

§ 744.14

Terrorism Sanctions Regulations in 31 CFR part 595.

(4) Non-U.S. persons must seek authorization from BIS for the export from abroad or reexport to an SDT of any item subject to the EAR.

(5) Any export or reexport to an SDT by a U.S. person of any item subject both to the EAR and OFAC's Terrorism Sanctions Regulations in 31 CFR part 595 and not authorized by OFAC is a violation of the EAR.

(6) Any export or reexport by a U.S. person to an SDT of any item subject to the EAR that is not subject to OFAC's Terrorism Sanctions Regulations in 31 CFR part 595 and not authorized by BIS is a violation of the EAR. Any export from abroad or reexport by a non-U.S. person to an SDT of any item subject to the EAR and not authorized by BIS is a violation of the EAR.

(7) These licensing requirements supplement any other requirements set forth elsewhere in the EAR.

(b) *Exceptions.* No License Exceptions or other BIS authorization are available for export or reexport to an SDT of any item subject to the EAR.

(c) *Licensing policy.* Applications for licenses for the export or reexport to an SDT of any item subject to the EAR generally will be denied. You should consult with OFAC concerning transactions subject to OFAC licensing requirements.

(d) *Contract sanctity.* Contract sanctity provisions are not available for license applications reviewed under this section.

NOTE TO § 744.13: This section does not implement, construe, or limit the scope of any criminal statute, including (but not limited to) 18 U.S.C. 2339B(a)(1) and 2339A, and does not excuse any person from complying with any criminal statute, including (but not limited to) 18 U.S.C. 2339B(a)(1) and 18 U.S.C. 2339A.

[68 FR 34194, June 6, 2003]

§ 744.14 Restrictions on exports and reexports to designated Foreign Terrorist Organizations (FTOs).

Consistent with the objectives of section 219 of the Immigration and Nationality Act, as amended (INA) (8 U.S.C. 1189), and section 303 of the Antiterrorism and Effective Death Penalty Act 1996, as amended (Anti-

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Terrorism Act) (18 U.S.C. 2339B) (Public Law 104-132, 110 Stat. 1214-1319), BIS maintains restrictions on exports and reexports to organizations designated as Foreign Terrorist Organizations (FTOs) pursuant to section 219 of the INA. The Department of the Treasury, Office of Foreign Assets Control, maintains 31 CFR part 597, the Foreign Terrorist Organizations Sanctions Regulations, requiring U.S. financial institutions to block all financial transactions involving assets of designated FTOs within the possession or control of such U.S. financial institutions. Section 303 of the Anti-Terrorism Act prohibits persons within the United States or subject to U.S. jurisdiction from knowingly providing material support or resources to a designated FTO and makes violations punishable by criminal penalties under title 18, United States Code. These designated FTOs are listed in Appendix A to 31 CFR Chapter V and identified by the bracketed initials [FTO]. A designation of a foreign organization determined to meet the criteria of section 219 of the INA takes effect upon publication in the FEDERAL REGISTER by the Secretary of State, or the Secretary's designee.

(a) *License requirement(s).* (1) A license requirement applies to the export or reexport to an FTO of any item subject to the EAR.

(2) U.S. persons must seek authorization from BIS for the export or reexport to an FTO of any item subject to the EAR.

(3) Non-U.S. persons must seek authorization from BIS for the export from abroad or reexport to an FTO of any item subject to the EAR.

(4) Any export or reexport to an FTO by any person of any item subject to the EAR and not authorized by BIS is a violation of the EAR.

(5) These licensing requirements supplement any other requirements set forth elsewhere in the EAR.

(b) *Exceptions.* No License Exceptions or other BIS authorization for items described by paragraph (a) of this section are available for exports or reexports to FTOs.

(c) *Licensing policy.* Applications for exports and reexports to FTOs of all items identified by paragraph (a) of

this section will generally be denied, to the extent they constitute material support or resources, as defined in 18 U.S.C. 2339A(b).

(d) *Contract sanctity.* Contract sanctity provisions are not available for license applications reviewed under this section.

(e) *FTOs also designated as SDTs or SDGTs.* In cases in which an FTO is also an SDT, as described in § 744.13, or an SDGT, as described in § 744.12, the license requirements and licensing policy set forth in § 744.13 or § 744.12 will apply.

NOTE TO § 744.14: This section does not implement, construe, or limit the scope of any criminal statute, including (but not limited to) 18 U.S.C. 2339B(a)(1) and 2339A, and does not excuse any person from complying with any criminal statute, including (but not limited to) 18 U.S.C. 2339B(a)(1) and 18 U.S.C. 2339A.

[68 FR 34195, June 6, 2003]

§ 744.15 Restrictions on exports and reexports to persons named in General Orders.

Supplement No. 1 to part 736 of the EAR names certain persons (individuals and other legal entities) subject to special restrictions with respect to exports and reexports subject to the EAR. You may not violate any order issued under or made a part of the EAR, per General Prohibition nine of part 736 of the EAR.

[65 FR 76562, Dec. 7, 2000]

§ 744.16 Restrictions on exports and reexports by U.S. persons to specially designated persons on the list of Specially Designated Nationals identified by the bracketed suffix initials [FRYM].

BIS maintains restrictions on exports and reexports of any item subject to the EAR by U.S. persons to persons designated pursuant to Executive Order 13088 of June 9, 1998, as amended by Executive Order 13192 of January 17, 2001 (Executive Order 13088, as amended). These designated persons include individuals listed in the Annex to Executive Order 13192, as well as persons designated by the Secretary of the Treasury, in consultation with the Secretary of State pursuant to that order (e.g., the former President of the Federal Republic of Yugoslavia, Slobodan

Milosevic; his close associates; persons determined to be under open indictment by the International Criminal Tribunal for the former Yugoslavia; and persons determined to have sought, or to be seeking, to maintain or reestablish illegitimate control over the political processes or economic resources of the Federal Republic of Yugoslavia (Serbia and Montenegro)). Persons designated pursuant to Executive Order 13088, as amended, are included on the list of Specially Designated Nationals maintained by the Department of the Treasury's Office of Foreign Assets Control (OFAC) and identified by the bracketed suffix initials [FRYM]. The requirements set forth in this section further the objectives of Executive Order 13088, as amended.

(a) *License requirements.* (1) A license is required for all exports and reexports of any item subject to the EAR by a U.S. person to a person on the list of Specially Designated Nationals maintained by OFAC and identified by the bracketed initials [FRYM].

(2) A U.S. person may also be required to seek separate authorization from OFAC for an export or reexport to a designated person identified by the bracketed initials [FRYM].

(b) *License policy.* Applications for exports and reexports of any item subject to the EAR by a U.S. person to a Specially Designated National identified by the bracketed initials [FRYM] will be reviewed with a general policy of denial.

[66 FR 12847, Mar. 1, 2001]

§ 744.17 Restrictions on certain exports and reexports of general purpose microprocessors for "military end-uses" and to "military end-users."

(a) *General prohibition.* In addition to the license requirements for anti-terrorism reasons set forth in part 742 of the EAR, you may not export or reexport commodities described in ECCN 3A991.a.1 on the CCL ("microprocessor microcircuits", "microcomputer microcircuits", and microcontroller microcircuits having a "composite theoretical performance" ("CTP") of 6,500