

**FEDERAL RESERVE BANK  
OF NEW YORK**

Fiscal Agent of the United States

[Circular No. **4354**  
July 31, 1956]

**EGYPTIAN ASSETS CONTROL REGULATIONS**

*To All Banks, and Others Concerned,  
in the Second Federal Reserve District:*

The Treasury Department has requested us to advise you that the Secretary of the Treasury issued today, effective immediately, Egyptian Assets Control Regulations blocking all assets of and transactions with the Government of Egypt and the Suez Canal Company; private Egyptian assets are not blocked. The Treasury has stated that these regulations, although independent of the Foreign Assets Control Regulations, are virtually identical with them except for countries and sections covered. The text of the regulations is as follows:

**§ 510.201 Transactions involving Egypt or the Suez Canal Company.** (a) All of the following transactions are prohibited, except as specifically authorized by the Secretary of the Treasury (or any person, agency, or instrumentality designated by him) by means of regulations, rulings, instructions, licenses, or otherwise, if either such transactions are by, or on behalf of, or pursuant to the direction of Egypt, or the Suez Canal Company (Cie. Universelle du Canal Maritime de Suez), or such transactions involve property in which Egypt, or the Suez Canal Company, has at any time on or since the effective date of this section had any interest of any nature whatsoever, direct or indirect:

(1) All transfers of credit and all payments between, by, through, or to any banking institution or banking institutions wheresoever located, with respect to any property subject to the jurisdiction of the United States or by any person (including a banking institution) subject to the jurisdiction of the United States;

(2) All transactions in foreign exchange by any person within the United States; and

(3) The exportation or withdrawal from the United States of gold or silver coin or bullion, currency or securities, or the earmarking of any such property, by any person within the United States.

(b) All of the following transactions are prohibited, except as specifically authorized by the Secretary of the Treasury (or any person, agency, or instrumentality designated by him) by means of regulations, rulings, instructions, licenses, or otherwise, if such transactions involve property in which Egypt or the Suez Canal Company has at any time on or since the effective date of this section had any interest of any nature whatsoever, direct or indirect:

(1) All dealings in, including, without limitation, transfers, withdrawals, or exportations of, any property or evidences of indebtedness or evidences of ownership of property by any person subject to the jurisdiction of the United States; and

All transfers outside the United States with regard to any property or property interest subject to the jurisdiction of the United States.

(c) Any transaction for the purpose or which has the effect of evading or avoiding any of the prohibitions set forth in paragraphs (a) or (b) of this section is hereby prohibited.

(OVER)

(d) The term "Egypt" as used herein shall mean

(1) The State and the Government of Egypt as well as any political subdivision, agency, or instrumentality thereof or any territory, dependency, colony, protectorate, mandate, dominion, possession or place subject to the jurisdiction thereof; and

(2) Any person to the extent that such person is or has been, or to the extent that there is reasonable cause to believe that such person is, or has been, since the "effective date", acting or purporting to act directly or indirectly for the benefit or on behalf of any of the foregoing; and

(3) Any territory which on or since the "effective date" is controlled or occupied by the military, naval or police forces or other authority of Egypt.

(e) This section shall be effective as of 1:40 p.m., Eastern Standard time, July 31, 1956.

The Treasury Department has also issued additional sections of the regulations controlling assets of and transactions with Egypt and the Suez Canal Company. The Treasury has stated that these additional sections, in effect, authorize banking institutions to regard any transaction as covered by a general license if a similar transaction would be covered by a general license were it subject to the Foreign Assets Control Regulations. The text of these additional sections is as follows:

§ 510.301 *Definitions and interpretations.* (a) The definitions and interpretations contained in sections 500.301-500.409 of the Foreign Assets Control Regulations shall be applicable under these regulations.

(b) Wherever the term "designated foreign country" is used in any section of the Foreign Assets Control Regulations it shall be deemed to include Egypt for every purpose of this part.

§ 510.501 *Licenses.* Transactions otherwise prohibited by section 510.201 are hereby licensed provided that such transactions would be licensed by sections 500.501-500.539 of the Foreign Assets Control Regulations if they were subject to section 500.201 thereof.

§ 510.701 *Penalties.* The provisions of section 500.701 of the Foreign Assets Control Regulations shall be applicable to these regulations.

§ 510.801 *Procedures.* The provisions of sections 500.801-500.807 of the Foreign Assets Control Regulations shall be applicable under these regulations.

AUTHORITY: §§ 510.301 to 510.801 issued under sec. 5, 40 Stat. 415, as amended; 50 U.S.C., App. 5; E.O. 9193, July 6, 1942, 7 F.R. 5205; 3 CFR, 1943 Cum. Supp.; E.O. 9989, Aug. 20, 1948, 13 F.R. 4891; 3 CFR, 1948 Supp.

Additional copies of this circular will be furnished upon request.

WILLIAM F. TREIBER,  
*First Vice President.*