

§ 538.519 Aircraft and maritime safety.

Specific licenses may be issued on a case-by-case basis for the exportation and reexportation of goods, services, and technology to insure the safety of civil aviation and safe operation of U.S.-origin commercial passenger aircraft, and to ensure the safety of ocean-going maritime traffic in international waters.

§ 538.520 Extensions or renewals of loans and credits.

(a) Specific licenses may be issued on a case-by-case basis for rescheduling loans or otherwise extending the maturities of existing loans, and for charging fees or interest at commercially reasonable rates in connection therewith, provided that no new funds or credits are thereby transferred or extended to Sudan or the Government of Sudan.

(b) Specific licenses may be issued on a case-by-case basis, at the request of the account party, for the extension or renewal of a letter of credit or a standby letter of credit issued or confirmed by a U.S. financial institution.

§ 538.521 Registration of nongovernmental organizations for humanitarian or religious activities.

(a) Registration numbers may be issued on a case-by-case basis for the registration of nongovernmental organizations involved in humanitarian or religious activities in Sudan, authorizing transactions by such organizations otherwise prohibited by this part, including the exportation of services, goods, software, or technology to Sudan and the transfer of funds to and from Sudan for the purpose of relieving human suffering. Applicants for registration numbers must comply with the requirements of § 501.801(c), 31 CFR chapter V.

(b) This section does not authorize transfers from blocked accounts.

NOTE TO § 538.521: Registration does not excuse a U.S. person from compliance with other applicable U.S. laws governing the exportation or reexportation of U.S.-origin goods, software, or technology (including technical data). See, e.g., the Export Administration Regulations administered by the

U.S. Department of Commerce (15 CFR parts 730-774).

[66 FR 2728, Jan. 11, 2001]

§ 538.522 Transactions related to U.S. citizens residing in Sudan.

U.S. persons are authorized to engage in transactions in Sudan ordinarily incident to the routine and necessary maintenance and other personal living expenses of U.S. citizens who reside on a permanent basis in Sudan.

§ 538.523 Commercial sales, exportation and reexportation of agricultural commodities and products, medicine, and medical equipment.

(a) *General license for executory contracts.* Except as provided in paragraph (c) of this section, entry into executory contracts is authorized for the following transactions with individuals in Sudan acting for their own account, nongovernmental entities in Sudan, or procurement bodies of the Government of Sudan identified by the Office of Foreign Assets Control as not being affiliated with the coercive organs of the state, or with persons in third countries purchasing specifically for resale to any of the foregoing, provided that performance of the executory contracts (including any preparatory activities, payments or deposits related to such executory contracts) is contingent upon the prior authorization of the Office of Foreign Assets Control in or pursuant to this part:

(1) The sale of agricultural commodities and products, if those commodities and products are intended for ultimate consumption in Sudan as:

(i) Food by humans (including live animals, raw, processed and packaged foods) or animals (including animal feeds);

(ii) Seeds for food crops; and

(iii) Reproductive materials (such as live animals, fertilized eggs, embryos and semen) for the production of food animals; and

(2) The sale of medicines (including those administered by injection) and medical equipment for use in Sudan, if those medicines and medical equipment are not listed on the Commerce

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Control List in the Export Administration Regulations, 15 CFR part 774, supplement no. 1 (excluding items classified EAR99), as of the date of exportation or reexportation. (EAR99 items may in certain instances require a license from the Department of Commerce, Bureau of Export Administration. See, e.g., 15 CFR 736.2(b)(5), 744.2 through 744.4, 744.7, and 744.10.)

NOTE TO PARAGRAPH (a) OF § 538.523. See § 538.524 with respect to the availability of specific licenses for sales of certain bulk agricultural commodities for exportation or reexportation to Sudan or the Government of Sudan.

(b) *Required terms of executory contracts.* The authorization contained in paragraph (a) of this section applies only to executory contracts that:

(1) Disclose all parties with an interest in the sales transaction. If the goods are being sold to a purchasing agent in Sudan, the executory contract must identify the agent's principals at the wholesale level for whom the purchase is being made;

(2) Provide only for sales at prevailing market prices;

(3) Set forth all terms of sale (e.g., purchase price, quantity, date of shipment, financing), except that dates for contract performance may be made dependent upon the date a specific license pursuant to paragraph (d) of this section is obtained from the Office of Foreign Assets Control;

(4) Make any performance involving the exportation or reexportation of any goods, technology or services (including technical data, software, or information) that are subject to license application requirements of another Federal agency contingent upon the prior authorization of that agency. (For example, EAR99 items may in certain instances require a license from the Department of Commerce, Bureau of Export Administration. See, e.g., 15 CFR 736.2(b)(5), 744.2 through 744.4, 744.7, and 744.10; see also 22 CFR 123.9); and

(5) Provide for payment terms consistent with the provisions of § 538.525.

(c) *Ineligible purchasers.* Nothing in this section permits entry into or performance of a sales contract with a person specifically named in appendix A to this chapter V or in appendix A to part 560 of this chapter, other than a

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procurement body of the Government of Sudan identified by the Office of Foreign Assets Control as not being affiliated with the coercive organs of the state.

NOTE TO PARAGRAPH (c) OF § 538.523. Information on ineligible purchasers and eligible procurement bodies will be published in the FEDERAL REGISTER and may be found on the Office of Foreign Assets Control's Internet site: <http://www.treas.gov/ofac>, or on its fax-on-demand system: 202/622-0077.

(d) *Specific licenses for performance under executory contracts.* Specific licenses may be issued on a case-by-case basis to permit the performance of executory contracts meeting the requirements of paragraphs (a) and (b) of this section. See § 501.801(b) of this chapter with respect to specific licensing procedures.

(e) *Recordkeeping and reporting requirements.* Attention is drawn to the recordkeeping, retention, and reporting requirements of §§ 501.601 and 501.602.

[64 FR 41787, Aug. 2, 1999, as amended at 64 FR 58790, Nov. 1, 1999]

§ 538.524 Commercial sales, exportation and reexportation of bulk agricultural commodities.

(a) *Sales of bulk agricultural commodities by licensed sellers.* Specific licenses may be issued on a case-by-case basis to permit the sale and exportation or reexportation to persons in Sudan or the Government of Sudan of bulk agricultural commodities intended for ultimate consumption in Sudan as food by humans or animals (including animal feeds) and seeds for food crops, for sales meeting all requirements of paragraph (b) of this section.

(b) *Required contract terms for commercial sales of bulk agricultural commodities.* Specific licenses issued pursuant to this section will authorize entry into and performance only of contracts that:

(1) Provide for the sale and exportation or reexportation only of bulk agricultural commodities listed in appendix A to this part 538;

(2) Fully identify the purchasers of the bulk agricultural commodities, including (for sales through persons in third countries) those to whom the commodities are to be resold, and do not include as a purchaser any person