

§515.504

§515.504 Certain judicial proceedings with respect to property of designated nationals.

(a) Subject to the limitations of paragraphs (b), (c) and (d) of this section judicial proceedings are authorized with respect to property in which on or since the “effective date” there has existed the interest of a designated national.

(b) A judicial proceeding is authorized by this section only if it is based upon a cause of action which accrued prior to the “effective date”.

(c) This section does not authorize or license:

(1) The entry of any judgment or of any decree or order of similar or analogous effect upon any judgment book, minute book, journal or otherwise, or the docketing of any judgment in any docket book, or the filing of any judgment roll or the taking of any other similar or analogous action.

(2) Any payment or delivery out of a blocked account based upon a judicial proceeding nor does it authorize the enforcement or carrying out of any judgment or decree or order of similar or analogous effect with regard to any property in which a designated national has an interest.

(d) If a judicial proceeding relates to property in which there exists the interest of any designated national other than a person who would not have been a designated national except for his relationship to an occupied area, such proceeding is authorized only if it is based upon a claim in which no person other than any of the following has had an interest since the “effective date”:

(1) A citizen of the United States;

(2) A corporation organized under the laws of the United States or any State, territory or possession thereof, or the District of Columbia;

(3) A natural person who is and has been since the “effective date” a resident of the United States and who has not been a specially designated national;

(4) A legal representative (whether or not appointed by a court of the United States) or successor in interest by inheritance, devise, bequest, or operation of law, who falls within any of the categories specified in paragraphs (a) (1), (2), and (3) of this section but only to

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the same extent that their principals or predecessors would be qualified by such paragraphs.

§515.505 Certain Cuban nationals unblocked; transactions of certain other Cuban nationals lawfully present in the United States; transactions with Cuban nationals who have taken up permanent residence outside of Cuba.

(a) *General license unblocking certain persons.* The following persons are licensed as unblocked nationals, as that term is defined in §515.307 of this part:

(1) Any individual who:

(i) Has taken up residence in the United States;

(ii) Is a United States citizen, a permanent resident alien of the United States, or has applied to become a permanent resident alien of the United States and has an adjustment of status application pending; and

(iii) Is not a specially designated national; and

(2) Any entity that otherwise would be a national of Cuba solely because of the interest therein of an individual licensed in paragraph (a)(1) of this section as an unblocked national.

NOTE TO PARAGRAPH (a): An individual unblocked pursuant to this paragraph does not become blocked again merely by leaving the United States. An individual unblocked national remains unblocked unless and until the individual thereafter becomes domiciled in or a permanent resident of Cuba, meets any of the criteria in §515.302(a)(2) through (5), or is a “specially designated national” of Cuba, as that term is defined in §515.306 of this part.

(b) *Specific licenses unblocking certain individuals who have taken up permanent residence outside of Cuba.* Individual nationals of Cuba who have taken up permanent residence outside of Cuba may apply to the Office of Foreign Assets Control to be specifically licensed as unblocked nationals. Applications for specific licenses under this paragraph should include copies of at least two documents indicating permanent residence issued by the government authorities of the new country of permanent residence, such as a passport, voter registration card, permanent resident alien card, or national identity card. In cases where two of such

documents are not available, other information will be considered, such as evidence that the individual has been resident for the past two years without interruption in a single country outside of Cuba or evidence that the individual does not intend to, or would not be welcome to, return to Cuba.

(c) *General license authorizing certain transactions of individuals who are lawfully present in the United States in a non-visitor status.* An individual national of Cuba who is lawfully present in the United States in a non-visitor status is authorized to engage in all transactions available to an unblocked national, as that term is defined in § 515.307 of this part, except that all property in which the individual has an interest that was blocked pursuant to this part prior to the date on which the individual became lawfully present in the United States in a non-visitor status shall remain blocked. Such an individual is further authorized to withdraw a total amount not to exceed \$250 in any one calendar month from any blocked accounts held in the individual's name. For the purposes of this section, the term "non-visitor status" does not apply to an individual who is present in the United States on a non-immigrant visa valid only for a specified period of time.

(d) *General license authorizing certain transactions with individuals who have taken up permanent residence outside of Cuba.* Persons subject to U.S. jurisdiction are authorized to engage in any transaction with an individual national of Cuba who has taken up permanent residence outside of Cuba as if the individual national of Cuba were an unblocked national, as defined in § 515.307 of this part, except that all property in which the individual national of Cuba has an interest that was blocked pursuant to this part prior to the later of the date on which the individual took up permanent residence outside of Cuba or January 28, 2011 shall remain blocked. In determining whether an individual national of Cuba has taken up permanent residence outside of Cuba, persons subject to U.S. jurisdiction must obtain from the individual copies of at least two documents indicating permanent residence issued by the government authorities of the

new country of permanent residence, such as a passport, voter registration card, permanent resident alien card, or national identity card.

(e) The licensing of any person pursuant to this section shall not suspend the requirements of any section of this chapter relating to the maintenance or production of records.

(f) The following examples illustrate the application of this section:

(1) *Example 1:* A national of Cuba with a blocked U.S. bank account receives a U.S. immigration visa. Upon arrival in the United States, she is issued a permanent resident alien card and thereby is licensed as an unblocked national pursuant to paragraph (a) of this section. She can apply immediately to OFAC for a specific license to have her bank account unblocked.

(2) *Example 2:* A national of Cuba with a blocked U.S. bank account arrives in the United States without a valid visa but is allowed by the U.S. Government to remain in the United States in a non-visitor status. One year later, he applies for and receives permanent resident alien status. From the date he was permitted to remain in the United States in a non-visitor status until the date he applies for permanent resident alien status, he qualifies for the general license contained in paragraph (c) of this section. During this time he can engage in all transactions as if he is an unblocked national, with the exception that he cannot gain access to his blocked bank account other than to withdraw \$250 each month. Beginning at the point in time when he applies for permanent resident alien status, he is licensed as an unblocked national pursuant to paragraph (a) of this section. At this time, he can apply to OFAC for a specific license to have his blocked bank account unblocked.

(3) *Example 3:* A national of Cuba with a blocked U.S. bank account arrives in the United States on a temporary visa valid for six months. After her visa expires, she remains in the United States for an additional six months and then applies to become a permanent resident alien. She has an adjustment of status application pending until she receives permanent resident alien status one year later. From her arrival in the United States until her application for permanent resident alien status, she does not qualify for any of the authorizations contained in this section. Instead, she is authorized by § 515.571 only to engage in transactions ordinarily incident to her travel and maintenance in the United States and to withdraw \$250 each month from her blocked account to cover her living expenses. Beginning with her application to become a permanent resident alien, she is licensed as an unblocked national pursuant to paragraph (a) of this section. At

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this time, she can apply to OFAC for a specific license to have her bank account unblocked.

(4) *Example 4:* An individual national of Cuba who has taken up permanent residence outside of Cuba wishes to open a bank account at a branch of a U.S. bank in Spain and then withdraw a portion of her previously blocked funds held by the same U.S. bank's New York branch. The individual provides the Spanish branch with a copy of her third-country passport and voter registration card demonstrating her permanent residence status in the third country. The Spanish branch may open an account for the individual and provide her with banking services. The New York branch may also handle any transactions related to this new account processed through the United States but may not unblock her funds that had been blocked prior to the later of the date on which the individual took up permanent residence outside of Cuba or January 28, 2011. Those funds remain blocked unless and until the individual is licensed as an unblocked national pursuant to paragraph (a) or (b) of this section or the funds are otherwise unblocked by a separate Office of Foreign Assets Control authorization.

NOTE TO §515.505: See §515.571 for the authorization of certain limited transactions incident to travel to, from, and within the United States by Cuban nationals who enter the United States on a non-immigrant visa or other non-immigrant travel authorization issued by the State Department.

[68 FR 14145, Mar. 24, 2003, as amended at 74 FR 46004, Sept. 8, 2009; 76 FR 5074, Jan. 28, 2011]

§§ 515.506–515.507 [Reserved]

§515.508 Payments to blocked accounts in domestic banks.

(a) Any payment or transfer of credit to a blocked account in a domestic bank in the name of any designated national is hereby authorized providing such payment or transfer shall not be made from any blocked account if such payment or transfer represents, directly or indirectly, a transfer of the interest of a designated national to any other country or person.

(b) This section does not authorize:

(1) Any payment or transfer to any blocked account held in a name other than that of the designated national who is the ultimate beneficiary of such payment or transfer; or

(2) Any foreign exchange transaction including, but not by way of limitation, any transfer of credit, or payment

of an obligation, expressed in terms of the currency of any foreign country.

(c) This section does not authorize any payment or transfer of credit comprising an integral part of a transaction which cannot be effected without the subsequent issuance of a further license.

(d) This section does not authorize the crediting of the proceeds of the sale of securities held in a blocked account or a subaccount thereof, or the income derived from such securities to a blocked account or subaccount under any name or designation which differs from the name or designation of the specific blocked account or subaccount in which such securities were held.

(e) This section does not authorize any payment or transfer from a blocked account in a domestic bank to a blocked account held under any name or designation which differs from the name or designation of the blocked account from which the payment or transfer is made.

NOTE TO §515.508: Please refer to §501.603 of this chapter for mandatory reporting requirements regarding financial transfers.

[32 FR 10846, July 25, 1967, as amended at 58 FR 47645, Sept. 10, 1993; 62 FR 45106, Aug. 25, 1997]

§515.509 Entries in certain accounts for normal service charges.

(a) Any banking institution within the United States is hereby authorized to:

(1) Debit any blocked account with such banking institution (or with another office within the United States of such banking institution) in payment or reimbursement for normal service charges owed to such banking institution by the owner of such blocked account.

(2) Make book entries against any foreign currency account maintained by it with a banking institution in a designated foreign country for the purpose of responding to debits to such account for normal service charges in connection therewith.

(b) As used in this section, the term *normal service charge* shall include charges in payment or reimbursement for interest due; cable, telegraph, or telephone charges; postage costs; custody fees; small adjustment charges to