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U.S. DEPARTMENT OF THE TREASURY FREQUENTLY ASKED QUESTIONS RELATED TO CUBA

This document is explanatory only, does not have the force of law, and does not supplement or modify the Executive Orders, statutes, or regulations relating to Cuba. Where specific questions arise about applicability, scope, impact, or any other aspects of these sanctions, it is the responsibility of individuals or entities seeking guidance to review the relevant statutes, regulations, and Executive Orders, and, if appropriate, consult with legal counsel.

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I. Embargo

1. Where can I find the amendments to the Cuban Assets Control Regulations (CACR)?

Please see the Federal Register.

2. When are the most recent amendments to the CACR effective?

The most recent amendments will become effective when published in the Federal Register on September 21, 2015. The immediately preceding amendments became effective on January 16, 2015.

3. Are sanctions on Cuba still in place following the President's announcement on December 17, 2014?

Yes, the Cuba embargo remains in place. Most transactions between the United States, or persons subject to U.S. jurisdiction, and Cuba continue to be prohibited, and OFAC continues to enforce the prohibitions of the CACR. These changes, effective on January 16 and September 21, 2015, respectively, are targeted to further engage and empower the Cuban people by facilitating authorized travel to Cuba by persons subject to U.S. jurisdiction, certain authorized commerce, and the flow of information to, from, and within Cuba.

4. Is the Department of Commerce also amending its rules?

Yes. The Department of Commerce's Bureau of Industry and Security (BIS) in coordination with OFAC, is also amending its rules. The BIS amendments, among other things, authorize the export of certain items to Cuba to improve living conditions, support independent economic activity, improve the free flow of information, and facilitate authorized travel and commerce. For additional information, please see the BIS website at: <http://www.bis.doc.gov>. UPDATED SEPTEMBER 18, 2015

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II. Travel

For questions regarding travel and accompanied baggage between the United States and Cuba, please see the specific guidance on OFAC's webpage.

5. What are the travel authorizations in the Cuba program?

OFAC has issued general licenses within the 12 categories of authorized travel for many travel-related transactions to, from, or within Cuba that previously required a specific license (i.e., an application and a case-by-case determination).

Travel-related transactions are permitted by general license for certain travel related to the following activities, subject to criteria and conditions in each general license: family visits; official business of the U.S. government, foreign governments, and certain intergovernmental organizations; journalistic activity; professional research and professional meetings; educational activities; religious activities; public performances, clinics, workshops, athletic and other competitions, and exhibitions; support for the Cuban people; humanitarian projects; activities of private foundations or research or educational institutes; exportation, importation, or transmission of information or information materials; and certain authorized export transactions.

6. Do travelers who fall within the scope of a general license need to submit a written request to OFAC for permission to travel or conduct transactions?

No. No further permission from OFAC is required to engage in transactions by a person who meets all criteria in a general license. Individuals wishing to engage in activities that may fall within the scope of a general license should review the relevant general licenses contained in the CACR to determine whether their travel-related transactions are covered by such general licenses. Persons subject to U.S. jurisdiction who wish to engage in any travel within the 12 categories of activities specified in the CACR that does not meet the requirements of a general license will need to apply for a specific license from OFAC.

7. Is travel to Cuba for tourist activities permitted?

No. Consistent with the Trade Sanctions Reform and Export Enhancement Act of 2000 (TSRA), travel-related transactions involving Cuba are only permitted for the 12 categories of activities identified in the CACR. Travel-related transactions for other purposes remain prohibited.

8. What constitutes "a close relative" for generally authorized family travel?

OFAC regulations generally authorize persons subject to U.S. jurisdiction and those sharing a dwelling with them as a family to visit a close relative in Cuba, including a close relative who is a Cuban national or a person ordinarily resident in Cuba, , or to visit or accompany a close relative who is located in or traveling to Cuba pursuant to the authorizations in § 515.562 (official government business), § 515.563 (journalistic activity), § 515.564 (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). A close relative is defined as any individual related to a person "by blood, marriage, or adoption who is no more than three generations removed from that person or from a common ancestor with that person." For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.339 and § 515.561.

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9. Who is generally authorized to engage in travel and travel-related transactions for “journalistic activity”?

OFAC has issued an expanded general license that incorporates prior specific licensing policy and authorizes, subject to conditions, travel-related transactions and other transactions that are directly incident to journalistic activities in Cuba. Among other things, this general license authorizes, subject to conditions, full-time journalists, supporting broadcast or technical personnel, and freelance journalists to travel to Cuba. The traveler’s schedule of activities must not include free time or recreation in excess of that consistent with a full-time schedule. An entire group does not qualify for the general license merely because some members of the group qualify individually. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.563.

10. What constitutes generally authorized travel-related transactions for “professional research” and “professional meetings” in Cuba?

OFAC has issued an expanded general license that incorporates prior specific licensing policy and authorizes, subject to conditions, travel-related transactions and other transactions that are directly incident to professional research in Cuba. Among other things, this general license authorizes, subject to conditions, professional research in Cuba relating to a traveler’s profession, professional background, or area of expertise. The traveler’s schedule of activities must not include free time or recreation in excess of that consistent with a full-time schedule. An entire group does not qualify for the general license merely because some members of the group qualify individually. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.564.

OFAC has issued an expanded general license that incorporates prior specific licensing policy and authorizes, subject to conditions, travel-related transactions and other transactions that are directly incident to attending professional meetings in Cuba. Among other things, this general license authorizes, subject to conditions, attendance at professional meetings or conferences in Cuba relating to a traveler’s profession, professional background, or area of expertise, provided that the purpose of the meeting or conference is not the promotion of tourism in Cuba. Travel in this category is generally licensed 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. An entire group does not qualify for the general license merely because some members of the group qualify individually. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.564.

11. What constitutes “educational activities” for generally authorized travel and other transactions?

OFAC has issued an expanded general license that incorporates prior specific licensing policy and authorizes, subject to conditions, transactions, including travel-related transactions, that are related to certain educational activities involving Cuba or Cuban nationals. Among other things, this general license authorizes, subject to conditions, faculty, staff, and students at U.S. academic institutions and secondary schools to engage in certain educational activities in Cuba, Cuban scholars to engage in certain educational activities in the United States, and certain activities to facilitate licensed educational programs. U.S. and Cuban universities may engage in academic exchanges and joint non-commercial academic research under the general license. This provision also authorizes persons subject to U.S. jurisdiction to provide standardized testing services and UPDATED SEPTEMBER 18, 2015

certain internet-based courses to Cuban nationals. An entire group does not qualify for the general license merely because some members of the group qualify individually. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.565(a).

12. Are secondary schools and secondary school students permitted to engage in travel-related transactions under the general license for “educational activities”?

Yes. Educational exchanges sponsored by Cuban or U.S. secondary schools involving secondary school students’ participation in a formal course of study or in a structured educational program offered by a secondary school or other academic institution, and led by a teacher or other secondary school official, are authorized under this general license. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.565 (a)(6). This provision allows for participation of a reasonable number of adult chaperones to accompany the secondary school student(s) to Cuba.

13. What constitutes “people-to-people travel” for generally authorized travel?

OFAC has issued a general license that incorporates prior specific licensing policy and authorizes, subject to conditions, travel-related transactions and other transactions that are directly incident to people-to-people educational activities in Cuba. Among other things, this general license authorizes, subject to conditions, persons subject to U.S. jurisdiction to engage in certain educational exchanges in Cuba under the auspices of an organization that is a person subject to U.S. jurisdiction and sponsors such exchanges to promote people-to-people contact. Additionally, an employee, paid consultant, or agent of the sponsoring organization must accompany each group traveling to Cuba to ensure the full-time schedule of educational exchange activities, and the predominant portion of the activities must not be with individuals or entities acting for or on behalf of a prohibited official of the Government of Cuba, as defined in 31 CFR § 515.337, or a prohibited member of the Cuban Communist Party, as defined in 31 CFR § 515.338. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.565(b).

14. What is an “organization” in the people-to-people context?

In the people-to-people context, an organization is an entity subject to U.S. jurisdiction that sponsors educational exchanges that do not involve academic study pursuant to a degree program and that promote people-to-people contact. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.565(b).

15. Who is generally authorized to engage in travel-related transactions for “religious activities”?

OFAC has issued an expanded general license that incorporates prior specific licensing policy and authorizes, subject to conditions, travel-related transactions and other transactions that are directly incident to religious activities in Cuba. All persons subject to U.S. jurisdiction, including religious organizations located in the United States and members and staff of such organizations, are generally authorized to engage in travel-related transactions that are directly incident to engaging in religious activities in Cuba provided, among other things, that the travel must be for the purpose of engaging in a program of religious activities. The traveler’s schedule of activities must not include free time or recreation in excess of that consistent with a full-time schedule in UPDATED SEPTEMBER 18, 2015

Cuba. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.566.

16. What constitutes “public performances, clinics, workshops, athletic and other competitions, and exhibitions” for generally authorized travel?

OFAC has issued an expanded general license that incorporates prior specific licensing policy and authorizes, subject to conditions, travel-related transactions and other transactions that are directly incident to participation in amateur and semi-professional international sports federation competitions as well as other athletic and other competitions and public performances, clinics, workshops, and exhibitions in Cuba. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.567.

17. What constitutes “support for the Cuban people” for generally authorized travel and other transactions?

OFAC has issued a general license that incorporates prior specific licensing policy and authorizes, subject to conditions, travel-related transactions and other transactions that are intended to provide support for the Cuban people, which include activities of recognized human rights organizations; independent organizations designed to promote a rapid, peaceful transition to democracy; and individuals and non-governmental organizations that promote independent activity intended to strengthen civil society in Cuba. The traveler’s schedule of activities must not include free time or recreation in excess of that consistent with a full-time schedule in Cuba. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.574.

18. What constitutes “humanitarian projects” for generally authorized travel and other transactions?

OFAC has issued a general license that incorporates prior specific licensing policy and authorizes, subject to conditions, transactions, included travel-related transactions, that are related to humanitarian projects in or related to Cuba. These authorized humanitarian projects include medical and health-related projects; construction projects intended to benefit legitimately independent civil society groups; disaster relief; historic 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 31 C.F.R. § 515.208; and projects to meet basic human needs. The traveler’s schedule of activities must not include free time or recreation in excess of that consistent with a full-time schedule in Cuba. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.575.

19. What constitutes “activities of private foundations or research or educational institutes” for generally authorized travel?

OFAC has issued a general license that incorporates previous specific licensing policy and authorizes, subject to conditions, travel-related transactions and other transactions that are directly incident to activities by private foundations or research or educational institutes with an UPDATED SEPTEMBER 18, 2015

established interest in international relations to collect information related to Cuba for noncommercial purposes, among other things. The traveler's schedule of activities must not include free time or recreation in excess of that consistent with a full-time schedule in Cuba. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.576.

20. What constitutes “exportation, importation or transmission of information or informational materials” for generally authorized travel?

OFAC has issued a general license that incorporates prior specific licensing policy and authorizes, subject to conditions, travel-related transactions and other transactions that are directly incident to the exportation, importation, or transmission of information or informational materials in Cuba. The traveler's schedule of activities must not include free time or recreation in excess of that consistent with a full-time schedule in Cuba. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.545. The definition of “information and informational materials” may be found at 31 CFR § 515.332.

21. Can I purchase a ticket to Cuba directly from an airline based or operating out of the United States?

Yes, provided that you are authorized to travel to Cuba pursuant to a general or specific license. Airlines subject to U.S. jurisdiction are authorized to provide air carrier services to authorized travelers, and travelers may purchase tickets provided that their travel is authorized pursuant to the CACR. Airlines and travelers are responsible for maintaining records of their Cuba-related transactions for at least five years.

22. May a person that qualifies for the general license to provide carrier services transport a third-country national located in the United States to Cuba for travel authorized by a general license under one of the 12 categories of travel listed in Section 515.560 or by specific license from OFAC?

Yes.

23. May I take a commercial passenger ferry to travel to Cuba?

Yes, provided that you are authorized to travel to Cuba pursuant to a general or specific license. Persons subject to U.S. jurisdiction are authorized to provide carrier services by vessel to authorized travelers, and travelers may purchase tickets provided that their travel is authorized pursuant to the CACR. The authorization to provide carrier services is limited to transportation of authorized travelers between the United States and Cuba and does not allow for stops in a third country. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.572.

24. May an individual authorized traveler use his or her private boat to travel to Cuba?

A person subject to U.S. jurisdiction engaging in authorized travel pursuant to an OFAC general or specific license may use a personal boat for his or her travel to Cuba provided that the temporary sojourn of the vessel is authorized by the Bureau of Industry and Security (BIS), and provided that he or she otherwise complies with all other applicable U.S. government laws and regulations. Goods exported to Cuba also require a license or must be eligible for a license

exception from BIS. Please also see additional guidance on the OFAC website titled *Guidance Regarding Travel Between the United States and Cuba*.

25. Are U.S. vessels, including private boats and commercial passenger ferries, permitted to carry passengers to or from Cuba?

OFAC has issued a general license authorizing the provision of carrier services between the United States and Cuba by vessel, in addition to the existing authorization for provision of such services by aircraft. Those providing carrier services between the United States and Cuba may require additional authorizations from other U.S. government agencies. Goods exported to Cuba may also require separate authorization from BIS.

26. May vessels transporting authorized travelers to Cuba provide lodging services?

Yes. Section 515.572(a)(4) of the CACR permits persons subject to U.S. jurisdiction providing authorized carrier services by vessel to also provide lodging for authorized travelers onboard during the period of time the vessel is traveling to, from, or within Cuba, including when docked in a port in Cuba.

27. Are authorized U.S. travelers permitted to travel onboard vessels in Cuba to meet their transportation needs within Cuba?

Travel onboard a vessel in Cuba is permitted for authorized travel.

28. Are there any spending limits for authorized U.S. travelers while in Cuba?

There is no specific dollar limit on authorized expenses. Authorized travelers may engage in transactions ordinarily incident to travel within Cuba, including payment of living expenses and the acquisition in Cuba of goods for personal consumption there. In addition, travelers are authorized to acquire in Cuba and import as accompanied baggage into the United States merchandise with a value not to exceed \$400 per person, provided that no more than \$100 of the merchandise consists of alcohol or tobacco products and the merchandise is imported for personal use only.

29. Are there any restrictions on what foreign persons entering the United States from travel that included Cuba may bring in their accompanied baggage?

A non-U.S. person (i.e. not a U.S. citizen or resident) arriving in the United States is authorized to import Cuban-origin merchandise, other than tobacco and alcohol, as accompanied baggage provided the merchandise is not in commercial quantities and not imported for resale. See 31 CFR § 515.569. If the non-U.S. person is on a trip that included travel to Cuba, the person also is authorized to import as accompanied baggage alcohol or tobacco products purchased or otherwise acquired in Cuba with a value not to exceed \$100 for personal use only. See 31 CFR § 515.560(c)(3).

30. Can I purchase Cuban-origin cigars and/or Cuban-origin rum or other alcohol while traveling in Cuba?

Persons authorized to travel to Cuba may purchase alcohol and tobacco products while in Cuba for personal consumption while there. Authorized travelers may return to the United States up to \$100 worth of alcohol and/or tobacco products acquired in Cuba in accompanied baggage, for personal use only.

31. Can I purchase Cuban-origin cigars and/or Cuban-origin rum or other Cuban-origin alcohol over the internet or while in a third country (i.e., not Cuba)?

No. These transactions remain prohibited, and OFAC has not issued any general license that would authorize them.

32. As an authorized traveler, may I travel from a third country to Cuba and from Cuba to a third country?

Yes, a person subject to U.S. jurisdiction engaging in authorized travel-related transactions may travel to Cuba from a third country or to a third country from Cuba. Persons subject to U.S. jurisdiction traveling to and from Cuba via a third country may only do so if their travel-related transactions are authorized by a general or specific license issued by OFAC, and are subject to the same restrictions and requirements as persons traveling directly from the United States.

III. Travel and Carrier Services

33. Do air carriers or vessel operators need to obtain specific licenses from OFAC to provide services?

No. An expanded general license authorizes persons subject to U.S. jurisdiction to provide carrier services by vessel or aircraft to, from, or within Cuba, in connection with authorized travel, without the need for a specific license from OFAC. However, while no additional license is required from OFAC, persons providing carrier services may still need to secure regulatory approvals from other concerned U.S. government agencies, including the Department of Commerce's Bureau of Industry and Security, the Department of Transportation's Office of the Secretary and the Federal Aviation Administration, and the Department of Homeland Security. For a complete description of what the OFAC general license authorizes and the restrictions that apply, please see 31 CFR § 515.572.

34. Do travel service providers (such as travel agents and tour group operators) need to obtain specific licenses from OFAC to provide services for travel to Cuba?

No. A general license authorizes persons subject to U.S. jurisdiction, including travel agents and tour group operators, to provide travel services in connection with authorized travel without the need for specific licenses from OFAC. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.572(a)(1). The provision of services related to travel for tourist or other unauthorized travel to Cuba remains prohibited.

35. Are airlines, vessel operators, and travel service providers required to verify that an individual traveler is authorized to travel to Cuba?

Persons subject to U.S. jurisdiction providing authorized carrier or travel services must retain for at least five years from the date of the transaction a certification from each customer indicating the provision of the CACR that authorizes the person to travel to Cuba. In the case of a customer traveling under a specific license, a copy of the license must be maintained on file. The names and addresses of individual travelers must also be maintained on file for at least five years. See 31 CFR § 515.572(b).

36. To which travelers may I provide carrier services between the United States and Cuba?

Please see additional guidance on the OFAC website titled *Guidance Regarding Travel between the United States and Cuba*.

IV. Remittances

37. What changes have been made with respect to authorized remittances by U.S. persons to Cuba?

Effective September 21, 2015, the dollar limits on generally licensed donative remittances that may be sent to a Cuban national, other than a prohibited official of the Government of Cuba or a prohibited member of the Cuban Communist Party, have been removed. Additionally, remittances of blocked funds to any Cuban national, other than a prohibited official of the Government of Cuba or a prohibited member of the Cuban Communist Party, pursuant to 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 are now authorized by general license.

Furthermore, OFAC has issued a new general license in 31 CFR § 515.570(h) authorizing the unblocking and return of remittances that were previously blocked for exceeding the previous per quarter limits on authorized periodic remittances to non-family members, provided that these remittances would have been authorized under the current regulations. See further discussion on the handling of blocked funds below.

Effective January 16, 2015, certain remittances to Cuban nationals for humanitarian projects, support for the Cuban people, or development of private business are generally authorized.

Additional types of remittances are authorized by general license or may be authorized by specific license. Please see 31 CFR § 515.570 for a complete description of what the OFAC general licenses authorize and the restrictions that apply, as well as statements of specific licensing policy.

The dollar limit on authorized remittances travelers to Cuba may carry has been removed. For a complete description of this authorization and the restrictions that apply, please see 31 CFR § 515.560(c)(4) and (d)(2).

38. Is a bank, credit union, or money service business (MSB) such as a money remitter permitted to process my authorized remittances to or from Cuba?

Yes. Pursuant to a general license, banking institutions, as defined in 31 CFR § 515.314, U.S.-registered brokers or dealers in securities, and U.S.-registered money transmitters are permitted to process authorized remittances to or from Cuba without having to obtain a specific license, subject to the recordkeeping and reporting requirements set forth therein. For a complete description of what the OFAC general license authorizes and the restrictions that apply, please see 31 CFR § 515.572(a)(3).

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V. Banking

39. Are authorized travelers permitted to open bank accounts in Cuba?

Under a new general license, persons subject to U.S. jurisdiction who are traveling to Cuba pursuant to one of the 12 authorized categories of travel may open and maintain bank accounts in order to access funds while located in Cuba for authorized transactions, and are authorized to close such accounts. For a complete description of what the OFAC general license authorizes and the restrictions that apply, please see 31 CFR § 515.560(c)(6).

40. Are authorized travelers in Cuba permitted to use credit or debit cards issued by a U.S. financial institution?

Yes. Travelers are advised to check with their financial institution before traveling to Cuba to determine whether the institution has established the necessary mechanisms for its issued credit or debit cards to be used in Cuba. See 31 CFR § 515.560(c)(5) and 515.584(c).

41. Can my bank refuse to allow me to use my credit or debit card in Cuba?

OFAC regulations do not require financial institutions or credit card companies to accept, maintain, or facilitate authorized financial relationships or transactions.

42. Can U.S. financial institutions permit the use of credit and debit cards they issue by, and process credit and debit card transactions for, third-country nationals whose travel to, from, or within Cuba may not fall within the 12 categories of authorized travel?

Yes. Section 515.584(c) of the CACR authorizes all transactions incident to the processing and payment of credit and debit cards transactions for third-country nationals traveling to, from, or within Cuba.

43. Are financial institutions other than banks permitted to open correspondent accounts in Cuba?

Depository institutions, as defined in 31 CFR § 515.333, which include certain financial institutions other than banks, are permitted to open correspondent accounts at banks in Cuba. See 31 CFR § 515.584(a).

44. Are Cuban banks permitted to open correspondent accounts at U.S. banks?

No. U.S. depository institutions are permitted to open correspondent accounts at Cuban banks located in Cuba and in third countries, and at foreign banks located in Cuba, but Cuban banks are not generally licensed to open such accounts at U.S. banks. See note to 31 CFR § 515.584(a).

45. May U.S. banks open and operate accounts for Cuban nationals lawfully present in the United States?

Depository institutions are permitted to maintain accounts for certain Cuban nationals present in the United States in a non-immigrant status or pursuant to other non-immigrant travel authorization. Although the account may remain open while the Cuban national is not in the United States, access to such accounts must be limited to while the Cuban national is lawfully present in the United States.

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In addition, OFAC is amending section 515.571 of the CACR to remove the \$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 or other transactions ordinarily incident to their presence in the United States in a non-immigrant status or pursuant to another non-immigrant travel authorization issued by the U.S. government. For a complete description of what the OFAC general license authorizes and the restrictions that apply, please see 31 CFR § 515.571.

46. May U.S. banks, their foreign branches, and foreign subsidiaries open and operate accounts for Cuban nationals in third countries?

OFAC has issued an expanded general license that authorizes all persons subject to U.S. jurisdiction to provide goods and services to Cuban national individuals located in a third country, provided that the transaction does not involve commercial exportation to or from Cuba. Additionally, the general license authorizes banking institutions to open, maintain, and close bank accounts for such Cuban nationals, 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. For a complete description of what the OFAC general license authorizes and the restrictions that apply, please see 31 CFR § 515.585.

47. In what ways can Cuban nationals lawfully present in the United States participate in the U.S. financial system?

Certain Cuban nationals who have taken up residence in the United States on a permanent basis and who meet the requirements set forth in 31 CFR § 515.505(a) are licensed as unblocked nationals, and may participate fully in the U.S. financial system. See 31 CFR § 515.505(a)(1) and (d).

Pursuant to 31 CFR § 515.571, Cuban nationals who are present in the United States in a non-immigrant status or pursuant to other non-immigrant travel authorization issued by the U.S. government, such as a non-immigrant visa, may open and maintain bank accounts in the United States, provided that the Cuban-national account holder may only access the account while lawfully present in the United States. Section 515.571 also authorizes such Cuban nationals to engage in normal banking transactions involving foreign currency drafts, travelers' checks, or other instruments negotiated incident to travel in the United States.

48. If a Cuban national resident in the United States has applied to become a lawful permanent resident alien of the United States, does that individual have to apply to OFAC to be treated as an unblocked national?

No. If a Cuban national has taken up residence in the United States and has applied to become a lawful permanent resident alien of the U.S. and has an adjustment of status application pending, then the Cuban national is considered unblocked and does not need to apply to OFAC to be treated as an unblocked national, provided that he or she is not a prohibited official of the Government of Cuba or a prohibited member of the Cuban Communist party. See 31 CFR § 515.505(a)(1).

49. Should financial institutions apply for a specific license to unblock funds transfers or accounts which meet the conditions for unblocking set forth in 31 CFR §§ 515.505, or 515.584 (e)?

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The CACR include a general license authorizing banking institutions to unblock any account that had been previously blocked solely because of the interest therein of one or more persons now licensed as unblocked nationals. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.505(b).

The CACR also include a general license at 31 CFR § 515.584(e) that unblocks funds transfers that could have been processed or rejected pursuant to 31 CFR §§ 515.562(b), 515.579(b), 515.584(d)(1), or 515.584(d)(2) if the processing or rejection of those transfers would have been authorized by the current text of the general licenses. Funds unblocked pursuant to 515.584(e) must be reported to OFAC. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.584.

If your situation appears to meet the requirements of these general licenses, OFAC suggests that you contact the financial institution maintaining the blocked account or blocked funds transfer to request that it review your situation within the context of the terms of the appropriate general license. If the terms of a general license apply, there is no need to seek specific license authorization from OFAC. It is OFAC's policy not to grant specific licenses authorizing transactions for which the provisions of an outstanding general license are applicable. See 31 C.F.R. § 501.801(a).

50. Do U.S. depository institutions need to apply for a specific license to release funds transfers or accounts previously blocked pursuant to the CACR that are now authorized by general license?

If a transaction was previously blocked pursuant to the CACR at the time of the transaction, and the CACR was later amended to allow similar transactions, the earlier transaction is not unblocked unless the CACR amendments include a general license that unblocks previously blocked funds. Transactions must be authorized pursuant to the CACR at the time that they are processed. To the extent that the unblocking of a funds transfer or blocked account is not authorized by a general license, a specific license would be required to release funds transfers or unblock accounts previously blocked.

51. What transactions involving wire transfers to Cuba are authorized?

OFAC has issued a general license that authorizes U.S. depository institutions to reject funds transfers originating and terminating outside the United States where neither the originator nor the beneficiary is a person subject to U.S. jurisdiction and provided that certain prohibited individuals do not have an interest in the transfer. U.S. depository institutions are also authorized to process such funds transfers where they would be authorized pursuant to the CACR if the originator or beneficiary were a person subject to U.S. jurisdiction. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.584(d).

52. May a person subject to U.S. jurisdiction utilize online payment platforms to facilitate or process authorized transactions involving Cuba or a Cuban entity?

Yes. Subject to certain exceptions, transactions that are ordinarily incident to an authorized transaction are authorized. Such transactions may include use of online payment platforms to facilitate authorized transactions. Please see the interpretive guidance in 31 CFR § 515.421.

VI. Trade/Business

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53. Is Cuba open for U.S. business and investment?

Persons subject to U.S. jurisdiction are prohibited from doing business or investing in Cuba unless licensed by OFAC. An OFAC general license authorizes the exportation from the United States, and the reexportation of 100% U.S.-origin items from third countries, to Cuba only in those cases where the exportation or reexportation is licensed or otherwise authorized by the Commerce Department's Bureau of Industry and Security (BIS). BIS currently authorizes limited categories of items to be exported or reexported to Cuba.

54. Can U.S. trade delegations travel to Cuba?

Trade delegations are authorized to travel to Cuba only if each member of the delegation meets the criteria of an applicable general license authorizing travel to Cuba or has obtained a specific license from OFAC. Authorized trade delegations generally fall under one of two general licenses for travel authorization; either (1) 31 CFR § 515.533(d), which authorizes travel-related and other transactions incident to the exportation of certain authorized goods from the U.S. to Cuba, specifically the conduct of "market research, commercial marketing, sales negotiation, accompanied delivery, or servicing in Cuba of items consistent with the export or reexport licensing policy of the Commerce Department," or (2) 31 C.F.R. § 515.564(a), which authorizes transactions related to professional research or professional meetings in Cuba. For a complete description of what these general licenses authorize and the restrictions that apply, please see 31 CFR §§ 515.533(d) and 515.564(a).

55. May persons subject to U.S. jurisdiction open an office in Cuba?

Persons subject to U.S. jurisdiction in the following categories are authorized to establish and maintain a physical presence, such as an office, warehouse, or retail outlet, in Cuba to engage in transactions authorized by or exempt from the CACR: new bureaus; exporters of certain goods authorized for export or reexport pursuant to 31 CFR §§ 515.533 and 515.559; entities providing mail or parcel transmission services; providers of telecommunications or internet-based services; entities organizing or conducting certain educational activities; religious organizations; and providers of carrier and certain travel services. These persons may employ Cuban nationals in Cuba as well as persons subject to U.S. jurisdiction in Cuba (and such persons may maintain a domicile in Cuba). These persons may open and maintain bank accounts to facilitate authorized transactions. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.573.

56. Are insurers allowed to provide travel insurance for authorized travel to Cuba?

Yes. See 31 CFR § 515.560.

57. May U.S. insurers issue policies and pay claims related to group health, life, and travel insurance on behalf of third-country nationals traveling to or within Cuba?

Yes, provided that the insurance policy is as global policy. Section 515.580 of the CACR authorizes persons subject to U.S. jurisdiction to issue or provide global health, life, or travel insurance policies for individuals ordinarily resident in a country outside of Cuba who travel to or within Cuba, regardless of whether the insurance policy is issued only to that individual or to a group, such as to all employees of a particular company. For instance, a U.S. insurer may pay medical claims pursuant to a group health insurance policy to or on behalf of a covered third-country national injured while traveling in Cuba. However, this provision does not authorize a person subject to U.S. jurisdiction to issue an insurance policy that is specific to travel to Cuba. A separate provision of the CACR, 31 CFR § 515.560, authorizes the provision of health, life, and travel insurance-related services for authorized U.S. travelers.

58. May U.S. insurers, either directly or through third-country subsidiaries, issue policies, or pay insurance or reinsurance claims related to non-U.S. persons providing goods or services that facilitate travel by third-country nationals from a third country to Cuba?

Other than certain global health, life, or travel insurance policies for individuals, absent specific authorization from OFAC, U.S. insurers and their subsidiaries are not permitted to issue policies, provide reinsurance coverage, or pay insurance or reinsurance claims related to non-U.S. persons, including entities such as foreign airlines, providing goods or services that facilitate travel by third-country nationals from a third country to Cuba.

59. Are insurance policies that are issued to a “group” (e.g., an employer and its employees) authorized by the CACR?

Section 515.580 of the CACR authorizes global insurance policies covering individuals ordinarily resident in a country outside of Cuba traveling to Cuba. The policy may be issued to a group, such as all employees of a company. The “global” requirement means it cannot be specific to travel to Cuba. For example, it does not authorize an individual travel policy issued to a traveler specifically to cover a planned trip to Cuba. It also does not authorize issuing a policy to a non-U.S. travel agent specifically to cover its traveler clients where the travel agency is solely in the business of planning trips to Cuba.

60. What types of Cuban-origin goods are authorized for importation directly into the United States?

Persons subject to U.S. jurisdiction authorized to travel to Cuba may import into the United States as accompanied baggage merchandise acquired in Cuba with a value not to exceed \$400 per person, including no more than \$100 in alcohol and tobacco products.

Persons subject to U.S. jurisdiction are also authorized to import certain goods produced by independent Cuban entrepreneurs as determined by the State Department, as set forth in the State Department’s Section 515.582 list. For travelers importing authorized goods into the United States pursuant to § 515.582 as accompanied baggage, the \$400 monetary limit does not apply to such goods. If these goods are for personal use, certain personal exemptions from U.S. Customs and Border Protection may apply. The importation into the United States from Cuba of information and informational materials is exempt from the prohibitions of the CACR. The definition of “information and informational materials” may be found at 31 CFR § 515.332.

VII. Telecommunications

61. What types of telecommunications services are recently authorized under general license?

Effective January 16, 2015, OFAC issued an expanded general license which, subject to conditions, generally authorizes transactions that establish mechanisms to provide commercial telecommunications services in Cuba or linking third countries and Cuba. OFAC has also updated the general licenses authorizing telecommunications-related transactions, including payment related to the provision of telecommunications involving Cuba or provided to Cuban individuals. Pursuant to this provision, U.S. persons may, for example, purchase calling cards for people to use in Cuba and/or may pay the bills of such people directly to a telecommunications operator located in Cuba, such as ETECSA. These steps to facilitate improved access to telecommunications services for Cubans and increased international connections are intended to increase the ability of the Cuban people to communicate freely and to better provide for efficient and adequate telecommunications services between the United States and Cuba. Effective September 21, 2015, OFAC further expanded this general license to authorize persons subject to U.S. jurisdiction to enter into licensing agreements related to, and to market, authorized telecommunications services.

For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.542.

62. What types of internet-based services are authorized under general license?

Persons subject to U.S. jurisdiction may provide certain services incident to internet-based communications and related to certain authorized exportations and reexportations of communications items. The range of such services was expanded in January 2015 to coincide with changes to Commerce Department regulations, and such services can now be provided for a fee to certain end users. For example, transactions incident to providing fee-based internet communications services such as e-mail or other messaging platforms, social networking, VOIP, web-hosting, or domain-name registration are now authorized in most circumstances. Services related to many kinds of software (including applications) used on personal computers, cell phones, and other personal communications devices are also authorized, along with other services related to the use of such devices. Finally, services such as cloud storage, software design, business consulting, and the provision of IT management and support related to use of hardware and software exported or reexported to Cuba pursuant to the Commerce Department's License Exception Consumer Communications Device (CCD) authorization or commodities or software used to develop software exported or reexported to Cuba pursuant to the Commerce Department's License Exception Support for the Cuban People (SCP) is permitted. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.578.

63. What type(s) of business arrangements are telecommunications and internet-based service providers that are subject to U.S. jurisdiction authorized to establish in Cuba?

OFAC has issued a new general license that authorizes 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 (including ETECSA) to provide authorized telecommunications and internet-based services. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR §§ 515.542 and 515.578.

64. May persons subject to U.S. jurisdiction who open an authorized physical presence, such as an office or retail outlet, in Cuba market their telecommunications or internet-based services?

Persons subject to U.S. jurisdiction that are providers of telecommunications or internet-based services who establish a physical presence in Cuba pursuant to the authorization in 31 CFR § 515.573 are authorized to engage in marketing related to that physical presence.

65. Are persons subject to U.S. jurisdiction engaging in authorized transactions permitted to enter in arrangements with Cuban state-owned entities, such as ETECSA?

Individuals or entities subject to U.S. jurisdiction engaging in authorized transactions, either pursuant to a general or specific license, may engage with Cuban state-owned entities as authorized by the OFAC license. For example, a U.S. company engaging in authorized telecommunications-related transactions pursuant to 31 C.F.R. § 515.542, such as payment for activation, installation, usage, roaming, maintenance, or termination fees, may engage directly with the Cuban state-owned telecommunications company, ETECSA, for these authorized purposes.

VIII. Third-Country Effects

66. Are Cuban nationals located outside of Cuba still considered blocked?

Yes, but any individual Cuban national who can establish that he or she has taken up permanent residence outside of Cuba and otherwise meets the requirements set forth in 31 CFR § 515.505 is generally licensed as an unblocked national. Additionally all persons subject to U.S. jurisdiction are authorized to provide goods and services to Cuban national individuals located outside of Cuba, provided there is no commercial exportation of goods or services to or from Cuba. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.585.

67. Can U.S.-owned or -controlled entities in third countries engage in trade/commerce with Cuban nationals located outside of Cuba?

U.S.-owned or -controlled entities in third countries may provide goods and services to a Cuban national located outside of Cuba, provided that the transaction does not involve a commercial exportation, directly or indirectly, of goods or services to or from Cuba. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.585.

68. Are U.S.-owned or -controlled entities in third countries authorized to provide financial services to Cuban nationals located outside of Cuba?

Yes. U.S.-owned or -controlled entities in third countries may provide financial services to a Cuban national located outside of Cuba, provided that the transaction does not involve a commercial exportation, directly or indirectly, of goods or services to or from Cuba. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.585.

IX. Miscellaneous

69. Are specific licenses still required for transactions relative to the administration of a Cuban estate?

UPDATED SEPTEMBER 18, 2015

Previously, 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 to remit the estate of a person subject to U.S. jurisdiction to a Cuban national who is not a close relative. OFAC has expanded the general license at 31 CFR § 515.523 to authorize all transactions incident to the administration and distribution of the assets of a blocked estate of a decedent. All property distributed pursuant to 31 CFR § 515.523 is unblocked, provided that neither Cuba nor a Cuban national (other than the decedent or a person unblocked pursuant to 31 CFR § 515.505) has an interest in the property. For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.523.

Furthermore, funds deposited in a blocked account in a banking institution 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 policyholder or contract holder may be remitted to the national of Cuba pursuant to 31 CFR § 515.570(g). For a complete description of what this general license authorizes and the restrictions that apply, please see 31 CFR § 515.570(g).

70. What does the regulatory term “cash in advance” mean ?

The regulatory interpretation of “cash in advance” has been changed from “cash before shipment” to “cash before transfer of title and control” to allow expanded financing options for authorized exports to Cuba. For the full text, see 31 CFR § 515.533.

71. What types of projects would fall within the authorization in 31 CFR § 515.575 for microfinancing projects?

Among other things, the provision for microfinancing projects in Section 515.575 of the CACR authorizes the provision of certain financial services to unemployed, underemployed, and low-income Cubans who have little or no access to conventional banks or comparable resources, and which may include a limited return on investment. In addition, Section 515.570(g)(1) of the CACR authorizes remittances to individuals and independent non-governmental entities in Cuba to support authorized microfinancing projects. These provisions would authorize, for example, relatively limited contributions of funds to support individual entrepreneurs in sectors that need access to working capital, investment loans, insurance, or training in order to start or expand their operations. Sections 515.575 and 515.570(g)(1) of the CACR do *not* authorize loans, extensions of credit or other financing related to transactions involving confiscated property the claim to which is owned by a U.S. national, which are prohibited by 31 CFR § 515.208. For additional guidance or fact-specific questions, we would encourage you to contact OFAC.

72. If a person had applied for a specific license from OFAC before the CACR was revised but now believes that the proposed activity is authorized pursuant to a general license, does that person need to wait for his or her specific license application to be adjudicated?

No. If persons meet the qualifications listed in the general license, then they do not need to wait for an official determination from OFAC regarding their specific license application. Persons who have determined they may proceed under a general license may wish to contact OFAC Licensing to withdraw existing applications.

73. What types of goods and services produced by independent Cuban entrepreneurs are authorized for importation into the United States from Cuba pursuant to 31 CFR § 515.582?

UPDATED SEPTEMBER 18, 2015

Pursuant to Section 515.582 of the CACR, certain goods and services produced by independent Cuban entrepreneurs, as set forth in a list maintained by the State Department on its website, are authorized for importation, and persons subject to U.S. jurisdiction may engage in associated transactions necessary to import these authorized goods and services. The State Department list provides details of the goods and services authorized for importation into the U.S. from Cuba pursuant to this provision. This list references sections and chapters of the Harmonized Tariff Schedule (HTS) of the United States to indicate categories of goods that are *not* eligible for importation into the United States pursuant to 31 CFR § 515.582, even if such goods were produced by independent Cuban entrepreneurs; any other goods produced by independent Cuban entrepreneurs and not covered by the listed sections and chapters of the HTS may be imported, as provided in the State Department's Section 515.582 List and subject to compliance with all other relevant requirements under state and federal law and regulations. Section 515.582 of the CACR authorizes the importation of all services supplied by independent Cuban entrepreneurs, again, as provided in the State Department's Section 515.582 List and subject to compliance with other requirements in state and federal law and regulations.