

§ 542.407

§ 542.407 Payments from blocked accounts to satisfy obligations prohibited.

Pursuant to § 542.201, no debits may be made to a blocked account to pay obligations to U.S. persons or other persons, except as authorized by or pursuant to this part.

NOTE TO § 542.407: *See also* § 542.502(e), which provides that no license or other authorization contained in or issued pursuant to this part authorizes transfers of or payments from blocked property or debits to blocked accounts unless the license or other authorization explicitly authorizes the transfer of or payment from blocked property or the debit to a blocked account.

§ 542.408 Charitable contributions.

Unless specifically authorized by OFAC pursuant to this part, no charitable contribution of funds, goods, services, or technology, including contributions to relieve human suffering, such as food, clothing, or medicine, may be made by, to, or for the benefit of, or received from, the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201(a). For the purposes of this part, a contribution is made by, to, or for the benefit of, or received from, the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201(a) if made by, to, or in the name of, or received from or in the name of, such a person; if made by, to, or in the name of, or received from or in the name of, an entity or individual acting for or on behalf of, or owned or controlled by, such a person; or if made in an attempt to violate, to evade, or to avoid the bar on the provision of contributions by, to, or for the benefit of such a person, or the receipt of contributions from such a person.

§ 542.409 Credit extended and cards issued by U.S. financial institutions.

The prohibition in § 542.201 on dealing in property subject to that section and the prohibition in § 542.207 on exporting services to Syria prohibit U.S. financial institutions from performing under any existing credit agreements, including, but not limited to, charge cards, debit cards, or other credit facilities issued by a U.S. financial institution to

31 CFR Ch. V (7-1-14 Edition)

the Government of Syria or any other person whose property and interests in property are blocked pursuant to § 542.201(a).

§ 542.410 Setoffs prohibited.

A setoff against blocked property (including a blocked account), whether by a U.S. bank or other U.S. person, is a prohibited transfer under § 542.201 if effected after the effective date.

§ 542.411 Entities owned by a person whose property and interests in property are blocked.

A person whose property and interests in property are blocked pursuant to § 542.201(a) has an interest in all property and interests in property of an entity in which it owns, directly or indirectly, a 50 percent or greater interest. The property and interests in property of such an entity, therefore, are blocked, and such an entity is a person whose property and interests in property are blocked pursuant to § 542.201(a), regardless of whether the entity itself is listed in the Annex to Executive Order 13572, the Annex to Executive Order 13573, or the Annex to Executive Order 13606, or designated pursuant to § 542.201(a).

NOTE TO § 542.411: This section, which deals with the consequences of ownership of entities, in no way limits the definition of the Government of Syria in § 542.305, which includes within its definition other persons whose property and interests in property are blocked but who are not on the SDN list.

§ 542.412 Transactions relating to Syrian petroleum or petroleum products from third countries; shipments.

(a) Transactions relating to goods containing petroleum or petroleum products of Syrian origin are not prohibited by § 542.208 or § 542.209 if the petroleum or petroleum products have been incorporated into manufactured products or substantially transformed in a third country by a person other than a United States person.

(b) Transactions relating to petroleum or petroleum products of Syrian origin that have not been incorporated into manufactured products or substantially transformed in a third country, including those that have been