

§515.535

memoranda of understanding, or any other similar agreement.

NOTE TO §515.534: This section does not authorize transactions related to travel to, from, or within Cuba. See §515.533(c) for a general license authorizing travel-related and other transactions incident to the negotiation of contracts for the exportation or reexportation of certain items to Cuba, and §515.564(a)(2) for a general license authorizing travel-related and other transactions incident to attending or organizing professional meetings in Cuba, which include professional meetings relating to the negotiation of contingent contracts authorized by this section.

(c) *Certain direct financial transactions restricted.* Nothing in this section authorizes a direct financial transaction prohibited by §515.209.

[81 FR 71375, Oct. 17, 2016, as amended at 82 FR 52000, Nov. 9, 2017; 85 FR 60070, Sept. 24, 2020; 87 FR 35089, June 9, 2022]

§515.535 Exchange of certain securities.

(a) Subject to the limitations and conditions of paragraph (b) of this section and notwithstanding §515.202, any banking institution within the United States is authorized to engage in the following transactions with respect to securities listed on a national securities exchange, including the withdrawal of such securities from blocked accounts:

(1) Exchange of certificates necessitated by reason of changes in corporate name, par value or capitalization,

(2) Exchanges of temporary for permanent certificates,

(3) Exchanges or deposits under plans of reorganization,

(4) Exchanges under refunding plans, or

(5) Exchanges pursuant to conversion privileges accruing to securities held.

(b) This section does not authorize the following transactions:

(1) Any exchange of securities unless the new securities and other proceeds, if any, received are deposited in the blocked account in which the original securities were held immediately prior to the exchange.

(2) Any exchange of securities registered in the name of any designated national, unless the new securities received are registered in the same name

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in which the securities exchanged were registered prior to the exchange.

(3) Any exchange of securities issued by a person engaged in the business of offering, buying, selling, or otherwise dealing, or trading in securities, or evidences thereof, issued by another person.

(4) Any transaction with respect to any security by an issuer or other obligor who is a designated national.

§515.536 Certain transactions with respect to merchandise affected by §515.204.

(a) The purchase outside the United States for importation into the United States of nickel-bearing materials presumptively subject to §515.204 and the importation of such merchandise into the United States are authorized if there is presented to the collector of customs in connection with such importation the original of an appropriate certificate of origin as defined in paragraph (b) of this section and provided that the merchandise was shipped to the United States directly, or on a through bill of lading, from the country issuing the appropriate certificate of origin.

(b) A certificate of origin is appropriate for the purposes of this section only if

(1) It is a certificate of origin the availability of which for Cuban Assets Control purposes has been announced in the FEDERAL REGISTER by the Office of Foreign Assets Control; and

(2) It bears a statement by the issuing agency referring to the Cuban Assets Control Regulations or stating that the certificate has been issued under procedures agreed upon with the U.S. Government.

[30 FR 15371, Dec. 14, 1965, as amended at 47 FR 4254, Jan. 29, 1982; 50 FR 5753, Feb. 12, 1985; 54 FR 5234, Feb. 2, 1989; 81 FR 71375, Oct. 17, 2016]

§515.540 [Reserved]

§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.

(b) All transactions, including payments, incident to the provision of telecommunications services related to the transmission or the receipt of telecommunications involving Cuba, including the entry into and performance under roaming service agreements with telecommunications services providers in Cuba, by persons subject to U.S. jurisdiction are authorized. This paragraph does not authorize any transactions addressed in paragraphs (c) or (d) of this section, nor does it authorize the entry into or performance of a contract with or for the benefit of any particular individual in Cuba.

(c) All persons subject to U.S. jurisdiction are authorized to enter into, and make payments under, contracts with telecommunications service providers, or particular individuals in Cuba, for telecommunications services provided to particular individuals in Cuba, provided that such individuals in Cuba are not prohibited officials of the Government of Cuba, as defined in § 515.337 of this part, or prohibited members of the Cuban Communist Party, as defined in § 515.338 of this part. The authorization in this paragraph includes payment for activation, installation, usage (monthly, pre-paid, intermittent, or other), roaming, maintenance, and termination fees.

(d) *General license for telecommunications facilities.* Transactions, including payments, incident to the establishment of facilities, including fiber-optic cable and satellite facilities, to provide telecommunications services linking the United States or third countries and Cuba, including facilities to provide telecommunications services in Cuba, are authorized.

(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) [Reserved]

(g) Any entity subject to U.S. jurisdiction relying on paragraph (b), (c), or (d) of this section shall notify OFAC in writing within 30 days after commencing or ceasing to offer such serv-

ices, as applicable, and shall furnish by January 15 and July 15 of each year semiannual reports providing the total amount of all payments made to Cuba or a third country related to any of the services authorized by this section during the prior six months. These notifications and reports must be captioned “Section 515.542 Notification” or “Section 515.542 Report” and emailed to *OFACReport@treasury.gov*. The reporting requirement in this paragraph (g) applies only to the non-banking institution entity subject to U.S. jurisdiction relying upon paragraph (b), (c), or (d) of this section to provide telecommunications services.

(h) For purposes of this section, the term “telecommunications services” includes data, telephone, telegraph, internet connectivity, radio, television, news wire feeds, and similar services, regardless of the medium of transmission, including transmissions by satellite.

(i) Nothing in this section authorizes the exportation or reexportation of any items to Cuba. For the rules related to authorization of exports and reexports to Cuba, see §§ 515.533 and 515.559.

(j) Nothing in this section authorizes transactions related to travel to, from, or within Cuba.

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 or contract negotiation, accompanied delivery, installation, leasing, servicing, or repair in Cuba of items consistent with the export or reexport policy of the Department of Commerce, see § 515.533(c). 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 (e) of this section, see § 515.564(a).

NOTE 2 TO § 515.542: For general licenses authorizing physical and business presence in Cuba for certain persons, see § 515.573. An authorization related to business presence was previously included in this section. For an authorization of certain internet-related services, see § 515.578.

[80 FR 2293, Jan. 16, 2015, as amended at 80 FR 56921, Sept. 21, 2015; 81 FR 13991, Mar. 16, 2016; 81 FR 71376, Oct. 17, 2016; 85 FR 60071, Sept. 24, 2020; 87 FR 35089, June 9, 2022; 89 FR 46324, May 29, 2024]