

Act of 1934, provided the funds are invested in a money market fund or in U.S. Treasury Bills.

(2) 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.

(3) Funds held or placed in a blocked account pursuant to this paragraph (b) may not be invested in instruments the maturity of which exceeds 180 days. If interest is credited to a separate blocked account or sub-account, the name of the account party on each account must be the same.

(c) Blocked funds held in instruments the maturity of which exceeds 180 days at the time the funds become subject to § 538.201 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 paragraph (b) or (d) of this section.

(d) Blocked funds held in accounts or instruments outside the United States at the time the funds become subject to § 538.201 may continue to be held in the same type of accounts or instruments, provided the funds earn interest at rates which are commercially reasonable.

(e) This section does not create an affirmative obligation for the holder of blocked tangible property, such as chattels or real estate, or of other blocked property, such as debt or equity securities, to sell or liquidate such property at the time the property becomes subject to § 538.201. However, the Office of Foreign Assets Control may issue licenses permitting or directing such sales in appropriate cases.

(f) Funds subject to this section may not be held, invested, or reinvested in a manner which provides immediate financial or economic benefit or access to the Government of Sudan or its entities, nor may their holder cooperate in or facilitate the pledging or other attempted use as collateral of blocked funds or other assets.

**§ 538.204 Prohibited importation of goods or services from Sudan.**

Except as otherwise authorized, the importation into the United States, di-

rectly or indirectly, of any goods or services of Sudanese origin, other than information or informational materials, is prohibited.

**§ 538.205 Prohibited exportation and reexportation of goods, technology, or services to Sudan.**

Except as otherwise authorized, the exportation or reexportation, directly or indirectly, to Sudan of any goods, technology (including technical data, software, or other information) or services from the United States or by a United States person, wherever located, or requiring the issuance of a license by a Federal agency, is prohibited.

[66 FR 36688, July 12, 2001]

**§ 538.206 Prohibited facilitation.**

Except as otherwise authorized, the facilitation by a United States person, including but not limited to brokering activities, of the exportation or re-exportation of goods, technology, or services from Sudan to any destination, or to Sudan from any location, is prohibited.

**§ 538.207 Prohibited performance of contracts.**

Except as otherwise authorized, the performance by any United States person of any contract, including a financing contract, in support of an industrial, commercial, public utility, or governmental project in Sudan is prohibited.

**§ 538.208 Prohibited grant or extension of credits or loans to the Government of Sudan.**

Except as otherwise authorized, the grant or extension of credits or loans by any United States person to the Government of Sudan is prohibited.

**§ 538.209 Prohibited transportation-related transactions involving Sudan.**

Except as otherwise authorized, the following are prohibited:

(a) Any transaction by a U.S. person relating to transportation of cargo to or from Sudan;

(b) The provision of transportation of cargo to or from the United States by any Sudanese person or any vessel or aircraft of Sudanese registration; or

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(c) The sale in the United States by any person holding authority under 49 U.S.C. subtitle VII of any transportation of cargo by air that includes any stop in Sudan.

### § 538.210 Evasions; attempts; conspiracies.

Any transaction by any United States person or within the United States that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in this part is prohibited. Any conspiracy formed for the purpose of engaging in a transaction prohibited by this part is prohibited.

### § 538.211 Exempt transactions.

(a) *Personal communications.* The prohibitions contained in this part do not apply to any postal, telegraphic, telephonic, or other personal communication, which does not involve the transfer of anything of value.

(b) *Humanitarian donations.* The prohibitions of this part do not apply to donations by United States persons of articles, such as food, clothing, and medicine, intended to be used to relieve human suffering.

(c) *Information and informational materials.* (1) The importation from any country and the exportation to any country of information or informational materials as defined in § 538.306, whether commercial or otherwise, regardless of format or medium of transmission, are exempt from the prohibitions and regulations of this part.

(2) This section does not authorize transactions related to information and 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, without limitation, payment of advances for informational materials not yet created and completed, provision of services to market, produce or co-produce, create or assist in the creation of information and informational materials, and payment of royalties to the Government of Sudan or a person in Sudan with respect to income received for enhance-

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ments or alterations made by U.S. persons to information or informational materials imported from the Government of Sudan or a person in Sudan.

(3) This section does not authorize transactions incident to the exportation of software subject to the Export Administration Regulations, 15 CFR parts 730-774, or to the exportation of goods, technology or software for use in the transmission of any data. The exportation of such items to the Government of Sudan or to Sudan is prohibited, as provided in §§ 538.201 and 538.205.

(d) *Travel.* The prohibitions contained in this part do not apply to transactions ordinarily incident to travel to or from any country, including exportation or importation 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 this part do not apply to transactions for the conduct of the official business of the Federal Government or the United Nations by employees thereof.

(f) *Journalistic activity.* The prohibitions contained in this part do not apply to transactions in Sudan for journalistic activity by persons regularly employed in such capacity by a news-gathering organization.

[63 FR 35810, July 1, 1998, as amended at 66 FR 36688, July 12, 2001]

## Subpart C—General Definitions

### § 538.301 Blocked account; blocked property.

The terms *blocked account* and *blocked property* shall mean any account or property subject to the prohibition in § 538.201 held in the name of the Government of Sudan or in which the Government of Sudan 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 the Office of Foreign Assets Control authorizing such action.