

NOTE TO PARAGRAPH (b) OF § 560.553: This paragraph authorizes the blocked person on whose behalf the legal services authorized pursuant to § 560.525(a) are to be provided to make payments for authorized legal services using funds originating outside the United States that were not previously blocked. Nothing in this paragraph authorizes payments for legal services using funds in which any other person whose property and interests in property are blocked pursuant to any part of this chapter or any Executive order holds an interest.

(c) *Reports.* (1) U.S. persons who receive payments pursuant to this section in connection with legal services authorized pursuant to § 560.525(a) must submit quarterly reports providing information on the funds received, no later than 30 days following the end of the calendar quarter during which the payments were received. Such reports shall specify:

(i) The individual or entity from whom the funds originated and the amount of funds received; and

(ii) If applicable:

(A) The names of any individuals or entities providing related services to the U.S. person receiving payment in connection with authorized legal services, such as private investigators or expert witnesses;

(B) A general description of the services provided; and

(C) The amount of funds paid in connection with such services;

(2) In the event that no transactions occur or no funds are received during the reporting period, a statement is to be filed to that effect; and

(3) The reports, which must reference this section, are to be mailed to: Licensing Division, Office of Foreign Assets Control, U.S. Department of the Treasury, 1500 Pennsylvania Avenue NW., Annex, Washington, DC 20220.

(d) Nothing in this section authorizes any transaction by an entity owned or controlled by a United States person and established or maintained outside the United States otherwise prohibited by § 560.215 if the transaction would be prohibited by any other part of this chapter V if engaged in by a U.S. person or in the United States.

NOTE 1 TO § 560.553: U.S. persons who receive payments in connection with legal services authorized pursuant to § 560.525(a) do not need to obtain specific authorization to

contract for related services that are ordinarily incident to the provision of those legal services, such as those provided by private investigators or expert witnesses, or to pay for such services. Additionally, U.S. persons do not need to obtain specific authorization to provide related services that are ordinarily incident to the provision of legal services authorized pursuant to § 560.525(a).

NOTE 2 TO § 560.553: Any payment authorized in or pursuant to this section that is routed through the U.S. financial system should reference this § 560.553 to avoid the blocking of the transfer.

NOTE 3 TO § 560.553: Nothing in this section authorizes the transfer of any blocked property, the debiting of any blocked account, the entry of any judgment or order that effects a transfer of blocked property, or the execution of any judgment against property blocked pursuant to any part of this chapter or any Executive order.

[77 FR 64666, Oct. 22, 2012, as amended at 77 FR 75849, Dec. 26, 2012]

§ 560.554 Importation and exportation of services related to conferences in the United States or third countries authorized.

(a) Subject to the restrictions in paragraph (c) of this section, the importation of Iranian-origin services into the United States or other dealing in such services and the exportation, reexportation, sale, or supply of services from the United States or by a U.S. person are authorized where such services are performed or provided in the United States by or for a person who is ordinarily resident in Iran, other than the Government of Iran, an Iranian financial institution, or any other person whose property and interests in property are blocked pursuant to § 560.211, for the purpose of, or which directly relate to, participating in a public conference, performance, exhibition or similar event, and such services are consistent with that purpose.

(b) To the extent not otherwise exempt from the prohibitions of this part and subject to the restrictions in paragraph (c) of this section, the exportation, reexportation, sale, or supply of services directly related to the sponsorship by a U.S. person of a public conference or other similar public event in a third country that is attended by persons who are ordinarily resident in Iran, other than the Government of Iran, an Iranian financial institution, or any other person whose

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property and interests in property are blocked pursuant to § 560.211, is authorized, provided that attendance and participation at the conference or other similar public event is open for the public and that the conference or other similar event is not tailored in whole or in part to or for Iran or persons who are ordinarily resident in Iran.

(c) This section does not authorize:

(1) Any release of technology or software to a person who is ordinarily resident in Iran; and

(2) The exportation, reexportation, sale or supply of services, or the importation of Iranian-origin services or other dealing in such services, related to the petroleum or petrochemical industries, energy development, crude oil or natural gas, pipelines, or the oil services industry.

§ 560.555 Winding-down of transactions prohibited by § 560.215.

(a) Except as set forth in paragraphs (b) and (c) of this section, all transactions ordinarily incident and necessary to the winding-down of transactions prohibited by § 560.215 are authorized from October 9, 2012, through March 8, 2013, provided that those ordinarily incident and necessary transactions do not involve a U.S. person or occur in the United States.

(b) Nothing in this section authorizes any transactions prohibited by § 560.205.

(c) Transactions involving Iranian financial institutions are authorized pursuant to paragraph (a) of this section only if the property and interests in property of the Iranian financial institution are blocked solely pursuant to this part.

[77 FR 75850, Dec. 26, 2012]

§ 560.556 Foreign entities owned or controlled by U.S. persons authorized to engage in transactions that are authorized by general license if engaged in by a U.S. person or in the United States.

(a) Except as set forth in paragraph (b) of this section, an entity owned or controlled by a United States person and established or maintained outside the United States (a “U.S.-owned or -controlled foreign entity”) is authorized to engage in a transaction otherwise prohibited by § 560.215 that would

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be authorized by a general license set forth in or issued pursuant to this part if engaged in by a U.S. person or in the United States, provided the U.S.-owned or -controlled foreign entity is authorized to engage in the transaction only to the same extent as the U.S. person is authorized to engage in the transaction and subject to all the conditions and requirements set forth in the general license for the U.S. person.

(b) This section does not authorize any transaction by a U.S.-owned or -controlled foreign entity otherwise prohibited by § 560.215 if the transaction would be prohibited by any other part of this chapter V if engaged in by a U.S. person or in the United States.

[77 FR 75850, Dec. 26, 2012]

Subpart F—Reports

§ 560.601 Records and reports.

For provisions relating to required records and reports, see part 501, subpart C, of this chapter. Recordkeeping and reporting requirements imposed by part 501 of this chapter with respect to the prohibitions contained in this part are considered requirements arising pursuant to this part.

§§ 560.602–560.603 [Reserved]

Subpart G—Penalties

§ 560.701 Penalties.

(a) Attention is directed to section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) (“IEEPA”), which is applicable to violations of the provisions of any license, ruling, regulation, order, directive, or instruction issued by or pursuant to the direction or authorization of the Secretary of the Treasury pursuant to this part or otherwise under IEEPA.

(1) A civil penalty not to exceed the amount set forth in section 206 of IEEPA may be imposed on any person who violates, attempts to violate, conspires to violate, or causes a violation of any license, order, regulation, or prohibition issued under IEEPA.