

§ 535.703

(iii) State the amount of the proposed monetary penalty.

(2) *Right to make presentations.* The prepenalty notice also shall inform the person of his right to make a written presentation within thirty (30) days of mailing of the notice as to why a monetary penalty should not be imposed, or, if imposed, why it should be in a lesser amount than proposed.

[53 FR 7356, Mar. 8, 1988]

§ 535.703 Presentation responding to prepenalty notice.

(a) *Time within which to respond.* The named person shall have 30 days from the date of mailing of the prepenalty notice to make a written presentation to the Director.

(b) *Form and contents of written presentation.* The written presentation need not be in any particular form, but shall contain information sufficient to indicate that it is in response to the prepenalty notice. It should contain responses to the allegations in the prepenalty notice and set forth the reasons why the person believes the penalty should not be imposed or, if imposed, why it should be in a lesser amount than proposed.

[53 FR 7356, Mar. 8, 1988]

§ 535.704 Penalty notice.

(a) *No violation.* If, after considering any presentations made in response to the prepenalty notice, the Director determines that there was no violation by the person named in the prepenalty notice, he promptly shall notify the person in writing of that determination and that no monetary penalty will be imposed.

(b) *Violation.* If, after considering any presentations made in response to the prepenalty notice, the Director determines that there was a violation by the person named in the prepenalty notice, he promptly shall issue a written notice of the imposition of the monetary penalty to that person.

[53 FR 7356, Mar. 8, 1988]

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§ 535.705 Referral to United States Department of Justice.

In the event that the person named does not pay the penalty imposed pursuant to this subpart or make payment arrangements acceptable to the Director within thirty days of the mailing of the written notice of the imposition of the penalty, the matter shall be referred to the United States Department of Justice for appropriate action to recover the penalty in a civil suit in a Federal district court.

[53 FR 7356, Mar. 8, 1988]

Subpart H—Procedures

§ 535.801 Procedures.

For license application procedures and procedures relating to amendments, modifications, or revocations of licenses; administrative decisions; rulemaking; and requests for documents pursuant to the Freedom of Information and Privacy Acts (5 U.S.C. 552 and 552a), see subpart D of part 501 of this chapter.

[62 FR 45107, Aug. 25, 1997]

Subpart I—Miscellaneous Provisions

§ 535.901 Dollar accounts at banks abroad.

Any domestic bank is hereby authorized to effect withdrawals or other transfers from any account held in the name of a non-Iranian bank located in a foreign country, provided such non-Iranian foreign bank is not a person subject to the jurisdiction of the United States.

§ 535.902 Set-offs by U.S. owned or controlled firms abroad.

(a) Branches and subsidiaries in foreign countries of persons subject to the jurisdiction of the United States are licensed to set-off their claims against Iran or Iranian entities by debit to blocked accounts held by them for Iran or Iranian entities.

(b) The general license in paragraph (a) of this section is revoked as of January 19, 1981.

(c) For purposes of this section, set-offs include combinations of accounts and any similar actions.

(Secs. 201–207, 91 Stat. 1626, 50 U.S.C. 1701–1706; E.O. 12170, 44 FR 65729; E.O. 12205, 45 FR 24099; E.O. 12211, 45 FR 26685; E.O. 12276, 46 FR 7913; E.O. 12279, 46 FR 7919; E.O. 12280, 46 FR 7921; E.O. 12281, 46 FR 7923; E.O. 12282, 46 FR 7925; E.O. 12283, 46 FR 7927, and E.O. 12294, 46 FR 14111)

[46 FR 14337, Feb. 26, 1981]

§ 535.904 Payment by Iranian entities of obligations to persons within the United States.

The transfer of funds after the effective date by, through or to any U.S. banking institution or other person within the United States solely for purposes of payment of obligations by Iranian entities owed to persons within the United States is authorized: *Provided*, That there is no debit to a blocked account. Property is not blocked by virtue of being transferred or received pursuant to this section.

[44 FR 66591, Nov. 20, 1979]

§ 535.905 Paperwork Reduction Act notice.

For approval by the Office of Management and Budget (“OMB”) under the Paperwork Reduction Act of information collections relating to record-keeping and reporting requirements, to licensing procedures (including those pursuant to statements of licensing policy), and to other procedures, see § 501.901 of this chapter. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid control number assigned by OMB.

[62 FR 45107, Aug. 25, 1997]

PART 536—NARCOTICS TRAFFICKING SANCTIONS REGULATIONS

Subpart A—Relation of This Part to Other Laws and Regulations

Sec.

536.101 Relation of this part to other laws and regulations.

Subpart B—Prohibitions

- 536.201 Prohibited transactions involving blocked property.
- 536.202 Effect of transfers violating the provisions of this part.
- 536.203 Holding of certain types of blocked property in interest-bearing accounts.
- 536.204 Evasions; attempts; conspiracies.
- 536.205 Exempt transactions.

Subpart C—General Definitions

- 536.301 Blocked account; blocked property.
- 536.302 Effective date.
- 536.303 Entity.
- 536.304 Foreign person.
- 536.305 General license.
- 536.306 Information and informational materials.
- 536.307 Interest.
- 536.308 License.
- 536.309 Person.
- 536.310 Property; property interest.
- 536.311 Narcotics trafficking.
- 536.312 Specially designated narcotics trafficker.
- 536.313 Specific license.
- 536.314 Transfer.
- 536.315 United States.
- 536.316 United States person; U.S. person.
- 536.317 U.S. financial institution.

Subpart D—Interpretations

- 536.401 Reference to amended sections.
- 536.402 Effect of amendment.
- 536.403 Termination and acquisition of an interest in blocked property.
- 536.404 Setoffs prohibited.
- 536.405 Transactions incidental to a licensed transaction.
- 536.406 Provision of services.
- 536.407 Offshore transactions.
- 536.408 Alleged change in ownership or control of an entity designated as a specially designated narcotics trafficker.
- 536.409 Credit extended and cards issued by U.S. financial institutions.

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

- 536.501 Effect of license or authorization.
- 536.502 Exclusion from licenses and authorizations.
- 536.503 Payments and transfers to blocked accounts in U.S. financial institutions.
- 536.504 Investment and reinvestment of certain funds.
- 536.505 Entries in certain accounts for normal service charges authorized.
- 536.506 Provision of certain legal services authorized.
- 536.507 Authorization of emergency medical services.