

to process transfers of funds to or from Iran, or for the direct or indirect benefit of persons in Iran or the Government of Iran, if the transfer is covered in full by any of the conditions set forth in paragraphs (a)(2) through (4) of this section and does not involve the debiting or crediting of an Iranian account.

(c) Before a United States depository institution initiates a payment on behalf of any customer, or credits a transfer to the account on its books of the ultimate beneficiary, the United States depository institution must determine that the underlying transaction is not prohibited by this part.

(d) Pursuant to the prohibitions contained in § 560.208, a United States depository institution may not make transfers to or for the benefit of a foreign-organized entity owned or controlled by it if the underlying transaction would be prohibited if engaged in directly by the U.S. depository institution.

(e) This section does not authorize transactions with respect to property blocked pursuant to part 535.

(f) Effective September 8, 2006, this section does not authorize transactions directly or indirectly involving Bank Saderat, except that transactions described in paragraphs (a)(2) through (a)(4) or (b) of this section involving Bank Saderat that were entered into before September 8, 2006 may be performed according to their terms until December 7, 2006.

NOTE TO PARAGRAPH (f) OF § 560.516: But see § 560.532(b), which provides a 180-day wind-down period for specific licenses that were being used before September 8, 2006 to obtain letters of credit issued by Bank Saderat.

[60 FR 47063, Sept. 11, 1995, as amended at 64 FR 20174, Apr. 26, 1999; 70 FR 15584, Mar. 28, 2005; 71 FR 53570, Sept. 12, 2006]

§ 560.517 Exportation of services: Iranian accounts at United States depository institutions or United States registered brokers or dealers in securities.

(a) United States depository institutions are prohibited from performing services with respect to Iranian accounts, as defined in § 560.320, at the instruction of the Government of Iran or persons located in Iran, except that United States depository institutions

are authorized to provide and be compensated for services and incidental transactions with respect to:

(1) The maintenance of Iranian accounts, including the payment of interest and the debiting of service charges;

(2) The processing of transfers arising from underlying transactions that are exempted from regulation pursuant to section 203(b) of the International Emergency Economic Powers Act, 50 U.S.C. 1702(b), such as an exportation of information or informational materials to Iran, a travel-related remittance, or payment for the shipment of a donation of articles to relieve human suffering; and

(3) At the request of the account party, the closing of Iranian accounts and the lump sum transfer only to the account party of all remaining funds and other assets in the account.

(b) United States registered brokers or dealers in securities are prohibited from performing services with respect to Iranian accounts, as defined in § 560.320, at the instruction of the Government of Iran or persons located in Iran, except that United States registered brokers or dealers in securities are authorized to provide and be compensated for services and incidental transactions with respect to:

(1) The limited maintenance of an Iranian account, including only the payment into such account of interest, cash dividends, and stock dividends; the debiting of service charges; and the execution of stock splits and dividend reinvestment plans; and

(2) At the request of the account party, the closing of Iranian accounts through the one-time liquidation of all assets in the account at fair market value and the lump sum transfer only to the account party of all proceeds derived therefrom and all remaining funds in the account.

(c) Specific licenses may be issued with respect to the operation of Iranian accounts that constitute accounts of:

(1) Foreign government missions and their personnel in Iran; or

(2) Missions of the Government of Iran in the United States.

[60 FR 47063, Sept. 11, 1995, as amended at 70 FR 15584, Mar. 28, 2005]