

**§ 545.408 Offshore transactions.**

(a) The prohibitions contained in § 545.201 apply:

(1) To transactions by any U.S. person in a location outside the United States with respect to property in which the U.S. person knows, or has reason to know, that the Taliban or persons whose property or interests in property are blocked pursuant to § 545.201 have or have had an interest since the effective date; and

(2) With respect to goods, software, technology, or services which the U.S. person knows, or has reason to know, are from the territory of Afghanistan controlled by the Taliban.

(b) Prohibited transactions include, but are not limited to:

(1) Importation into or exportation from locations outside the United States of goods, software, technology or services owned or controlled by the Taliban or persons whose property or interests in property are blocked pursuant to § 545.201; or

(2) Purchasing, selling, financing, swapping, insuring, transporting, lifting, storing, incorporating, transforming, brokering or otherwise dealing in such blocked goods, software, technology, or services.

(c) *Example.* A U.S. person may not, within the United States or abroad, purchase, sell, finance, insure, transport, act as a broker for the sale or transport of, or otherwise deal in goods (such as carpets, fruits, or nuts), owned or controlled by the Taliban or by persons whose property or interests in property are blocked pursuant to § 545.201 or which comes from the territory of Afghanistan controlled by the Taliban.

**§ 545.409 Payments from blocked accounts to U.S. exporters and for other obligations prohibited.**

No debits may be made to a blocked account to pay obligations to U.S. persons or other persons, including payment for goods, software, technology, or services exported prior to the effective date, except as authorized pursuant to this part.

**§ 545.410 Acquisition of instruments including bankers acceptances.**

No U.S. persons may acquire or deal in any obligation, including bankers acceptances and debt of or guaranteed by a person whose property or interests in property are blocked pursuant to § 545.201, in cases in which the documents evidencing the obligation indicate, or the U.S. person has actual knowledge, that the underlying transaction is in violation of §§ 545.201 and 545.204 through 545.206. This interpretation does not apply to obligations arising from an underlying transaction licensed or otherwise authorized pursuant to this part.

**§ 545.411 Exportation to third countries; transshipments.**

Except as otherwise specified, exportation of goods, software, or technology from the United States to third countries is prohibited if the exporter knows, or has reason to know, that the goods, software, or technology are intended for reexportation or transshipment to the Taliban, to persons whose property or interests in property are blocked pursuant to § 545.201, or to the territory of Afghanistan controlled by the Taliban, including passage through, or storage in, intermediate destinations.

**§ 545.412 Release of goods originating in the territory of Afghanistan controlled by the Taliban from a bonded warehouse or foreign trade zone.**

Section 545.205 does not prohibit the release from a bonded warehouse or foreign trade zone of goods originating in the territory of Afghanistan controlled by the Taliban imported into a bonded warehouse or foreign trade zone either prior to the effective date or in a transaction authorized pursuant to this part after the effective date.

NOTE TO § 545.412: Property in which the Taliban or persons whose property or interests in property are blocked pursuant to § 545.201 have an interest may not be released unless authorized or licensed by the Office of Foreign Assets Control.

**§ 545.413 Importation of goods from third countries; transshipments.**

(a) Importation into the United States from third countries of goods

#### § 545.414

containing raw materials or components originating in the territory of Afghanistan controlled by the Taliban is not prohibited if those raw materials or components have been incorporated into manufactured products or otherwise substantially transformed in a third country.

(b) Importation into the United States of goods originating in the territory of Afghanistan controlled by the Taliban that have been transshipped through a third country without being incorporated into manufactured products or otherwise substantially transformed in a third country is prohibited.

#### § 545.414 Loans or extensions of credit.

(a) The prohibitions in §§ 545.201 and 545.204 apply to loans or extensions of credit to a person in the territory of Afghanistan controlled by the Taliban, including overdraft protection on checking accounts, and the unauthorized renewal or rescheduling of credits or loans in existence as of 12:01 a.m., Eastern Daylight Time, July 6, 1999, whether by affirmative action or operation of law.

(b) The prohibitions in §§ 545.201 and 545.204 apply to financial services including loans or credits extended in any currency.

#### § 545.415 Payments from blocked accounts to U.S. exporters and for other obligations prohibited.

Pursuant to § 545.201, no debits may be made to a blocked account to pay obligations to U.S. persons or other persons, including payment for goods, technology or services exported prior to the effective date, except as authorized pursuant to this part.

#### § 545.416 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 a person whose property or interests in property are blocked pursuant to § 545.201, such property shall no longer be deemed to be property blocked pursuant to § 545.201, unless there exists in the property another interest that is blocked pursuant to § 545.201 or any other part of this chap-

#### 31 CFR Ch. V (7-1-05 Edition)

ter, 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 a person whose property or interests in property are blocked pursuant to § 545.201, such property shall be deemed to be property in which that person has an interest and therefore blocked.

#### § 545.417 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 § 545.201 if effected after the effective date.

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

#### § 545.500 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.

[68 FR 53658, Sept. 11, 2003]

#### § 545.501 Effect of license or authorization.

(a) No license or other authorization contained in this part, or otherwise issued by or under the direction of the Director of the Office of Foreign Assets Control, authorizes or validates any transaction effected prior to the issuance of the license, unless specifically provided in such licenses 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 the Office of Foreign Assets Control and specifically refers to this part. No regulation, ruling, instruction, or license referring to this part shall be deemed to authorize any