

**§ 575.507 Certain exports to Iraq authorized.**

(a) All transactions ordinarily incident to the exportation of any item, commodity, or product from the United States to or destined for Iraq are authorized if:

(1) Such exports would ordinarily be authorized under one of the following regulations administered by the Department of Commerce: 15 CFR 771.6—General license BAGGAGE (accompanied and unaccompanied baggage); 15 CFR 771.13—General license GUS (shipments to personnel and agencies of the U.S. Government); or,

(2) Such exports are for the official use of the United Nations, its personnel and agencies (excluding its relief or developmental agencies).

(b) All transactions related to exportation or reexportation not otherwise authorized in this part, are prohibited unless licensed pursuant to the procedures described in § 575.801 by the Office of Foreign Assets Control.

[56 FR 2113, Jan. 18, 1991, as amended at 56 FR 5636, Feb. 11, 1991]

**§ 575.508 Import of household and personal effects from Iraq authorized.**

The importation of household and personal effects of Iraqi origin, including baggage and articles for family use, of persons arriving in the United States directly or indirectly from Iraq is authorized. Articles included in such effects may be imported without limitation provided they were actually used by such persons or their family members abroad, are not intended for any other person or for sale, and are not otherwise prohibited from importation.

**§ 575.509 Payments and transfers authorized for shipments of oil under contract and en route to the United States prior to the effective date.**

(a) Oil of Iraqi origin or oil in which the Government of Iraq has an interest may be imported into the United States only if:

(1) Prior to the effective date, the oil was loaded for ultimate delivery to the United States on board a vessel in Iraq, Kuwait, or a third country;

(2) The oil was imported into the United States before 11:59 p.m. Eastern Daylight Time, October 1, 1990; and

(3) The bill of lading accompanying the oil was issued prior to the effective date.

(b) Any payment owed or balance not paid to or for the benefit of the Government of Iraq prior to the effective date for oil imported pursuant to paragraph (a) must be paid into a blocked account in a U.S. financial institution.

(c) Transactions conducted pursuant to this section must be reported in writing to the Office of Foreign Assets Control, Blocked Assets Section, no later than 10 days after the date of importation.

NOTE: Transactions authorized by this provision have been completed prior to January 18, 1991. The text of this license is included for the convenience of the user.

**§ 575.510 Payments and transfers authorized for goods and services exported to Iraq prior to the effective date.**

(a) Specific licenses may be issued on a case-by-case basis to permit payment involving an irrevocable letter of credit issued or confirmed by a U.S. bank, or a letter of credit reimbursement confirmed by a U.S. bank, from a blocked account or otherwise, of amounts owed to or for the benefit of a person with respect to goods or services exported prior to the effective date directly or indirectly to Iraq or Kuwait, or to third countries for an entity operated from Iraq or Kuwait, or for the benefit of the Government of Iraq, where the license application presents evidence satisfactory to the Office of Foreign Assets Control that:

(1) The exportation occurred prior to the effective date (such evidence may include, *e.g.*, the bill of lading, the air waybill, the purchaser's written confirmation of completed services, customs documents, and insurance documents); and

(2) If delivery or performance occurred after the effective date, due diligence was exercised to divert delivery of the goods from Iraq and to effect final delivery of the goods to a non-prohibited destination, or to prevent performance of the services.

(b) Specific license applications must also contain the following information:

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(1) The name and address of any Iraqi broker, purchasing agent, or other participant in the sale of goods or services exported to Iraq; and an explanation of the facts and circumstances surrounding the entry into and execution of the transaction; and

(2) A notarized statement by the applicant certifying that no ownership interest greater than five (5) percent is held by the Government of Iraq or an Iraqi person in the beneficiary of the letters of credit, or if such interest exists, the name, address and ownership interest of the Government of Iraq entity or Iraqi person holding such interest.

(c) This section does not authorize exportation or the performance of services after the effective date pursuant to a contract entered into or partially performed prior to the effective date.

(d) Transactions conducted under specific licenses granted pursuant to this section must be reported in writing to the Office of Foreign Assets Control, Blocked Assets Section, no later than 10 days after the date of payment.

(e) Separate criteria may be applied to the issuance of licenses authorizing payment from an account of or held by a blocked U.S. bank owned or controlled by the Government of Iraq.

### § 575.511 Extensions or renewals authorized.

(a) The extension or renewal, at the request of the account party, of a letter of credit or a standby letter of credit issued or confirmed by a U.S. financial institution is authorized.

(b) Transactions conducted pursuant to this section must be reported to the Office of Foreign Assets Control, Blocked Assets Section, within 10 days after completion of the transaction.

### § 575.512 [Reserved]

### 575.513 Transactions related to telecommunications authorized.

All transactions of U.S. common carriers with respect to the receipt and transmission of telecommunications involving Iraq are authorized, provided that any payment owed to the Government of Iraq or persons in Iraq is paid into a blocked account in a U.S. financial institution.

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### § 575.514 Transactions related to mail authorized.

All transactions by U.S. persons, including payment and transfers to common carriers, incident to the receipt or transmission of mail between the United States and Iraq are authorized, provided that mail is limited to personal communications not involving a transfer of anything of value and not exceeding 12 ounces.

### §§ 575.515-575.516 [Reserved]

### § 575.517 Procedures established for export transactions initiated prior to effective date.

Goods awaiting exportation to Iraq on the effective date and seized or detained by the U.S. Customs Service on the effective date or thereafter may be released to the exporter, provided the following documents are filed with Customs officials at the port where such goods are located:

(a) A copy of the contract governing the exportation (sale or other transfer) of the goods to Iraq or, if no contract exists, a written explanation of the circumstances of exportation, including in either case a description of the manner and terms of payment received or to be received by the exporter (or other person) for, or by reason of, the exportation of the goods;

(b) An invoice, bill of lading, or other documentation fully describing the goods; and

(c) A statement by the exporter substantially in the following form:

Any amount received from or on behalf of the Government of Iraq by reason of the attempted exportation of the goods released to [name of exporter] by the U.S. Customs Service on [date], and fully described in the attached documents, has been or will be placed into a blocked account in a U.S. bank and the Office of Foreign Assets Control, Blocked Assets Section, will be immediately notified. [Name of exporter] agrees to fully indemnify the U.S. Government for any amount ultimately determined by a court of competent jurisdiction to be due or payable to or for the benefit of any person by reason of the failure of [name of exporter] to properly pay into a blocked account any amount received for the goods from or on behalf of the Government of Iraq. [Name of exporter] also agrees to