

was or has been acting or purporting to act directly or indirectly for the benefit or on behalf of any national of that country.

(5) Any other person who there is reasonable cause to believe is a "national" as defined in this section.

\* \* \* \* \*

3. Amend § 515.329 by revising paragraphs (c) and (d) to read as follows:

**§ 515.329 Person subject to the jurisdiction of the United States.**

\* \* \* \* \*

(c) Any corporation, partnership, association, or other organization organized under the laws of the United States or of any State, territory, possession, or district of the United States; and

(d) Any corporation, partnership, association, or other organization, wherever organized or doing business, that is owned or controlled by persons specified in paragraphs (a) or (c) of this section.

4. Amend § 515.330 by revising paragraphs (a)(3) and (a)(4) to read as follows:

**§ 515.330 Person within the United States.**

(a) \* \* \*

(3) Any corporation, partnership, association, or other organization organized under the laws of the United States or of any State, territory, possession, or district of the United States; and

(4) Any corporation, partnership, association, or other organization, wherever organized or doing business, which is owned or controlled by any person or persons specified in paragraphs (a)(1) or (a)(3) of this section.

\* \* \* \* \*

**Subpart D—Interpretations**

5. Amend § 515.420 by revising the introductory text of paragraph (a) and adding a note to paragraph (a) to read as follows:

**§ 515.420 Fully-hosted travel to Cuba.**

(a) A person subject to the jurisdiction of the United States will not be considered to violate the prohibition on engaging in travel-related transactions in which Cuba has an interest when all costs of, and all transactions related to, the travel of that person (the "fully-hosted" traveler) are covered or entered into by a person not subject to the jurisdiction of the United States, provided that:

\* \* \* \* \*

**Note to paragraph (a):** The interpretation set forth in this paragraph applies only to a fully-hosted traveler's travel-related

transactions and not to other transactions in Cuba. For example, a fully-hosted traveler is still prohibited from providing services in Cuba to a third-country national.

**Subpart E—Licenses, Authorizations, and Statement of Licensing Policy**

6. Revise § 515.505 to read as follows:

**§ 515.505 Certain Cuban nationals unblocked; transactions of Cuban nationals paroled into the United States.**

(a) General license unblocking certain persons. The following persons are licensed as unblocked nationals, as that term is defined in § 515.307 of this part:

(1) Any individual who:

(i) Has taken up residence in the United States;

(ii) Is a United States citizen, a permanent resident alien of the United States, or has applied to become a permanent resident alien of the United States and has an adjustment of status application pending; and

(iii) Is not a specially designated national; and

(2) Any entity that otherwise would be a national of Cuba solely because of the interest therein of an individual licensed in paragraph (a)(1) of this section as an unblocked national.

**Note to paragraph (a):** An individual unblocked pursuant to this paragraph does not become blocked again by leaving the United States unless he or she becomes domiciled or a permanent national of Cuba or otherwise becomes a specially designated national.

(b) Specific licenses unblocking individuals permanently resident in third countries. Individual nationals of Cuba who have taken up permanent residence in the authorized trade territory may apply to the Office of Foreign Assets Control to be specifically licensed as unblocked nationals. Applications for specific licenses under this paragraph should include at least two of the following documents issued by the government authorities of the new country of permanent residence: Passport; voter registration card; permanent resident alien card; or national identity card. Other documents tending to show residency, such as income tax returns, also may be submitted in support of government documentation, but are not themselves sufficient.

**Note to paragraph (b):** An individual unblocked pursuant to this paragraph does not become blocked again by leaving the United States unless he or she becomes domiciled or a permanent national of Cuba or otherwise becomes a specially designated national.

(c) General license authorizing certain transactions of individuals paroled into

the United States. An individual national of Cuba who has been paroled into the United States is authorized to engage in all transactions available to unblocked nationals, as that term is defined in § 515.307 of this part, except that all property in which the individual has an interest and that was blocked pursuant to this part prior to the date on which parole was granted shall remain blocked. Such an individual is further authorized to withdraw a total amount not to exceed \$250 in any one calendar month from any blocked accounts held in the individual's name.

(d) The licensing of any person pursuant to this section shall not suspend the requirements of any section of this chapter relating to the maintenance or production of records.

(e) The following examples illustrate the application of this section:

(1) *Example 1:* A national of Cuba with a blocked U.S. bank account receives a U.S. immigration visa. Upon arrival in the United States, she is issued a permanent resident alien card and thereby is licensed as an unblocked national pursuant to paragraph (a) of this section. She can apply immediately to OFAC for a specific license to have her bank account unblocked.

(2) *Example 2:* A national of Cuba with a blocked U.S. bank account arrives in the United States without a valid visa and is paroled into the United States. One year later, he applies for and receives permanent resident alien status. From the date he is paroled into the United States until the date he applies for permanent resident alien status, he qualifies for the general license contained in paragraph (c) of this section. During this time he can engage in all transactions as if he is an unblocked national, but he cannot gain access to his blocked bank account other than to withdraw \$250 each month. Beginning with his application to become a permanent resident alien, he is licensed as an unblocked national pursuant to paragraph (a) of this section. At this time, he can apply to OFAC for a specific license to have his bank account unblocked.

(3) *Example 3:* A national of Cuba with a blocked U.S. bank account arrives in the United States on a temporary visa valid for six months. After her visa expires, she remains in the United States for an additional six months and then applies to become a permanent resident alien. She has an adjustment of status application pending until she receives permanent resident alien status one year later. From her arrival in the United States until her application for permanent resident alien status, she does not qualify for any of the authorizations contained in this section. Instead, she is authorized by § 515.571 only to engage in transactions ordinarily incident to her travel and maintenance in the United States and to withdraw \$250 each month from her blocked account to cover her living expenses. Beginning with her application to become a permanent resident alien, she is licensed as an unblocked national pursuant to paragraph