(f) Blocked funds held in accounts or instruments outside the United States at the time the funds become subject to §570.201 may continue to be held in the same type of accounts or instruments, provided the funds earn interest at rates that are commercially reasonable.

(g) 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. However, the Office of Foreign Assets Control may issue licenses permitting or directing such sales or liquidation in appropriate cases.

(b) Funds subject to this section may not be held, invested, or reinvested in a manner that provides immediate financial or economic benefit or access to any person whose property and interests in property are blocked pursuant to §570.201, nor may their holder cooperate in or facilitate the pledging or other attempted use as collateral of blocked funds or other assets.

Subpart C—General Definitions

§570.301 Blocked account; blocked property.

The terms blocked account and blocked property shall mean any account or property subject to the prohibitions in §570.201 held in the name of the Government of Libya or any other person whose property and interests in property are blocked pursuant to §570.201, or in which the Government of Libya or such person 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 expressly authorizing such action.

NOTE TO §570.301: See §570.406 concerning the blocked status of property and interests in property of an entity that is 50 percent or more owned by a person whose property and interests in property are blocked pursuant to §570.201.

§570.302 Effective date.

The term effective date refers to the effective date of the applicable prohibitions and directives contained in this part as follows:

(a) With respect to the Government of Libya, as defined in §570.304, or a person listed in the Annex to Executive Order 13566, 8 p.m. eastern standard time, February 25, 2011; or

(b) With respect to a person whose property and interests in property are otherwise blocked pursuant to Executive Order 13566, the earlier of the date of actual or constructive notice that such person’s property and interests in property are blocked.

§570.303 Entity.

The term entity means a partnership, association, trust, joint venture, corporation, group, subgroup, or other organization.

§570.304 Government of Libya.

The term Government of Libya includes:

(a) The state and the Government of Libya, as well as any political subdivision, agency, or instrumentality thereof, and the Central Bank of Libya;

(b) Any entity owned or controlled, directly or indirectly, by the foregoing;

(c) Any person to the extent that such person is, or has been, or to the extent that there is reasonable cause to believe that such person is, or has been, since the effective date, acting or purporting to act directly or indirectly on behalf of any of the foregoing; and

(d) Any other person determined by the Office of Foreign Assets Control to be included within paragraphs (a) through (c) of this section.

NOTE 1 TO §570.304: The names of some of the persons that fall within this definition are published in the Federal Register and incorporated into the Office of Foreign Assets Control’s Specially Designated Nationals and Blocked Persons List (“SDN List”) with the identifier “[LIBYA2].” The SDN List is accessible through the following page on OFAC’s Web site: http://www.treasury.gov/sdn. However, the property and interests in property of persons falling within the definition of the term Government of Libya are blocked pursuant to §570.201 regardless of whether the names of such persons are published in the Federal Register or incorporated into the SDN List.