

Subpart B—Prohibitions**§ 542.201 Prohibited transactions involving blocked property.**

(a)(1) All property and interests in property that are in the United States, that come within the United States, or that are or come within the possession or control of any United States person, including any foreign branch, of the Government of Syria and of the following persons are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in: Any person determined by the Secretary of the Treasury, in consultation with the Secretary of State:

(i) To have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, the Government of Syria or any other person whose property and interests in property are blocked pursuant to paragraph (a)(1) of this section; or

(ii) To be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, the Government of Syria or any other person whose property and interests in property are blocked pursuant to paragraph (a)(1) of this section.

(2) All property and interests in property that are in the United States, that come within the United States, or that are or come within the possession or control of any United States person, including any foreign branch, of the following persons are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in:

(i) The persons listed in the Annex to Executive Order 13572 of April 29, 2011, and the Annex to Executive Order 13573 of May 18, 2011; and

(ii) Any person determined by the Secretary of the Treasury, in consultation with the Secretary of State:

(A) To be or to have been directing or otherwise significantly contributing to the Government of Syria's provision of safe haven to or other support for any person whose property and interests in property are blocked under United States law for terrorism-related reasons, including, but not limited to, Hamas, Hizballah, Palestinian Islamic Jihad, the Popular Front for the Liberation of Palestine, the Popular Front

for the Liberation of Palestine-General Command, and any persons designated pursuant to Executive Order 13224 of September 23, 2001;

(B) To be or to have been directing or otherwise significantly contributing to the Government of Syria's military or security presence in Lebanon;

(C) To be or to have been directing or otherwise significantly contributing to the Government of Syria's pursuit of the development and production of chemical, biological, or nuclear weapons and medium- and long-range surface-to-surface missiles;

(D) To be or to have been responsible for or otherwise significantly contributing to actions taken or decisions made by the Government of Syria that have the purpose or effect of undermining efforts to stabilize Iraq or of allowing the use of Syrian territory or facilities to undermine efforts to stabilize Iraq;

(E) To be or to have been involved in the planning, sponsoring, organizing, or perpetrating of:

(I) The terrorist act in Beirut, Lebanon, that resulted in the assassination of former Lebanese Prime Minister Rafiq Hariri and the deaths of 22 others; or

(2) Any other bombing, assassination, or assassination attempt in Lebanon since October 1, 2004, that is related to Hariri's assassination or that implicates the Government of Syria or its officers or agents;

(F) To have obstructed or otherwise impeded the work of the Commission established pursuant to United Nations Security Council Resolution 1595 of April 7, 2005;

(G) To be responsible for, to have engaged in, to have facilitated, or to have secured improper advantage as a result of, public corruption by senior officials within the Government of Syria;

(H) To be responsible for or complicit in, or responsible for ordering, controlling, or otherwise directing, or to have participated in, the commission of human rights abuses in Syria, including those related to repression;

(I) To be a senior official of an entity whose property and interests in property are blocked pursuant to paragraph (a)(2)(ii)(H) of this section or any other entity whose property and interests in

§ 542.201

31 CFR Ch. V (7–1–14 Edition)

property are blocked pursuant to E.O. 13572;

(J) To be a senior official of the Government of Syria;

(K) To be an agency or instrumentality of the Government of Syria, or owned or controlled, directly or indirectly, by the Government of Syria or by an official or officials of the Government of Syria;

(L) To have materially assisted, sponsored, or provided financial, material, or technological support for, or goods or services in support of, the activities described in paragraph (a)(2)(ii)(E) or (H) of this section, or any person whose property and interests in property are blocked pursuant to paragraph (a)(2) of this section; or

(M) To be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to paragraph (a)(2) of this section.

(3) All property and interests in property that are in the United States, that come within the United States, or that are or come within the possession or control of any United States person, including any foreign branch, of the following persons are blocked and may not be transferred, paid, exported, withdrawn, or otherwise dealt in:

(i) The persons listed in the Annex to Executive Order 13606 of April 22, 2012; and

(ii) Any person determined by the Secretary of the Treasury, in consultation with or at the recommendation of the Secretary of State:

(A) To have operated, or to have directed the operation of, information and communications technology that facilitates computer or network disruption, monitoring, or tracking that could assist in or enable serious human rights abuses by or on behalf of the Government of Syria;

(B) To have sold, leased, or otherwise provided, directly or indirectly, goods, services, or technology to Syria likely to be used to facilitate computer or network disruption, monitoring, or tracking that could assist in or enable serious human rights abuses by or on behalf of the Government of Syria;

(C) To have materially assisted, sponsored, or provided financial, material,

or technological support for, or goods or services in support of, the activities described in paragraph (a)(3)(ii)(A) or (B) of this section, or any person whose property and interests in property are blocked pursuant to paragraph (a)(3) of this section; or

(D) To be owned or controlled by, or to have acted or purported to act for or on behalf of, directly or indirectly, any person whose property and interests in property are blocked pursuant to paragraph (a)(3) of this section.

NOTE 1 TO PARAGRAPH (a) OF § 542.201: The names of persons listed in or designated pursuant to Executive Order 13338 of May 11, 2004, Executive Order 13399 of April 25, 2006, Executive Order 13460 of February 13, 2008, Executive Order 13572 of April 29, 2011, Executive Order 13573 of May 18, 2011, Executive Order 13582 of August 17, 2011, or identified pursuant to E.O. 13582, whose property and interests in property are blocked pursuant to paragraph (a)(1) or (2) of this section, are published in the FEDERAL REGISTER and incorporated into OFAC's Specially Designated Nationals and Blocked Persons List ("SDN List") with the identifier "[SYRIA]." The names of persons listed in or designated pursuant to Executive Order 13606 of April 22, 2012, whose property and interests in property therefore are blocked pursuant to paragraph (a)(3) of this section, are published in the FEDERAL REGISTER and incorporated into the SDN List with the identifier "[HRIT-SY]." The SDN List is accessible through the following page on OFAC's Web site: www.treasury.gov/sdn. Additional information pertaining to the SDN List can be found in appendix A to this chapter. See § 542.411 concerning entities that may not be listed on the SDN List but whose property and interests in property are nevertheless blocked pursuant to paragraph (a) of this section. Executive Order 13582 blocks the property and interests in property of the Government of Syria, as defined in § 542.305. The property and interests in property of persons falling within the definition of the term *Government of Syria* are blocked pursuant to paragraph (a) of this section regardless of whether the names of such persons are published in the FEDERAL REGISTER or incorporated into the SDN List.

NOTE 2 TO PARAGRAPH (a) OF § 542.201: The International Emergency Economic Powers Act (50 U.S.C. 1701–1706), in section 203 (50 U.S.C. 1702), authorizes the blocking of property and interests in property of a person during the pendency of an investigation. The names of persons whose property and interests in property are blocked pending investigation pursuant to paragraph (a) of this section also are published in the FEDERAL

REGISTER and incorporated into the SDN List with the identifier “[BPI-SYRIA]” or “[BPI-HRIT-SY],” as applicable.

NOTE 3 TO PARAGRAPH (a) OF § 542.201: Sections 501.806 and 501.807 of this chapter describe the procedures to be followed by persons seeking, respectively, the unblocking of funds that they believe were blocked due to mistaken identity, or administrative reconsideration of their status as the Government of Syria or any other person whose property and interests in property are blocked pursuant to paragraph (a) of this section.

(b) The prohibitions in paragraph (a) of this section include, but are not limited to, prohibitions on the following transactions:

(1) The making of any contribution or provision of funds, goods, or services by, to, or for the benefit of any person whose property and interests in property are blocked pursuant to paragraph (a) of this section; and

(2) The receipt of any contribution or provision of funds, goods, or services from any person whose property and interests in property are blocked pursuant to paragraph (a) of this section.

(c) Unless authorized by this part or by a specific license expressly referring to this section, any dealing in any security (or evidence thereof) held within the possession or control of a U.S. person and either registered or inscribed in the name of, or known to be held for the benefit of, or issued by, the Government of Syria or any other person whose property and interests in property are blocked pursuant to paragraph (a) of this section is prohibited. This prohibition includes but is not limited to the transfer (including the transfer on the books of any issuer or agent thereof), disposition, transportation, importation, exportation, or withdrawal of, or the endorsement or guaranty of signatures on, any such security on or after the effective date. This prohibition applies irrespective of the fact that at any time (whether prior to, on, or subsequent to the effective date) the registered or inscribed owner of any such security may have or might appear to have assigned, transferred, or otherwise disposed of the security.

(d) The prohibitions in paragraph (a) of this section apply except to the extent transactions are authorized by regulations, orders, directives, rulings, instructions, licenses, or otherwise,

and notwithstanding any contracts entered into or any license or permit granted prior to the effective date.

§ 542.202 Effect of transfers violating the provisions of this part.

(a) Any transfer after the effective date that is in violation of any provision of this part or of any regulation, order, directive, ruling, instruction, or license issued pursuant to this part, and that involves any property or interest in property blocked pursuant to § 542.201(a), is null and void and shall not be the basis for the assertion or recognition of any interest in or right, remedy, power, or privilege with respect to such property or property interest.

(b) No transfer before the effective date shall be the basis for the assertion or recognition of any right, remedy, power, or privilege with respect to, or any interest in, any property or interest in property blocked pursuant to § 542.201(a), unless the person who holds or maintains such property, prior to that date, had written notice of the transfer or by any written evidence had recognized such transfer.

(c) Unless otherwise provided, a license or other authorization issued by OFAC before, during, or after a transfer shall validate such transfer or make it enforceable to the same extent that it would be valid or enforceable but for the provisions of this part and any regulation, order, directive, ruling, instruction, or license issued pursuant to this part.

(d) Transfers of property that otherwise would be null and void or unenforceable by virtue of the provisions of this section shall not be deemed to be null and void or unenforceable as to any person with whom such property is or was held or maintained (and as to such person only) in cases in which such person is able to establish to the satisfaction of OFAC each of the following:

(1) Such transfer did not represent a willful violation of the provisions of this part by the person with whom such property is or was held or maintained (and as to such person only);

(2) The person with whom such property is or was held or maintained did not have reasonable cause to know or