)(3) OF § 542.211: See § 542.511 for a general license authorizing the exportation to persons in Syria of certain services incident to the exchange of personal communications over the Internet.

(d) *Travel*. Except as set forth in paragraph (e) of this section, the prohibitions contained in this part do not apply to transactions ordinarily incident to travel to or from any country, including importation or exportation of accompanied baggage for personal use, maintenance 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 non-scheduled air, sea, or land voyages.

(e) *Official business*. The prohibitions contained in §§ 542.201(a)(1), (9), and (10), as well as §§ 542.206, 542.207, 542.208, 542.209, 542.210, and 542.212 do not apply to transactions for the conduct of the official business of the United States government by employees, grantees, or contractors thereof.

NOTE 4 TO PARAGRAPH (E). See § 542.522 for a general license authorizing transactions for the conduct of the official business of the United States Government.

(f) *Inapplicability of exemptions*. The exemptions described in this section do not apply to any transactions involving property or interests in property of certain persons whose property and in-

terests in property are blocked pursuant to E.O. 13399.

NOTE 5 TO PARAGRAPH (f) OF § 542.211: As of the date of publication in the FEDERAL REGISTER, no persons have been designated by OFAC pursuant to E.O. 13399.

(g) *Importation of goods*. The prohibitions contained in § 542.201 do not apply to the importation of any goods that would otherwise be prohibited solely because of the interest of a person whose property and interests in property are blocked solely pursuant to § 542.201(a)(13). For the purposes of this paragraph (g), the term *good(s)* means any article, natural or manmade substance, material, supply or manufactured product, including inspection and test equipment, and excluding technical data.

[79 FR 25416, May 2, 2014, as amended at 87 FR 78473, Dec. 21, 2022; 89 FR 48317, June 6, 2024]

§ 542.212 Prohibited transactions involving foreign sanctions evaders.

(a) Pursuant to E.O. 13608, the Secretary of the Treasury, in consultation with the Secretary of State, may determine that a foreign person:

(1) Has violated, attempted to violate, conspired to violate, or caused a violation of any license, order, regulation, or prohibition contained in, or issued pursuant to:

(i) Any Executive order relating to the national emergency declared in E.O. 13338 of May 11, 2004, as modified in scope in subsequent Executive orders; or

(ii) To the extent such conduct relates to property and interests in property of any person subject to United States sanctions concerning Syria, E.O. 13382 of June 28, 2005, any Executive order subsequent to E.O. 13382 of June 28, 2005, that relates to the national emergency declared in E.O. 12938 of November 14, 1994, or any Executive order relating to the national emergency declared in E.O. 13224 of September 23, 2001;

(2) Has facilitated deceptive transactions for or on behalf of any person subject to United States sanctions concerning Syria; or

(3) Is owned or controlled by, or is acting or purporting to act for or on behalf of, directly or indirectly, any

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person determined to meet the criteria set forth in this paragraph (a).

(b) Upon determining that a foreign person is subject to paragraph (a) of this section, the Secretary of the Treasury may prohibit all transactions or dealings, whether direct or indirect, involving such person, including any exporting, reexporting, importing, selling, purchasing, transporting, swapping, brokering, approving, financing, facilitating, or guaranteeing, in or related to:

(1) Any goods, services, or technology in or intended for the United States; or

(2) Any goods, services, or technology provided by or to United States persons, wherever located.

NOTE 1 TO PARAGRAPH (B). The names of persons subject to the prohibitions in paragraph (b) of this section are published in the FEDERAL REGISTER and incorporated into OFAC's Foreign Sanctions Evaders (FSE) List using the following identifier formulation: "[FSE-SY]." The FSE List is accessible through the following page on OFAC's website: <https://ofac.treasury.gov>.

(c) The prohibitions in paragraph (b) of this section include prohibitions on the following transactions:

(1) The making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any person subject to the measures described in paragraph (b) of this section; and

(2) The receipt of any contribution or provision of funds, goods, or services from any person subject to the measures described in paragraph (b) of this section.

(d) The prohibitions in paragraph (b) of this section apply except to the extent provided by statutes, or in regulations, orders, directives, or licenses that may be issued pursuant to this part, and notwithstanding any contract entered into or any license or permit granted prior to the date on which the measures described in paragraph (b) are imposed.

[89 FR 48317, June 6, 2024]

Subpart C—General Definitions

§ 542.300 Applicability of definitions.

The definitions in this subpart apply throughout the entire part.

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§ 542.301 Blocked account; blocked property.

The terms *blocked account* and *blocked property* shall mean any account or property subject to the prohibitions in § 542.201 held in the name of the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201, or in which such person has an interest, and with respect to which payments, transfers, exportations, withdrawals, or other dealings may not be made or effected except pursuant to an authorization or license from OFAC expressly authorizing such action.

NOTE 1 TO § 542.301: See § 542.411 concerning the blocked status of property and interests in property of an entity that is directly or indirectly owned, whether individually or in the aggregate, 50 percent or more by one or more persons whose property and interests in property are blocked pursuant to § 542.201.

[79 FR 25416, May 2, 2014, as amended at 87 FR 78473, Dec. 21, 2022]

§ 542.302 Construction or engineering services.

The term *construction or engineering services*, as used in § 542.201(a)(13)(v), means the provision of services for the construction of buildings or structures, or for the production, procurement, devising, framing, or arranging in Syria of parts or materials to fabricate, shape, or form buildings or structures, and assistance, advisory, consultative, design, and recommendation services concerning engineering matters or during any phase of an engineering project, including the on-site design, development, assembly, or construction of residential, commercial, or institutional buildings in Syria. The term applies to engaging in new work, additions, or alterations of commercial or institutional buildings. Engineering design services may be for: the construction of foundations and building structures (*i.e.*, structural engineering); mechanical and electrical installations for buildings; the construction of civil engineering works; industrial processes and production; or other engineering designs, such as those for acoustics, vibration, traffic control

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systems, or prototype development for new products.

[89 FR 48318, June 6, 2024]

§ 542.303 Deceptive transaction.

The term *deceptive transaction*, as used in § 542.212, means any transaction where the identity of any person subject to United States sanctions concerning Syria is withheld or obscured from other participants in the transaction or any relevant regulatory authorities.

[89 FR 48318, June 6, 2024]

§ 542.304 Effective date.

(a) The term *effective date* refers to the effective date of the applicable prohibitions and directives contained in this part as follows:

(1) With respect to prohibited transfers or other dealings in blocked property and interests in property of the Government of Syria, as defined in § 542.308, 12:01 a.m. eastern daylight time, August 18, 2011;

(2) With respect to a person whose property and interests in property are blocked pursuant to § 542.201(a)(5), 1 p.m. eastern daylight time, April 29, 2011;

(3) With respect to a person whose property and interests in property are blocked pursuant to § 542.201(a)(7), 1 p.m. eastern daylight time, May 18, 2011;

(4) With respect to a person whose property and interests in property are blocked pursuant to § 542.201(a)(9), 12:01 a.m. eastern daylight time, April 23, 2012;

(5) With respect to a person whose property and interests in property are otherwise blocked pursuant to § 542.201, the earlier of the date of actual or constructive notice that such person's property and interests in property are blocked;

(6) With respect to the transactions prohibited by §§ 542.206 through 542.210, 12:01 a.m. eastern daylight time, August 18, 2011; and

(7) With respect to the transactions prohibited by § 542.212, the earlier of the date of actual or constructive notice that such prohibitions apply to the foreign person determined to be subject to the prohibitions in § 542.212.

(b) For the purposes of this section, *constructive notice* is the date that a notice of the blocking of the relevant person's property and interests in property, or a notice of the imposition of a prohibition imposed pursuant to § 542.212, is published in the FEDERAL REGISTER.

[89 FR 48318, June 6, 2024]

§ 542.305 Entity.

The term *entity* means a partnership, association, trust, joint venture, corporation, group, subgroup, or other organization.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.306 Financial, material, or technological support.

The term *financial, material, or technological support*, means any property, tangible or intangible, including but not limited to currency, financial instruments, securities, or any other transmission of value; weapons or related materiel; chemical or biological agents; explosives; false documentation or identification; communications equipment; computers; electronic or other devices or equipment; technologies; lodging; safe houses; facilities; vehicles or other means of transportation; or goods. "Technologies" as used in this definition means specific information necessary for the development, production, or use of a product, including related technical data such as blueprints, plans, diagrams, models, formulae, tables, engineering designs and specifications, manuals, or other recorded instructions.

[79 FR 25416, May 2, 2014. Redesignated and amended at 89 FR 48317, 48318, June 6, 2024]

§ 542.308 Government of Syria.

The term *Government of Syria* includes:

(a) The state and the Government of the Syrian Arab Republic, as well as any political subdivision, agency, or instrumentality thereof, including the Central Bank of Syria;

(b) Any entity owned or controlled, directly or indirectly, by the foregoing, including any corporation, partnership, association, or other entity in which

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the Government of Syria owns a 50 percent or greater interest or a controlling interest, and any entity which is otherwise controlled by that government;

(c) Any person that is, or has been, acting or purporting to act, directly or indirectly, for or on behalf of any of the foregoing; and

(d) Any other person determined by OFAC to be included within paragraphs (a) through (c) of this section.

NOTE 1 TO § 542.308: The names of persons that OFAC has determined fall within this definition are published in the FEDERAL REGISTER and incorporated into OFAC's Specially Designated Nationals and Blocked Persons List ("SDN List") with the identifier "[SYRIA]." The SDN List is accessible through the following page on OFAC's Web site: www.treasury.gov/sdn. However, the property and interests in property of persons falling within the definition of the term *Government of Syria* are blocked pursuant to § 542.201 regardless of whether the names of such persons are published in the FEDERAL REGISTER or incorporated into the SDN List.

NOTE 2 TO § 542.308: Section 501.807 of this chapter describes the procedures to be followed by persons seeking administrative reconsideration of OFAC's determination that they fall within the definition of the term *Government of Syria*.

[79 FR 25416, May 2, 2014. Redesignated and amended at 89 FR 48317, 48318, June 6, 2024]

§ 542.309 Information and communications technology.

The term *information and communications technology* means any hardware, software, or other product or service primarily intended to fulfill or enable the function of information processing and communication by electronic means, including transmission and display, including via the Internet.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.310 Information or informational materials.

(a) The term *information or informational materials* includes, but is not limited to, publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, compact disks, CD ROMs, artworks, and news wire feeds.

NOTE TO PARAGRAPH (a) OF § 542.307: To be considered *information or informational mate-*

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rials, artworks must be classified under chapter subheading 9701, 9702, or 9703 of the Harmonized Tariff Schedule of the United States.

(b) The term *information or informational materials*, with respect to exports, does not include items:

(1) That were, as of April 30, 1994, or that thereafter become, controlled for export pursuant to section 5 of the Export Administration Act of 1979, 50 U.S.C. App. 2401–2420 (1979) (the "EAA"), or section 6 of the EAA to the extent that such controls promote the nonproliferation or antiterrorism policies of the United States; or

(2) With respect to which acts are prohibited by 18 U.S.C. chapter 37.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.311 Interest.

Except as otherwise provided in this part, the term *interest*, when used with respect to property (e.g., "an interest in property"), means an interest of any nature whatsoever, direct or indirect.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.312 Knowingly.

The term *knowingly*, as used in § 542.201(a)(11) through (13), with respect to conduct, a circumstance, or a result, means that a person has actual knowledge, or should have known, of the conduct, the circumstance, or the result.

[89 FR 48318, June 6, 2024]

§ 542.313 Licenses; general and specific.

(a) Except as otherwise provided in this part, the term *license* means any license or authorization contained in or issued pursuant to this part.

(b) The term *general license* means any license or authorization the terms of which are set forth in subpart E of this part or made available on OFAC's Web site: www.treasury.gov/ofac.

(c) The term *specific license* means any license or authorization issued pursuant to this part, but not set forth in subpart E of this part or made available on OFAC's Web site: www.treasury.gov/ofac.

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NOTE 1 TO § 542.313: See § 501.801 of this chapter on licensing procedures.

[79 FR 25416, May 2, 2014. Redesignated and amended at 89 FR 48317, 48318, June 6, 2024]

§ 542.314 Loans or other extensions of credit.

The term *loans or other extensions of credit* means any transfer or extension of funds or credit on the basis of an obligation to repay, or any assumption or guarantee of the obligation of another to repay an extension of funds or credit, including but not limited to: Overdrafts; currency swaps; purchases of debt securities issued by the Government of Syria; purchases of a loan made by another person; sales of financial assets subject to an agreement to repurchase; renewals or refinancings whereby funds or credits are transferred to or extended to a prohibited borrower or prohibited recipient; the issuance of standby letters of credit; and drawdowns on existing lines of credit.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.315 New investment.

The term *new investment* means a transaction after 12:01 a.m. eastern daylight time, August 18, 2011, that constitutes:

(a) A commitment or contribution of funds or other assets; or

(b) A loan or other extension of credit as defined in § 542.314.

[79 FR 25416, May 2, 2014. Redesignated and amended at 89 FR 48317, 48319, June 6, 2024]

§ 542.316 OFAC.

The term *OFAC* means the Department of the Treasury's Office of Foreign Assets Control.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.317 Person.

The term *person* means an individual or entity.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.318 Person subject to United States sanctions concerning Syria.

The term *person subject to United States sanctions concerning Syria*, as used in § 542.212, means:

(a) Any person, including the Government of Syria, with whom transactions are restricted pursuant to any Executive order relating to the national emergency declared in E.O. 13338; or

(b) Any person whose property and interests in property are blocked pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) in connection with Syria's proliferation of weapons of mass destruction or delivery systems for weapons of mass destruction, or Syria's support for international terrorism.

[89 FR 48318, June 6, 2024]

§ 542.319 Petroleum or petroleum products of Syrian origin.

The term *petroleum or petroleum products of Syrian origin* means petroleum or petroleum products of Syrian origin pursuant to Country of Origin definitions of U.S. Customs and Border Protection.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.320 Sensitive technology.

The term *sensitive technology*, as used in § 542.201(a)(11)(ii)(C)(2), means hardware, software, telecommunications equipment, or any other technology, that the Secretary of the Treasury, in consultation with the Secretary of State, determines is to be used specifically to restrict the free flow of unbiased information in Syria or to disrupt, monitor, or otherwise restrict speech of the people of Syria. The term *sensitive technology* does not include information or informational materials that are exempt from regulation or prohibition pursuant to section 203(b)(3) of the International Emergency Economic Powers Act (50 U.S.C. 1702(b)(3)).

[89 FR 48318, June 6, 2024]

§ 542.321 Property; property interest.

The terms *property* and *property interest* include, but are not limited to, money, checks, drafts, bullion, bank

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deposits, savings accounts, debts, indebtedness, obligations, notes, guarantees, debentures, stocks, bonds, coupons, any other financial instruments, bankers acceptances, mortgages, pledges, liens or other rights in the nature of security, warehouse receipts, bills of lading, trust receipts, bills of sale, any other evidences of title, ownership or indebtedness, letters of credit and any documents relating to any rights or obligations thereunder, powers of attorney, goods, wares, merchandise, chattels, stocks on hand, ships, goods on ships, real estate mortgages, deeds of trust, vendors' sales agreements, land contracts, leaseholds, ground rents, real estate and any other interest therein, options, negotiable instruments, trade acceptances, royalties, book accounts, accounts payable, judgments, patents, trademarks or copyrights, insurance policies, safe deposit boxes and their contents, annuities, pooling agreements, services of any nature whatsoever, contracts of any nature whatsoever, and any other property, real, personal, or mixed, tangible or intangible, or interest or interests therein, present, future, or contingent.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.322 Syria; Syrian.

The term *Syria* means the territory of Syria and any other territory or marine area, including the exclusive economic zone and continental shelf, over which the Government of Syria claims sovereignty, sovereign rights, or jurisdiction, provided that the Government of Syria exercises partial or total de facto control over the area or derives a benefit from economic activity in the area pursuant to an international agreement. The term *Syrian* means pertaining to Syria, as defined in this section.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.323 Transfer.

The term *transfer* means any actual or purported act or transaction, whether or not evidenced by writing, and whether or not done or performed within the United States, the purpose, in-

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tent, or effect of which is to create, surrender, release, convey, transfer, or alter, directly or indirectly, any right, remedy, power, privilege, or interest with respect to any property. Without limitation on the foregoing, it shall include the making, execution, or delivery of any assignment, power, conveyance, check, declaration, deed, deed of trust, power of attorney, power of appointment, bill of sale, mortgage, receipt, agreement, contract, certificate, gift, sale, affidavit, or statement; the making of any payment; the setting off of any obligation or credit; the appointment of any agent, trustee, or fiduciary; the creation or transfer of any lien; the issuance, docketing, filing, or levy of or under any judgment, decree, attachment, injunction, execution, or other judicial or administrative process or order, or the service of any garnishment; the acquisition of any interest of any nature whatsoever by reason of a judgment or decree of any foreign country; the fulfillment of any condition; the exercise of any power of appointment, power of attorney, or other power; or the acquisition, disposition, transportation, importation, exportation, or withdrawal of any security.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.324 United States.

The term *United States* means the United States, its territories and possessions, and all areas under the jurisdiction or authority thereof.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.325 United States person; U.S. person.

The term *United States person* or *U.S. person* means any United States citizen, permanent resident alien, entity organized under the laws of the United States or any jurisdiction within the United States (including foreign branches), or any person in the United States.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.326 U.S. depository institution.

The term *U.S. depository institution* means any entity (including its foreign

branches) organized under the laws of the United States or any jurisdiction within the United States, or any agency, office, or branch located in the United States of a foreign entity, that is engaged primarily in the business of banking (for example, banks, savings banks, savings associations, credit unions, trust companies, and United States bank holding companies) and is subject to regulation by federal or state banking authorities.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.327 U.S. financial institution.

The term *U.S. financial institution* means any U.S. entity (including its foreign branches) that is engaged in the business of accepting deposits, making, granting, transferring, holding, or brokering loans or credits, purchasing or selling foreign exchange, securities, futures, or options, or procuring purchasers and sellers thereof, as principal or agent. It includes depository institutions, banks, savings banks, money services businesses, operators of credit card systems, trust companies, insurance companies, securities brokers and dealers, futures and options brokers and dealers, forward contract and foreign exchange merchants, securities and commodities exchanges, clearing corporations, investment companies, employee benefit plans, dealers in precious metals, stones, or jewels, and U.S. holding companies, U.S. affiliates, or U.S. subsidiaries of any of the foregoing. This term includes those branches, offices, and agencies of foreign financial institutions that are located in the United States, but not such institutions' foreign branches, offices, or agencies.

[89 FR 48318, June 6, 2024]

§ 542.328 U.S. registered broker or dealer in securities.

The term *U.S. registered broker or dealer in securities* means any U.S. citizen, permanent resident alien, or entity organized under the laws of the United States or of any jurisdiction within the United States (including its foreign branches), or any agency, office, or branch of a foreign entity located in the United States, that:

(a) Is a “broker” or “dealer” in securities within the meanings set forth in the Securities Exchange Act of 1934;

(b) Holds or clears customer accounts; and

(c) Is registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

§ 542.329 U.S. registered money transmitter.

The term *U.S. registered money transmitter* means any U.S. citizen, permanent resident alien, or entity organized under the laws of the United States or of any jurisdiction within the United States, including its foreign branches, or any agency, office, or branch of a foreign entity located in the United States, that is a money transmitter, as defined in 31 CFR 1010.100(ff)(5), and that is registered pursuant to 31 CFR 1022.380.

[79 FR 25416, May 2, 2014. Redesignated at 89 FR 48317, June 6, 2024]

Subpart D—Interpretations

§ 542.401 Reference to amended sections.

(a) Reference to any section in this part is a reference to the same as currently amended, unless the reference includes a specific date. *See* 44 U.S.C. 1510.

(b) Reference to any regulation, ruling, instruction, order, directive, or license issued pursuant to this part is a reference to the same as currently amended unless otherwise specified.

[79 FR 25416, May 2, 2014, as amended at 89 FR 48319, June 6, 2024]

§ 542.402 Effect of amendment.

Unless otherwise specifically provided, any amendment, modification, or revocation of any provision in or appendix to this part or chapter or of any order, regulation, ruling, instruction, or license issued by OFAC does not affect any act done or omitted, or any civil or criminal proceeding commenced or pending, prior to such

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amendment, modification, or revocation. All penalties, forfeitures, and liabilities under any such order, regulation, ruling, instruction, or license continue and may be enforced as if such amendment, modification, or revocation had not been made.

§ 542.403 Termination and acquisition of an interest in blocked property.

(a) Whenever a transaction licensed or authorized by or pursuant to this part results in the transfer of property (including any property interest) away from the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201, such property shall no longer be deemed to be property blocked pursuant to § 542.201, unless there exists in the property another interest that is blocked pursuant to § 542.201, the transfer of which has not been effected pursuant to license or other authorization.

(b) Unless otherwise specifically provided in a license or authorization issued pursuant to this part, if property (including any property interest) is transferred or attempted to be transferred to the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201, such property shall be deemed to be property in which such a person has an interest and therefore blocked.

§ 542.404 Transactions ordinarily incident to a licensed transaction.

(a) Any transaction ordinarily incident to a licensed transaction and necessary to give effect thereto is also authorized, except:

(1) An ordinarily incident transaction, not explicitly authorized within the terms of the license, by or with the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201; or

(2) An ordinarily incident transaction, not explicitly authorized within the terms of the license, involving a debit to a blocked account or a transfer of blocked property.

(b) *Example.* A license authorizing a person to complete a securities sale involving Company A, whose property

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and interests in property are blocked pursuant to § 542.201, also authorizes other persons to engage in activities that are ordinarily incident and necessary to complete the sale, including transactions by the buyer, broker, transfer agents, and banks, provided that such other persons are not themselves persons whose property and interests in property are blocked pursuant to § 542.201.

§ 542.405 Exportation, reexportation, sale, or supply of services; provision and receipt of services.

(a) The prohibition on the exportation, reexportation, sale, or supply of services contained in § 542.207 applies to services performed on behalf of a person in Syria or the Government of Syria or where the benefit of such services is otherwise received in Syria, if such services are performed:

(1) In the United States; or

(2) Outside the United States by a United States person.

(b) The benefit of services performed anywhere in the world on behalf of the Government of Syria is presumed to be received in Syria.

(c) The prohibitions contained in § 542.201 apply to services performed in the United States or by U.S. persons, wherever located:

(1) On behalf of or for the benefit of the Government of Syria or any other person in whose property and interests in property are blocked pursuant to § 542.201; or

(2) With respect to property interests of the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201.

(d) The prohibitions on transactions contained in § 542.201 apply to services received in the United States or by U.S. persons, wherever located, where the service is performed by, or at the direction of, a person whose property and interests in property are blocked pursuant to § 542.201.

(e)(1) For example, U.S. persons may not, except as authorized by or pursuant to this part, provide legal, accounting, financial, brokering, freight forwarding, transportation, public relations, or other services to any person in Syria or to the Government of Syria

or to any other person whose property and interests in property are blocked pursuant to § 542.201 or negotiate or enter into contracts signed by a person whose property and interests in property are blocked pursuant to § 542.201.

(2) For example, a U.S. person is engaged in a prohibited exportation of services to Syria when it extends credit to a third-country firm specifically to enable that firm to manufacture goods for sale to Syria or the Government of Syria.

NOTE 1 TO § 542.405. *See* §§ 542.507 and 542.531 for general licenses authorizing the provision of certain legal and emergency medical services.

[79 FR 25416, May 2, 2014, as amended at 89 FR 48319, June 6, 2024]

§ 542.406 Offshore transactions involving blocked property.

The prohibitions in § 542.201 on transactions or dealings involving blocked property, as defined in § 542.301, including property held in the name of the Government of Syria, apply to transactions by any U.S. person in a location outside the United States.

[79 FR 25416, May 2, 2014, as amended at 89 FR 48319, June 6, 2024]

§ 542.407 Payments from blocked accounts to satisfy obligations prohibited.

Pursuant to § 542.201, no debits may be made to a blocked account to pay obligations to U.S. persons or other persons, except as authorized by or pursuant to this part.

NOTE TO § 542.407: *See also* § 542.502(e), which provides that no license or other authorization contained in or issued pursuant to this part authorizes transfers of or payments from blocked property or debits to blocked accounts unless the license or other authorization explicitly authorizes the transfer of or payment from blocked property or the debit to a blocked account.

§ 542.408 Charitable contributions.

Unless specifically authorized by OFAC pursuant to this part, no charitable contribution of funds, goods, services, or technology, including contributions to relieve human suffering, such as food, clothing, or medicine, may be made by, to, or for the benefit of, or received from, the Government of

Syria or any other person whose property and interests in property are blocked pursuant to § 542.201. For the purposes of this part, a contribution is made by, to, or for the benefit of, or received from, the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201 if made by, to, or in the name of, or received from or in the name of, such a person; if made by, to, or in the name of, or received from or in the name of, an entity or individual acting for or on behalf of, or owned or controlled by, such a person; or if made in an attempt to violate, to evade, or to avoid the bar on the provision of contributions by, to, or for the benefit of such a person, or the receipt of contributions from such a person.

§ 542.409 Credit extended and cards issued by financial institutions.

The prohibitions in §§ 542.201 and 542.212 on dealing in property subject to those sections and the prohibition in § 542.207 on exporting services to Syria prohibit U.S. financial institutions from performing under any existing credit agreements, including charge cards, debit cards, or other credit facilities issued by a financial institution to a person whose property and interests in property are blocked pursuant to § 542.201 or a person determined to be subject to the prohibitions of § 542.212.

[79 FR 25416, May 2, 2014, as amended at 89 FR 48319, June 6, 2024]

§ 542.410 Setoffs prohibited.

A setoff against blocked property (including a blocked account), whether by a U.S. bank or other U.S. person, is a prohibited transfer under § 542.201 if effected after the effective date.

§ 542.411 Entities owned by one or more persons whose property and interests in property are blocked.

(a) Persons whose property and interests in property are blocked pursuant to § 542.201 have an interest in all property and interests in property of an entity in which such persons directly or indirectly own, whether individually or in the aggregate, a 50 percent or greater interest. The property and interests

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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 § 542.201, regardless of whether the name of the entity is incorporated into OFAC's Specially Designated Nationals and Blocked Persons List (SDN List).

(b) This section, which deals with the consequences of ownership of entities, in no way limits the definition of the Government of Syria in § 542.308, which includes within its definition other persons whose property and interests in property are blocked but who are not on the SDN List.

[87 FR 78473, Dec. 21, 2022, as amended at 89 FR 48319, June 6, 2024]

§ 542.412 Transactions relating to Syrian petroleum or petroleum products from third countries; transshipments.

(a) Transactions relating to goods containing petroleum or petroleum products of Syrian origin are not prohibited by § 542.208 or § 542.209 if the petroleum or petroleum products have been incorporated into manufactured products or substantially transformed in a third country by a person other than a United States person.

(b) Transactions relating to petroleum or petroleum products of Syrian origin that have not been incorporated into manufactured products or substantially transformed in a third country, including those that have been transshipped through a third country, are prohibited.

§ 542.413 Facilitation; change of policies and procedures; referral of business opportunities offshore.

With respect to § 542.210, a prohibited facilitation or approval of a transaction by a foreign person occurs, among other instances, when a United States person:

(a) Alters its operating policies or procedures, or those of a foreign affiliate, to permit a foreign affiliate to accept or perform a specific contract, engagement or transaction involving Syria or the Government of Syria without the approval of the United States person, where such transaction previously required approval by the United States person and such trans-

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action by the foreign affiliate would be prohibited by this part if performed directly by a United States person or from the United States;

(b) Refers to a foreign person purchase orders, requests for bids, or similar business opportunities involving Syria or the Government of Syria to which the United States person could not directly respond as a result of the prohibitions contained in this part; or

(c) Changes the operating policies and procedures of a particular affiliate with the specific purpose of facilitating transactions that would be prohibited by this part if performed by a United States person or from the United States.

§ 542.414 Significant; significant transaction.

In determining, for purposes of § 542.201(a)(13), whether a transaction is significant, or transactions are significant, the Secretary of the Treasury may consider the totality of the facts and circumstances. 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 transactions performed over a period of time, including whether the transactions are increasing or decreasing over time and the rate of increase or decrease.

(b) *Nature.* The nature of the transaction(s), including the type, complexity, and commercial purpose of the transaction(s).

(c) *Level of awareness; pattern of conduct.* (1) Whether the transaction(s) is performed with the involvement or approval of management or only by clerical personnel; and

(2) Whether the transaction(s) is part of a pattern of conduct or the result of a business development strategy.

(d) *Nexus.* The proximity between the foreign person engaging in the transaction(s) and the persons blocked pursuant § 542.201 or subject to the prohibitions of § 542.212.

(e) *Impact.* The impact of the transaction(s) on the objectives of the Caesar Act, including:

(1) The economic or other benefit conferred or attempted to be conferred

on a sanctioned person blocked pursuant to § 542.201 or subject to the prohibitions of § 542.212; and

(2) Whether and how the transaction(s) contribute to the proliferation of weapons of mass destruction or delivery systems for such weapons, to support for international terrorism, or to the suppression of human rights.

(f) *Deceptive practices.* Whether the transaction(s) involves an attempt to obscure or conceal the actual parties or true nature of the transaction(s) or to evade sanctions.

(g) *Other relevant factors.* Such other factors that the Secretary of the Treasury or the Secretary's designee deems relevant on a case-by-case basis in determining the significance of a transaction(s).

(h) *Applicability.* For the purposes of this part, a transaction is not significant if U.S. persons would not require a specific license from OFAC to participate in it.

[89 FR 48319, June 6, 2024]

§ 542.415 Transactions by foreign persons for which a U.S. person would not require a specific license.

For the purposes of this part, foreign persons will not be subject to sanctions pursuant to § 587.201(a)(1), (3), (6), (8), or (13) or § 542.212 solely on the basis of transaction for which a U.S. person would not require a specific license.

[89 FR 48319, June 6, 2024]

Subpart E—Licenses, Authorizations, and Statements of Licensing Policy

§ 542.501 General and specific licensing procedures.

For provisions relating to licensing procedures, see part 501, subpart E of this chapter. Licensing actions taken pursuant to part 501 of this chapter with respect to the prohibitions contained in this part are considered actions taken pursuant to this part. General licenses and statements of licensing policy relating to this part also may be available through the Syria sanctions page on OFAC's Web site www.treasury.gov/ofac.

§ 542.502 Effect of license or authorization.

(a) No license or other authorization contained in this part, or otherwise issued by OFAC, authorizes or validates any transaction effected prior to the issuance of such license or other authorization, unless specifically provided in such license or authorization.

(b) No regulation, ruling, instruction, or license authorizes any transaction prohibited under this part unless the regulation, ruling, instruction, or license is issued by OFAC and specifically refers to this part. No regulation, ruling, instruction, or license referring to this part shall be deemed to authorize any transaction prohibited by any other part of this chapter unless the regulation, ruling, instruction, or license specifically refers to such part.

(c) Any regulation, ruling, instruction, or license authorizing any transaction otherwise prohibited under this part has the effect of removing a prohibition contained in this part from the transaction, but only to the extent specifically stated by its terms. Unless the regulation, ruling, instruction, or license otherwise specifies, such an authorization does not create any right, duty, obligation, claim, or interest in, or with respect to, any property which would not otherwise exist under ordinary principles of law.

(d) Nothing contained in this part shall be construed to supersede the requirements established under any other provision of law or to relieve a person from any requirement to obtain a license or other authorization from another department or agency of the U.S. Government in compliance with applicable laws and regulations subject to the jurisdiction of that department or agency. For example, exports of goods, services, or technical data which are not prohibited by this part or which do not require a license by OFAC, nevertheless may require authorization by the U.S. Department of Commerce, the U.S. Department of State, or other agencies of the U.S. Government. *See also* § 542.701(f).

(e) No license or other authorization contained in or issued pursuant to this part authorizes transfers of or payments from blocked property or debits to blocked accounts unless the license

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or other authorization explicitly authorizes the transfer of or payment from blocked property or the debit to a blocked account.

(f) Any payment relating to a transaction authorized in or pursuant to this part that is routed through the U.S. financial system should reference the relevant OFAC general or specific license authorizing the payment to avoid the blocking or rejection of the transfer.

§ 542.503 Exclusion from licenses.

OFAC reserves the right to exclude any person, property, transaction, or class thereof from the operation of any license or from the privileges conferred by any license. OFAC also reserves the right to restrict the applicability of any license to particular persons, property, transactions, or classes thereof. Such actions are binding upon actual or constructive notice of the exclusions or restrictions.

§ 542.504 Payments and transfers to blocked accounts in U.S. financial institutions.

Any payment of funds or transfer of credit in which the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201 has any interest that comes within the possession or control of a U.S. financial institution must be blocked in an account on the books of that financial institution. A transfer of funds or credit by a U.S. financial institution between blocked accounts in its branches or offices is authorized, provided that no transfer is made from an account within the United States to an account held outside the United States, and further provided that a transfer from a blocked account may be made only to another blocked account held in the same name.

NOTE TO § 542.504: See § 501.603 of this chapter for mandatory reporting requirements regarding financial transfers. See also § 542.203 concerning the obligation to hold blocked funds in interest-bearing accounts.

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§ 542.505 Entries in certain accounts for normal service charges authorized.

(a) A U.S. financial institution is authorized to debit any blocked account held at that financial institution in payment or reimbursement for normal service charges owed it by the owner of that blocked account.

(b) As used in this section, the term *normal service charges* shall include charges in payment or reimbursement for interest due; cable, telegraph, Internet, or telephone charges; postage costs; custody fees; small adjustment charges to correct bookkeeping errors; and, but not by way of limitation, minimum balance charges, notary and protest fees, and charges for reference books, photocopies, credit reports, transcripts of statements, registered mail, insurance, stationery and supplies, and other similar items.

NOTE TO § 542.505: See § 542.515 which authorizes, subject to certain restrictions, the operation of an account in a U.S. financial institution for an individual in Syria other than an individual whose property and interests in property are blocked pursuant to § 542.201.

§ 542.506 Investment and reinvestment of certain funds authorized.

Subject to the requirements of § 542.203, U.S. financial institutions are authorized to invest and reinvest assets blocked pursuant to § 542.201, subject to the following conditions:

(a) The assets representing such investments and reinvestments are credited to a blocked account or subaccount that is held in the same name at the same U.S. financial institution, or within the possession or control of a U.S. person, but funds shall not be transferred outside the United States for this purpose;

(b) The proceeds of such investments and reinvestments shall not be credited to a blocked account or subaccount under any name or designation that differs from the name or designation of the specific blocked account or subaccount in which such funds or securities were held; and

(c) No immediate financial or economic benefit accrues (e.g., through pledging or other use) to the Government of Syria or any other person

whose property and interests in property are blocked pursuant to § 542.201.

§ 542.507 Provision of certain legal services authorized.

(a) The provision of the following legal services to or on behalf of the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201, or to or on behalf of a person in Syria, or in circumstances in which the benefit is otherwise received in Syria is authorized, provided that receipt of payment of professional fees and reimbursement of incurred expenses are authorized by or pursuant to paragraph (d) of this section or otherwise authorized pursuant to this part:

(1) Provision of legal advice and counseling on the requirements of and compliance with the laws of the United States or any jurisdiction within the United States, provided that such advice and counseling are not provided to facilitate transactions in violation of this part;

(2) Representation of persons named as defendants in or otherwise made parties to legal, arbitration, or administrative proceedings before any United States federal, state, or local court or agency;

(3) Initiation and conduct of legal, arbitration, or administrative proceedings before any United States federal, state, or local court or agency;

(4) Representation of persons before any U.S. federal, state, or local court or agency with respect to the imposition, administration, or enforcement of U.S. sanctions against such persons or Syria; and

(5) Provision of legal services in any other context in which prevailing U.S. law requires access to legal counsel at public expense.

(b) The provision of any other legal services to the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201, or to or on behalf of a person in Syria, or in circumstances in which the benefit is otherwise received in Syria, not otherwise authorized in this part, requires the issuance of a specific license.

(c) *Ordinarily incident services.* U.S. persons do not need to obtain specific

authorization to provide related services, such as making filings and providing other administrative services, that are ordinarily incident to the provision of services authorized by paragraph (a) of this section. Additionally, U.S. persons who provide services authorized by paragraph (a) do not need to obtain specific authorization to contract for related services that are ordinarily incident to the provision of those legal services, such as those provided by private investigators or expert witnesses, or to pay for such services. *See* § 542.404.

(d) Entry into a settlement agreement or the enforcement of any lien, judgment, arbitral award, decree, or other order through execution, garnishment, or other judicial process purporting to transfer or otherwise alter or affect property or interests in property blocked pursuant to § 542.201 is prohibited unless licensed pursuant to this part.

(e) *Receipts of payment.* (1) *Legal services to or on behalf of blocked persons.* All receipts of payment of professional fees and reimbursement of incurred expenses for the provision of legal services authorized pursuant to paragraph (a) of this section to or on behalf of the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201 must be specifically licensed or otherwise authorized pursuant to § 542.508, which authorizes certain payments from funds originating outside the United States.

(2) *Legal services to or on behalf of all others.* All receipts of payment of professional fees and reimbursement of incurred expenses for the provision of legal services authorized pursuant to paragraph (a) of this section to or on behalf of a person in Syria, or in circumstances in which the benefit is otherwise received in Syria, other than those described in paragraph (e)(1) of this section, are authorized, except that nothing in this section authorizes the debiting of any blocked account or the transfer of any blocked property.

NOTE TO § 542.507: U.S. persons seeking administrative reconsideration or judicial review of their designation or the blocking of their property and interests in property may

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apply for a specific license from OFAC to authorize the release of a limited amount of blocked funds for the payment of legal fees where alternative funding sources are not available. For more information, see OFAC's *Guidance on the Release of Limited Amounts of Blocked Funds for Payment of Legal Fees and Costs Incurred in Challenging the Blocking of U.S. Persons in Administrative or Civil Proceedings*, which is available on OFAC's Web site at: www.treasury.gov/ofac.

[79 FR 25416, May 2, 2014, as amended at 89 FR 48320, June 6, 2024]

§ 542.508 Payments for legal services from funds originating outside the United States.

(a) *Professional fees and incurred expenses.* (1) Receipt of payment of professional fees and reimbursement of incurred expenses for the provision of legal services authorized pursuant to § 542.507(a) to or on behalf of the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201 is authorized from funds originating outside the United States, provided that the funds do not originate from:

- (i) A source within the United States;
- (ii) Any source, wherever located, within the possession or control of a U.S. person; or
- (iii) Any individual or entity, other than the person on whose behalf the legal services authorized pursuant to § 542.507(a) are to be provided, whose property and interests in property are blocked pursuant to any part of this chapter or any Executive order or statute.

(2) Nothing in this paragraph (a) authorizes payments for legal services using funds in which any other person whose property and interests in property are blocked pursuant to § 542.201, any other part of this chapter, or any Executive order or statute has an interest.

(b) *Records.* Consistent with § 501.601 of this chapter, U.S. persons who receive payments pursuant to paragraph (a) of this section must retain for five years from the date of the relevant payment a record that specifies the following for each payment:

- (1) The individual or entity from whom the funds originated and the amount of funds received; and
- (2) If applicable:

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(i) The names of any individuals or entities providing related services to the U.S. person receiving payment in connection with authorized legal services, such as private investigators or expert witnesses;

(ii) A general description of the services provided; and

(iii) The amount of funds paid in connection with such services.

(3) These records must be furnished to OFAC on demand consistent with § 501.602 of this chapter.

[79 FR 25416, May 2, 2014, as amended at 89 FR 48320, June 6, 2024]

§ 542.509 Syrian diplomatic missions in the United States.

(a) The provision of goods or services in the United States to the diplomatic missions of the Government of Syria to the United States and to international organizations in the United States and payment for such goods or services are authorized, provided that:

(1) The goods or services are for the conduct of the official business of the missions, or for personal use of the employees of the missions, and are not for resale;

(2) The transaction does not involve the purchase, sale, financing, or refinancing of real property; and

(3) The transaction is not otherwise prohibited by law.

NOTE 1 TO PARAGRAPH (a) OF § 542.509: U.S. financial institutions are reminded of their obligation to comply with 31 CFR 501.603.

NOTE 2 TO PARAGRAPH (a) OF § 542.509: U.S. financial institutions are required to obtain specific licenses to operate accounts for, or extend credit to, the diplomatic missions of the Government of Syria to the United States and to international organizations in the United States.

(b) The provision of goods or services in the United States to the employees of the diplomatic missions of the Government of Syria to the United States and to international organizations in the United States and payment for such goods or services are authorized, provided that:

(1) The goods or services are for personal use of the employees of the missions, and are not for resale; and

(2) The transaction is not otherwise prohibited by law.

NOTE TO § 542.509: Nothing in this section authorizes the transfer of any property to the Government of Syria, or any other person whose property and interests in property are blocked pursuant to § 542.201, other than the diplomatic missions of the Government of Syria to the United States and to international organizations in the United States.

§ 542.510 Exports or reexports to Syria of items licensed or otherwise authorized by the Department of Commerce authorized; exports or reexports of certain services authorized.

(a) The exportation or reexportation of items to Syria from the United States or by a U.S. person, wherever located, to the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201, and all transactions ordinarily incident thereto, are authorized, provided that the exportation or reexportation of such items to Syria is licensed or otherwise authorized by the Department of Commerce.

(b) The exportation, reexportation, sale, or supply, directly or indirectly, from the United States or by a U.S. person, wherever located, to Syria, including to the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201, of services that are ordinarily incident to the exportation or reexportation of items to Syria, or of services to install, repair, or replace such items, is authorized, provided that the exportation or reexportation of such items to Syria is licensed or otherwise authorized by the Department of Commerce.

(c) This section does not authorize any debit to a blocked account.

NOTE TO § 542.510: This section does not authorize the exportation or reexportation of any item not subject to the Export Administration Regulations, 15 CFR parts 730-774 (the “EAR”), or the exportation or reexportation of services related thereto. See 15 CFR 734.3 for a definition of “items subject to the EAR.” See 31 CFR 542.525 for a general license authorizing the exportation or reexportation of services to Syria related to the exportation or reexportation of certain non-U.S.-origin goods.

§ 542.511 Exportation of certain services incident to internet-based communications.

(a) *Authorized services*—(1) *Services related to the exchange of communications over the internet.* Except as provided in paragraph (c) of this section, all transactions prohibited by this part that are related to the exportation, reexportation, sale, or supply, directly or indirectly, from the United States or by U.S. persons, wherever located, to persons in Syria of services incident to the exchange of communications over the internet, such as instant messaging, chat and email, social networking, sharing of photos and movies, web browsing, blogging, social media platforms, collaboration platforms, video conferencing, e-gaming, e-learning platforms, automated translation, web maps, and user authentication services, as well as cloud-based services in support of the foregoing, are authorized.

(2) *Services incident to the export or re-export of software and hardware not subject to the Export Administration Regulations (EAR).* Except as provided in paragraph (c) of this section, all transactions prohibited by this part that are related to the exportation, reexportation, sale, or supply, directly or indirectly, from the United States or by U.S. persons, wherever located, of services incident to the exportation or reexportation to persons in Syria of software or hardware that is incident to, or enables services incident to, the exchange of communications over the internet, such as instant messaging, chat and email, social networking, sharing of photos and movies, web browsing, blogging, social media platforms, collaboration platforms, video conferencing, e-gaming, e-learning platforms, automated translation, web maps, and user authentication services, as well as cloud-based services in support of the foregoing, are authorized, provided that any such hardware would be designated EAR99 if it were subject to the EAR, 15 CFR parts 730 through 774, and that any such software is the type of software described in 15 CFR 734.3(b)(3) or would be classified under Export Control Classification Number (ECCN) 5D992.c or designated EAR99 if it were subject to the EAR.

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NOTE 1 TO PARAGRAPH (A)(2). See § 542.510 for a general license authorizing the exportation or reexportation of certain items subject to the EAR and services to Syria.

(b) *Internet connectivity services and telecommunications capacity.* Except as provided in paragraph (c) of this section, all transactions prohibited by this part that are related to the exportation or reexportation to Syria of non-commercial-grade internet connectivity services, to include non-commercial-grade cloud-based services, and the provision, sale, or leasing of capacity on telecommunications transmission facilities (such as satellite or terrestrial network connectivity) incident to communications, are authorized.

(c) *Exclusions.* This section does not authorize:

(1) The direct or indirect exportation of services with knowledge or reason to know that such services are intended for the benefit of the Government of Syria, except for services described in paragraph (a) of this section that are publicly available at no cost to the user, or any other person whose property and interests in property are blocked pursuant to § 542.201;

(2) The direct or indirect exportation of commercial-grade internet connectivity services or commercial-grade telecommunications transmission facilities (such as dedicated satellite links or dedicated lines that include quality of service guarantees); or

(3) The direct or indirect exportation of web-hosting services that are for websites of commercial entities located in Syria or of domain name registration services for or on behalf of the Government of Syria, as defined in § 542.308, or any other person whose property and interests in property are blocked pursuant to § 542.201.

(d) *Specific licensing policy.* Specific licenses may be issued on a case-by-case basis to authorize transactions not specified in paragraph (a) of this section that are incident to communications, involve the telecommunications sector, or support internet freedom in Syria, including to enable private persons in Syria to better and more securely access the internet.

NOTE 2 TO § 542.511. Nothing in this section relieves the exporter from compliance with

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the export license application requirements of another Federal agency.

[79 FR 25416, May 2, 2014, as amended 89 FR 48320, June 6, 2024]

§ 542.512 Noncommercial, personal remittances authorized.

(a)(1) U.S. persons are authorized to send and receive, and U.S. depository institutions, U.S. registered brokers or dealers in securities, and U.S. registered money transmitters are authorized to process transfers of, funds to or from Syria or for or on behalf of an individual ordinarily resident in Syria in cases in which the transfer involves a noncommercial, personal remittance, provided the transfer is not by, to, or through the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201.

(2) Noncommercial, personal remittances do not include charitable donations of funds to or for the benefit of an entity or funds transfers for use in supporting or operating a business, including a family-owned business.

(b) The transferring institutions identified in paragraph (a) of this section may rely on the originator of a funds transfer with regard to compliance with paragraph (a) of this section, provided that the transferring institution does not know or have reason to know that the funds transfer is not in compliance with paragraph (a) of this section.

(c) An individual who is a U.S. person is authorized to carry funds as a non-commercial, personal remittance, as described in paragraph (a) of this section, to an individual in Syria or ordinarily resident in Syria, other than an individual whose property and interests in property are blocked pursuant to § 542.201, provided that the individual who is a U.S. person is carrying the funds on his or her behalf, but not on behalf of another person.

§ 542.513 Official business of certain international organizations and entities.

All transactions prohibited by this part that are for the conduct of the official business of the following entities by employees, grantees, or contractors thereof are authorized:

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(a) The United Nations, including its Programmes, Funds, and Other Entities and Bodies, as well as its Specialized Agencies and Related Organizations;

(b) The International Committee of the Red Cross and the International Federation of Red Cross and Red Crescent Societies; and

(c) The Global Fund to Fight AIDS, Tuberculosis, and Malaria, and Gavi, the Vaccine Alliance.

NOTE 1 TO § 542.513. The authorization in this section includes the processing or transfer of funds on behalf of third-country entities to or from Syria in support of the transactions authorized by this section. U.S. financial institutions may rely on the originator of a funds transfer with regard to compliance with this section, provided that the financial institution does not know or have reason to know that the funds transfer is not in compliance with this section.

[79 FR 25416, May 2, 2014, as amended 89 FR 48321, June 6, 2024]

§ 542.514 Transactions related to U.S. persons residing in Syria authorized.

(a) Except as provided in paragraph (b) of this section, individuals who are U.S. persons residing in Syria are authorized to pay their personal living expenses in Syria and to engage in other transactions, including with the Government of Syria, otherwise prohibited by this part that are ordinarily incident and necessary to their personal maintenance within Syria, including, but not limited to, payment of housing expenses, acquisition of goods or services for personal use, payment of taxes or fees to the Government of Syria, and purchase or receipt of permits, licenses, or public utility services from the Government of Syria.

(b) This section does not authorize:

(1) Any debit to a blocked account of the Government of Syria on the books of a U.S. financial institution or to any other account blocked pursuant to § 542.201;

(2) Any transaction with a person whose property and interests in property are blocked pursuant to § 542.201 other than the Government of Syria; or

(3) Transactions or services ordinarily incident to operating or supporting a business in Syria, employ-

ment in Syria, or any new investment in Syria prohibited by § 542.206.

§ 542.515 Operation of accounts authorized.

The operation of an account in a U.S. financial institution for an individual in Syria other than an individual whose property and interests in property are blocked pursuant to § 542.201, is authorized, provided that transactions processed through the account:

(a) Are of a personal nature and not for use in supporting or operating a business;

(b) Do not involve transfers directly or indirectly to Syria or for the benefit of individuals ordinarily resident in Syria unless authorized by § 542.512; and

(c) Are not otherwise prohibited by this part.

§ 542.516 Certain transactions in support of nongovernmental organizations' activities.

(a) Nongovernmental organizations, including employees, contractors, and grantees thereof, are authorized to engage in all transactions prohibited by this part that are in support of the activities described in paragraph (b) of this section, provided that the nongovernmental organization is not a person whose property or interests in property are blocked pursuant to this part.

(b) The activities referenced in paragraph (a) of this section are non-commercial activities designed to directly benefit the civilian population that fall into one of the following categories:

(1) Activities to support humanitarian projects to meet basic human needs in Syria, including, disaster, drought, or flood relief; food, nutrition, or medicine distribution; the provision of health services; assistance for vulnerable or displaced populations, including refugees, individuals with disabilities, and the elderly; and environmental programs;

(2) Activities to support democracy building in Syria, including activities to support rule of law, citizen participation, government accountability and transparency, human rights and fundamental freedoms, access to information, and civil society development projects;

(3) Activities to support education in Syria, including combating illiteracy, increasing access to education, and assisting education reform projects;

(4) Activities to support non-commercial development projects directly benefiting the Syrian people, including those related to health, food security, and water and sanitation;

(5) Activities to support the preservation and protection of cultural heritage sites in Syria, including museums, historic buildings, and archaeological sites;

(6) Activities to support environmental and natural resource protection in Syria, including the preservation and protection of threatened or endangered species, responsible and transparent management of natural resources, and the remediation of pollution or other environmental damage; and

(7) Activities to support disarmament, demobilization, and reintegration (DDR) programs and peacebuilding, conflict prevention, and conflict resolution programs.

(c) U.S. financial institutions are authorized to process transfers of funds on behalf of U.S. or third-country nongovernmental organizations, including their employees, contractors, and grantees, in support of the activities authorized by paragraph (a) of this section, except as provided in paragraph (d) of this section.

NOTE 1 TO PARAGRAPH (C). U.S. financial institutions may rely on the originator of a funds transfer with regard to compliance with this section, provided that the financial institution does not know or have reason to know that the funds transfer is not in compliance with this section.

(d) This section does not authorize:

(1) Any funds transfers initiated or processed with knowledge or reason to know that the intended beneficiary of such transfers is a person blocked pursuant to this part, except for persons who meet the definition of the term *Government of Syria*, as defined in § 542.308(a) or for the purposes of effecting the payment of taxes, fees, or import duties, or for the purchase or receipt of permits, licenses, or public utility services as ordinarily incident and necessary to the activities authorized in paragraph (a) of this section; or

(2) The importation into the United States of petroleum or petroleum products of Syrian origin prohibited by § 542.208.

(e) Nothing in this section authorizes nongovernmental organizations to undertake any transaction or dealing that involves any foreign person that has been designated as a foreign terrorist organization under section 219 of the Immigration and Nationality Act (8 U.S.C. 1189), or otherwise designated as a terrorist organization, by the Secretary of State, in consultation with or upon the request of the Attorney General or the Secretary of Homeland Security.

(f) U.S. persons engaging in transactions or processing transfers of funds to or from Syria in support of activities described in paragraph (b)(5) of this section (preservation and protection of cultural heritage sites in Syria) are required to file quarterly reports no later than 30 days following the end of the calendar quarter with OFAC. The reports should include complete information on all activities and transactions undertaken pursuant to paragraphs (a) and (c) of this section in support of the activities described in paragraph (b)(5) of this section that took place during the reporting period, including the parties involved, the value of the transactions, the services provided, and the dates of the transactions. The reports should be submitted via email to OFACReport@treasury.gov.

(g) Specific licenses may be issued on a case-by-case basis to authorize nongovernmental organizations or other entities to engage in other activities designed to directly benefit the civilian population, including support for the removal of landmines and economic development projects directly benefiting the civilian population.

NOTE 2 TO § 542.516. See § 542.510 for a general license authorizing the exportation or re-exportation of certain items and services to Syria.

[79 FR 25416, May 2, 2014, as amended 89 FR 48321, June 6, 2024]

§ 542.517 Third-country diplomatic and consular funds transfers authorized.

U.S. depository institutions, U.S. registered brokers or dealers in securities, and U.S. registered money transmitters are authorized to process funds transfers for the operating expenses or other official business of third-country diplomatic or consular missions in Syria, provided that the transfer is not by, to, or through the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201.

§ 542.518 Payments for overflights of Syrian airspace or emergency landings in Syria authorized.

Payments to Syria of charges for services rendered by the Government of Syria in connection with the overflight of Syria or emergency landing in Syria of aircraft owned or operated by a United States person or registered in the United States are authorized, provided that no payment may be made by, to, or through any person whose property and interests in property are blocked pursuant to § 542.201 other than the Government of Syria.

§ 542.519 Transactions related to telecommunications and mail authorized.

(a)(1) Except as provided in paragraph (a)(2) of this section, all transactions with respect to the receipt and transmission of telecommunications involving Syria are authorized, provided that no payment pursuant to this section may involve any debit to a blocked account of the Government of Syria on the books of a U.S. financial institution, or any transaction with a person whose property and interests in property are blocked pursuant to § 542.201 other than the Government of Syria.

(2) This section does not authorize:

(i) The provision, sale, or lease of telecommunications equipment or technology; or

(ii) The provision, sale, or lease of capacity on telecommunications transmission facilities (such as satellite or terrestrial network connectivity).

(b) All transactions of common carriers incident to the receipt or trans-

mission of mail and packages between the United States and Syria are authorized, provided that the importation or exportation of such mail and packages is exempt from or authorized pursuant to this part.

§ 542.520 Certain transactions related to patents, trademarks, copyrights, and other intellectual property authorized.

(a) All of the following transactions in connection with patent, trademark, copyright or other intellectual property protection in the United States or Syria are authorized, including exportation of services to Syria, payment for such services, and payment to persons in Syria directly connected to such intellectual property protection:

(1) The filing and prosecution of any application to obtain a patent, trademark, copyright or other form of intellectual property protection;

(2) The receipt of a patent, trademark, copyright, or other form of intellectual property protection;

(3) The renewal or maintenance of a patent, trademark, copyright or other form of intellectual property protection;

(4) The filing and prosecution of opposition or infringement proceedings with respect to a patent, trademark, copyright or other form of intellectual property protection, or the entrance of a defense to any such proceedings; and

(5) The assignment or transfer of a patent, trademark, copyright, or other form of intellectual property protection.

(b) This section authorizes the payment of fees currently due to the United States Government or the Government of Syria, or of the reasonable and customary fees and charges currently due to attorneys or representatives within the United States or Syria, in connection with the transactions authorized in paragraph (a) of this section, except that payment effected pursuant to the terms of this paragraph may not be made from a blocked account.

§ 542.521 Activities and services related to certain nonimmigrant and immigrant categories authorized.

(a) U.S. persons are authorized to engage in all transactions in the United

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States with persons otherwise eligible for non-immigrant classification under categories A-3 and G-5 (attendants, servants and personal employees of aliens in the United States on diplomatic status), D (crewmen), F (students), I (information media representatives), J (exchange visitors), M (non-academic students), O (aliens with extraordinary ability), P (athletes, artists, and entertainers), Q (international cultural exchange visitors), R (religious workers), or S (witnesses), to the extent such a visa has been granted by the U.S. Department of State or such non-immigrant status, or related benefit, has been granted by the U.S. Department of Homeland Security.

(b) U.S. persons are authorized to engage in all transactions in the United States with persons otherwise eligible for non-immigrant classification under categories E-2 (treaty investor), H (temporary worker), or L (intra-company transferee) and all immigrant classifications, to the extent such a visa has been granted by the U.S. Department of State or such non-immigrant or immigrant status, or related benefit, has been granted by the U.S. Department of Homeland Security, and provided that the persons are not coming to the United States to work as an agent, employee, or contractor of the Government of Syria or an entity in Syria.

(c) U.S. persons are authorized to export services to persons in Syria in connection with the filing of an individual's application for the visa categories listed in paragraphs (a) and (b) of this section.

(d)(1) Accredited U.S. graduate and undergraduate degree-granting academic institutions are authorized to export services to Syria for the filing and processing of applications to enroll, and the acceptance of payments for submitted applications to enroll and tuition from persons ordinarily resident in Syria, provided that any transfer of funds is not by, to, or through the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201.

(2) In the event services are exported under paragraph (d)(1) of this section in connection with an application to en-

roll that is denied or withdrawn, U.S. persons are authorized to transfer, in a lump sum back to Syria or to a third country, any funds paid by the applicant in connection with such an application, provided that any transfer of funds is not by, to, or through the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201.

(e)(1) U.S. persons are authorized to engage in all transactions necessary to export financial services to Syria in connection with an individual's application for a non-immigrant visa under category E-2 (treaty investor) or an immigrant visa under category EB-5 (immigrant investor), provided that any transfer of funds is not by, to, or through the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201.

(2) In the event services are exported under paragraph (e)(1) of this section in connection with an application for an E-2 or EB-5 visa that is denied, withdrawn, or otherwise does not result in the issuance of such visa, U.S. persons are authorized to transfer, in a lump sum back to Syria or to a third country, any funds belonging to the applicant that are held in an escrow account during the pendency of, and in connection with such a visa application, provided that any transfer of funds is not by, to, or through the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201.

(3) Paragraph (d)(1) of this section does not authorize:

(i) The exportation of financial services by U.S. persons other than in connection with funds used in pursuit of an E-2 or EB-5 visa;

(ii) Any investment in Syria by a U.S. person; or

(iii) The provision of services to any persons coming to the United States to work as an agent, employee, or contractor of the Government of Syria or an entity in Syria.

§ 542.522 Official business of the United States Government.

All transactions prohibited by this part that are for the conduct of the official business of the United States

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Government by employees, grantees, or contractors thereof are authorized.

[87 FR 78473, Dec. 21, 2022]

§ 542.523 Certain services to the National Coalition of Syrian Revolutionary and Opposition Forces authorized.

(a) Except as provided in paragraphs (b) and (c) of this section, U.S. persons are authorized to export, reexport, sell, or supply, directly or indirectly, to the National Coalition of Syrian Revolutionary and Opposition Forces (“the Coalition”) services otherwise prohibited by § 542.207.

NOTE TO PARAGRAPH (a): See § 542.510 for a general license authorizing the exportation and reexportation of certain items and services to Syria.

(b) This section does not authorize:

(1) Any transaction with a person whose property and interests in property are blocked pursuant to § 542.201; or

(2) The exportation, reexportation, sale, or supply, directly or indirectly, of any services in support of the exportation or reexportation to Syria of any item listed on the United States Munitions List (22 CFR part 121).

(c) Any transfer of funds to or from the Coalition under this section must be conducted through the Coalition’s U.S. office through an account of the Coalition at a U.S. financial institution specifically licensed for that purpose by OFAC.

NOTE TO PARAGRAPH (c): For additional information on the bank account that is specifically licensed for receipt of funds transfers, please contact the U.S. office of the Coalition at 1101 Pennsylvania Avenue NW., Ste # 6620, Washington, DC 20004, ATTN: OFAC-authorized bank account, or by phone at (202) 800-1130.

NOTE 1 TO § 542.523: Financial institutions transferring funds to or from the Coalition pursuant to this section may rely on the originator of a funds transfer with regard to compliance with paragraph (b), provided that the transferring institution does not know or have reason to know that the funds transfer is not in compliance with paragraph (b) of this section.

NOTE 2 TO § 542.523: Consistent with sections § 542.101 and § 542.502, this section does not authorize any transaction prohibited by any part of 31 CFR Chapter V other than § 542.207. For example, this section does not authorize any transaction with a person

whose property and interests in property are blocked pursuant to § 594.201 of this chapter, such as al-Nusrah.

§ 542.524 Bunkering and emergency repairs.

(a) Except as provided in paragraph (b) of this section, services provided in the United States to a non-Syrian carrier transporting passengers or goods to or from Syria are permissible if they are:

- (1) Bunkers or bunkering services;
- (2) Supplied or performed in the course of emergency repairs; or
- (3) Supplied or performed under circumstances which could not be anticipated prior to the carrier’s departure for the United States.

(b) This section does not authorize the provision of services in connection with the transport of any goods to or from the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201.

§ 542.525 Exportation or reexportation of services to Syria related to the exportation or reexportation of certain non-U.S.-origin goods authorized.

The exportation, reexportation, sale, or supply, directly or indirectly, from the United States or by a U.S. person, wherever located, to Syria, including to the Government of Syria, of services that are ordinarily incident to the exportation or reexportation to Syria, including to the Government of Syria, of non-U.S.-origin food, medicine, and medical devices that would be designated as EAR 99 under the Export Administration Regulations, 15 CFR parts 730–774 (the “EAR”), if it were subject to the EAR, are authorized.

NOTE TO § 542.525: See § 542.510 for a general license authorizing the exportation or reexportation of certain items and services to Syria from the United States or by a U.S. person.

§ 542.526 Exportation of services related to conferences in the United States or third countries authorized.

(a) The exportation, reexportation, sale, or supply of services from the United States or by a U.S. person are

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authorized where such services are performed or provided in the United States by or for a person who is ordinarily resident in Syria, other than the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201, is authorized, for the purpose of, or which directly relate to, participating in a conference, performance, exhibition or similar event, and such services are consistent with that purpose.

(b) To the extent not otherwise exempt from the prohibitions of this part, the exportation, reexportation, sale, or supply of services directly related to the sponsorship by a U.S. person of a conference or other similar event in a third country that is attended by persons who are ordinarily resident in Syria, other than the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201(a), is authorized, provided that the conference or other similar event is not tailored in whole or in part to or for Syria or persons who are ordinarily resident in Syria.

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§ 542.528 Policy on activities related to the agricultural sector of Syria.

(a) Specific licenses may be issued on a case-by-case basis to authorize U.S. persons to engage in transactions involving Syria's agricultural sector that are otherwise prohibited by § 542.206, § 542.207, or § 542.210. The purpose of this policy is to enable projects to benefit and support the people of Syria by enhancing and strengthening the agricultural sector in a food insecure country.

(b) Specific licenses issued pursuant to this policy will not authorize any transaction or activity, directly or indirectly, with the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201.

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§ 542.529 Policy on activities related to petroleum and petroleum products of Syrian origin for the benefit of the National Coalition of Syrian Revolutionary and Opposition Forces.

(a) Specific licenses may be issued on a case-by-case basis to authorize U.S. persons to engage in any transaction otherwise prohibited by § 542.206, § 542.207, § 542.208, § 542.209, or § 542.210, including but not limited to new investment, involving the purchase, trade, export, import, or production of petroleum or petroleum products of Syrian origin for the benefit of the National Coalition of Syrian Revolutionary and Opposition Forces.

(b) Specific licenses issued pursuant to this policy will not authorize any transaction or activity, directly or indirectly, with the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201(a).

§ 542.530 Transactions incident to importations from Syria authorized.

All transactions otherwise prohibited by § 542.207 that are ordinarily incident to an importation into the United States from Syria, directly or indirectly, of goods technology, or services, are authorized, provided the importation is not from or on behalf of, directly or indirectly, a person whose property and interests in property are blocked pursuant to § 542.201.

NOTE TO § 542.530: This section does not authorize transactions that are ordinarily incident to an importation that is prohibited pursuant to 542.208 or any transaction prohibited pursuant to 542.209.

§ 542.531 Emergency medical services.

The provision and receipt of non-scheduled emergency medical services that are prohibited by this part are authorized.

[89 FR 58322, June 6, 2024]

§ 542.532 Authorized transactions necessary and ordinarily incident to publishing.

(a) Subject to the restrictions set forth in paragraphs (b) through (d) of this section, U.S. persons are authorized to engage in all transactions necessary and ordinarily incident to the

publishing and marketing of manuscripts, books, journals, and newspapers in paper or electronic format (collectively, “written publications”). This section does not apply if the parties to the transactions described in this paragraph include the Government of Syria or any other person whose property and interests in property are blocked pursuant to §542.201. For the purposes of this section, the term “Government of Syria” includes the state and the Government of the Syrian Arab Republic, as well as any political subdivision, agency, or instrumentality thereof, which includes the Central Bank of Syria, and any person acting or purporting to act directly or indirectly on behalf of any of the foregoing with respect to the transactions described in this paragraph. For the purposes of this section, the term “Government of Syria” does not include any academic or research institutions and their personnel. Pursuant to this section, the following activities are authorized, provided that U.S. persons ensure that they are not engaging, without separate authorization, in the activities identified in paragraphs (b) through (d) of this section:

(1) Commissioning and making advance payments for identifiable written publications not yet in existence, to the extent consistent with industry practice;

(2) Collaborating on the creation and enhancement of written publications;

(3)(i) Augmenting written publications through the addition of items such as photographs, artwork, translation, explanatory text, and, for a written publication in electronic format, the addition of embedded software necessary for reading, browsing, navigating, or searching the written publication; and

(ii) Exporting embedded software necessary for reading, browsing, navigating, or searching a written publication in electronic format, provided that the software is designated as “EAR99” under the Export Administration Regulations, 15 CFR parts 730 through 774 (the “EAR”), or is not subject to the EAR;

(4) Substantive editing of written publications;

(5) Payment of royalties for written publications;

(6) Creating or undertaking a marketing campaign to promote a written publication; and

(7) Other transactions necessary and ordinarily incident to the publishing and marketing of written publications as described in this paragraph (a).

(b) This section does not authorize transactions involving the provision of goods or services not necessary and ordinarily incident to the publishing and marketing of written publications as described in paragraph (a) of this section. For example, this section does not authorize U.S. persons:

(1) To provide or, if involving blocked property, to receive individualized or customized services (including accounting, legal, design, or consulting services), other than those necessary and ordinarily incident to the publishing and marketing of written publications, even though such individualized or customized services are delivered through the use of information or informational materials;

(2) To create or undertake for any person a marketing campaign with respect to any service or product other than a written publication, or to create or undertake a marketing campaign of any kind for the benefit of the Government of Syria;

(3) To engage in the exportation or, if involving blocked property, the importation of goods to or from Syria other than the exportation of embedded software described in paragraph (a)(3)(ii) of this section; or

(4) To operate a publishing house, sales outlet, or other office in Syria.

NOTE 1 TO PARAGRAPH (b) OF §542.532: The importation from Syria and the exportation to Syria of information or informational materials, as defined in §542.310, whether commercial or otherwise, regardless of format or medium of transmission, are exempt from the prohibitions and regulations of this part. See §542.211(b).

(c) This section does not authorize U.S. persons to engage the services of publishing houses or translators in Syria that involves dealing in property unless such activity is primarily for the dissemination of written publications in Syria.

(d) This section does not authorize:

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(1) The exportation from or, if involving blocked property, the importation into the United States of services for the development, production, or design of software;

(2) Transactions for the development, production, design, or marketing of technology specifically controlled by the International Traffic in Arms Regulations, 22 CFR parts 120 through 130 (the “ITAR”), the EAR, or the Department of Energy Regulations set forth at 10 CFR part 810;

(3) The exportation of information or technology subject to the authorization requirements of 10 CFR part 810, or Restricted Data as defined in section 11 y. of the Atomic Energy Act of 1954, as amended, or of other information, data, or technology the release of which is controlled under the Atomic Energy Act and regulations therein;

(4) The exportation of any item (including information) subject to the EAR where a U.S. person knows or has reason to know that the item will be used, directly or indirectly, with respect to certain nuclear, missile, chemical, or biological weapons or nuclear-maritime end-uses as set forth in part 744 of the EAR. In addition, U.S. persons are precluded from exporting any item subject to the EAR to certain restricted end-users, as set forth in part 744 of the EAR, as well as certain persons whose export privileges have been denied pursuant to parts 764 or 766 of the EAR, without authorization from the Department of Commerce; or

(5) The exportation of information subject to licensing requirements under the ITAR or exchanges of information that are subject to regulation by other government agencies.

[80 FR 19532, Apr. 13, 2015, as amended at 89 FR 48322, June 6, 2024]

§ 542.533 Activities in certain economic sectors in non-regime held areas of Northeast and Northwest Syria.

(a) Except as provided in paragraph (c) of this section, transactions prohibited by § 542.206 or § 542.207 that are ordinarily incident and necessary to activities in the following economic sectors in the areas of northeast and northwest Syria described in the List of Areas of Northeast and Northwest

Syria in Which Activities are Authorized by § 542.533 on OFAC’s website (<https://ofac.treasury.gov>) and published in the FEDERAL REGISTER are authorized:

- (1) Agriculture;
- (2) Information and telecommunications;
- (3) Power grid infrastructure;
- (4) Construction;
- (5) Finance;
- (6) Clean energy;
- (7) Transportation and warehousing;
- (8) Water and waste management;
- (9) Health services;
- (10) Education;
- (11) Manufacturing; and
- (12) Trade.

(b) Except as provided in paragraph (c) of this section, the purchase of refined petroleum products of Syrian origin for use in Syria prohibited by § 542.209 that is ordinarily incident and necessary to the activities described in paragraph (a) of this section is authorized.

NOTE 1 TO PARAGRAPHS (A) AND (B). The authorizations in this section include the processing or transfer of funds on behalf of third-country entities to or from Syria in support of the transactions authorized by this section. U.S. financial institutions and U.S. registered money transmitters may rely on the originator of a funds transfer with regard to compliance with this section, provided that the financial institution does not know or have reason to know that the funds transfer is not in compliance with this section.

(c) This section does not authorize:

(1) Any transactions involving any person, including the Government of Syria, as defined in § 542.308, whose property or interests in property are blocked pursuant to § 542.201; or

(2) The importation into the United States of petroleum or petroleum products of Syrian origin prohibited by § 542.208.

NOTE 2 TO § 542.533. See § 542.510 for a general license authorizing the exportation or re-exportation of certain items and services to Syria.

[89 FR 48322, June 6, 2024]

§ 542.534 Transactions involving persons subject to certain sanctions pursuant to this part.

Any transaction prohibited pursuant to § 542.212 due to the involvement of a person determined to be subject to the prohibitions of § 542.212 is authorized to

the same extent such transaction would be authorized for a person whose property and interests in property are blocked pursuant to § 542.201 by a general license set forth in or issued pursuant to this part.

[89 FR 48322, June 6, 2024]

Subpart F [Reserved]

Subpart G—Penalties and Findings of Violation

SOURCE: 89 FR 48322, June 6, 2024, unless otherwise noted.

§ 542.701 Penalties.

(a) Section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) (IEEPA) is applicable to violations of the provisions of any regulation, ruling, instruction, order, directive, or license issued by or pursuant to the direction or authorization of the Secretary of the Treasury pursuant to this part or otherwise under IEEPA.

(1) A civil penalty not to exceed the amount set forth in section 206 of IEEPA may be imposed on any person who violates, attempts to violate, conspires to violate, or causes a violation of any regulation, ruling, instruction, order, directive, or license issued under IEEPA.

(2) IEEPA provides for a maximum civil penalty not to exceed the greater of \$377,700 or an amount that is twice the amount of the transaction that is the basis of the violation with respect to which the penalty is imposed.

(3) A person who willfully commits, willfully attempts to commit, willfully conspires to commit, or aids or abets in the commission of a violation of any regulation in this part, ruling, instruction, order, directive, or license may, upon conviction, be fined not more than \$1,000,000, or if a natural person, be imprisoned for not more than 20 years, or both.

(b)(1) The civil penalties provided in IEEPA are subject to adjustment pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990 (Pub. L. 101-410, as amended, 28 U.S.C. 2461 note).

(2) The criminal penalties provided in IEEPA are subject to adjustment pursuant to 18 U.S.C. 3571.

(c) Pursuant to 18 U.S.C. 1001, whoever, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact; or makes any materially false, fictitious, or fraudulent statement or representation; or makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry shall be fined under title 18, United States Code, imprisoned, or both.

(d) Section 5(b) of the United Nations Participation Act, as amended (22 U.S.C. 287c(b)) (UNPA), provides that any person who willfully violates or evades or attempts to violate or evade any order, rule, or regulation issued by the President pursuant to section 5(a) of the UNPA shall, upon conviction, be fined not more than \$1,000,000 or, if a natural person, be imprisoned for not more than 20 years, or both.

(e) Pursuant to 18 U.S.C. 2332d, except as provided in regulations issued by the Secretary of the Treasury, in consultation with the Secretary of State, a U.S. person, who knowing or having reasonable cause to know that a country is designated under section 6(j) of the Export Administration Act of 1979, 50 U.S.C. App. 2405, as a country supporting international terrorism, engages in a financial transaction with the government of that country, shall be fined under title 18, United States Code, or imprisoned for not more than 10 years, or both.

(f) Violations of this part may also be subject to other applicable laws.

[89 FR 48322, June 6, 2024, as amended at 90 FR 3691, Jan. 15, 2025]

§ 542.702 Pre-Penalty Notice; settlement.

(a) *When required.* If OFAC has reason to believe that there has occurred a violation of any provision of this part or a violation of the provisions of any regulation, ruling, instruction, order, directive, or license issued by or pursuant to the direction or authorization of

the Secretary of the Treasury pursuant to this part or otherwise under the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) and determines that a civil monetary penalty is warranted, OFAC will issue a Pre-Penalty Notice informing the alleged violator of the agency's intent to impose a monetary penalty. A Pre-Penalty Notice shall be in writing. The Pre-Penalty Notice may be issued whether or not another agency has taken any action with respect to the matter. For a description of the contents of a Pre-Penalty Notice, see appendix A to part 501 of this chapter.

(b) *Response*—(1) *Right to respond*. An alleged violator has the right to respond to a Pre-Penalty Notice by making a written presentation to OFAC. For a description of the information that should be included in such a response, see appendix A to part 501 of this chapter.

(2) *Deadline for response*. A response to a Pre-Penalty Notice must be made within 30 days as set forth in paragraphs (b)(2)(i) and (ii) of this section. The failure to submit a response within 30 days shall be deemed to be a waiver of the right to respond.

(i) *Computation of time for response*. A response to a Pre-Penalty Notice must be postmarked or date-stamped by the U.S. Postal Service (or foreign postal service, if mailed abroad) or courier service provider (if transmitted to OFAC by courier), or dated if sent by email, on or before the 30th day after the postmark date on the envelope in which the Pre-Penalty Notice was mailed or date the Pre-Penalty Notice was emailed. If the Pre-Penalty Notice was personally delivered by a non-U.S. Postal Service agent authorized by OFAC, a response must be postmarked or date-stamped on or before the 30th day after the date of delivery.

(ii) *Extensions of time for response*. If a due date falls on a Federal holiday or weekend, that due date is extended to include the following business day. Any other extensions of time will be granted, at the discretion of OFAC, only upon specific request to OFAC.

(3) *Form and method of response*. A response to a Pre-Penalty Notice need not be in any particular form, but it must be typewritten and signed by the

alleged violator or a representative thereof (electronic signature is acceptable), contain information sufficient to indicate that it is in response to the Pre-Penalty Notice, and include the OFAC identification number listed on the Pre-Penalty Notice. The response must be sent to OFAC's Enforcement Division by mail or courier or email and must be postmarked or date-stamped in accordance with paragraph (b)(2) of this section.

(c) *Settlement*. Settlement discussion may be initiated by OFAC, the alleged violator, or the alleged violator's authorized representative. For a description of practices with respect to settlement, see appendix A to part 501 of this chapter.

(d) *Guidelines*. Guidelines for the imposition or settlement of civil penalties by OFAC are contained in appendix A to part 501 of this chapter.

(e) *Representation*. A representative of the alleged violator may act on behalf of the alleged violator, but any oral communication with OFAC prior to a written submission regarding the specific allegations contained in the Pre-Penalty Notice must be preceded by a written letter of representation, unless the Pre-Penalty Notice was served upon the alleged violator in care of the representative.

§ 542.703 Penalty imposition.

If, after considering any written response to the Pre-Penalty Notice and any relevant facts, OFAC determines that there was a violation by the alleged violator named in the Pre-Penalty Notice and that a civil monetary penalty is appropriate, OFAC may issue a Penalty Notice to the violator containing a determination of the violation and the imposition of the monetary penalty. For additional details concerning issuance of a Penalty Notice, see appendix A to part 501 of this chapter. The issuance of the Penalty Notice shall constitute final agency action. The violator has the right to seek judicial review of that final agency action in Federal district court.

§ 542.704 Administrative collection; referral to United States Department of Justice.

In the event that the violator does not pay the penalty imposed pursuant to this part or make payment arrangements acceptable to OFAC, the matter may be referred for administrative collection measures by the Department of the Treasury or to the United States Department of Justice for appropriate action to recover the penalty in a civil suit in a Federal district court.

§ 542.705 Findings of Violation.

(a) *When issued.* (1) OFAC may issue an initial Finding of Violation that identifies a violation if OFAC:

(i) Determines that there has occurred a violation of any provision of this part, or a violation of the provisions of any regulation, ruling, instruction, order, directive, or license issued by or pursuant to the direction or authorization of the Secretary of the Treasury pursuant to this part or otherwise under the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*);

(ii) Considers it important to document the occurrence of a violation; and

(iii) Based on the Guidelines contained in appendix A to part 501 of this chapter, concludes that an administrative response is warranted but that a civil monetary penalty is not the most appropriate response.

(2) An initial Finding of Violation shall be in writing and may be issued whether or not another agency has taken any action with respect to the matter. For additional details concerning issuance of a Finding of Violation, see appendix A to part 501 of this chapter.

(b) *Response*—(1) *Right to respond.* An alleged violator has the right to contest an initial Finding of Violation by providing a written response to OFAC.

(2) *Deadline for response; default determination.* A response to an initial Finding of Violation must be made within 30 days as set forth in paragraphs (b)(2)(i) and (ii) of this section. The failure to submit a response within 30 days shall be deemed to be a waiver of the right to respond, and the initial Finding of Violation will become final and will constitute final agency action.

The violator has the right to seek judicial review of that final agency action in Federal district court.

(i) *Computation of time for response.* A response to an initial Finding of Violation must be postmarked or date-stamped by the U.S. Postal Service (or foreign postal service, if mailed abroad) or courier service provider (if transmitted to OFAC by courier), or dated if sent by email, on or before the 30th day after the postmark date on the envelope in which the initial Finding of Violation was served or date the Finding of Violation was sent by email. If the initial Finding of Violation was personally delivered by a non-U.S. Postal Service agent authorized by OFAC, a response must be postmarked or date-stamped on or before the 30th day after the date of delivery.

(ii) *Extensions of time for response.* If a due date falls on a Federal holiday or weekend, that due date is extended to include the following business day. Any other extensions of time will be granted, at the discretion of OFAC, only upon specific request to OFAC.

(3) *Form and method of response.* A response to an initial Finding of Violation need not be in any particular form, but it must be typewritten and signed by the alleged violator or a representative thereof (electronic signature is acceptable), contain information sufficient to indicate that it is in response to the initial Finding of Violation, and include the OFAC identification number listed on the initial Finding of Violation. The response must be sent to OFAC's Enforcement Division by mail or courier or email and must be postmarked or date-stamped in accordance with paragraph (b)(2) of this section.

(4) *Information that should be included in response.* Any response should set forth in detail why the alleged violator either believes that a violation of the regulations in this part did not occur and/or why a Finding of Violation is otherwise unwarranted under the circumstances, with reference to the General Factors Affecting Administrative Action set forth in the Guidelines contained in appendix A to part 501 of this chapter. The response should include all documentary or other evidence available to the alleged violator that

supports the arguments set forth in the response. OFAC will consider all relevant materials submitted in the response.

(c) *Determination*—(1) *Determination that a Finding of Violation is warranted.* If, after considering the response, OFAC determines that a final Finding of Violation should be issued, OFAC will issue a final Finding of Violation that will inform the violator of its decision. A final Finding of Violation shall constitute final agency action. The violator has the right to seek judicial review of that final agency action in Federal district court.

(2) *Determination that a Finding of Violation is not warranted.* If, after considering the response, OFAC determines a Finding of Violation is not warranted, then OFAC will inform the alleged violator of its decision not to issue a final Finding of Violation.

NOTE 1 TO PARAGRAPH (C)(2). A determination by OFAC that a final Finding of Violation is not warranted does not preclude OFAC from pursuing other enforcement actions consistent with the Guidelines contained in appendix A to part 501 of this chapter.

(d) *Representation.* A representative of the alleged violator may act on behalf of the alleged violator, but any oral communication with OFAC prior to a written submission regarding the specific alleged violations contained in the initial Finding of Violation must be preceded by a written letter of representation, unless the initial Finding of Violation was served upon the alleged violator in care of the representative.

PART 544—WEAPONS OF MASS DESTRUCTION PROLIFERATORS SANCTIONS REGULATIONS

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Sec.

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