



DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

Laura Fraedrich
Chase Kaniecki
Jones Day
51 Louisiana Avenue, N.W.
Washington, D.C. 20001

Dear Ms. Fraedrich and Mr. Kaniecki:

We are writing to update you on the applicability of a general license under the Cuban Assets Control Regulations, 31 C.F.R. Part 515 (CACR), to the activities of the Office of the Commissioner of Major League Baseball (MLB). In September 2016, the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC) provided written guidance to MLB with respect to various proposed activities involving Cuba and the Cuban Baseball Federation.¹ In particular, OFAC indicated that certain payments from MLB to the Cuban Baseball Federation were authorized by a general license found at section 515.571(e) of the CACR.

The CACR, administered by OFAC, prohibit all persons subject to the jurisdiction of the United States from dealing in property in which Cuba or a Cuban national has an interest except as authorized or exempt. Section 515.571(e) of the CACR authorizes transactions related to the sponsorship or hiring of a Cuban national to work in the United States in a non-immigrant status or pursuant to other non-immigrant travel authorization by the U.S. government, except that an employer may not make payments to the Cuban government in connection with the sponsorship or hiring of a Cuban national.

In light of facts recently brought to our attention, and after consultation with the U.S. Department of State, OFAC has determined that MLB's payments to the Cuban Baseball Federation are not authorized by section 515.571(e) of the CACR, because a payment to the Cuban Baseball Federation is a payment to the Cuban government. Additionally, no other general license in the CACR authorizes these payments. As such, MLB's payments to the Cuban Baseball Federation are prohibited unless specifically licensed by OFAC. If MLB would like to make these payments, it may seek a specific license from OFAC.

¹ These activities were described in correspondence from MLB dated June 5, 2015, August 6, 2015, September 3, 2015, November 11, 2015, June 10, 2016, June 13, 2016, and August 11, 2016.

If you have any additional questions, you may refer to the OFAC website at www.treasury.gov/ofac or call our office at (202) 622-2480.

Sincerely,

April 5, 2019

Nikole Thomas
Acting Assistant Director for Licensing
Office of Foreign Assets Control