



This document is scheduled to be published in the Federal Register on 09/21/2015 and available online at <http://federalregister.gov/a/2015-23587>, and on FDsys.gov

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Part 515

Cuban Assets Control Regulations

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Final rule.

SUMMARY: The Department of the Treasury's Office of Foreign Assets Control (OFAC) is amending the Cuban Assets Control Regulations to further implement elements of the policy announced by the President on December 17, 2014 to engage and empower the Cuban people. Among other things, these amendments further facilitate travel to Cuba for authorized purposes (including authorizing by general license the provision of carrier services by vessel), expand the telecommunications and internet-based services general licenses, authorize certain persons subject to U.S. jurisdiction to establish a physical presence in Cuba, allow certain additional persons subject to U.S. jurisdiction to open and maintain bank accounts in Cuba to use for authorized purposes, allow certain additional financial transactions (including removing the limit

on donative remittances to Cuba and unblocking certain previously blocked remittances and funds transfers), authorize all persons subject to U.S. jurisdiction to provide goods and services to Cuban national individuals located outside of Cuba, and allow a number of other activities related to, among other areas, legal services, imports of gifts sent to the United States, and educational activities. These amendments also implement certain technical and conforming changes.

DATES: Effective: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: The Department of the Treasury's Office of Foreign Assets Control: Assistant Director for Licensing, tel.: 202-622-2480, Assistant Director for Policy, tel.: 202-622-2746, Assistant Director for Regulatory Affairs, tel.: 202-622-4855, Assistant Director for Sanctions Compliance & Evaluation, tel.: 202-622-2490; or the Department of the Treasury's Office of the Chief Counsel (Foreign Assets Control), Office of the General Counsel, tel.: 202-622-2410.

SUPPLEMENTARY INFORMATION:

Electronic and Facsimile Availability

This document and additional information concerning OFAC are available from OFAC's website (www.treasury.gov/ofac). Certain general information pertaining to OFAC's sanctions

programs also is available via facsimile through a 24-hour fax-on-demand service, tel.: 202-622-0077.

Background

The Department of the Treasury issued the Cuban Assets **C**ontrol Regulations, 31 CFR part 515 (the “Regulations”), on July 8, 1963, under the Trading With the Enemy Act (50 U.S.C. App. 5 et seq.). OFAC has amended the Regulations on numerous occasions.

Most recently, on January 16, 2015, OFAC amended the Regulations, in a coordinated action with the Department of Commerce, to implement certain policy measures announced by the President on December 17, 2014 to further engage and empower the Cuban people (the “January 2015 amendments”). OFAC’s January 2015 amendments facilitated travel to Cuba for authorized purposes, facilitated the provision by travel agents and airlines of authorized travel and carrier services and the forwarding by certain entities of authorized remittances, raised the limit on certain categories of remittances to Cuba, allowed U.S. financial institutions to open correspondent accounts at Cuban financial institutions to facilitate the processing of authorized transactions, authorized certain transactions with Cuban nationals located outside of Cuba, and allowed a number of other activities related to, among other areas, telecommunications, financial services, trade, and shipping.

Today, OFAC and the Department of Commerce are taking additional coordinated actions in support of the President’s Cuba policy. OFAC is amending the Regulations to further

implement certain policy measures announced by the President on December 17, 2014 to engage and empower the Cuban people. Among other things, these amendments further facilitate travel to Cuba for authorized purposes (including authorizing by general license the provision of carrier services by vessel), expand the telecommunications and internet-based services general licenses, authorize certain persons subject to U.S. jurisdiction to establish a physical presence in Cuba to facilitate authorized transactions, allow certain additional persons subject to U.S. jurisdiction to open and maintain bank accounts in Cuba to use for authorized purposes, allow certain additional financial transactions (including removing the limit on donative remittances to Cuba and unblocking certain previously blocked remittances and funds transfers), authorize all persons subject to U.S. jurisdiction to provide goods and services to Cuban national individuals located outside of Cuba, and allow a number of other activities related to, among other areas, legal services, imports of gifts sent to the United States, and educational activities. These amendments also implement certain technical and conforming changes.

Travel and Related Services

Carrier service by vessel and certain lodging services. OFAC is amending section 515.572 to authorize persons subject to U.S. jurisdiction to provide carrier services by vessel, without the need for specific licenses from OFAC, and to add an authorization to provide certain lodging services aboard such vessels in connection with such transportation. OFAC also is adding a note to section 515.572 to clarify which categories of persons may be transported between Cuba and the United States.

Family visits. OFAC is amending section 515.561 to allow persons subject to U.S. jurisdiction and persons traveling with them who share a common dwelling as a family to visit a close relative located in Cuba or accompany a close relative traveling to Cuba pursuant to sections 515.562 (official government business), 515.563 (journalistic activity), 515.564(a) (professional research), 515.565(a)(1) through (4) and (6) (educational activities), 515.566 (religious activities), 515.575 (humanitarian projects), or 515.576 (activities of private foundations or research or educational institutes). OFAC is also removing a restriction requiring that the authorized traveler being visited or accompanied must be in Cuba for more than 60 days if that traveler is located in Cuba pursuant to section 515.565(a)(1)-(4).

Bank accounts for authorized travelers. OFAC is amending section 515.560 to allow all authorized travelers to open and maintain bank accounts in Cuba in order to access funds while located in Cuba for authorized transactions, and to close such accounts.

Telecommunications and Internet-based Services

Subsidiaries, joint ventures, and other business relationships with Cuban individuals and entities. In order to further enhance the free flow of information to, from, and among the Cuban people and to better provide efficient and adequate telecommunications services between the United States and Cuba, OFAC is amending sections 515.542 and 515.578 to authorize persons subject to U.S. jurisdiction to establish and maintain a business presence in Cuba, including through subsidiaries, branches, offices, joint ventures, franchises, and agency or other business relationships with any Cuban individual or entity, to provide authorized telecommunications and

internet-based services. OFAC is also authorizing persons subject to U.S. jurisdiction to enter into licensing agreements related to services authorized by section 515.542(b) through (d) and section 515.578(a), and to market such services. OFAC is amending section 515.505 to unblock any entity, office, or other sub-unit established pursuant to sections 515.542 and 515.578.

Mobile applications. To further enhance the free flow of information to, from, and among the Cuban people, OFAC is adding a provision in section 515.578 to authorize the importation into the United States of Cuban-origin mobile applications. In addition, OFAC is authorizing the employment of Cuban nationals by persons subject to U.S. jurisdiction to develop such mobile applications.

Additional internet-based services and services related to additional authorized exports. In the January 2015 amendments, OFAC authorized services beyond those authorized in section 515.533 related to items exported pursuant to the Commerce Department's License Exception Consumer Communications Devices (CCD), certain non-U.S.-origin items located outside the United States, and certain software not subject to the Export Administration Regulations (15 C.F.R. part 730 et seq.). These services include software design, business consulting, information technology management, and other services to install, repair, and replace such items. OFAC is amending section 515.578 to expand the permitted services to include training related to the installation, repair, or replacement of such items. OFAC also is expanding the authorization to extend to services related to exports of consumer communications devices not eligible for License Exception CCD but authorized pursuant to an individual license from the Department of Commerce and to services related to exports authorized pursuant to the

Commerce Department's License Exception Support for the Cuban People (SCP) of certain commodities and software that will be used by individuals or private sector entities to develop software that will improve the free flow of information or that will support certain private sector activities. OFAC also is amending section 515.578 to authorize persons subject to U.S. jurisdiction to provide services related to all such items that were exported to Cuba from a third country. OFAC is removing a restriction relating to organizations administered or controlled by the Government of Cuba or the Cuban Communist Party with respect to certain internet-based services (such as instant messaging, chat and email, and social networking) authorized pursuant to section 515.578(a)(1), while maintaining this restriction on provision of these services to prohibited officials of the Government of Cuba and prohibited members of the Cuban Communist Party.

Physical Presence in Cuba

Physical presence in Cuba for certain persons. OFAC is amending section 515.573 to authorize certain persons subject to U.S. jurisdiction to establish a physical presence, such as an office or other facility, in Cuba, to facilitate authorized transactions. This authorization covers the following: news bureaus; exporters of goods authorized for export pursuant to sections 515.533 or 515.559; providers of authorized mail and parcel transmission services and cargo transportation services; providers of telecommunications or internet-based services; entities organizing or conducting certain educational activities; religious organizations; and providers of travel and carrier services. In addition, OFAC is authorizing these individuals and entities to open and maintain bank accounts at financial institutions in Cuba for use for authorized

transactions, and to close such accounts. The prior provisions in this section authorizing certain transactions by news organizations have been fully incorporated into the revised section. OFAC is also amending section 515.505 to unblock any entity, office, or other sub-unit established pursuant to section 515.573, as well as to unblock any individual authorized to establish domicile in Cuba pursuant to section 515.573(a)(4).

Financial Transactions

Remittances. OFAC is amending section 515.570(b) to remove the limitation on donative remittances to Cuban nationals who are not prohibited officials of the Government of Cuba or prohibited members of the Cuban Communist Party. OFAC also is amending section 515.560(c)(4)(i) to remove the limitation on certain authorized remittances that authorized travelers may carry to Cuba, and section 515.560(d)(2) to remove the limitation on the amount of remittances that a Cuban national permanently resident in Cuba who is departing the United States may carry to Cuba.

Unblocking of certain previously blocked remittances and funds transfers. Prior to the January 2015 amendments, banks were required to block remittances exceeding the then \$500 per quarter limit on authorized periodic remittances to non-family members. Following the January 2015 amendments, banks were required to block remittances exceeding the revised \$2,000 per quarter limit on authorized periodic remittances to non-family members. OFAC is issuing a new general license in section 515.570(h) authorizing the unblocking and return of such blocked remittances, provided they would be authorized under the current regulations. Similarly,

OFAC is adding a new general license in section 515.584(e) authorizing the unblocking and return of previously blocked funds transfers that could have been rejected or processed pursuant to section 515.584(d)(1) or (d)(2) (certain wire transfers), section 515.562(b) (official business of the U.S. government, foreign governments, and certain intergovernmental organizations), or section 515.579(b) (funds transfers for third-country official missions and certain intergovernmental organizations), if those transfers could be rejected or processed under current regulations. Persons subject to U.S. jurisdiction unblocking funds transfers pursuant to these authorizations must provide a report to OFAC within 10 business days from the date such funds transfers are released.

Account access for Cuban nationals present in the United States. Section 515.571 previously authorized depository institutions to open and maintain accounts for a Cuban national who was present in the United States in a non-immigrant status or pursuant to other non-immigrant travel authorization, subject to the requirement that accounts not closed prior to the departure of the Cuban national from the United States be blocked. OFAC is amending section 515.571 to add an authorization for depository institutions to maintain these accounts while the Cuban-national account holder is located outside the United States, provided that the account holder may only access the account while lawfully present in the United States. In addition, prior to today's amendments, section 515.571 established a \$250 cap on payments from blocked accounts held by Cuban nationals in the United States in a non-immigrant status to use for living expenses. OFAC is amending section 515.571 to remove this cap to more adequately allow Cuban nationals lawfully present in the United States to access sufficient funds for living expenses or other transactions ordinarily incident to their presence in the United States in a non-

immigrant status or pursuant to other non-immigrant travel authorization issued by the U.S. government.

Remittances from Cuba to the United States. OFAC is adding a new general license in section 515.587 authorizing remittances from Cuba or from certain Cuban nationals located in third countries to the United States. OFAC is making a conforming change to section 515.572(a)(3) to authorize banking institutions, including U.S.-registered brokers and dealers in securities and U.S.-registered money transmitters, to provide services in connection with the receipt of such remittances.

Estate-related transactions. Prior to today's amendments, a specific license was required for certain estate-related transactions that were not generally licensed, including to unblock shares of a Cuban estate for a U.S. beneficiary and remit the estate of a person subject to U.S. jurisdiction to a Cuban national who is not a close relative. OFAC is now expanding a general license in section 515.523 related to administering decedents' estates and a general license in section 515.570(f) to allow the unblocking of, and remittances related to, estates in which a Cuban national has an interest. OFAC is removing section 515.522 and substantially revising section 515.524 because most transactions previously described in those sections are now authorized by general license. OFAC is also making conforming edits to sections 515.407 and 515.525.

Commercial Transactions

Provision of goods and services to Cuban nationals located in a third country. OFAC is amending section 515.585 to expand the existing authorization to allow all persons subject to U.S. jurisdiction to provide goods and services to Cuban national individuals located in a third country. In addition, OFAC is adding an authorization to allow banking institutions to open, maintain, and close bank accounts for such Cuban nationals.

Other Amendments

Legal services. OFAC is amending section 515.512 to generally authorize receipt of payment for the provision of authorized legal services to Cuba or a Cuban national other than prohibited officials of the Government of Cuba and prohibited members of the Cuban Communist Party. In addition, recent amendments to certain OFAC sanctions programs have included general licenses authorizing payments from funds outside the United States for legal services provided to blocked individuals, subject to certain conditions. OFAC is adding this general license in section 515.512(e) to authorize payments from outside the United States for the provision of authorized legal services to or on behalf of prohibited officials of the Government of Cuba and prohibited members of the Cuban Communist Party. OFAC also is adding a new authorization in section 515.588 to permit persons subject to U.S. jurisdiction to receive, and make payments for, certain legal services from Cuba or Cuban nationals, subject to certain conditions.

Gift imports sent to the United States. OFAC is amending section 515.544 to generally authorize the importation into the United States of merchandise from Cuba or Cuban-origin

merchandise from a third country intended as gifts provided that the value of the merchandise is not more than \$100, the merchandise is of a type and in quantities normally given as gifts between individuals, the merchandise is sent and not carried by a traveler, and the merchandise is not alcohol or tobacco products.

Educational activities. OFAC is expanding the general license in section 515.565 to allow additional educational activities that are authorized in other sanctions programs administered by OFAC, including the provision of standardized testing services and internet-based courses to Cuban nationals, as well as to authorize U.S. and Cuban universities to engage in academic exchanges and joint non-commercial academic research.

Ordinarily incident transactions. OFAC is issuing interpretive guidance in new section 515.421 to clarify that, with certain exceptions, transactions ordinarily incident to a licensed transaction and necessary to give effect thereto are also authorized. In response to public inquiries, OFAC is providing a specific example in this section to clarify that ordinarily incident transactions include payments made using online payment platforms for authorized transactions.

Air ambulances and emergency medical services. OFAC has had a favorable specific licensing policy and has authorized on a case-by-case and expedited basis air ambulances to travel to and from Cuba and to evacuate individuals requiring medical care. In such exigent circumstances, OFAC has allowed U.S. medical and other essential personnel to provide services to individual travelers in need of medical attention, regardless of nationality or the purpose of the individual's travel to Cuba. OFAC is amending section 515.548 to generally authorize such

services. To clarify the availability of nonscheduled emergency medical services in the United States, OFAC also is adding a new general license in section 515.589.

Humanitarian projects. OFAC is amending section 515.575 to explicitly include disaster relief and historical preservation as authorized humanitarian projects.

Cuban official missions. OFAC is amending section 515.586 to authorize funds transfers on behalf of official missions of the Government of Cuba in the United States.

Technical and Conforming Amendments. OFAC also is making a number of technical and conforming amendments. Among other things, OFAC is amending sections 515.533(d) and 515.559(d) to make explicit that those authorizations extend to such additional transactions as are directly incident to the installation in Cuba of items consistent with the export or reexport licensing policy of the Department of Commerce, and amending section 515.533(d) by removing the reference to “sales” to clarify that the authorization applies to transactions related to donated exports. OFAC is amending section 515.550 to waive vessel restrictions for vessels engaging in authorized trade in imports, including those from Cuban entrepreneurs, and carrying persons engaging in authorized travel between the United States and Cuba, and making a conforming change to the Note to section 515.207.

Public Participation

Because the amendments of the Regulations involve a foreign affairs function, Executive Order 12866 and the provisions of the Administrative Procedure Act (5 U.S.C. 553) requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act (5 U.S.C. 601-612) does not apply.

Paperwork Reduction Act

The collections of information related to the Regulations are contained in 31 CFR part 501 (the “Reporting, Procedures and Penalties Regulations”) and section 515.572 of this part. Pursuant to the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), those collections of information will be covered by the Office of Management and Budget under control numbers 1505-0164, 1505-0167, and 1505-0168. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid control number.

List of Subjects in 31 CFR Part 515

Administrative practice and procedure, Banking, Blocking of assets, Carrier services, Cuba, Financial transactions, Remittances, Reporting and recordkeeping requirements, Telecommunications, Travel restrictions.

For the reasons set forth in the preamble, the Department of the Treasury's Office of Foreign Assets Control amends 31 CFR part 515 as set forth below:

PART 515—CUBAN ASSETS CONTROL REGULATIONS

1. The authority citation for part 515 continues to read as follows:

Authority: 22 U.S.C. 2370(a), 6001-6010, 7201-7211; 31 U.S.C. 321(b); 50 U.S.C. App 1-44; Pub. L. 101-410, 104 Stat. 890 (28 U.S.C. 2461 note); Pub. L. 104-114, 110 Stat. 785 (22 U.S.C. 6021-6091); Pub. L. 105-277, 112 Stat. 2681; Pub. L. 111-8, 123 Stat. 524; Pub. L. 111-117, 123 Stat. 3034; E.O. 9193, 7 FR 5205, 3 CFR, 1938-1943 Comp., p. 1174; E.O. 9989, 13 FR 4891, 3 CFR, 1943-1948 Comp., p. 748; Proc. 3447, 27 FR 1085, 3 CFR, 1959-1963 Comp., p. 157; E.O. 12854, 58 FR 36587, 3 CFR, 1993 Comp., p. 614.

Subpart B – Prohibitions

2. Amend § 515.207 by revising the Note to § 515.207 to read as follows.

§ 515.207 Entry of vessels engaged in trade with Cuba.

* * * * *

Note to § 515.207: For the waiver of the prohibitions contained in this section for vessels engaged in certain trade and travel with Cuba, see § 515.550.

Subpart D – Interpretations

3. Revise § 515.407 to read as follows.

§ 515.407 Administration of blocked estates of decedents.

With respect to transactions incident to the administration of the blocked estate of a decedent, including the appointment and qualification of personal representatives, the collection and liquidation of assets, the payment of claims, and distribution to beneficiaries, attention is directed to § 515.523, which authorizes all transactions incident to the administration and distribution of the assets of blocked estates of decedents.

4. Amend § 515.415 by revising paragraph (b) to read as follows:

§ 515.415 Travel to Cuba; transportation of certain Cuban nationals.

* * * * *

(b) Transactions incident to the travel to the United States of Cuban nationals who are traveling other than in a non-immigrant status or pursuant to other non-immigrant travel

authorization issued by the U.S. government are not authorized under the provisions of § 515.571.

* * * * *

5. Add § 515.421 to subpart D to read as follows:

§ 515.421 Transactions ordinarily incident to a licensed transaction.

(a) Any transaction ordinarily incident to a licensed transaction and necessary to give effect thereto is also authorized, except:

(1) A transaction by or with a prohibited official of the Government of Cuba, as defined in § 515.337, or a prohibited member of the Cuban Communist Party, as defined in § 515.338, where the terms of the applicable general or specific license expressly exclude transactions with such persons;

(2) A transaction involving a debit to a blocked account or a transfer of blocked property that is not explicitly authorized within the terms of the license;

(3) A transaction prohibited by § 515.208; or

(4) In the case of export or reexport-related transactions authorized by § 515.533(a), payment or financing that is not explicitly authorized by that section.

Note to paragraph (a)(4): See § 515.533(a)(2) for payment and financing terms for exportations or reexportations authorized pursuant to § 515.533.

(b) Examples. (1) A specific license authorizing a person to complete a securities sale involving Cuban Company A, whose property and interests in property are blocked pursuant to this part, also authorizes other persons to engage in activities that are ordinarily incident and necessary to complete the sale, including transactions by the buyer, broker, transfer agents, and banks.

(2) A general license authorizing a person to import certain goods from independent Cuban entrepreneurs also authorizes funds transfers or payments that are ordinarily incident to the importation, including payments made using online payment platforms.

Subpart E — Licenses, Authorizations, and Statements of Licensing Policy

6. Amend § 515.502 by revising paragraph (b) to read as follows:

§ 515.502 Effect of subsequent license or authorization.

* * * * *

(b) No regulation, ruling, instruction, or license authorizes a transaction prohibited under this part unless the regulation, ruling, instruction, or license is issued by the Treasury Department and specifically refers to this part.

7. Amend § 515.505 by revising paragraphs (a)(2) and (3) and adding paragraphs (a)(4) and (5) to read as follows:

§ 515.505 Certain Cuban nationals unblocked.

(a) * * *

(2) Any individual national of Cuba who has taken up permanent residence outside of Cuba, provided that the required documentation specified in paragraph (c) of this section is obtained and the individual is not a prohibited official of the Government of Cuba, as defined in § 515.337, or a prohibited member of the Cuban Communist Party, as defined in § 515.338;

(3) Any entity that otherwise would be a national of Cuba solely because of the interest therein of one or more persons licensed in this paragraph (a) as an unblocked national;

(4) Any entity, office, or other sub-unit authorized pursuant to §§ 515.542, 515.573, or 515.578; and

(5) Any individual authorized to establish domicile in Cuba pursuant to § 515.573(a)(4).

* * * * *

8. Revise § 515.512 to read as follows:

§ 515.512 Provision of certain legal services authorized.

(a) The provision of the following legal services to or on behalf of Cuba or a Cuban national is authorized, provided that receipt of payment of professional fees and reimbursement of incurred expenses must be authorized by or pursuant to paragraph (d) or (e) of this section, or otherwise authorized pursuant to this part:

(1) Provision of legal advice and counseling on the requirements of and compliance with the laws of the United States or any jurisdiction within the United States, provided that such advice and counseling are not provided to facilitate transactions in violation of this part;

(2) Representation of persons named as defendants in or otherwise made parties to legal, arbitration, or administrative proceedings before any U.S. federal, state, or local court or agency;

(3) Initiation and conduct of legal, arbitration, or administrative proceedings before any U.S. federal, state, or local court or agency;

(4) Representation of persons before any U.S. federal, state, or local court or agency with respect to the imposition, administration, or enforcement of U.S. sanctions against such persons; and

(5) Provision of legal services in any other context in which prevailing U.S. law requires access to legal counsel at public expense.

(b) The provision of any other legal services to Cuba or a Cuban national, not otherwise authorized in this part, requires the issuance of a specific license.

(c) Entry into a settlement agreement or the enforcement of any lien, judgment, arbitral award, decree, or other order through execution, garnishment, or other judicial process purporting to transfer or otherwise alter or affect property in which Cuba or a Cuban national has had an interest at any time on or since 12:01 a.m., Eastern Standard Time, July 8, 1963, is prohibited unless licensed pursuant to this part.

(d) Receipts of payment—(1) Legal services to or on behalf of certain blocked persons. All receipts of payment of professional fees and reimbursement of incurred expenses for the provision of legal services authorized pursuant to paragraph (a) of this section to or on behalf of a prohibited official of the Government of Cuba, as defined in § 515.337, or a prohibited member of the Cuban Communist Party, as defined in § 515.338, must be specifically licensed or otherwise authorized pursuant to § 515.512(e), which authorizes certain payments from funds originating outside the United States.

(2) Legal services to or on behalf of all others. All receipts of payment of professional fees and reimbursement of incurred expenses for the provision of legal services authorized pursuant to paragraph (a) of this section to or on behalf of Cuba or a Cuban national, other than those described in paragraph (d)(1) of this section, are authorized, except that nothing in this section authorizes the debiting of any blocked account or the transfer of any blocked property.

(e) Payments for legal services from funds originating outside the United States authorized. Receipts of payment of professional fees and reimbursement of incurred expenses for the provision of legal services authorized pursuant to § 515.512(a) to or on behalf of a prohibited official of the Government of Cuba, as defined in § 515.337, or a prohibited member of the Cuban Communist Party, as defined in § 515.338, are authorized from funds originating outside the United States, provided that:

(1) The funds received by persons subject to U.S. jurisdiction as payment of professional fees and reimbursement of incurred expenses for the provision of legal services authorized pursuant to paragraph (a) of this section do not originate from:

(i) A source within the United States;

(ii) Any source, wherever located, within the possession or control of a person subject to U.S. jurisdiction; or

(iii) Any person, other than the person on whose behalf the legal services authorized pursuant to paragraph (a) of this section are to be provided, whose property and interests in property are blocked pursuant to any part of this chapter other than part 515.

(2) Reports. (i) Persons subject to U.S. jurisdiction who receive payments in connection with legal services authorized pursuant to paragraph (a) of this section must submit annual reports no later than 30 days following the end of the calendar year during which the payments were received providing information on the funds received. Such reports shall specify:

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

(B) If applicable:

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

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

(3) The amount of funds paid in connection with such services.

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

Note 1 to § 515.512: Persons subject to U.S. jurisdiction who receive payments in connection with legal services authorized pursuant to § 515.512(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. This does not authorize the hiring of Cuban nationals. Additionally, persons subject to U.S. jurisdiction do not need to obtain specific authorization to provide related services that are ordinarily incident to the provision of legal services authorized pursuant to § 515.512(a).

Note 2 to § 515.512: See §§ 515.527 and 515.528 for general licenses authorizing fees due to attorneys in connection with certain intellectual property-related transactions. See § 515.588 for a general license authorizing the receipt of, and payment for, certain legal services from Cuba or a Cuban national.

§ 515.522 [Removed and Reserved]

9. Remove and reserve § 515.522.

10. Revise § 515.523 to read as follows:

§ 515.523 Transactions incident to the administration of decedents' estates.

All transactions incident to the administration and distribution of the assets of a blocked estate of a decedent are authorized. Such transactions include the appointment and qualification of a personal representative in the United States or Cuba, collection and preservation of assets by a personal representative and associated fees, payment of funeral expenses and expenses of the last illness, transfer of title, and distribution of assets pursuant to a valid testamentary disposition or intestate succession. All property distributed pursuant to this section is unblocked, provided that neither Cuba nor a Cuban national (other than the decedent or a person unblocked pursuant to § 515.505) has an interest in the property.

Note to § 515.523: See § 515.570(f)(1) for a general license authorizing funds deposited in a blocked bank account in a banking institution, as defined in § 515.314, as a result of certain administration of decedents' estates to be remitted to a national of Cuba.

11. Amend § 515.524 by revising paragraphs (a) and (b), removing paragraph (c), redesignating paragraph (d) as paragraph (c), and adding a Note to paragraph (b) to read as follows:

§ 515.524 Payment from and transactions in the administration of certain trusts.

(a) Any bank or trust company incorporated under the laws of the United States, or of any State, territory, possession, or district of the United States, or any private bank subject to

supervision and examination under the banking laws of any State of the United States, acting as trustee of a trust created by gift, donation, or bequest and administered in the United States, in which one or more persons who are designated nationals have an interest, beneficial or otherwise, or are co-trustees, is hereby authorized to engage in the following transactions:

(1) Payments of distributive shares of principal or income to all persons legally entitled thereto.

(2) Other transactions arising in the administration of such trust which might be engaged in if no Cuban national were a beneficiary or co-trustee of such trust.

(b) This section does not authorize a trustee to engage in any other transaction at the request, or upon the instructions, of any beneficiary or co-trustee of such trust or other person who is a Cuban national.

Note to paragraph (b): See § 515.523 for a general license authorizing transactions incident to the administration of decedents' estates. See § 515.570(f)(1) for a general license authorizing funds deposited in a blocked bank account in a banking institution as a result of certain administration of decedents' estates to be remitted to a national of Cuba.

* * * * *

12. Revise § 515.525 to read as follows:

§ 515.525 Certain transfers as a consequence of the existence or change of marital status authorized.

Any transfer of any dower, curtesy, community property, or other interest of any nature whatsoever, provided that such transfer arises solely as a consequence of the existence or change of marital status, is authorized.

13. Amend § 515.533 by revising paragraph (d) to read as follows:

§ 515.533 Exportations from the United States to Cuba; reexportations of 100% U.S.-origin items to Cuba; negotiation of executory contracts.

* * * * *

(d) General license for travel-related transactions incident to exportation or reexportation of certain items. The travel-related transactions set forth in § 515.560(c) and such additional transactions as are directly incident to the conduct of market research, commercial marketing, sales negotiation, accompanied delivery, installation, or servicing in Cuba of items consistent with the export or reexport licensing policy of the Department of Commerce are authorized, provided that the traveler's schedule of activities does not include free time or recreation in excess of that consistent with a full-time schedule.

* * * * *

14. Amend § 515.542 by revising paragraph (a), redesignating paragraphs (e), (f), (g), and (h) as paragraphs (g), (h), (i), and (j), adding new paragraphs (e) and (f), and revising Notes 1 and 2 to § 515.542 to read as follows:

§ 515.542 Mail and telecommunications-related transactions.

(a) All transactions, including payments, incident to the receipt or transmission of mail and parcels between the United States and Cuba are authorized, provided that the importation or exportation of such mail and parcels is exempt from or authorized pursuant to this part.

* * * * *

(e) Persons subject to U.S. jurisdiction are authorized to enter into licensing agreements related to services authorized by paragraphs (b) through (d) of this section, and to market such services.

(f) Except for transactions prohibited by § 515.208, persons subject to U.S. jurisdiction are authorized to engage in all transactions necessary to establish and maintain a business presence in Cuba, including through subsidiaries, branches, offices, joint ventures, franchises, and agency or other business relationships with any Cuban national, and to enter into all

necessary agreements or arrangements with such entity or individual, for the purpose of engaging in the activities authorized in paragraphs (b) through (e) of this section.

* * * * *

Note 1 to § 515.542: For an authorization of travel-related transactions that are directly incident to the conduct of market research, commercial marketing, sales negotiation, accompanied delivery, installation, or servicing in Cuba of items consistent with the export or reexport policy of the Department of Commerce, see § 515.533(d). For an authorization of travel-related transactions that are directly incident to participation in professional meetings, including where such meetings relate to telecommunications services or other activities authorized by paragraphs (b) through (f) of this section, see § 515.564(a).

Note 2 to § 515.542: For a general license authorizing a physical presence in Cuba for certain persons, see § 515.573. For an authorization of certain internet-related services, see § 515.578.

15. Revise § 515.544 to read as follows:

§ 515.544 Certain gifts sent to the United States.

The importation into the United States of merchandise from Cuba or Cuban-origin merchandise from a third country intended as gifts is authorized, provided that the value of the

merchandise is not more than \$100; the merchandise is of a type and in quantities normally given as gifts between individuals; the merchandise is sent and not carried by a traveler (including as accompanied or unaccompanied baggage); and the merchandise is not alcohol or tobacco products.

Note to § 515.544: See § 515.533 for a general license authorizing transactions ordinarily incident to exports of items from the United States that are licensed or otherwise authorized by the Department of Commerce, which may include gifts sent to Cuba.

16. Revise § 515.548 to read as follows:

§ 515.548 Overflight payments, emergency landings, and air ambulance services authorized.

(a) The receipt of, and payment of charges for, services rendered by Cuba or a Cuban national in connection with overflights of Cuba or emergency landings in Cuba by aircraft registered in the United States or owned or controlled by, or chartered to, persons subject to U.S. jurisdiction are authorized.

(b) Persons subject to U.S. jurisdiction are authorized to engage in all transactions necessary to provide air ambulance and related medical services, including medical evacuation from Cuba, for individual travelers in Cuba, regardless of nationality or the purpose of the individual's travel to Cuba.

Note to paragraph (b): Persons providing air ambulance services authorized by paragraph (b) are authorized to carry persons who are close relatives, as defined in § 515.539, of the subject of the evacuation.

17. Amend § 515.550 by revising paragraphs (a), (c), and (d), adding a Note to paragraph (a), removing the Note to paragraph (d), and adding paragraph (e) to read as follows:

§ 515.550 Certain vessel transactions authorized.

* * * * *

(a) Engaging or has engaged in trade with Cuba authorized pursuant to this part;

Note to paragraph (a): The authorization in this paragraph includes, for example, trade with Cuba authorized pursuant to §§ 515.533, 515.559, or 515.582, or by specific license.

* * * * *

(c) Engaging or has engaged in the exportation or re-exportation to Cuba from a third country of agricultural commodities, medicine, or medical devices that would be designated as EAR99 under the Export Administration Regulations (15 CFR parts 730 through 774), if they were located in the United States;

(d) A foreign vessel that has entered a port or place in Cuba while carrying students, faculty, and staff that are authorized to travel to Cuba pursuant to §515.565(a); or

(e) Carrying or has carried persons between the United States and Cuba or within Cuba pursuant to the authorization in § 515.572(a)(2) or, in the case of a vessel used solely for personal travel (and not transporting passengers), pursuant to a license or other authorization issued by the Department of Commerce for the exportation or reexportation of the vessel to Cuba.

18. Amend § 515.559 by revising paragraph (d) and Note 2 to § 515.559 to read as follows:

§ 515.559 Certain export and import transactions by U.S.-owned or -controlled foreign firms.

* * * * *

(d) General license. Travel-related transactions set forth in § 515.560(c) and such other transactions as are directly incident to market research, commercial marketing, sales negotiation, accompanied delivery, installation, or servicing of exports that are consistent with the licensing policy under paragraph (a) of this section are authorized, provided that the traveler's schedule of activities does not include free time or recreation in excess of that consistent with a full-time schedule.

* * * * *

Note 2 to § 515.559: See § 515.585 for provisions related to certain transactions by persons subject to U.S. jurisdiction with certain Cuban nationals in third countries.

19. Amend § 515.560 by revising paragraph (c)(4), adding paragraph (c)(6) and a Note to paragraph (c)(6), and revising paragraph (d)(2) to read as follows:

§ 515.560 Travel-related transactions to, from, and within Cuba by persons subject to U.S. jurisdiction.

* * * * *

(c) * * *

(4) Carrying remittances to Cuba. The carrying to Cuba of any remittances that the licensed traveler is authorized to remit pursuant to § 515.570 is authorized, provided that no emigration-related remittances authorized by § 515.570(e) are carried to Cuba unless a U.S. immigration visa has been issued for each payee and the licensed traveler can produce the visa recipients' full names, dates of birth, visa numbers, and visa dates of issuance.

* * * * *

(6)(i) Opening and maintaining bank accounts. All transactions incident to the opening and maintenance of accounts, including the deposit of funds in such accounts by wire transfer, at a financial institution in Cuba are authorized, provided that such accounts are used only while the traveler is located in Cuba and for the purpose of accessing funds in Cuba for transactions authorized pursuant to, or exempt from, this part.

(ii) Closing bank accounts. All transactions incident to the closing of accounts opened pursuant to the authorization in paragraph (c)(6)(i) of this section are authorized, provided that any transfer of funds may only be effected by wire transfer to an account maintained at a depository institution, as defined in § 515.533, that is a person subject to U.S. jurisdiction.

Note to paragraph (c)(6): Account(s) authorized by this general license may only be accessed while the account holder is located in Cuba for travel authorized pursuant to this part. The account(s) may not be accessed or utilized by the account holder unless the account holder is located in Cuba and is engaging in authorized transactions. The account(s) may be maintained but not accessed while the account holder is located outside of Cuba other than for the purpose of funding or closing the bank account as authorized in paragraph (c)(6).

(d) * * *

(2) Funds received as remittances pursuant to § 515.570 by the Cuban national during his or her stay in the United States; and

* * * * *

20. Amend § 515.561 by revising paragraph (a) to read as follows:

§ 515.561 Family visits.

(a) General license. Persons subject to the jurisdiction of the United States and persons traveling with them who share a common dwelling as a family with them are authorized to engage in the travel-related transactions set forth in § 515.560(c) and such additional transactions as are directly incident to: visiting a close relative, as defined in § 515.339, who is a national of Cuba or a person ordinarily resident in Cuba; or visiting a close relative located in Cuba or accompanying a close relative traveling to Cuba pursuant to the authorizations in § 515.562 (official government business), § 515.563 (journalistic activity), § 515.564(a) (professional research), § 515.565(a)(1) through (4) and (6) (educational activities), § 515.566 (religious activities), § 515.575 (humanitarian projects), or § 515.576 (activities of private foundations or research or educational institutes).

Note to paragraph (a): Each person relying on the general authorization in this paragraph must retain specific records related to the authorized travel transactions. See §§ 501.601 and 501.602 of this chapter for applicable recordkeeping and reporting requirements.

* * * * *

21. Amend § 515.565 by:

- a. Revising the introductory text to paragraph (a);
- b. Revising the Note to paragraph (a)(5);
- c. Revising paragraph (a)(7);
- d. Redesignating paragraphs (a)(8) and (9) as (a)(11) and (12);
- e. Adding new paragraphs (a)(8), (9), and (10);
- f. Revising newly redesignated paragraphs (a)(11) and (12);
- g. Revising Notes 1 and 2 to paragraph (a); and
- h. Adding Note 3 to paragraph (a) to read as follows:

§ 515.565 Educational activities.

(a) General license for educational activities. Persons subject to U.S. jurisdiction, including U.S. academic institutions and their faculty, staff, and students, are authorized to engage in transactions, including the travel-related transactions set forth in § 515.560(c), that are related to the following activities:

* * * * *

Note to paragraph (a)(5): See § 515.571(a) for authorizations related to certain banking transactions by Cuban nationals present in the United States in a non-immigrant status or pursuant to other non-immigrant travel authorization issued by the U.S. government.

* * * * *

(7) Sponsorship or co-sponsorship of non commercial academic seminars, conferences, symposia, and workshops related to Cuba or global issues involving Cuba and attendance at such events by faculty, staff, and students of a participating U.S. academic institution;

(8) Establishment of academic exchanges and joint non-commercial academic research projects with universities or academic institutions in Cuba;

(9) Provision of standardized testing services, including professional certificate examinations, university entrance examinations, and language examinations, and related preparatory services for such exams, to Cuban nationals, wherever located;

(10) Provision of internet-based courses, including distance learning and Massive Open Online Courses, to Cuban nationals, wherever located, provided that the course content is at the undergraduate level or below; or

(11) The organization of, and preparation for, activities described in paragraphs (a)(1) through (10) of this section by employees or contractors of the sponsoring organization that is a person subject to U.S. jurisdiction;

(12) Facilitation by an organization that is a person subject to U.S. jurisdiction, or a member of the staff of such an organization, of licensed educational activities in Cuba on behalf of U.S. academic institutions or secondary schools, provided that:

(i) The organization is directly affiliated with one or more U.S. academic institutions or secondary schools; and

(ii) The organization facilitates educational activities that meet the requirements of one or more of the general licenses set forth in § 515.565(a)(1), (2), (3), and (6).

Note 1 to paragraph (a): See § 515.560(c)(6) for an authorization for individuals to open and maintain accounts at Cuban financial institutions; see § 515.573 for an authorization for entities conducting educational activities authorized by § 515.565(a) to establish a physical presence in Cuba, including an authorization to open and maintain accounts at Cuban financial institutions.

Note 2 to paragraph (a): The authorization in this paragraph extends to adjunct faculty and part-time staff of U.S. academic institutions. A student enrolled in a U.S. academic institution is authorized pursuant to § 515.565(a)(1) to participate in the academic activities in Cuba described above through any sponsoring U.S. academic institution.

Note 3 to paragraph (a): The export or reexport to Cuba of goods (including software) or technology subject to the Export Administration Regulations (15 CFR parts 730 through 774) may require separate authorization from the Department of Commerce.

* * * * *

22. Amend § 515.566 by revising the Note to § 515.566 to read as follows:

§ 515.566 Religious activities in Cuba.

* * * * *

Note to § 515.566: See § 515.573 for an authorization permitting religious organizations engaging in activities authorized pursuant to this section to establish a physical presence in Cuba, including an authorization to open and maintain accounts at Cuban financial institutions.

23. Amend § 515.570 by revising paragraphs (b) and (f)(1), redesignating paragraph (h) as paragraph (i), adding new paragraph (h), and revising Note 2 to § 515.570 to read as follows:

§ 515.570 Remittances.

* * * * *

(b) Donative remittances to Cuban nationals authorized. Persons subject to the jurisdiction of the United States are authorized to make donative remittances to Cuban nationals, provided that:

(1) The remittances are not made from a blocked source;

(2) The recipient is not a prohibited official of the Government of Cuba, as defined in § 515.337, or a prohibited member of the Cuban Communist Party, as defined in § 515.338;

(3) The remittances are not made for emigration-related purposes. Remittances for emigration-related purposes are addressed by paragraph (e) of this section; and

(4) The remitter, if an individual, is 18 years of age or older.

* * * * *

(f) * * *

(1) Funds deposited in a blocked account in a banking institution, as defined in § 515.314, in the United States held in the name of, or in which the beneficial interest is held by, a national of Cuba as a result of a valid testamentary disposition, intestate succession or payment from a life insurance policy or annuity contract triggered by the death of the policy or contract holder may be remitted to that national of Cuba, provided that the remittances are not made for

emigration-related purposes. Remittances for emigration-related purposes are addressed by paragraph (e) of this section .

* * * * *

(h) Unblocking of certain previously blocked remittances authorized. Banking institutions, as defined in § 515.314, are authorized to engage in all transactions necessary to unblock and return remittances if they would have qualified as authorized had they been sent under current paragraph (b) of this section, provided that persons subject to U.S. jurisdiction unblocking remittances originally blocked on or after August 25, 1997 pursuant to this section must submit a report to the Department of the Treasury, Office of Foreign Assets Control, Attn: Sanctions Compliance & Evaluation Division, 1500 Pennsylvania Avenue N.W., Annex, Washington, DC 20220 within 10 business days from the date such remittances are released. Such reports shall include the following:

(1) Where available, a copy of the original blocking report filed with OFAC pursuant to § 501.603(b)(1) of this chapter.

(2) The date the unblocked remittance was released;

(3) The amount of funds unblocked;

(4) The name of the party to whom the remittance was released; and

(5) A reference to this section as the legal authority under which the remittance was unblocked and returned.

* * * * *

Note 2 to § 515.570: For the rules relating to the carrying of remittances to Cuba, see § 515.560(c)(4). See § 515.572 for an authorization related to the collection, forwarding, or receipt of certain remittances to or from Cuba.

24. Amend § 515.571 by revising the Note to paragraph (a)(5), redesignating paragraphs (b) and (c) as paragraphs (c) and (d), adding new paragraph (b), and revising redesignated paragraph (c) to read as follows:

§ 515.571 Certain transactions incident to travel to, from, and within the United States by Cuban nationals.

* * * * *

Note to paragraph (a)(5): This paragraph authorizes depository institutions, as defined in § 515.333, to open and maintain accounts solely in the name of a Cuban national who is present in the United States in a non-immigrant status or pursuant to other non-immigrant travel authorization for use while the Cuban national is located in the United States in such status, and to close such accounts prior to departure. See § 515.571(b) for an authorization for depository

institutions to maintain accounts opened pursuant to this paragraph while the Cuban national is located outside the United States.

* * * * *

(b) Maintenance of accounts opened pursuant to paragraph (a)(5) of this section while the Cuban-national account holder is located outside the United States is authorized, provided that the Cuban-national account holder may only access the account pursuant to paragraph (a)(5) of this section when the Cuban-national account holder is lawfully present in the United States in a non-immigrant status or pursuant to other non-immigrant travel authorization issued by the U.S. government.

(c) Payments and transfers of credit in the United States from blocked accounts in domestic banking institutions held in the name of a Cuban national who is present in the United States in a non-immigrant status or pursuant to other non-immigrant travel authorization issued by the U.S. government to or upon the order of such Cuban national are authorized, provided that such payments and transfers of credit are made only for the living, traveling, and similar personal expenses in the United States of such Cuban national or his or her family, or other transactions ordinarily incident to the Cuban national's presence in the United States in a non-immigrant status or pursuant to other non-immigrant travel authorization issued by the U.S. government.

* * * * *

25. Amend § 515.572 by revising paragraphs (a)(2) and (3), adding new paragraph (a)(4), revising paragraph (c), and adding a new Note to § 515.572 to read as follows:

§ 515.572 Authorization to provide travel services, carrier services, and remittance forwarding services.

(a) * * *

(2) Authorization to provide carrier services. Persons subject to U.S. jurisdiction are authorized to provide carrier services, to, from, or within Cuba in connection with travel or transportation between the United States and Cuba of persons, baggage, or cargo authorized pursuant to this part.

* * * * *

(3) Authorization to provide remittance forwarding services. Banking institutions, as defined in § 515.314, including U.S.-registered brokers or dealers in securities and U.S.-registered money transmitters, are authorized to provide services in connection with the collection, forwarding, or receipt of remittances authorized pursuant to this part.

(4) Authorization to provide lodging services. Persons subject to U.S. jurisdiction who are providing carrier services by vessel authorized pursuant to paragraph (a)(2) of this section are authorized to provide lodging services onboard such vessels to persons authorized to travel to or

from Cuba pursuant to this part during the period of time the vessel is traveling to, from, or within Cuba, including when docked at a port in Cuba.

* * * * *

(c) Specific licenses. Specific licenses may be issued on a case-by-case basis authorizing the provision of travel, carrier, or remittance-forwarding services other than those authorized by paragraph (a) of this section.

Note to § 515.572: The following persons may be transported between the United States and Cuba by a person authorized to provide carrier services:

(1) Persons subject to U.S. jurisdiction who are traveling to or from Cuba pursuant to a general license under one of the 12 categories of travel listed in § 515.560 or under a specific license from the Office of Foreign Assets Control may be transported between the United States and Cuba;

(2) Cuban nationals applying for admission to the United States, as well as third-country nationals, with a valid visa or other travel authorization issued by the U.S. government may be transported to the United States from Cuba;

(3) Cuban nationals present in the United States in a non-immigrant status or pursuant to other non-immigrant travel authorization issued by the U.S. government may be transported from the United States to Cuba;

(4) Cuban nationals who have taken up residence in the United States and are licensed as unblocked nationals pursuant to § 515.505(a)(1) are persons subject to U.S. jurisdiction and may

be transported between the United States and Cuba if they meet the criteria set out in (1) above;
and

(5) An individual, including a foreign national, who is traveling on official business of the U.S. government, a foreign government, or an intergovernmental organization of which the United States is a member or in which the United States holds observer status—including an employee, contractor, or grantee of such government or intergovernmental organization and any individual traveling on a diplomatic passport, as well as any close relative, as defined in § 515.339, accompanying the traveler—may be transported between the United States and Cuba.

26. Revise § 515.573 to read as follows:

§ 515.573 Physical presence in Cuba authorized; Cuban news bureaus.

(a) All transactions necessary to establish and maintain a physical presence in Cuba by persons subject to U.S. jurisdiction to engage in transactions authorized pursuant to or exempt from the prohibitions of this part that are identified in paragraph (b) of this section are authorized, including the following:

(1) Leasing physical premises, including office, warehouse, classroom, or retail outlet space, and securing related goods and services, including for use in and to pay fees related to the operation of the physical premises;

(2) Marketing related to the physical presence;

(3) Employment of Cuban nationals in Cuba; and

(4) Employment of individuals who are persons subject to U.S. jurisdiction.

Note to paragraph (a)(4): Individuals who are employed pursuant to § 515.573(a)(4) are authorized to engage in all transactions necessary to establish domicile in Cuba, including accessing U.S. assets, for the duration of their employment.

(5)(i) Opening and maintaining bank accounts at Cuban financial institutions to engage in authorized transactions. The opening and maintenance of accounts, including the deposit of funds in such accounts by wire transfer, at a financial institution in Cuba, provided that such accounts are used only for transactions authorized pursuant to, or exempt from, this part.

(ii) Closing bank accounts. The closing of an account opened pursuant to the authorization in paragraph (a)(5)(i) of this section, provided that any transfer of funds may only be effected by wire transfer to an account maintained at a depository institution, as defined in § 515.333, that is a person subject to U.S. jurisdiction.

Note to paragraph (a): Physical presence includes through a local representative, including an employee or contractor.

(b) The following persons subject to U.S. jurisdiction may engage in the transactions authorized pursuant to paragraph (a) of this section, provided that such transactions may only be engaged in to support transactions authorized by or exempt from the prohibitions of this part:

(1) News bureaus whose primary purpose is the gathering and dissemination of news to the general public authorized by paragraph (c) of this section;

(2) Exporters of goods authorized for export or reexport to Cuba by § 515.533 or § 515.559 or that are otherwise exempt;

(3) Entities providing mail or parcel transmission services authorized by § 515.542(a) or providing cargo transportation services in connection with trade involving Cuba authorized by or exempt from the prohibitions of this part;

(4) Providers of telecommunications services authorized by § 515.542(b) through (d) or persons engaged in activities authorized by § 515.542(e);

(5) Entities organizing or conducting educational activities authorized by § 515.565(a);

(6) Religious organizations engaging in religious activities in Cuba authorized by § 515.566;

(7) Providers of travel and carrier services authorized by § 515.572; and

Note to paragraph (b)(7): This authorization does not allow persons subject to U.S. jurisdiction to establish a physical presence in Cuba for the purpose of providing lodging services in Cuba.

(8) Providers of services authorized by § 515.578.

(c) News bureaus. (1) All transactions in Cuba related to the gathering and dissemination of news to the general public are authorized.

(2) Specific licenses may be issued authorizing transactions necessary for the establishment and operation of news bureaus in the United States by Cuban organizations whose primary purpose is the gathering and dissemination of news to the general public.

Note to § 515.573: The export or reexport to Cuba of items subject to the Export Administration Regulations (15 CFR parts 730 through 774) may require separate authorization from the Department of Commerce.

27. Amend § 515.575 by revising paragraph (b) to read as follows:

§ 515.575 Humanitarian projects.

* * * * *

(b) Authorized humanitarian projects. The following projects are authorized by paragraph (a) of this section: medical and health-related projects; construction projects intended to benefit legitimately independent civil society groups; disaster relief; historical preservation; environmental projects; projects involving formal or non-formal educational training, within Cuba or off-island, on the following topics: entrepreneurship and business, civil education, journalism, advocacy and organizing, adult literacy, or vocational skills; community-based grassroots projects; projects suitable to the development of small-scale private enterprise; projects that are related to agricultural and rural development that promote independent activity; microfinancing projects, except for loans, extensions of credit, or other financing prohibited by § 515.208; and projects to meet basic human needs.

* * * * *

28. Amend § 515.578 by revising the section heading and paragraphs (a)(2), (a)(4), and (b)(1), redesignating paragraph (c) as paragraph (f), and adding new paragraphs (c), (d), and (e) to read as follows:

§ 515.578 Exportation, reexportation, and importation of certain internet-based services; importation of certain software.

(a) * * *

(2) Services related to certain exportations and reexportations. To the extent not authorized by paragraph (a)(1) of this section or by § 515.533, the exportation or reexportation of services, including software design, business consulting, and information technology

management services (including cloud storage), that are related to the following items, or of services to install, repair, or replace such items, and training related to installation, repair, or replacement of such items:

(i) Items subject to the Export Administration Regulations (15 CFR part 730 through 774) (EAR). Items exported or reexported to Cuba pursuant to 15 CFR 740.19 (License Exception Consumer Communication Devices (License Exception CCD)), pursuant to 15 CFR 740.21(d)(4) (paragraph (d)(4) of License Exception Support for the Cuban People (License Exception SCP)), or pursuant to an individual license issued by the Department of Commerce for the export of other consumer communication devices that fall outside License Exception CCD or commodities or software used to develop software that fall outside paragraph (d)(4) of License Exception SCP;

(ii) Items not subject to the EAR because they are of foreign origin and are located outside the United States. Items that are of a type described in License Exception CCD provided that the items would be designated EAR99 if they were located in the United States or would meet the criteria for classification under the relevant ECCN specified in License Exception CCD if they were subject to the EAR or items of a type described in paragraph (d)(4) of License Exception SCP, provided that the items would be designated EAR99 or controlled on the Commerce Control List for anti-terrorism reasons only if they were located in the United States; and

(iii) Software not subject to the EAR because it is described in 15 CFR 734.3(b)(3).

Software not subject to the EAR because it is described in 15 CFR 734.3(b)(3) that is exported, reexported, or provided, directly or indirectly, by a person subject to U.S. jurisdiction to Cuba and that is of a type described in License Exception CCD or paragraph (d)(4) of License Exception SCP.

* * * * *

(4) Exportation, reexportation, or provision of certain internet-based services to certain end-users. (i) The exportation or reexportation, directly or indirectly, from the United States or by persons subject to U.S. jurisdiction, to a prohibited official of the Government of Cuba, as defined in § 515.337, or a prohibited member of the Cuban Communist Party, as defined in § 515.338, of services described in paragraphs (a)(1) or (2) of this section provided that such services are widely available to the public at no cost to the user.

(ii) The exportation or reexportation, directly or indirectly, from the United States or by persons subject to U.S. jurisdiction, to organizations administered or controlled by the Government of Cuba or the Cuban Communist Party of the following services:

(A) Services described in paragraph (a)(1) of this section, and

(B) Services described in paragraph (a)(2) of this section provided that such services are widely available to the public at no cost to the user.

* * * * *

(b) * * *

(1) The direct or indirect exportation or reexportation of services with knowledge or reason to know that such services are intended for a prohibited official of the Government of Cuba, as defined in § 515.337, or a prohibited member of the Cuban Communist Party, as defined in § 515.338, or to organizations administered or controlled by the Government of Cuba or the Cuban Communist Party, except as specified in paragraph (a)(4) of this section.

* * * * *

(c) Licensing and marketing. Persons subject to U.S. jurisdiction are authorized to enter into licensing agreements related to services authorized by paragraph (a) of this section, and to market such services.

(d) Subsidiaries, joint ventures, and other business arrangements. Except for transactions prohibited by § 515.208, persons subject to U.S. jurisdiction are authorized to engage in all transactions necessary to establish and maintain a business presence in Cuba, including through subsidiaries, branches, offices, joint ventures, franchises, and agency or other business relationships with any Cuban national, and to enter into all necessary agreements or

arrangements with such entity or individual, for the purpose of engaging in the activities authorized by paragraph (a) or (c) of this section.

(e) Mobile applications. (1) The importation into the United States of Cuban-origin mobile applications is authorized.

Note to paragraph (e)(1): This paragraph does not authorize U.S.-owned or -controlled firms in third countries to import goods of Cuban origin into the authorized trade zone. See § 515.559.

(2) The employment of Cuban nationals to develop mobile applications is authorized.

* * * * *

§ 515.582 [Amended]

29. Amend § 515.582 by removing Note 1 to § 515.582 and redesignating Note 2 to § 515.582 as Note 1 to § 515.582.

30. Amend § 515.584 by adding paragraph (e) to read as follows:

§ 515.584 Certain financial transactions involving Cuba.

* * * * *

(e) Unblocking of certain previously blocked funds transfers authorized. Any depository institution, as defined in § 515.533, that is a person subject to U.S. jurisdiction is authorized to unblock and return to the originator or originating financial institution or their successor-in-interest previously blocked funds transfers that could have been rejected or processed pursuant to paragraphs (d)(1) or (2) of this section, § 515.562(b), or § 515.579(b) if the rejection or processing of those transfers would have been authorized had they been sent under the current text of those provisions, provided that persons subject to U.S. jurisdiction unblocking funds transfers originally blocked on or after August 25, 1997, pursuant to this section must submit a report to the Department of the Treasury, Office of Foreign Assets Control, Attn: Sanctions Compliance & Evaluation Division, 1500 Pennsylvania Avenue N.W., Annex, Washington, DC 20220 within 10 business days from the date such funds transfers are released. Such reports shall include the following:

(1) Where available, a copy of the original blocking report filed with OFAC pursuant to § 501.603(b)(1) of this chapter.

(2) The date the unblocked funds transfer was released;

(3) The amount of funds unblocked;

(4) The name of the party to whom the funds were released; and

(5) A reference to this section as the legal authority under which the funds transfer was unblocked and returned.

31. Amend § 515.585 by revising the section heading, designating the undesignated paragraph as paragraph (a), revising newly designated paragraph (a), and adding paragraph (b) to read as follows:

§ 515.585 Certain transactions with certain Cuban nationals in third countries.

(a) Persons subject to U.S. jurisdiction are authorized to provide goods and services to a Cuban national located in a third country who is an individual, provided that the transaction does not involve a commercial exportation, directly or indirectly, of goods or services to or from Cuba.

(b)(1) Opening and maintaining bank accounts. Banking institutions, as defined in § 515.314, are authorized to open and maintain accounts, including the deposit of funds in such accounts by wire transfer, for a Cuban national located in a third country who is an individual, provided that such accounts are used only while the Cuban national is located outside of Cuba and may not be used for transactions that involve a commercial exportation of goods or services to or from Cuba.

(2) Closing bank accounts. Banking institutions, as defined in § 515.314, are authorized to close an account opened pursuant to the authorization in paragraph (b)(1) of this section.

* * * * *

32. Amend § 515.586 by revising paragraph (c) to read as follows:

§ 515.586 Cuban official missions in the United States.

* * * * *

(c) Depository institutions, as defined in § 515.333, are authorized to operate accounts for, extend credit to, and process funds transfers on behalf of the official missions of the Government of Cuba to the United States, and the official missions of the Government of Cuba to international organizations in the United States, and employees thereof, subject to the limitations in paragraphs (a) and (b) of this section and provided that any depository institution making use of the authorization in this section must submit a report to the Department of the Treasury, Office of Foreign Assets Control, Attn: Sanctions Compliance & Evaluation Division, 1500 Pennsylvania Ave N.W., Annex, Washington, DC 20220, no later than 30 days following the establishment of the account. Such report shall include the name and address of the depository institution, the name of the account holder, and the account number.

33. Add § 515.587 to subpart E to read as follows:

§ 515.587 Remittances from Cuban nationals to persons subject to U.S. jurisdiction.

Persons subject to U.S. jurisdiction are authorized to receive remittances in the United States from Cuban nationals, wherever located, provided that the remitter is not a prohibited official of the Government of Cuba, as defined in § 515.337, or a prohibited member of the Cuban Communist Party, as defined in § 515.338.

Note to § 515.587: See § 515.572 for an authorization to provide services related to the receipt of remittances authorized by this section.

34. Add § 515.588 to subpart E to read as follows:

§ 515.588 Certain Cuban legal services authorized.

(a) All transactions, including payments, ordinarily incident to receipt of the following legal services from Cuba or from a Cuban national are authorized: legal advice and counseling on the requirements of and compliance with the laws of Cuba or any jurisdiction within Cuba, provided that such advice and counseling relate to transactions authorized by or exempt from the prohibitions of this part.

(b) The receipt of any other legal services from Cuba or a Cuban national, not otherwise authorized in this part, requires the issuance of a specific license.

35. Add § 515.589 to subpart E to read as follows:

§ 515.589 Authorization of emergency medical services.

The provision of nonscheduled emergency medical services in the United States to Cuban nationals is authorized.

Dated: September 16, 2015

John E. Smith,
Acting Director, Office of Foreign Assets Control

BILLING CODE 4810-AL

[FR Doc. 2015-23587 Filed: 9/18/2015 08:45 am; Publication Date: 9/21/2015]