EXHIBIT "10"

Tourism

Tourism
Common to All Defendants

Tourist Travel to Cuba is Illegal

LIBERTAD Act:

- Codified CACR Travel Restrictions to and from Cuba as of 3/1/1996, 22 U.S.C. 6023(7)(A), 6032(h):
  - "Nothing in this section authorizes transactions in connection with tourist travel to Cuba."
    - 31 C.F.R. 515.560(a)(2), (b)(2) (March 1, 1996) (titled: "Certain transactions incident to travel to and within Cuba").
  - "Transactions related to travel that is primarily tourist travel, including self-directed educational activities that are intended for personal enrichment, will not be licensed."
    - 31 C.F.R. 515.419(b) (titled: "Travel related to educational activities").

Tourist Travel to Cuba is Illegal

Trade Sanctions Reform and Export Enhancement Act of 2000:

- Revokes executive branch's authority to license travel to Cuba for "tourist activities"
  - 22 U.S.C. 7209(b) ("Prohibition on travel relating to tourist activities")
- "Tourist Activities" means "any activity with respect to travel to, from, or within Cuba that is not expressly authorized":
  A. in subsection (a) of this section ("Travel relating to commercial sales of agricultural and medical goods"),
  B. in any of paragraphs (1) through (12) of 31 C.F.R 515.560, or
  C. in any section referred to in any of such paragraphs (1) through (12) (as such sections were in effect on June 1, 2000).

Tourist Travel to Cuba is Illegal

<u>CACR on June 1, 2000</u>:

- "Nothing in this section authorizes transactions in connection with tourist travel to Cuba."
  - 31 C.F.R. 515.560(g) ("Travel–related transactions to, from, and within Cuba by persons subject to U.S. jurisdiction")
- "Transactions related to activities that are primarily tourist–oriented, including self-directed educational activities that are intended only for personal enrichment, are not authorized by this section."
  - 31 C.F.R. 515.565(c) ("Educational activities")

Tourist Travel to Cuba is Illegal

<u>CACR from October 17, 2016 to June 4, 2019</u>:

- "Nothing in this section authorizes transactions in connection with tourist travel to Cuba."
  - 31 C.F.R. 515.560(f) ("Travel-related transactions to, from, and within Cuba by persons subject to U.S. jurisdiction.").
- "Transactions related to activities that are primarily tourist-oriented are not authorized pursuant to this section."
  - 31 C.F.R. 515.565(c) ("Educational activities") (Oct. 17, 2016 – Nov. 8, 2017)
  - 31 C.F.R. 515.565(f) ("Educational activities") (Nov. 9, 2017 – June 4, 2019)

Frank Del Rio Video

MS. CABRERA: So travel restrictions when it comes to non-tourism travel have been eased dramatically, but is there anything that President Obama announced in December that allows you to do that, to do your –

MR. DEL RIO: That allows us to go to --

MS. CABRERA: Yeah.

MR. DEL RIO: -- Cuba today? No. I think it gets us one step closer. It starts the conversation. It starts the wheels moving. But today, no cruise line that is American-based -- certainly not a publicly traded company like Norwegian – can routinely go to Cuba with tourists. Tourism is still illegal under today's set of rules and policies and guidelines. And it would be difficult for us to have a ship with 4,000 tourists -- people let's call them -- show up in Havana and call that people-to-people travel. That would be a stretch of the -- of the rules.

Canon of Construction

"[W]e have held that the language of the Cuban Assets Control Regulations must be interpreted with a **common sense regard for regulatory purposes and plain meanings."**

United States v. Frade, 709 F.2d 1387, 1401 (11th Cir. 1983).

"The precedent and practice of this court demands an interpretation of the Act and Regulations with **'a common sense regard for regulatory purposes and plain meanings.'"**

United States v Fuentes-Coba, 738 F.2d 1191, 1195 (11th Cir. 1984).

Regulatory Purpose: No Tourist Dollars to Cuban Government

Mr. SIMON. I will simply add that we should make policy based on the national interest, not national passion. With what we are doing, our present policy is the opposite.

I reserve the remainder of my time.

Mr. HELMS. Mr. President, I suggest the absence of a quorum, and I suggest that the time be charged equally.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS

Mr. HELMS. Mr. President, I ask unanimous consent that the Senate stand in recess at 12 noon today until 4 p.m. and that at 4 p.m. the Senate proceed to the votes under the previous order.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HELMS. Mr. President, I again suggest the absence of a quorum on the same basis as the first request was made.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, would the Chair state the time situation?

The PRESIDING OFFICER. The Senator from North Carolina has 8 minutes, and the Senator from Illinois has 2 minutes.

Mr. HELMS. I thank the Chair.

Mr. President, what I am about to say may indicate the widest legislative wing span in history, but the State Department and JESSE HELMS agree on something. Both the State Department and JESSE HELMS oppose the Simon amendment. I do so respectfully—and PAUL SIMON is my friend. We do not agree on everything, but that does not matter. He operates in good faith, and I try to.

Let me say very briefly that during the tenure or parts thereof of eight American Presidents, the United States has pursued a bipartisan policy of isolating Fidel Castro, including restrictions on travel to Cuba. Obviously, the Simon amendment would enthusiastically do away with that restriction.

I mentioned yesterday, and I guess I shall reiterate today, that there are good intentions behind anything that PAUL SIMON does. He is a gentleman. I regret the fact on a personal basis that he has announced that he will not seek reelection next year. But having said that, I just cannot support his amendment. And I cannot fail to urge Senators to vote against it because the result of the Simon amendment will not be the free exchange of ideas that they talk about. The result will be to give Fidel Castro access to new and desperately needed hard currency. On this, the State Department and I absolutely agree.

What Castro has to offer is Cuban beaches. That is it. And allowing Americans to sit on a Cuban beach does not do anything for the Cuban people who are oppressed and from whom we hear daily pleas to enact the Libertad bill. The Cuban people inside of Cuba—

the United States and elsewhere—unanimously, as far as I know, favor the pending bill. Tourism, of course, is one of Fidel Castro's most important sources of hard currency, and for years and years Castro has lured foreigners to Cuba. This has not resulted in any liberalizing of his regime. It has instead resulted in less freedom and worse living circumstances for the Cuban people. Old Fidel, he is ugly, and

cruel, but he is not dumb. He knows the value of tourism for his regime. As a matter of fact, if he does not get hard cash from tourism and other aspects of operations, down he goes. And that is the point. We want him to go down. We want to be rid of him. We want the Cuban people to be rid of him so that they can establish a democratic government there that they have not had in a long, long time.

Now, here in Cuba, Castro began imposing a 100 percent tariff on all new articles brought into Cuba with a value between $100 and $1,000. And that means, Mr. President, if Castro officials, his cronies, determine that an item being brought into Cuba by a tourist is new, or if it is something that will be left behind when the tourist departs, then Cuba can charge 100 percent of the cost of that item. The tax on tourists benefits nobody but Fidel Castro and his cronies.

Critics of the travel restrictions argue that we should remove them since they are not fully enforced. I recognize that the Treasury Department has encountered some problems in enforcing travel regulations. They probably encounter some problems in enforcing a lot of regulations. The reason for any problem they have in this regard is that currently only criminal penalties can be imposed for violations. The administration supports the enactment of civil penalties as the best means of enforcing existing restrictions, and that is exactly what we do in the Libertad bill. So there goes that wide wingspread again from left to right.

Mr. President, I am going to reserve the remainder of my time because I have one or two other points that I may want to make, but I want there to be enough time for Senator SIMON to make whatever rebuttal he wishes to make.

Mr. SIMON. Mr. President, I think if we can, before we vote—I understand we are going to vote at 4 o'clock.

Mr. HELMS. Yes.

Mr. SIMON. If each of us can have 2 minutes, if that is satisfactory to the Senator from North Carolina, that is satisfactory to me.

Mr. HELMS. Mr. President, that is certainly a fair and reasonable request. I ask unanimous consent that 4 minutes equally divided be provided at 4 o'clock on the Simon amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. I would yield back the remainder of my time.

Mr. HELMS. And I yield back the remainder of my time. I see the distinguished majority leader. I am glad to yield to the majority leader.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. DOLE. I understand the chairman has gotten the consent that we stand in recess at noon until 4 p.m.

I might explain to my colleagues, the purpose of this is so that the Finance Committee can complete action on the tax cut package. They agreed yesterday to have 7 hours and then they would vote. They started at 9 o'clock this morning. We cannot get consent for the Finance Committee to meet while the Senate is in session, so we have no recourse but to let the Finance Committee meet all afternoon. But right now they are moving along at a pretty rapid pace, and they would like to complete action. Hopefully, at 4 o'clock, they could finish and the Senate could come in and, as I understand, there will be three votes and then final passage.

Then after that we will hopefully take up the Labor, HHS appropriations bill or, if there has been any progress, State Department reorganization. I understand there is another meeting, the chairman has another meeting this afternoon at 2 o'clock. So hopefully we can finish action this afternoon on the tax cut package. Chairman ROTH and the ranking member, Senator MOYNIHAN, are trying to get that done by 4 o'clock. That would go to the Budget Committee. It is our hope that next Wednesday we will take up the reconciliation package on the Senate floor, Wednesday and Thursday. In the meantime, we have a number of items on which we hope to complete action.

I would also indicate that we will have, hopefully, next week a Transportation conference report; legislative branch appropriations, a new bill, but it is identical to the one vetoed by the President. That will be available early to midweek; energy and water conference report. That conference is

the United States and elsewhere—unanimously, as far as I know, favor the pending bill. Tourism, of course, is one of Fidel Castro's most important sources of hard currency, and for years and years Castro has lured foreigners to Cuba. This has not resulted in any liberalizing of his regime. It has instead resulted in less freedom and worse living circumstances for the Cuban people. Old Fidel, he is ugly, and

cruel, but he is not dumb. He knows the value of tourism for his regime. As a matter of fact, if he does not get hard cash from tourism and other aspects of operations, down he goes. And that is the point. We want him to go down. We want to be rid of him. We want the Cuban people to be rid of him so that they can establish a democratic government there that they have not had in a long, long time.

Proceedings & Debates on Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1995, 141 CONG. REC. S15320-01, 1995 WL 614999, at **S15321-22 (Oct. 19, 1995) (statement of Sen. Helms.

Regulatory Purpose: No Tourist Dollars to Cuban Government

"The Commission noted that the Castro regime has aggressively promoted tourism as an integral part of its strategy for retaining its grip on power."

"The [OFAC] Director has stated that the purpose of the Cuban embargo, and therefore also the Officer's regulations is to deny currency to the government of Cuba. . . . The 2004 amendments were specifically designed to **curtail tourism, a critical and much exploited revenue source for the Cuban government**."

Emergency Coalition to Defend Educ. Travel v. U.S. Dep't of the Treasury, 545 F.3d 4, 7, 12-13 (D.C. Cir. 2008)

31 C.F.R. § 515.565(b) – Nov. 9, 2017 – June 4, 2019

§ 515.565 Educational activities.

(a) *General license for educational activities.*

. . .

(b) ***General license for people-to-people travel.*** The travel-related transactions set forth in § 515.560(c) and such additional transactions as are directly incident to **educational exchanges not involving academic study pursuant to a degree program** are authorized, provided that:

(1) **The exchanges take place under the auspices of an organization that is a person subject to U.S. jurisdiction and that sponsors such exchanges** to promote people-to-people contact;

(2) Travel-related transactions pursuant to this authorization are for the purpose of engaging, while in Cuba, in **a full-time schedule of activities that enhance contact with the Cuban people, support civil society in Cuba**, or **promote the Cuban people's independence from Cuban authorities;**

(3) Each traveler has a **full-time schedule of educational exchange activities** that result in **meaningful interaction between the traveler and individuals in Cuba;**

(4) A **person subject to U.S. jurisdiction** who is an employee, paid consultant, agent, or other representative **of the sponsoring organization accompanies each group traveling to Cuba** to ensure that **each traveler has a fulltime schedule of educational exchange activities;**

31 C.F.R. § 515.565(b) – Nov. 9, 2017 – June 4, 2019

(5) The **predominant portion of the activities** engaged in by each **travelers is not with a prohibited official of the Government of Cuba,** as defined in § 515.337, or a **prohibited member of the Cuban Communist Party,** as defined in § 515.338; and

(6) In addition to all other information required by § 501.601 of this chapter, persons relying on the authorization in paragraph (b) of this section, **including entities sponsoring travel pursuant to the authorization in paragraph (b) of this section,** must **retain records sufficient to demonstrate that each individual traveler has engaged in a full-time schedule of activities that satisfy the requirements of paragraphs (b)(1) through (b)(5) of this section. Individuals may rely on the entity sponsoring the travel** to satisfy his or her recordkeeping requirements with respect to the requirements of paragraphs (b)(1) through (5) of this section. ...

. . .

(f) Transactions related to **activities that are primarily tourist-oriented are not authorized pursuant to this section.**

General License to Provide Travel Services and Carrier Services - 31 C.F.R. 515.572(a) (Nov. 9, 2017)

§ 515.572 Provision of travel, carrier, other transportation-related, and remittance forwarding services.

(a) General licenses—

(1) **Authorization to provide travel services.** Persons subject to U.S. jurisdiction are authorized to provide **travel services in connection with travel-related transactions involving Cuba authorized pursuant to this part.** Nothing in this paragraph authorizes a direct financial transaction prohibited by § 515.209 if the terms of the applicable general or specific license authorizing the travel expressly exclude such a transaction.

↑ PROVIDE SHORE EXCURSIONS ↑

(2) **Authorization to provide carrier services.**

(i) Persons subject to U.S. jurisdiction are authorized to provide carrier services to, from, or within Cuba in connection with travel or transportation, directly or indirectly, **between the United States and Cuba of persons . . . authorized pursuant to this part.**

↑ TRANSPORT PASSENGERS ↑

. . .

(b) Required reports and recordkeeping.

. . .

Note to § 515.572: The **following persons may be transported, directly or indirectly, between the United States and Cuba by a person authorized to provide carrier services:**

(1) **Persons subject to U.S. jurisdiction** who are traveling to or from Cuba pursuant to a **general license under one of the 12 categories of travel listed in § 515.560** or under a specific license from the Office of Foreign Assets Control may be transported between the United States and Cuba;

. . .

Carnival -- Tourism

The Cuban Government Licenses Carnival to Conduct "Commercial Activities Related to Tourism"

REPÚBLICA DE CUBA
Ministerio del Comercio Exterior y la Inversión Extranjera

RESOLUCIÓN Nº 37 de 2018

POR CUANTO: El Decreto Nº 206, de 10 de abril de 1996, "Reglamento del Registro Nacional de Sucursales y Agentes de Sociedades Mercantiles Extranjeras", establece el procedimiento para la tramitación de las solicitudes de inscripción, renovación y cancelación de Licencias presentadas ante dicho Registro, adscrito a la Cámara de Comercio de la República de Cuba.

POR CUANTO: La Encargada del Registro Nacional de Sucursales y Agentes de Sociedades Mercantiles Extranjeras, ha elevado a la consideración del que resuelve el expediente incoado en virtud de la solicitud de inscripción de la sucursal presentada por la compañía panameña CARNIVAL CORPORATION y, del análisis efectuado, se ha considerado acceder a la solicitud formulada.

POR TANTO: En ejercicio de las facultades que me han sido conferidas por el numeral 4 del Apartado Tercero del Acuerdo Nº 2817, de fecha 25 de noviembre de 1994, adoptado por el Comité Ejecutivo del Consejo de Ministros,

RESUELVO:

PRIMERO: Autorizar la inscripción de la sucursal de la compañía panameña CARNIVAL CORPORATION en el Registro Nacional de Sucursales y Agentes de Sociedades Mercantiles Extranjeras, adscrito a la Cámara de Comercio de la República de Cuba.

SEGUNDO: El objeto de la sucursal de la compañía panameña CARNIVAL CORPORATION en Cuba, a partir de su inscripción, será la realización de actividades comerciales relacionadas con el turismo, ocio de viajes y destinaciones en cruceros.

TERCERO: La Licencia que se otorgue al amparo de la presente Resolución no autoriza la realización de las actividades siguientes:

a) Importar y exportar directamente, con carácter comercial;

b) Realizar el comercio mayorista y minorista en general de productos y servicios, excepto los servicios de post-venta y garantía, expresamente acordados en los contratos que amparan las operaciones de comercio exterior;

c) Distribuir y transportar mercancías en el territorio nacional.

CUARTO: La Encargada del Registro Nacional de Sucursales y Agentes de Sociedades Mercantiles Extranjeras queda responsabilizada del cumplimiento de lo dispuesto en la presente Resolución.

QUINTO: Se concede un plazo de noventa días, contados a partir de la entrada en vigor de la presente Resolución, para que la entidad cuya inscripción se autoriza en el Apartado Primero formalice su inscripción en el Registro Nacional de Sucursales y Agentes de Sociedades Mercantiles Extranjeras. El incumplimiento del plazo establecido en este Apartado implicará el desistimiento de la entidad promovente para lo que ha sido autorizada y, consecuentemente, la Encargada del Registro Nacional de Sucursales y Agentes de Sociedades Mercantiles Extranjeras procederá al archivo del expediente incoado.

REPÚBLICA DE CUBA
Ministerio del Comercio Exterior y la Inversión Extranjera

COMUNÍQUESE a los viceministros, directores generales y directores del Ministerio del Comercio Exterior y la Inversión Extranjera, a la Encargada del Registro Nacional de Sucursales y Agentes de Sociedades Mercantiles Extranjeras adscrito a la Cámara de Comercio de la República de Cuba, a la Ministra de Finanzas y Precios, a la Presidente del Banco Central de Cuba, al Jefe de la Aduana General de la República, al Presidente de la compañía ACOREC, S.A., al Director de la Dirección de Inmigración y Extranjería, a la Presidente de la compañía ETECSA, al Encargado del Registro Nacional de Vehículos Automotores y a cuantas otras entidades nacionales corresponda.

PUBLÍQUESE en la Gaceta Oficial de la República de Cuba.

ARCHÍVESE el original de la misma en la Dirección Jurídica del Ministerio.

DADA en La Habana, Ministerio del Comercio Exterior y la Inversión Extranjera, al primer día del mes de febrero de dos mil dieciocho. "Año 60 de la Revolución".

Rodrigo Malmierca Díaz
Ministro

I RESOLVE:

FIRST: To authorize the registration of the branch of the Panamanian company CARNIVAL CORPORATION in the National Registry of Branches and Agents of Foreign Corporations, ascribed to the Chamber of Commerce of the Republic of Cuba.

SECOND: The purpose of the branch of the Panamanian company CARNIVAL CORPORATION in Cuba, starting from its registration, shall be the performance of commercial activities related to tourism, travel leisure activities and cruise ship destinations.

Cite: ECF No. 326-38 at 169-179; ECF Nos. 322, 374 at ¶¶ 74

Carnival's MOU with Gaviota for Tourism Services

Memorandum of Understanding

between

Grupo de Turismo GAVIOTA S.A.

and

Carnival Corporation & plc

The parties to the present Memorandum of Understanding, Grupo de Turismo GAVIOTA S.A. (Gaviota), represented by Francisco Angel Torres Abreu, Senior Executive Vice President of the Cuban corporation

GAVIOTA – State Dep't Cuba Restricted List – an "entity or subentity under the control of, or acting on behalf of, the Cuban military, intelligence or services or personnel"

Memorandum of Understanding.

1. Purpose of the Memorandum of Understanding

The purpose of this Memorandum is to facilitate the implementation of joint businesses for the development of the cruise industry in the Republic of Cuba. This Memorandum establishes the principles and conditions under which business relations shall be carried out. Specific activities and business shall be the subject of bilateral agreements.

2. Scope

Upon mutual agreement, business relationships between Gaviota and Carnival shall be established only for those Carnival ships or cruise lines where there are no previous inbound tourism services agreements with other Cuban entities and in compliance with both the laws and regulations of the United States of America and the Republic of Cuba.

[Illegible initials]

These business relationships shall include the following potential operations:

- The entities controlled by Gaviota shall provide all inbound comprehensive tourist services in the Republic of Cuba required by the passengers of Seabourn Cruise Line, for all the stopovers that are approved in Cuban destinations for this cruise line.
- The entities controlled by Gaviota shall have the first option to provide all the inbound comprehensive tourism services in the Republic of Cuba required by the passengers of all those new Carnival ships or cruise lines for which calls in Cuban destinations are approved, either in the existing port facilities or by the development of new port facilities.

HavanaDocks_0438969

Cite: ECF No. 322-27; ECF Nos. 322, 374 at ¶¶ 81

Carnival's Contracts with Cuba's Ministry of Tourism

Havanatur

- Carnival contracted with Havanatur to operate shore excursions at the Havana Port Terminal, where passengers embarked and disembarked the ship.
  - ECF No. 332, 374, at ¶¶ 31.
- "Carnival admits that Havanatur is a part of the Ministry of Tourism"
  - ECF No. 322-2 at p. 38, RFA No. 148.
- Eleventh Circuit: Havanatur is "the travel agency exclusively authorized by Cuba to provide tourist services in Cuba."
  - *United States v. Fuentes-Coba*, 738 F.2d 1191, 1193 (11th Cir. 1984)
- OFAC: Havanatur is a Sanctioned Entity on the Specially Designated National List
  - *Fuentes-Coba*, 738 F.2d at 1193

Carnival's Payments to Cuban Government's Ministry of Tourism

- Carnival paid Havanatur at least **$12,461,542.99** related to the provision of shore excursions in Cuba.
  - ECF No. 322-2 at 37, RFA No. 145
- Carnival's Payments to Cuban People: **$0.**
  - ECF No. 332, 374 at ¶¶ 33.

Tourist Visa Required to Disembark Ship at the Havana Port Terminal

- Cuban Government Required Carnival's Passengers to Purchase "Tourist Visas" to Disembark at the Havana Port Terminal for Shore Excursions in Havana.
  - ECF No. 331-71 at 10

HABANA-SERVIMAR

SHIPPING AGENCY

Passengers from any country requires tourist visa (A1) to be allowed to enter. This kind of visa should be provided by the Cuban tour agent in charged. It is recommended to receive visas in previous port before Cuba in order to have it ready upon arrival and so avoid delays. All nationalities are allowed to arrive on board and to go ashore.

Passengers to go ashore with passport, ship´s card and visa to be checked by Immigrations in cabins ashore where also a picture is taken while checking.

Carnival's Cruises Were Tourist Travel to Cuba

- License from Cuban Government to Perform "Commercial Activities Related to Tourism" ✔
- MOU with Sanctioned Cuban Military Entity (Gaviota) for "Tourism Services" ✔
- Contracts with Sanctioned Entity of Cuban Ministry of Tourism (Havanatur) for Shore Excursions ✔
- Payments to Sanctioned Entity of Cuban Ministry of Tourism (Havanatur) for Shore Excursions ✔
- Tourist Visa Required to Disembark Cruise Ship for Shore Excursions ✔

REQUIREMENTS OF GENERAL LICENSES

(1) Defendant is a "person subject to U.S. jurisdiction," 31 C.F.R. § 515.572(a)(2)(i) (Nov. 9, 2017) (general authorization to provide carrier services).
(2) Defendant "provide[d] carrier services to, from, or within Cuba." *Id.*
(3) Defendant's cruises were "in connection with travel or transportation, directly or indirectly, between the United States and Cuba." *Id.*
(4) Defendant's cruises were provided for the travel or transportation to Cuba of "persons, baggage, or cargo authorized pursuant to" the CACR. *Id.*
(5) Defendant retained for at least five years "a certification from each customer indicating the section of [the CACR] that authorizes the person to travel" to Cuba, *id. § 515.572(b)(1).*
(6) Defendant maintained a "full and accurate record of each . . . transaction engaged in," including the "names and addresses of individual travelers," *id. §§ 515.572(b)(2), 515.601.*
(7) Defendant's shore excursions were not "primarily tourist-oriented," *id. § 515.565(f).*
(8) Defendant's shore excursions were "educational exchanges not involving academic study pursuant to a degree program," *id. § 515.565(b) (Nov. 9, 2017) ("General license for people-to-people travel").*
(9) Defendant's shore excursions took "place under the auspices of an organization that is a person subject to U.S. jurisdiction that sponsors such exchanges to promote people to people contact," *id. § 515.565(b)(1).*

REQUIREMENTS OF GENERAL LICENSES

(10) Defendant's shore excursions were "for the purpose of engaging, while in Cuba, in a full-time schedule of activities" that:

a. "enhance contact with the Cuban people,"

b. "support civil society in Cuba," or

c. "promote the Cuban people's independence from Cuban authorities," *id. § 515.565(b)(2).*

(11) Defendant's shore excursions were "a full-time schedule of educational exchange activities," *id. § 515.565(b)(3).*

(12) Defendant's shore excursions "result[ed] in a meaningful interaction between the [passengers] and individuals in Cuba." *Id.*

(13) Defendant's shore excursions were accompanied by "[a] person subject to U.S. jurisdiction who is an employee, paid consultant, agent, or other representative of the sponsoring organization" that "ensure[d] that each traveler has a full-time schedule of educational exchange activities," *id. § 515.565(b)(4).*

(14) "[T]he predominant portion of" Defendant's shore excursions was "not with a prohibited official of the Government of Cuba, as defined in § 515.337, or a prohibited member of the Cuban Communist Party, as defined in § 515.338," *id. § 515.565(b)(5).*

(15) Defendant "retain[ed] records sufficient to demonstrate that each individual [passenger] has engaged in a full-time schedule of activities that satisfy the requirement of" the people-to-people general license, *id., § 515.565(b)(6).*

Examples of "People-to-People Travel"

Example 1 to paragraph (b): An **organization sponsors and organizes educational exchanges** not involving academic study pursuant to a degree program for travelers to **learn side-by-side with Cuban individuals** in areas such as environmental protection or the arts. Each traveler in the group will have a full-time schedule of **educational exchange activities** that result in meaningful interaction between the travelers and individuals in Cuba. **The group will be accompanied by a person who is subject to U.S. jurisdiction who is a representative of the sponsoring organization for the duration of the trip. The organization's activities qualify for the general license for people-to-people travel.** In addition, the individual travelers may rely on the entity sponsoring the travel to satisfy their recordkeeping requirements.

31 C.F.R. § 515.565(b) (Oct. 17, 2016 – June 4, 2019)

Examples of "People-to-People Travel"

Example 4 to § 515.565(b): An individual plans to travel to Cuba to rent a bicycle to **explore the streets of Havana, engage in brief exchanges with shopkeepers while making purchases,** and have **casual conversations with waiters at restaurants and hotel staff. None of these activities are educational exchange activities that will result in meaningful interaction between the traveler and individuals in Cuba,** and the traveler's **trip does not qualify for the general license.**

31 C.F.R. § 515.565(b) (Oct. 17, 2016)

Examples of "People-to-People Travel"

Example 5 to § 515.565(b): An individual plans to travel to Cuba to participate in discussions with Cuban farmers and produce sellers about cooperative farming and agricultural practices and have **extended dialogue** with religious leaders about the influence of African traditions and religion on society and culture. The individual also plans to spend a few days engaging in **brief exchanges with Cuban food vendors while spending time at the beach**. Only some of these activities are educational exchange activities that will result in meaningful interaction between the traveler and individuals in Cuba, and the traveler **therefore does not have a full-time schedule of such activities on each day of the trip. The trip does not qualify for the general license.**

31 C.F.R. § 515.565(b) (Oct. 17, 2016)

Shore Excursions: Tropicana Cabaret

21402
Tropicana Cabaret: Rhythms of the Night
1
Approximately 4 Hours
Price: $$$$

Enjoy an evening under the beautiful Cuban sky with a performance at the **Tropicana Cabaret** -- Cuba's largest nightclub.

Elaborate costumes, entertaining performers and a live orchestra -- you'll enjoy it all and much more in this Vegas-style extravaganza. Your cabaret package includes admission, assigned seating, a welcome drink, plus ¼ bottle of **rum** with mixers.

Notes:
Dress code is smart casual; no shorts and no flip-flops are permitted. There is a fee for using video, photo cameras, cellphones or tablets, to be paid directly to the venue in local currency. Depending on weather conditions, the show may take place in an open-air or enclosed theatre. Minimum age is 16 years. Not advisable for guests using a wheelchair or for those with mobility limitations.

This evening shore excursion does not comply with the People-to-People guidelines and cannot be considered to be part of the required full schedule of activities.

Tickets for this excursion are non-refundable.

ECF No. 311-38 at 4; ECF No. 308-14 at 96:8 – 98:25.

Shore Excursions: El Canonazo: An Evening out in Havana

21405
El Canonazo: An Evening Out in Havana
2
Approximately 2.75 Hours
Price: $$

Set out from the ship and visit **El Cristo** -- an impressive a 55-foot-tall statue of Christ sculpted from Italian marble. This location provides beautiful photo opportunities of the statue and the Havana skyline. Another guardian of Havana is the 18-century **Fortress de San Carlos de la Cabana**, which has protected the city from pirate attacks with its massive walls for more than 400 years.

The nightly ritual known as El Cañonazo, which takes place at the fortress, began during the early years of Spain's rule over Cuba, when Havana was an important city in the Spanish Main. Every night, the closing of the fortress gates was announced with the firing of a cannon and, amazingly, this ritual continues to this very day. Tonight, you have the chance to witness the **cannon ceremony** -- your part in preserving this small but important piece of Havana's colonial history in a rapidly-changing world. Afterwards, take time to explore the well-preserved fortress -- a symbol that perfectly represents Havana's complicated story.

Notes:
Wear comfortable walking shoes.

This evening shore excursion does not comply with the People-to-People guidelines and cannot be considered to be part of the required full schedule of activities.

Tickets for this excursion are non-refundable.

ECF No. 308-14 at 99:22 – 100:25; ECF No. 311-38 at 6

Shore Excursions: Parisien Cabaret

21407
Parisien Cabaret at Hotel Nacional
1
Approximately 3 Hours
Price: $$

Hosted at the famed Hotel Nacional, the **Parisian Cabaret** showcases the soul of Cuba. Inspired by Indo-American, Hispanic and African cultures, the Parisian tells the story of Cuba in traditional cabaret fashion. Your outing includes transportation by motorcoach, entrance and a cocktail.

Notes:
Dress code is smart casual; no shorts and no flip-flops are permitted. Minimum age is 17 years.

This evening shore excursion does not comply with the People-to-People guidelines and cannot be considered to be part of the required full schedule of activities.

Tickets for this excursion are non-refundable.

ECF No. 308-14 at 101:1 – 102:4; ECF No. 311-38 at 8.

MSC -- Tourism

MSC's Contracts with Cuba's Ministry of Tourism

Cubanacan

- MSC contracted with Cubanacan, an agency of the Cuban Government's Ministry of Tourism, to operate shore excursions at the Havana Port Terminal, where passengers embarked and disembarked the ship.
  - ECF Nos. 224, 253, at ¶¶ 56, 57, 101; ECF No. 86:24 – 87:4.

- OFAC has listed Cubanacan on its Specially Designated National sanctions list since at least 1996.

OFAC
Office of Foreign Assets Control

Sanctions List Search

Details:

Type:	Entity	**List:**	SDN
Entity Name:	CUBANACAN GROUP	**Program:**	CUBA
		Remarks:	

MSC Contracts with the Ministry of Tourism for Tourist Excursions

THE FOLLOWING IS HEREBY AGREED:

1. PREAMBLE AND ANNEXES

Any appendices and attachments thereto form an integral part of this AGREEMENT and, in particular:

Annex A: Contact Data of THE VESSELS with telephone numbers, Emails. VIAJES CUBANACAN Contact Information with phone numbers, Emails.

Annex B: List of Shore Excursions offere
specification and the complete cont
virtue of this AGREEMENT.

Annex C: List of contracted prices for
passengers, according to agreed ranges.

1 Duration and termination of the Agre

2.1 To provide the tourist services desc
the term of the operation of THE VESS
Cuban national territory, in accordan
anchorages, schedules, etc. containe

2.2 This AGREEMENT shall terminate
• . Upon departure from port on the
• . Immediately and without any liability for the parties, in the event that one or more of the following conditions are met:
• VIAJES CUBANACAN cannot meet the requirements of the Shore Excursions as required by this AGREEMENT.
• VIAJES CUBANACAN is dissolved, or becomes insolvent, or fails and/or is unable to pay its debts as they become due or is unable to, or admits in writing its inability to pay its debts, or becomes subject to any form of insolvency, liquidation, dissolution or bankruptcy proceedings or takes any action in pursuance thereof. In this case all rights and obligations accrued up to the date of termination shall remain
• Either party is repeatedly notified

AGREEMENT.
• The COMPANY fails to comply will
• The COMPANY does not have the
Cuba, or they are suspended.

3. Advertising and sales of Shore Ex

3.1 THE COMPANY agrees to promo
VIAJES CUBANACAN agrees
Appendix B. Attachment No. 1. THE COMPANY will keep VIAJES CUBANACAN informed of the number of Shore Excursions sold and the language used by Passengers who have purchased the Shore Excursion prior to the arrival of the VESSELS at the Port by appropriate means,

Annex B: List of Shore Excursions offered by VIAJES CUBANACAN, together with their complete specification and the complete contact details of THE COMPANY and for the notices to be sent by virtue of this AGREEMENT.

2.1 To provide the tourist services described below (to be received) for VIAJES CUBANACAN during the term of the operation of THE VESSELS, between December 1, 2018 and November 30, 2019 in Cuban national territory, in accordance with the descriptions of itineraries, dates, ports and anchorages, schedules, etc. contained in the Annexes to this AGREEMENT.

3.1 THE COMPANY agrees to promote, advertise and sell the Shore Excursion to Passengers and VIAJES CUBANACAN agrees to organize and offer Shore Excursions as specified in Appendix B. Attachment No. 1. THE COMPANY will keep VIAJES CUBANACAN informed of the number of Shore Excursions sold and the language used by Passengers who have purchased the Shore Excursion prior to the arrival of the VESSELS at the Port by appropriate means,

ECF No. 218-9 at 4

MSC Contracts with the Ministry of Tourism for Tourist Excursions

such as telephone, e-mail and fax.

3.3 THE COMPANY will promote the Shore Excursion through various publicity materials (e.g. videos, photos) and various media (e.g. web, brochures, flyers, print on board). As a contribution of this activity.

3.4 After receipt of each message, CUBANACAN TRAVEL will confirm to THE COMPANY the number and means of transportation used to take the Passengers to and from THE SHIPS, the language offered by the tour guides on each means of transportation and the distribution of Passengers on each means of transportation. The use of any bilingual guide will be agreed upon between the Tour Manager of THE COMPANY and VIAJES CUBANACAN.

4. Responsibilities of the Parti

4.1. For VIAJES CUBANACAN

1. To design the land excursions according to the COMPANY's request and details of services; with confidential net prices, according to descriptions, conditions and prices, for the passenger groups agreed upon and described in Annex C of this AGREEMENT.

2. To perform the shore excurs descriptions, conditions and AGREEMENT.

3. To assist, through the VIAJES CUBANACAN Branches in each Territory, the tourists before the authorities of the country and in all the necessary legal procedures during the agreed season, for the realization of the COMPANY'S shore excursions in Cuba.

4. To provide the COMPANY with the description of the excursions to be sold on board the VESSEL by the COMPANY, whose description, conditions of execution, duration and prices are detailed in Annex C of this AGREEMENT.

5. To provide through the Western Branch of VIAJES CUBANACAN the Brochure of excursions by tourist poles, in English language for the sale of optional activities (excursions, tours or others).

6. To guarantee in the execution of the excursions sold on board the VESSEL, the following general conditions:

a. The excursions shall be executed with the minimum number of passengers, as described in each of the excursions contained in Annex A of this AGREEMENT.
b. The execution of the activities within the Shore Excursions shall be in accordance with the program offered, with the participation of specialized tour guides fluent in the predominant languages (English, French and German, Spanish and Portuguese) of the tourists who have purchased the excursions.
c. The transportation of passengers on Shore Excursions in vehicles that

1. To design the land excursions according to the COMPANY's request and details of services; with confidential net prices, according to descriptions, conditions and prices, for the passenger groups agreed upon and described in Annex C of this AGREEMENT.

2. To perform the shore excursions for COMPANY passengers traveling on THE SHIPS, according to descriptions, conditions and prices, for the agreed passenger groups described in Annex C of this AGREEMENT.

ECF No. 218-9 at 5

MSC Contracts with the Ministry of Tourism for Tourist Excursions

4.2 For THE COMPANY.

1. To make written requests for new excursions or adjustments to the excursions described in Annex C of this AGREEMENT.

2. To designate a staff member on board THE VESSELS, described in Annex A, who shall process all reservations within the agreed time, supervise and reconcile with the Western Branch of VIAJES CUBANACAN, described in Annex B, the excursions carried out. The COMPANY and VIAJES CUBANACAN shall sign two documents on behalf of the aforementioned West Branch of VIAJES CUBANACAN and THE COMPANY, which shall constitute the Statement of Participation in Tours.

3. To promote and sell the offers of optional activities contracted with VIAJES CUBANACÁN that include excursions, tours, visits to places of interest and other national attractions; using the information provided by VIAJES CUBANACÁN [illegible] such purposes.

"Tourism" – "the commercial organization and operation of vacations and visits to places of interest," *Oxford English Dictionary*

"Tourist" – "a person on an excursion or sightseeing tour," *Collins Dictionary*

ECF No. 218-9 at 6

The Cuban Government Indemnifies MSC for the Tourist Excursions

5. Insurance

5.1 THE COMPANY will guarantee that the tourists traveling on THE VESSELS and taking the tourist excursions with VIAJES CUBANACAN have a valid insurance policy.

5.2 THE COMPANY shall guarantee that THE VESSELS are duly insured with a Civil Liability Insurance Policy.

5.3 VIAJES CUBANACÁN and its service providers must have a Civil Liability Policy, according to Cuban legislation, and will provide the documents that prove it to THE COMPANY.

5.4 VIAJES CUBANACÁN offers the possibility for tourists on THE VESSELS to purchase a Travel Insurance Policy during their stay in Cuba.

5.5 VIAJES CUBANACÁN will ensure that the vehicles in which the tourist excursions of THE COMPANY'S passengers are carried out are duly insured with liability insurance at all times, in accordance with local laws and regulations.

5.6 THE COMPANY shall submit a claim to VIAJES CUBANACAN for any event affecting passengers of THE VESSEL related to this AGREEMENT and VIAJES CUBANACAN accepts its responsibility to process it with the third party service provider, as appropriate.

6. Indemnification of THE COMPANY b

6.1 VIAJES CUBANACAN agree COMPANY, its subsidiaries subcontractors (the "Indemni expenses, damages or losses direct or indirect loss, loss of p other professional fees, costs Indemnities as a result of or in

This indemnity shall cover (b Passengers arising out of

6.2 enforcement agencies. The in

Indemnification of THE COMPANY by VIAJES CUBANACAN:

6.1 VIAJES CUBANACAN agrees to indemnify, protect, defend and hold harmless THE COMPANY, its subsidiaries and affiliates, employees, agents, representatives and subcontractors (the "Indemnities") from and against all costs, claims, demands, liabilities, expenses, damages or losses of any kind (including, but not limited to, any consequential direct or indirect loss, loss of profit and loss of reputation), interest, penalties, fines, legal and other professional fees, costs and expenses which may arise or be claimed against the Indemnities as a result of or in connection with a Shore Excursion.

This indemnity shall cover (but is not limited to) liability of COMPANY, third parties or Passengers arising out of Shore Excursions, including without limitation, liability to

6.2 enforcement agencies. The indemnity shall be

ECF No. 218-9 at 7

MSC's Payments to Cuba's Ministry of Tourism

- MSC paid Cubanacan at least **$7,623,480.37** related to the provision of shore excursions in Cuba.
  - ECF Nos. 224, 253, at ¶¶ 59.
- MSC earned **€21,614,000.00** in revenue from the sale of shore excursions on cruises that operated at the Havana Port Terminal.
  - ECF No. 259, 273 at ¶¶ 70.
- MSC's Payments to Cuban People: **$0.**
  - ECF Nos. 259, 273 at ¶¶ 81.

Tourist Visa Required to Disembark Ship at the Havana Port Terminal

- Cuban Government Required MSC's Passengers to Purchase Tourist Visas to Disembark at the Havana Port Terminal for Shore Excursions in Havana.
  - ECF Nos. 224, 253 at ¶¶ 100.

CUBAN TOURIST VISA

YOU ARE REQUIRED TO COMPLETE BOTH SIDES!

1. **Incomplete and/or incorrectly filled out forms will NOT be accepted by the Cuban Officials.**
2. **If unsure, please check with the reception desk located on Deck 5 prior to filling out.**
3. **YOU WILL be responsible to purchase a new visa if filled out incorrectly.**
4. **The completed visa is required along with your passport to go ashore in Cuba.**

REPÚBLICA DE CUBA
VISA - TARJETA DEL TURISTA
AA 100430

APELLIDOS / LAST NAME / NOM / NAME — **LAST NAME**

NOMBRE / FIRST NAME / PRENOM / VORNAMEN — **FIRST NAME**

FECHA DE NACIMIENTO / DATE OF BIRTH / DATE DE NAISSANCE / GEBURTSDATUM — ***DATE OF BIRTH:*** **DAY/ MONTH/ YEAR**

Día / Day / Jour / Tag — Mes / Month / Mois / Monat — Año / Year / Année / Jahr — VER AL DORSO / SEE BACK / VOIR AU DOS / SIEHERUCKSEITE

PASAPORTE / PASSPORT / PASSEPORT / REISEPASS No. — **PASSPORT NO**

CIUDADANÍA / CITIZENSHIP / NATIONALITÉ / STAATSANGEHÖRIGKEIT — **CITIZENSHIP**

REPÚBLICA DE CUBA
VISA - TARJETA DEL TURISTA
AA 100430

APELLIDOS / LAST NAME / NOM / NAME — **LAST NAME**

NOMBRE / FIRST NAME / PRENOM / VORNAMEN — **FIRST NAME**

FECHA DE NACIMIENTO / DATE OF BIRTH / DATE DE NAISSANCE / GEBURTSDATUM — ***DATE OF BIRTH:*** **DAY/ MONTH/ YEAR**

Día / Day / Jour / Tag — Mes / Month / Mois / Monat — Año / Year / Année / Jahr — VER AL DORSO / SEE BACK / VOIR AU DOS / SIEHERUCKSEITE

PASAPORTE / PASSPORT / PASSEPORT / REISEPASS No. — **PASSPORT NO**

CIUDADANÍA / CITIZENSHIP / NATIONALITÉ / STAATSANGEHÖRIGKEIT — **CITIZENSHIP**

USO OFICIAL — ENTRADA

ECF No. 201-40 at 7

MSC's Cruises Were Tourist Travel to Cuba

- Contracts with Sanctioned Entity of Cuban Ministry of Tourism (Cubanacan) for Tourist Excursions ✔
- Commercially Benefiting from the Sale of Tourist Excursions ✔
- Payments to Sanctioned Entity of Cuban Ministry of Tourism (Cubanacan) for Tourist Excursions ✔
- Tourist Visa Required to Disembark Cruise Ship for Shore Excursions ✔

Educational Travel Under the LIBERTAD Act

31 CFR Ch. V (7-1-96 Edition)

PART 515—CUBAN ASSETS CONTROL REGULATIONS

§ 515.419 Travel related to educational activities.

(a) Section 515.560(b) provides, in part, that specific licenses will be issued to persons for travel to Cuba for clearly defined educational activities. Transactions related to travel and maintenance in Cuba for the following activities will be licensed upon submission of an adequate written application:

(1) Attendance at a meeting or conference held in Cuba by a person with an established interest in the subject of the meeting or conference, provided that:

(i) The meeting or conference is organized by an international institution or association that regularly sponsors meetings or conferences in other countries; and

(ii) The purpose of the meeting or conference is not the promotion of tourism in Cuba or other commercial activities involving Cuba that are inconsistent with this part; and

(2) Activities related to study for an undergraduate or graduate degree sponsored by a college or university located in the United States.

(b) Transactions related to travel that is primarily tourist travel, including self-directed educational activities that are intended for personal enrichment, will not be licensed pursuant to § 515.560(b).

[60 FR 54196, Oct. 20, 1995]

ECF No. 171-11 at p. 18

REQUIREMENTS OF GENERAL LICENSES

(1) Defendant is a "person subject to U.S. jurisdiction," 31 C.F.R. § 515.572(a)(2)(i) (Nov. 9, 2017) (general authorization to provide carrier services).
(2) Defendant "provide[d] carrier services to, from, or within Cuba." *Id.*
(3) Defendant's cruises were "in connection with travel or transportation, directly or indirectly, between the United States and Cuba." *Id.*
(4) Defendant's cruises were provided for the travel or transportation to Cuba of "persons, baggage, or cargo authorized pursuant to" the CACR. *Id.*
(5) Defendant retained for at least five years "a certification from each customer indicating the section of [the CACR] that authorizes the person to travel" to Cuba, *id. § 515.572(b)(1).*
(6) Defendant maintained a "full and accurate record of each . . . transaction engaged in," including the "names and addresses of individual travelers," *id. §§ 515.572(b)(2), 515.601.*
(7) Defendant's shore excursions were not "primarily tourist-oriented," *id. § 515.565(f).*
(8) Defendant's shore excursions were "educational exchanges not involving academic study pursuant to a degree program," *id. § 515.565(b) (Nov. 9, 2017) ("General license for people-to-people travel").*
(9) Defendant's shore excursions took "place under the auspices of an organization that is a person subject to U.S. jurisdiction that sponsors such exchanges to promote people to people contact," *id. § 515.565(b)(1).*

REQUIREMENTS OF GENERAL LICENSES

(10) Defendant's shore excursions were "for the purpose of engaging, while in Cuba, in a full-time schedule of activities" that:

a. "enhance contact with the Cuban people,"

b. "support civil society in Cuba," or

c. "promote the Cuban people's independence from Cuban authorities," *id. § 515.565(b)(2).*

(11) Defendant's shore excursions were "a full-time schedule of educational exchange activities," *id. § 515.565(b)(3).*

(12) Defendant's shore excursions "result[ed] in a meaningful interaction between the [passengers] and individuals in Cuba." *Id.*

(13) Defendant's shore excursions were accompanied by "[a] person subject to U.S. jurisdiction who is an employee, paid consultant, agent, or other representative of the sponsoring organization" that "ensure[d] that each traveler has a full-time schedule of educational exchange activities," *id. § 515.565(b)(4).*

(14) "[T]he predominant portion of" Defendant's shore excursions was "not with a prohibited official of the Government of Cuba, as defined in § 515.337, or a prohibited member of the Cuban Communist Party, as defined in § 515.338," *id. § 515.565(b)(5).*

(15) Defendant "retain[ed] records sufficient to demonstrate that each individual [passenger] has engaged in a full-time schedule of activities that satisfy the requirement of" the people-to-people general license, *id., § 515.565(b)(6).*

Examples of "People-to-People Travel"

Example 1 to paragraph (b): An organization sponsors and organizes educational exchanges not involving academic study pursuant to a degree program for travelers to **learn side-by-side with Cuban individuals** in areas such as environmental protection or the arts. Each traveler in the group will have a full-time schedule of educational exchange activities that result in meaningful interaction between the travelers and individuals in Cuba. **The group will be accompanied by a person who is subject to U.S. jurisdiction who is a representative of the sponsoring organization for the duration of the trip. The organization's activities qualify for the general license for people-to-people travel.** In addition, the individual travelers may rely on the entity sponsoring the travel to satisfy their recordkeeping requirements.

31 C.F.R. § 515.565(b) (Oct. 17, 2016 – June 4, 2019)

Examples of "People-to-People Travel"

Example 4 to § 515.565(b): An individual plans to travel to Cuba **to rent a bicycle to explore the streets of Havana, engage in brief exchanges with shopkeepers while making purchases, and have casual conversations with waiters at restaurants and hotel staff. None of these activities are educational exchange activities that will result in meaningful interaction between the traveler and individuals in Cuba, and the traveler's trip does not qualify for the general license.**

31 C.F.R. § 515.565(b) (Oct. 17, 2016)

Examples of "People-to-People Travel"

Example 5 to § 515.565(b): An individual plans to travel to Cuba to participate in discussions with Cuban farmers and produce sellers about cooperative farming and agricultural practices and have extended dialogue with religious leaders about the influence of African traditions and religion on society and culture. **The individual also plans to spend a few days engaging in brief exchanges with Cuban food vendors while spending time at the beach. Only some of these activities are educational exchange activities that will result in meaningful interaction between the traveler and individuals in Cuba, and the traveler therefore does not have a full-time schedule of such activities on each day of the trip. The trip does not qualify for the general license.**

31 C.F.R. § 515.565(b) (Oct. 17, 2016)

No Lawful Travel Defense for MSC's Non-US Sailings

- Between December 2015 and March 2019, MSC operated 165 cruises on the Opera and Armonia ships that began in Cuba and ended in Cuba.
  - ECF Nos. 224, 253 at ¶¶ 41, 45.

- MSC "admits that the *Opera* used the Havana Cruise Port Terminal as a homeport in" 2015, 2016, 2017, 2018, and 2019 "for **cruises which did not travel to the United States**."
  - ECF No. 218-4 at RFA Nos. 74-78

- MSC "admits that the *Armonia* used the Havana Cruise Port Terminal as a homeport in" 2016, 2017 and 2018 "for **cruises which did not travel to the United States**"
  - ECF No. 218-4 at RFA Nos. 54-56

No Lawful Travel Defense for MSC's Non-US Sailings

§ 515.572 Provision of travel, carrier, other transportation-related, and remittance forwarding services.

(a) *General licenses*—

(2) *Authorization to provide carrier services.* (i) Persons subject to U.S. jurisdiction are authorized to provide carrier services to, from, or within Cuba in connection with travel or transportation, directly or indirectly, between the United States and Cuba of persons, baggage, or cargo authorized pursuant to this part.

No Lawful Travel Defense for MSC's Non-US Sailings

MSC CRUISES' OPPOSITION TO PLAINTIFF'S
INDIVIDUAL MOTION FOR SUMMARY JUDGMENT

throughout this case has been centered around the *United States'* regulations. The CACR and the OFAC general licenses under which MSC Cruises S.A. operated for its US-Cuba cruises, do not apply to cruises—such as the Cuba-to-Cuba cruises—that do not involve the United States. Rather, the general licenses authorize cruise travel "**between the United States and Cuba**." *See*

ECF No. 256 at 13

The Shore Excursions Were Implemented as Marketed

68. Disputed as phrased. MSC Cruises S.A. sold its passengers shore excursions that were designed and marketed as complying with the OFAC regulations and were implemented as marketed. *See* ECF No. 201-7 at 43:10-22, 51:3-25, 52:7-11, 85:24–86:5, 86:11-15, 91:11-15.

ECF No. 273 at 5

Sun, Sea & Sand at Varadero Beach

SUN, SEA & SAND AT VARADERO BEACH - CUB08

Duration
8

Varadero beach and town are situated in Cubas Matanzas Province on a narrow spit of land that stretches up like a protective arm over the Bay of Cardénas, about 2 hours by coach from the port of Havana. Your friendly tour guide will remain on hand throughout to provide assistance and information on places of interest on the way. Your journey to the beach will include a photo stop at Bacunayagua Bridge, which demarks the border between the Mayabeque and Matanzas Provinces. A drive-by look at the towns of Matanzas and Varadero then follows, after which youll be able to enjoy all the delights afforded by the 18-km stretch of fine white sand from the Varadero Hotel. The idyllic natural setting and warm, Caribbean water are perfectly complemented by free use of beach umbrellas and chairs during your stay as well as a delicious buffet and drinks service (day-use plan). Youll have about 5 hours to savour the surroundings, go swimming, stroll along the beach, listen to Cuban music or even have a go at beach games but do take a hat, sunglasses and sunscreen to protect you in the sun. This thoroughly relaxing tour ends with your scenic return journey to the port and your ship.

ECF No. 218-17 at 5

Varadero Beach

Beach Time at Santa Maria del Mar

BEACH TIME AT SANTA MARIA DEL MAR - CUB09

Duration
4

As one of 15 beaches that together form the so-called Playas del Este, Santa Maria del Mar is situated in Habana del Este, which in turn constitutes the eastern end of Havanas greater metropolitan area. After boarding your coach along with your tour guide at the port, an approximately 30-minute transfer will see you reach the beautiful beach complex at the Hotel Santa Maria. Youll have free use of beach umbrellas and chairs as well as access to the buffet and beverage service (day-use plan) for the duration of your 3-hour stay. Remember to take a hat, sunglasses and sunscreen to ensure safe enjoyment of the warm Caribbean water, the beach and all the fun it can provide. If youre feeling energetic, you may even want to shake a leg to the sound of Cuban music or take part in beach games. Your return to the ship then brings your beachy outing to a close.

ECF No. 218-17 at 4

Santa Maria del Mar

PART 515—CUBAN ASSETS CONTROL REGULATIONS

§ 515.565 Educational activities.

(b) *General license for people-to-people travel.*

Example 5 to § 515.565(b): An individual plans to travel to Cuba to participate in discussions with Cuban farmers and produce sellers about cooperative farming and agricultural practices and have extended dialogue with religious leaders about the influence of African traditions and religion on society and culture. The individual also plans to spend a few days engaging in brief exchanges with Cuban food vendors while spending time at the beach. Only some of these activities are educational exchange activities that will result in meaningful interaction between the traveler and individuals in Cuba, and the traveler therefore does not have a full-time schedule of such activities on each day of the trip. The trip does not qualify for the general license.

31 C.F.R. 515.564(b) (Oct. 17, 2016)

Shore Excursions: Tropicana Cabaret

CUB12B – A NIGHT AT THE TROPICANA CABARET

Duration: approx. 4 hours

This very special evening visit will first see you board a coach in the company of a guide for the brief transfer to the world-renown Tropicana Club, an establishment founded in 1939 in Havana's Marianao suburb. As the island's largest nightclub, the venue counts as an iconic celebration of Cuban culture, featuring dancing girls wearing scanty costumes and feathered headgear, Cuban rhythms and tropical surroundings – all played out under a velvety night sky. A live orchestra provides the musical backdrop to some 200 performers, whose only remit is to provide a fascinating insight into the things Cubans love most: music, dancing and Havana Club rum, of which you'll be served a ¼ bottle with a suitable mixer to sip during the show. This totally immersive look at Cuban life comes to a close with your return to the ship.*Please note: the night-time visit departs at approx. 20:00 hours, but the precise time must be confirmed during your cruise. Guests will be assigned seats in zone 2 at mid-distance from the stage; seats cannot be changed. There is a fee for using video and photo cameras, mobile phones, tablets, etc., which must be paid on site and in local currency. Depending on weather conditions on the day of the call, the show may take place in the open air or in a roofed theatre. The visit is considered to be unsuitable for guests of limited mobility or who use a wheelchair. A dress code applies: long trousers and closed shoes for men; elegant dress for women. The visit is not open to children under 16 years old.*

ECF No. 202-43 at 37

Havana Cultural Sightseeing & San José Handicraft Market

Tourist: "one that makes a tour for pleasure or culture" – *Merriam-Webster*
Tourist: "a person on an excursion or sightseeing tour" – *Collins Dictionary*

CUB30A – HAVANA CULTURAL SIGHTSEEING & SAN JOSÉ HANDICRAFT MARKET
Duration: approx. 4 hours

Havana's vibrant culture is up for exploration on this appealing half-day visit, which showcases some of the city's folkloric aspects. You'll first enjoy drive-by views of historically significant architecture, passing Parque Central – a large palm-fringed square – as well as Plaza de la Revolución and the José Martí Memorial, a 109 m tower that commemorates a Cuban national hero. Next up, you'll visit the Muraleando, a project founded by Cuban artists in 2001 that uses disused urban sites to showcase murales art before proceeding to the open-air Almacenes de San José handicraft market in the port of Havana. Apart from leather wares such as handbags, wallets, shoes and belts, you'll also find ce mics, masks and papier-mâché ornaments that bear testament to Cuban folklore and creativity. Your return to th en brings this cultural visit to a close. *Please note: this tour is not suitable for guests of limited mobility or who us This tour is available only for American citizens.*

OFAC: "brief exchanges with shopkeepers while making purchases" are not meaningful interactions, 31 C.F.R. 515.565(b) (Example 4) (10/17/16)

ECF No. 202-43 at 38

Marialuisa Iaccarino: Never Been to Cuba

Video-Recorded Deposition of Marialuisa Iaccarino

And, of course, you did not attend any of these shore excursions yourself?

A. No. I've never been to Cuba, so it was quite difficult.

ECF No. 201-7 at 75:15-18

MSC Contracts with the Ministry of Tourism for Tourist Excursions

SHORE EXCURSION AGREEMENT FOR MSC CRUISES PASSENGERS

between

MSC CRUISES S.A. a Swiss company, with registered office at Eugene Pittard, 40, 1206, Geneva, Switzerland, and registered in the Commercial Register of Geneva (Switzerland) under the Identification number CHE-112.808.357, in the person of its legal representative and Chief Executive Officer, Mr. Perfrancesco Vago, with business address at Av. Eugene Pittard, 40, 1206, hereinafter referred to as THE COMPANY

and

AGENCIA VIAJES CUBANACAN S.A., incorporated by Notarial Deed No. 2104, dated August 4, 1994, of the Special Notary Office of the Ministry of Justice of the Republic of Cuba, registered in the Mercantile Registry of Havana, book 1190, Folio 140, Page 16754; holding License 018 of the National Registry of Travel Agencies, attached to the Chamber of Commerce of the Republic of Cuba, with legal domicile at Calle 68 No 503 e/ 5ta y 5taA
to 93 and represented in this act by Mr. Isidro Ri
American Market, Events and Cruises, hereinaf

TERM: For the port of Havana, from December

A. The COMPANY is the charterer of the c
referred to as THE VESSELS, which requir
its passengers (hereinafter referred to a
B. VIAJES CUBANACAN is engaged in th
excursions in the Cuban national territo
C. The COMPANY requires a travel agent
excursions for the passengers of the VE
the itineraries and dates agreed upon
D. VIAJES CUBANACAN declares that it
promotion and sale of tourist excursion
conditions agreed upon in this AGREEM
E. VIAJES CUBANACAN shall continue its
AGREEMENT, independently of THE COMPANY, and shall be solely responsible for assuming its operating expenses related to its offices, including telephones, e-mail, printing, fax, etc. THE COMPANY assumes no responsibility for such expenses.

Whereas:

A. The COMPANY is the charterer of the cruise ships MSC Opera and MSC Armonia, hereinafter referred to as THE VESSELS, which requires high quality excursions for its ships to be provided to its passengers (hereinafter referred to as the "Passengers").
B. VIAJES CUBANACAN is engaged in the business of organizing, promoting and selling tourist excursions in the Cuban national territory.
C. The COMPANY requires a travel agent in the area to carry out the services of providing shore excursions for the passengers of the VESSEL upon arrival at any port in the area, according to the itineraries and dates agreed upon during the term of this AGREEMENT.
D. VIAJES CUBANACAN declares that it is capable and willing to assume the organization, promotion and sale of tourist excursions in the Cuban national territory, under the terms and conditions agreed upon in this AGREEMENT.

ECF No. 218-9 at 3

NCL -- Tourism

"Cruise Tourism in Cuba is Operated by a Government Owned Tour Company" – Norwegian, ECF No. 221-21 at 2

- Norwegian contracted with Havanatur, an agency of the Cuban Government's Ministry of Tourism, to operate shore excursions at the Havana Port Terminal, where passengers embarked and disembarked the ship.
  - ECF Nos. 228, 282, at ¶¶ 31, 79; ECF No. 214-1 at 122:7 – 130:12.
- Norwegian's CEO: "Havanatur (owned by Cuba's military)" is "our shorex operator in Cuba"
  - ECF No. 221-24 at 2
- Eleventh Circuit: Havanatur is "the travel agency exclusively authorized by Cuba to provide tourist services in Cuba."
  - *United States v. Fuentes-Coba*, 738 F.2d 1191, 1193 (11th Cir. 1984)
- OFAC: Havanatur is a sanctioned entity on the Specially Designated National list.
  - *Fuentes-Coba*, 738 F.2d at 1193; ECF Nos. 228, 282, at ¶¶ 34

Norwegian Contracts with Havanatur for "Tourist Reception Services"

havanatur

SERVICE AGREEMENT
(CRUISE SHIPS)

NO. 2 /2016

THE FIRST PARTY: The private Cuban company **Grupo Internacional de Turoperadores y Agencias de Viajes, Havanatur S.A.,** formed under the laws of the Republic of Cuba by Document No. 559 dated February 21, 1995, granted before Public Notary Lourdes Lucía Díaz Canel Navarro, a Special Notary of the Ministry of Justice, registered in the First Mercantile Registry of Havana on March 6, 1995 in volume 1191, folio 40. Its corporate address is Quinta Avenida número 18204 entre las calles 182 y 184, Municipio de Playa, Havana, Cuba; said party acts through its entity **HAVANATUR**, which is domiciled at 5ta Avenida No. 18204 entre 182 y 184, Flores, Plaza, Havana, Cuba, and holds a bank account with RIB number [redacted] in U.S. dollars under "S. Havanatur T and T Celimar" at Banco de Credit Mutuel. Said party shall hereinafter be referred to as **HAVANATUR** and is represented herein by **Evelyn Guilarte Arencibia** in her capacity as Assistant Director, having the powers necessary for this act as granted by Resolutions Ninety-Eight and Ninety-Nine dated December 1, 2015 of the Minutes of the Special Shareholders Meeting of the Cuban company Grupo Internacional de Turoperadores y Agencias de Viajes, Havanatur S.A.

THE SECOND PARTY: **Norwegian Cruise Line Holdings LTD.**, formed under the laws of the State of Bermuda, on February 21, 2011; it is registered in the Public Registry under number 45125 and its corporate address is 7665 Corporate Center Drive, Miami, Florida 33126 USA. It holds bank account number [redacted] and shall hereinafter be referred to as the **AGENCY**. Said party is herein represented by **Mr. Frank del Río** in his capacity as **President and CEO**, having the power to execute this agreement based on the certificate issued by the Assistant Secretary on December 2, 2016 from the Board of Directors meeting held on September 16, 2016; said document is provided to the other party.

BOTH PARTIES: Mutually acknowledging the power, legal personality, and representation with which each one appears, have agreed to sign this agreement under the following terms and conditions:

I. PURPOSE OF THE AGREEMENT

Through this Agreement, the parties have stipulated the terms and conditions by which **HAVANATUR** shall sell tourist reception services in the Republic of Cuba, in order to serve passengers sent by the **AGENCY**. The latter shall likewise make payments resulting from these services, in the format and under the terms established in this Agreement and its Appendices.

II. SERVICES AGREED TO BY THE PARTIES

All the services requested by the **AGENCY** shall be provided by **HAVANATUR**, based on Cuba's regulations for domestic travel agencies and branches or representatives of foreign travel agencies ("Reglamento de Agencias de Viajes Nacionales, Sucursales y Representaciones de Agencias de Viajes Extranjeras en la República de Cuba"). These services are detailed in **Appendix 1** hereto, and are within the scope of the services offered by said party.

2.1.1 **HAVANATUR** shall ensure the services contracted according to the category of the facilities and providers performing them. If a service is requested by the **AGENCY** that is not included in the aforementioned Appendix, it shall likewise be requested of **HAVANATUR**, who shall be in charge of providing or managing said service.

2.1.2. If **HAVANATUR** does not have the capacity to accommodate, transport, or provide to customers the confirmed services, it shall ensure same with another provider of equal or greater quality.

[TN: 2 sets of initials]

1

I. PURPOSE OF THE AGREEMENT

Through this Agreement, the parties have stipulated the terms and conditions by which **HAVANATUR** shall sell tourist reception services in the Republic of Cuba, in order to serve passengers sent by the **AGENCY**. The latter shall likewise make payments resulting from these services, in the format and under the terms established in this Agreement and its Appendices.

ECF No. 282-4 at p. 2, § I; p. 6, § 14.5

Norwegian Pays Havanatur for Tourist Services

havanatur

APPENDIX 3

SERVICE AGREEMENT
(CRUISE SHIPS)

PAYMENT CONDITIONS

I. FORM OF PAYMENT from the AGENCY to HAVANATUR CELIMAR

a) _____ Prepayment for contracted services
b) ___X___ Revolving deposit of no less than 120% of the amount of funds required to cover payments for services to be received on each trip
c)_____ Performance bond
d) _____ Commercial credit

II. TERM OF PAYMENT

a) _____ days before provision of the services
b) _____ days before arrival of the customers
c) _____ days after submission of the invoice
d) _____ days after provision of the services
e) _X_____ automatically against funds on deposit upon invoicing for services

III. FORM OF PAYMENT

a) _____ Bank transfer
b) _____ Cash on hand
c) _____ Check (not transferable by endorsement)
d) ___X_ Revolving deposit
e) _____ Bank check

V. PAYMENT

Payments may be made by the AGENCY to CELIMAR S.A. as follows:

Beneficiary:
Celimar S.A.
5ta ave. No.18204 E/182 Y 184. Miramar Playa, Havana, Cuba

Beneficiary's bank:
BFCM (Banque Fédérative du Crédit Mutuel)
34 rue du Wacken 67000 Strasbourg France
Account:
[redacted]

[redacted]

For payments through the Stonegate Bank account:

Banco Financiero Internacional (BFI)

Payments may be made by the AGENCY to "S. Havanatur T and T. Celimar" as follows:

Banco Financiero Internacional
Sucursal 69 Sierra Maestra
[redacted]

Specify on the payment: "Payment to S. Havanatur T and T. Celimar"
Bank address: Calle Primera y 0, Playa, Havana, Cuba
[redacted]

Payments may be made by the AGENCY to "S. Havanatur T y T. La Habana" for services corresponding to specialized tourism options, events, and incentives, as follows:

Banco Financiero Internacional
Sucursal 69 Sierra Maestra
[redacted]

Specify on the payment: "Payment to S. Havanatur T and T. La Habana"
Bank address: Calle Primera y 0, Playa, Havana, Cuba
[redacted]

Payments to the aforementioned accounts at Credit Mutuel and BFI banks shall be deemed as completed when the corresponding amount is credited in the respective account.

In witness whereof, this document is signed in two (2) copies to the same tenor and effect in Havana, on the _7_ day of _December_____, 2016.

_[TN: Signature]_____ _[TN: Signature]_____
HAVANATUR AGENCY

[TN: Stamp: Havanatur Main Office Grupo Internacional de Turoperadores y Agencias de Viajes, Havanatur S.A.]

REDACTED FOR PRIVILEGE

Approved as to Content
By: [TN: Signature]
Approved by Finance
By: [TN: Signature]

8

Payments may be made by the AGENCY to "S. Havanatur T y T. La Habana" for services corresponding to specialized tourism options, events, and incentives, as follows:

ECF No. 282-4 at p. 9.

Norwegian's Payments to Cuba's Ministry of Tourism

- Norwegian paid Havanatur at least **$6,262,367.00** related to the provision of shore excursions in Cuba.
  - ECF Nos. 228, 282, at ¶¶ 35.

- Norwegian earned **$34,518,281.00** in revenue from the sale of shore excursions on cruises that operated at the Havana Port Terminal.
  - ECF No. 284, 309 at ¶¶ 52.

- Norwegian's Payments to Cuban People: **$0.**
  - ECF Nos. 228, 282, at ¶¶ 20.

Tourist Visa Required to Disembark Ship at the Havana Port Terminal

- Cuban Government Required Norwegian's Passengers to Purchase Tourist Visas to Disembark at the Havana Port Terminal for Shore Excursions.
  - ECF Nos. 228, 282, at ¶¶ 76.

HABANA-SERVIMAR

SHIPPING AGENCY

	Passengers from any country requires tourist visa (A1) to be allowed to enter. This kind of visa should be provided by the Cuban tour agent in charged. It is recommended to receive visas in previous port before Cuba in order to have it ready upon arrival and so avoid delays. All nationalities are allowed to arrive on board and to go ashore.

Norwegian's Cruises Were Tourist Travel to Cuba

- Contracts with Sanctioned Cuban Military/Ministry of Tourism Entity (Havanatur) for "Tourist Reception Services" (Shore Excursions) ✔
- Payments to Sanctioned Cuban Military/Ministry of Tourism Entity (Havanatur) for "Specialized Tourism Options" (Shore Excursions) ✔
- Tourist Visa Required to Disembark Cruise Ship for Shore Excursions ✔

REQUIREMENTS OF GENERAL LICENSES

(1) Defendant is a "person subject to U.S. jurisdiction," 31 C.F.R. § 515.572(a)(2)(i) (Nov. 9, 2017) (general authorization to provide carrier services).
(2) Defendant "provide[d] carrier services to, from, or within Cuba." *Id.*
(3) Defendant's cruises were "in connection with travel or transportation, directly or indirectly, between the United States and Cuba." *Id.*
(4) Defendant's cruises were provided for the travel or transportation to Cuba of "persons, baggage, or cargo authorized pursuant to" the CACR. *Id.*
(5) Defendant retained for at least five years "a certification from each customer indicating the section of [the CACR] that authorizes the person to travel" to Cuba, *id. § 515.572(b)(1).*
(6) Defendant maintained a "full and accurate record of each . . . transaction engaged in," including the "names and addresses of individual travelers," *id. §§ 515.572(b)(2), 515.601.*
(7) Defendant's shore excursions were not "primarily tourist-oriented," *id. § 515.565(f).*
(8) Defendant's shore excursions were "educational exchanges not involving academic study pursuant to a degree program," *id. § 515.565(b) (Nov. 9, 2017) ("General license for people-to-people travel").*
(9) Defendant's shore excursions took "place under the auspices of an organization that is a person subject to U.S. jurisdiction that sponsors such exchanges to promote people to people contact," *id. § 515.565(b)(1).*

REQUIREMENTS OF GENERAL LICENSES

(10) Defendant's shore excursions were "for the purpose of engaging, while in Cuba, in a full-time schedule of activities" that:

a. "enhance contact with the Cuban people,"

b. "support civil society in Cuba," or

c. "promote the Cuban people's independence from Cuban authorities," *id. § 515.565(b)(2).*

(11) Defendant's shore excursions were "a full-time schedule of educational exchange activities," *id. § 515.565(b)(3).*

(12) Defendant's shore excursions "result[ed] in a meaningful interaction between the [passengers] and individuals in Cuba." *Id.*

(13) Defendant's shore excursions were accompanied by "[a] person subject to U.S. jurisdiction who is an employee, paid consultant, agent, or other representative of the sponsoring organization" that "ensure[d] that each traveler has a full-time schedule of educational exchange activities," *id. § 515.565(b)(4).*

(14) "[T]he predominant portion of" Defendant's shore excursions was "not with a prohibited official of the Government of Cuba, as defined in § 515.337, or a prohibited member of the Cuban Communist Party, as defined in § 515.338," *id. § 515.565(b)(5).*

(15) Defendant "retain[ed] records sufficient to demonstrate that each individual [passenger] has engaged in a full-time schedule of activities that satisfy the requirement of" the people-to-people general license, *id., § 515.565(b)(6).*

Examples of "People-to-People Travel"

Example 1 to paragraph (b): An organization sponsors and organizes educational exchanges not involving academic study pursuant to a degree program for travelers to **learn side-by-side with Cuban individuals** in areas such as environmental protection or the arts. Each traveler in the group will have a full-time schedule of educational exchange activities that result in meaningful interaction between the travelers and individuals in Cuba. **The group will be accompanied by a person who is subject to U.S. jurisdiction who is a representative of the sponsoring organization for the duration of the trip. The organization's activities qualify for the general license for people-to-people travel.** In addition, the individual travelers may rely on the entity sponsoring the travel to satisfy their recordkeeping requirements.

31 C.F.R. § 515.565(b) (Oct. 17, 2016 – June 4, 2019)

Examples of "People-to-People Travel"

Example 4 to § 515.565(b): An individual plans to travel to Cuba **to rent a bicycle to explore the streets of Havana, engage in brief exchanges with shopkeepers while making purchases, and have casual conversations with waiters at restaurants and hotel staff. None of these activities are educational exchange activities that will result in meaningful interaction between the traveler and individuals in Cuba, and the traveler's trip does not qualify for the general license.**

31 C.F.R. § 515.565(b) (Oct. 17, 2016)

Examples of "People-to-People Travel"

Example 5 to § 515.565(b): An individual plans to travel to Cuba to participate in discussions with Cuban farmers and produce sellers about cooperative farming and agricultural practices and have extended dialogue with religious leaders about the influence of African traditions and religion on society and culture. **The individual also plans to spend a few days engaging in brief exchanges with Cuban food vendors while spending time at the beach. Only some of these activities are educational exchange activities that will result in meaningful interaction between the traveler and individuals in Cuba, and the traveler therefore does not have a full-time schedule of such activities on each day of the trip. The trip does not qualify for the general license.**

31 C.F.R. § 515.565(b) (Oct. 17, 2016)

SHORE EXCURSIONS: Tropicana Cabaret

OFFICIAL TOUR SUMMARY FORM

Property of Prestige Cruise Holdings. Its unauthorized reproduction, in whole or in part, is strictly prohibited.

TOUR NAME:	The Legendary Tropicana Cabaret			Tour Code:	HAV-006
Port:	Havana			Duration:	3.5 Hours
Country:	Cuba			Updated:	
Operator:				Valid Until:	

Nat King Cole, Josephine Baker, Libertad Lamarque, Cheo Feliciano, Rita Montaner, Elena Burke and Bola de Nieve are among the stars that have performed in Tropicana Cabaret, known as one of the most popular cabarets located in the heart of Havana, Cuba, and the spotlight of this excursion. Built in 1939 in the Marianao neighborhood, many considered the idea of such a large nightclub, which accommodates up to 300 guests, unrealistic. Yet today, it is one of Havana's most popular tourism venues.

As you walk in, you instantly feel welcomed by large majestic trees, such as Royal Palms, Mamoncillos, mango trees, cedar and many others that adorn the entrance of the club and are part of the décor inside too, giving this enchanted place the look and feel of a magical forest. Get ready to have a fun-filled night in one of the largest and most beautiful nightclubs in Cuba, with a production of over 200 dancers and singers performing under the stars.

After the show, you will return to the pier.

ECF No. 217-7 at 18-19; ECF Nos. 228, 282, at ¶¶ 76

ECF No. 217-2 at 65

ECF No. 217-2 at 66

ECF No. 217-2 at 66

ECF No. 217-2 at 67

Shore Excursions: The Old Colonial Havana

TOUR NAME:	The Old Colonial Havana	Tour Code:	HAV-010
Port:	Havana	Duration:	3.5 hours
Country:	Cuba	Updated:	
Operator:		Valid Until:	

Detailed Tour Breakdown

Tour Timetable From	Tour Timetable To	Tour Element & Description	Time in Mins	Steps	Restrooms	Type of Walking
9:30	9:40	Walk to The Cathedral Square.	10	yes		asphalt, cobblestone
9:40	10:10	Visit to The Cathedral Square. The Plaza de La Catedral Square is the most uniform one of the four main Colonial squares in Old Havana. This square is a real museum of Cuban Baroque, as all the buildings on it, including the Cathedral, date back to the 18th century.	30	yes		asphalt, cobblestone
10:10	10:20	Walk to The Arms Square.	10	yes		asphalt, cobblestone
10:20	10:50	Visit to The Arms Square. Plaza de Armas Square is the oldest one of the four Colonial squares in Old Havana, designed around 1520. At that time it was known as Plaza de la Iglesia (Church Square), due to it housed the Parroquial Mayor Temple, demolished in 1770 and located where nowadays is the Capitanes Generales Palace.	30	yes		asphalt, cobblestone
10:50	11:00	Walk to San Francisco de Asis Square.	10	yes		asphalt, cobblestone
11:00	11:20	Visit to San Francisco de Asis Square. Plaza de San Francisco de Asís Square was built facing the Havana port during the 16th century, when Spanish galleons used to stop in here on their route to The Indies to Spain.	20	yes		asphalt, cobblestone
11:20	11:30	Walk to Old Square.	10	yes		asphalt, cobblestone
11:30	12:00	Visit the Old Square. Designed in 1559, Plaza Vieja Square is the most eclectic square in Havana. It is located in Old Havana. Cuban Baroque and Art Noveu with Gaudi's inspiration styles are mixed here. (You can rest for a while and enjoy a beverage)	30	yes		asphalt, cobblestone
12:00	12:10	Walk to the bus.	10	yes		asphalt, cobblestone
12:10	12:20	Panoramic tour around another part of Old Havana (In this tour you can see the remnants of the wall, la Alameda de Paula, The new promenade and The Central trains Station)	10	none		
12:25	12:45	Visit to Almacenes de San Jose to buy Cuban souvenir	25	yes		stairs. Asphlalt
12:50	1:00	Walk to the pier.	15	yes		apsphalt
		Total Time in Minutes	210			

ECF No. 217-7 at 28; ECF Nos. 228, 282, at ¶¶ 85

Shore Excursions: The Old Colonial Havana

DECLARATION OF CHRISTINE MANJENCIC

CHRISTINE MANJENCIC, pursuant to 28 U.S.C. § 1746, declares:

1. My name is Christine Manjencic, and I am the Vice President of Destination Services Operations of Norwegian Cruise Line Holdings Ltd. ("NCLH"). I am over the age of 18

5. The shore excursion titled "The Old Colonial Havana" was also a walking tour, likewise led by a Cuban guide, of various culturally significant locations throughout the densely populated Old Havana, including a local pedestrian street where passengers had an opportunity to interact with locals, including local artists and street vendors.

6. During "The Old Colonial Havana" shore excursion, passengers also had an opportunity to interact with the owners of privately owned businesses at the Almacenes de San Jose.

Pursuant to 28 U.S.C. § 1746, I declare, under penalty of perjury, that the foregoing is true and correct.

Executed on October 18, 2021.

CHRISTINE MANJENCIC

ECF No. 282-12 at 3

PART 515—CUBAN ASSETS CONTROL REGULATIONS

§ 515.565 Educational activities.

(b) *General license for people-to-people travel.*

Example 4 to § 515.565(b): An individual plans to travel to Cuba to rent a bicycle to explore the streets of Havana, engage in brief exchanges with shopkeepers while making purchases, and have casual conversations with waiters at restaurants and hotel staff. None of these activities are educational exchange activities that will result in meaningful interaction between the traveler and individuals in Cuba, and the traveler's trip does not qualify for the general license.

31 C.F.R. 515.565(b) (Oct. 17, 2016)

SHORE EXCURSIONS: Parisien Cabaret

OFFICIAL TOUR SUMMARY FORM

Property of Prestige Cruise Holdings. Its unauthorized reproduction, in whole or in part, is strictly prohibited.

TOUR NAME:	Parisien Cabaret at Hotel Nacional de Cuba	Tour Code:	HAV-007
Port:	Havana	Duration:	3.5 hours
Country:	Cuba	Updated:	
Operator:		Valid Until:	

Detailed Tour Breakdown

Tour Timetable From	Tour Timetable To	Tour Element & Description	Time in Mins	Steps	Restrooms	Type of Walking
9:15	9:25	Bus ride to Hotel Nacional where you can experience a taste of authentic Cuban history, culture and music. Built in 1930, the hotel stands out due to its refined elegance and its ancient splendor and has attracted a large number of famous personalities such as Frank Sinatra.	10	none		
9:30	9:50	Enjoy the atmosphere of the place, enjoy a good mojito while waiting for the show to start.	25	yes	yes	asphalt
9:50	11:45	Enjoy your night with a spectacular Vegas style performance, which blends the Indo-American, Hispanic and African cultures that led to the Cuban culture as it is known today.	115	yes		
11:45	12:00	Enjoy the drinks, dance a little and get ready to go back to the ship.	15	yes		
12:00	12:10	Bus ride back to the pier.	10	none		

ECF No. 217-7 at 20; ECF Nos. 228, 282, at ¶¶ 85

Q. What about the spectacular Vegas-style performance offered at the Parisien Cabaret at the Hotel Nacional de Cuba? What was the people-to-people component there?

A. The same as what we had in Tropicana and the other venues. We would arrive there. Every guest was greeted by the maître d' and by a group of waiters that would escort every four to six people to the table. Later on, at that time when we added in the meet and greet with the performers, we added it in at that location as well.

The Parisien one was a lot smaller -- smaller tables. So they were escorted in smaller groups. And they had their one-on-one with the waiters there. And, again, at the end of the show, a lot of audience participation throughout the show. It was a show that transported you through time through cultures and traditions of Cuba. Again, the Indo-American, African -- not only just performances but crafts of the drums and people's crafts that they had throughout the show.

And then at the end, we would have the audience participation again where they would get up and they would teach them to salsa.

OFAC: "casual conversations with waiters at restaurants and hotel staff" are not meaningful interactions, 31 C.F.R. 515.565(b) (Example 4) (10/17/16)

§ 515.565 Educational activities.

(b) *General license for people-to-people travel.* The travel-related transactions

Example 1 to § 515.565(b): An organization wishes to sponsor and organize educational exchanges not involving academic study pursuant to a degree program for individuals to learn side-by-side with Cuban individuals in areas such as environmental protection or the arts. The travelers will have a full-time schedule of educational exchange activities that will result in meaningful interaction between the travelers and individuals in Cuba. The organization's activities qualify for the general license, and the individual may rely on the entity sponsoring the travel to satisfy his or her recordkeeping requirement.

Dep. of C. Manjencic, ECF No. 214-8 at 157:24 – 158:22

Shore Excursions: An Evening Stroll in Colonial Havana

TOUR NAME:	An Evening stroll in Colonial Havana	Tour Code:	HAV-009
Port:	Havana	Duration:	3.5 hours
Country:	Cuba	Updated:	
Operator:		Valid Until:	

Detailed Tour Breakdown

Tour Timetable From	Tour Timetable To	Tour Element & Description	Time in Mins	Steps	Restrooms	Type of Walking
8:00	8:10	Walk to The Cathedral Square.	10	yes		asphalt, cobblestone.
8:10	9:00	Visit to The Cathedral Square. The Plaza de La Catedral Square is the most uniform one of the four main Colonial squares in Old Havana. This square is a real museum of Cuban Baroque, as all the buildings on it, including the Cathedral, date back to the 18th century. (In this Square is La Bodequita del Medio where you can enjoy a mojito while you get delight by the architecture surround)	50	yes		asphalt, cobblestone.
9:00	9:10	Walk to The Arms Square.	10	yes		asphalt, cobblestone.
9:10	9:30	Visit to The Arms Square. Plaza de Armas Square is the oldest one of the four Colonial squares in Old Havana, designed around 1520. At that time it was known as Plaza de la Iglesia (Church Square), due to it housed the Parroquial Mayor Temple, demolished in 1770 and located where nowadays is the Capitanes Generales Palace.	20	yes		asphalt, cobblestone.
9:30	9:40	Walk to Old Square.	10	yes		asphalt, cobblestone.
9:40	10:00	Visit the Old Square. Designed in 1559, Plaza Vieja Square is the most eclectic square in Havana. It is located in Old Havana. Cuban Baroque and Art Noveu with Gaudi's inspiration styles are mixed here. (You can rest for a while and take pictures)	20	yes	yes	asphalt, cobblestone.
10:00	10:05	Walk to get the bus.	5	yes		asphalt, cobblestone.
10:10	10:20	Bus ride to Sloopy Joe's bar.	10	none		
10:20	11:20	Visit the Sloopy Joe's bar, which re-opened in 2013 after being closed for 48 years. Many say that the well-known Sloppy Joe sandwich is an American staple, while others argue that it came originally from Cuba.	60	none	yes	asphalt
11:20	11:30	Bus ride back to the pier.	10	none		
		Total Time in Minutes	205			

ECF No. 217-7 at 26; ECF Nos. 228, 282, at ¶¶ 85

DECLARATION OF CHRISTINE MANJENCIC

CHRISTINE MANJENCIC, pursuant to 28 U.S.C. § 1746, declares:

1. My name is Christine Manjencic, and I am the Vice President of Destination Services Operations of Norwegian Cruise Line Holdings Ltd. ("NCLH"). I am over the age of 18

3. The shore excursion titled "An Evening Stroll in Colonial Havana" was a walking tour, led by a Cuban guide, of various culturally significant locations throughout the densely populated Old Havana, including a local pedestrian street where passengers had an opportunity to interact with locals, such as artists and street vendors.

4. The excursion concluded with a stop outside of the historical Sloppy Joe's Bar. No part of this excursion took place inside Sloppy Joe's Bar.

Pursuant to 28 U.S.C. § 1746, I declare, under penalty of perjury, that the foregoing is true and correct.

Executed on October 18, 2021.

CHRISTINE MANJENCIC

ECF No. 282-12 at 2

Guides are Cuban Government employees
(NCL Corp. Rep., ECF No. 214-1 at 127:15 – 130:12)

Tourist: "one that makes a tour for pleasure or culture" – Merriam-Webster Dictionary

OFAC: "brief exchanges with shopkeepers while making purchases" are not meaningful interactions, 31 C.F.R. 515.565(b) (Example 4) (10/17/16)

Shore Excursions: Snorkeling Trips

CFG-006
The Submerged Pearl
AVAILABLE ON DAY 1

Duration: 5¼ hours **Price: $229.00** **Difficulty:** OS

Drive through the colonial downtown of Cienfuegos, passing by architectural treasures such as the Arch of Triumph, Colegio San Lorenzo and Santo Tomas, Palace of Ferrer, Maroya Gallery, Spanish Casino, Government house and Casa del Fundador, the former residence of the city's founder. At Jose Martí Park, you will have time to stroll about and visit the grand Tomás Terry Theatre. Drive to the lighthouse at the entrance to the harbor of Cienfuegos. From the Faro Luna Diving Center, you will have the opportunity to snorkel and to observe the underwater wonders in the surrounding waters. Return to downtown Cienfuegos and have free time for shopping at historical Boulevard Santa Isabel. Return to the pier. **Please note: Participants should be in good physical condition and be able to swim. Wear a swimwear and bring a change of clothing and a towel from the ship. Guests taking part in any water activities do so at their own risk and responsibility.**

ECF No. 221-16 at 6, 7;

ECF Nos. 228, 282, at ¶¶ 86

Royal -- Tourism

Royal's Contracts with Cuba's Ministry of Tourism

Havanatur

- Royal contracted with Havanatur to operate shore excursions at the Havana Port Terminal, where passengers embarked and disembarked the ship.
  - ECF Nos. 141, 172, at ¶¶ 45, 92, 93.
- Havanatur is a department of the Cuban Government's Ministry of Tourism.
  - ECF No. 122-6 at 144:23-145:1.
- Eleventh Circuit: Havanatur is "the travel agency exclusively authorized by Cuba to provide tourist services in Cuba."
  - *United States v. Fuentes-Coba*, 738 F.2d 1191, 1193 (11th Cir. 1984)
- OFAC: Havanatur is a Sanctioned Entity on the Specially Designated National list.
  - *Fuentes-Coba*, 738 F.2d at 1193

Royal Contracts with the Ministry of Tourism for Tourism Services

havanatur

SERVICE AGREEMENT
(CRUISE SHIPS)

NO.

PARTY OF THE FIRST
Cuban company Grup
Turoperadores y Agencia
S.A., incorporated under C
No. 559 dated 21 Februar
the Notary Public, Ms Lou
Navarro, of the Special N
the Ministry of Justice, ent
Register of Havana, on
volume 1191, folio 40, a
office at Quinta Avenida
calles 182 y 184, Munic
through its entity called H
at 5ta Avenida No. 182
Flores, Plaza, Havana, wi
S, Havanatur T and T C

[redacted]

Banco de Credit Mutuel, represented herein by Evelyn Quilarte Arencibia in her capacity as Deputy Director with the legal capacity to execute this agreement granted by the Ninety-Eighth and Ninety-Ninth Agreement dated 1 December 2015 and the Minutes of the General Extraordinary Shareholders Meeting of the Cuban Company Grupo Internacional de Turoperadores y Agencias de Viajes, Havanatur S.A., en lo hereinafter HAVANATUR.

PARTY OF THE SECOND PART: ROYAL CARIBBEAN CRUISES, a company incorporated under Liberian law, Registration No. C-63363 through the Articles of Incorporation approved pursuant to Section 4.7 of the Liberian Corporate Business Law, domiciled for legal purposes at 80 Broad Monrovia, Liberia, with business operations at 1050 Caribbean Way, Miami, Florida, 33132, telephone 305-539-6000, email jdelgado@rccl.com, with bank account No. [redacted] that, hereinafter and for the purposes of this Agreement, will be called THE CLIENT, represented herein by Mr Adam Goldstein, in his capacity as Chairman and CEO of Company Operations, accredited through ownership certificate issued by

Company Secretary, dated 17 February 2016.

I. PURPOSE OF THE AGREEMENT.

Through this agreement, the parties stipulate the terms and conditions under which HAVANTUR will sell the inbound tourism services in the Republic of Cuba, for the attention of the passengers sent by THE CLIENT, which in turn shall first make the payments for these items in question, under the terms and conditions laid down in this agreement and its ANNEXES.

Branches and Offices of Foreign Tour Operators in the Republic of Cuba." These services are detailed in Annex 1 to this agreement, which are included within the scope of the services offered thereby.

2.1.1 HAVANTUR shall guarantee the services contracted in accordance with the category of facilities and the providers executing them. If THE CLIENT requires a service not included in the reference annex, this must also be requested from HAVANTUR, which shall oversee the provision and handling thereof.

2.1.2. If HAVANATUR does not have the capacity to accommodate, transport or provide clients with the confirmed services, it shall guarantee these with another provider of the same or superior category.

- If the CLIENT, upon its return to the initially reserved installation, decides to remain in the additional service offered thereto, the price difference between the two

Art 6

1

ECF No. 128-21 at p. 2, § I; p. 6, § 14.5

Tourism Services = Shore Excursions

EXCURSIONS.

Easy Panoramic Havana (Bus Tour)
k Duration: 3
Hours & Activity
Level:Mild

- Pass by El Malecón up to calle Paseo, Plaza de la Revolucion. (15 mins to Plaza de la Revolucion)
- Stop at Plaza de la Revolución for photo (20 minutes photo stop)
- Panoramic city tour Boyeros, 23, Malecon, Prado. Pass by El Capitolio (1hour from Plaza de la Revolución
- Fusterlandia Proye
- Photo Stop at El M minutes photo sto drive time from El
- Return to Ship (20 minutes' drive from El Morro to pier)

PRECIO POR PAX
28.00 USD

MINIMUM PAX FOR SALE 25 PAX.

Included as part of the quote:

Services

Assistance at the Cruise Ship Terminal from Havantur staff

MorroCastle, The Christ of Havana

4 Hemingway's Havana Half Day
k Duration: 4 Hours
& Activity Level: Moderate

- Visit Finca Vigia (Museum) – Guided Visit to Finca + 1hour guided visit) (35 minutes drive
- Drive to fishing village of Cojimar (35 mins drive to Cojimar) Quick Visit to La Terraza de Cojimar (Don Gregorio Cocktail) (30 minutes stop for drink and restrooms).
- Time to interchan
- 5 minutes to Hem for picture)
- Drive by Famous
- Visit El Floridita for a picture of Hemingway Statue (Drop off in front of El Floridita with a 20minutes stop for pictures)
- Walk by Obispo Street to Hotel Ambos Mundos, (20 minutes' walk)
- Return to ship

PRECIO POR PAX
41.00 USD

MINIMUM PAX FOR SALE 25 PAX.

Assistance at the Cruise Ship Terminal from Havantur staff

Finca Vigia with expert guide
Cocktail lasTerrazas

ECF No. 128-21 at 12-15

Royal Pays the Ministry of Tourism for Tourism Services

[redacted]

For payments to the account with Stonegate Bank:

International Finance Bank (IFB)

The payments may be made by THE CLIENT to S. Havanatur T and T. Celimar to

International Finance Bank Branch 69 Sierra Maestra

[redacted]

Specify in the payment: Payment to S. Havanatur T and T. Celimar
Bank Address: Calle Primera y 0, Playa, La

havanatur

ANNEX No. 4

SERVICES CONTRACT
(CRUISE SHIPS)

PRICES

Sent by HAVANTUR in table form.

In witness whereof, this document is signed in (2) two identical copies in Havana, on of 2016.

The payments may be made by THE CLIENT to S. Havantur T y T. Havana, for the services corresponding to the specialised tourism services and events and incentives, to

BY HAVANTUR

BY THE CLIENT

Account: [redacted]
Code: [redacted]
Specify in the payment: Payment to S. Havanatur T and T. Havana
Bank Address: Calle Primera y 0, Playa, La Habana, Cuba
Bank Switch:
Client No. at [redacted]

For the payments to such accounts in the Credit Mutuel and IFB banks, these shall be understood as paid after the corresponding amount is debited in the respective accounts.

In witness whereof, this document is signed in (2) two identical copies in Havana, on of 2016.

havanatur
DIRECCIÓN GENERAL

LEGAL

BY HAVANTAUR

BY THE CLIENT

ECF No. 128-21 at pp. 9-10

Royal's Payments to Cuba's Ministry of Tourism

Good Morning, Michael and Roberta -

We are hearing that the Administration is concerned that the cruise industry is a major financial contributor to the Cuban regime as a result of port fees, berthing, exchange rates, shore excursions, etc.

Do we have any data to indicate how much we have paid to the government entities and how much we have been able to directly support the Cuban people? Is the comparison of what we pay in fees in Cuba favorable or unfavorable to what we pay in other Caribbean port fees?

CLIA is collecting this data and will try to portray the financial support we provide to the Cuban people as equal to or greater than the support to the government (assuming the data supports that).

I am in DC and we have a meeting with Senator Rubio tomorrow at 3:00 pm so any data you can provide in advance of that meeting would be greatly appreciated.

Thanks for your help.

Eleni

Eleni P. Kalisch | Vice President | Federal Relations
Royal Caribbean Cruises Ltd. | 1050 Caribbean Way, Miami FL 33132
Tel: 305.539.6799 | Cell: 786.253.5305 | ekalisch@rccl.com

ECF No. 123-27 at 2, 3

Royal's Payments to Cuba's Ministry of Tourism

We can tell you exactly what we have paid HavanaTur. JOrge will have a better idea where this money goes, but HavanaTur is a government agency, so hard to make a case this is going to the Cuban people. Copying the GTO team here who can put that together for you. Also copying Hernan who can tell you about the port fees that we have paid.

Hi, this is going to be a hard one, the pier for port fees is a similar situation with everything going to the government, the busses we use are all government owned. Maybe a tiny little bit for the restaurants we go to, but minuscule amount. I am on my way to st Lucia but you will have the numbers by noon.

I know. I told Mike at CLIA that I would request the data but it would likely support the White House's belief that most of our $$$ is going to government entities.

Yep. The more they dig in to it, the worse it will look.

ECF No. 123-27 at 2, 3

Royal's Payments to Cuba's Ministry of Tourism

- Royal paid Havanatur at least **$19,314,276.21** related to the provision of shore excursions in Cuba.
  - ECF No. 141, 172, at ¶¶ 47; ECF No. 131-3 at 17, RFA No. 221.

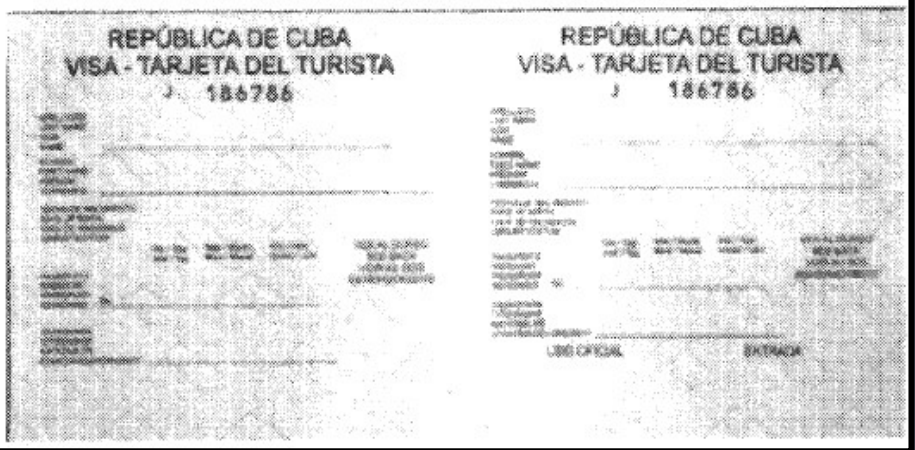
- Royal's Payments to Cuban People: **$0.**
  - ECF No. 141, 172, at ¶¶ 98; ECF No. 131-3 at 18 (RFA Nos. 225-227)

Tourist Visa Required to Disembark Ship at the Havana Port Terminal

Cuba Tourist Visa

Visa Handling at the Pier

- For nationalities requiring a Cuban tourist visa they will be able acquire this at the pier
- This visa does not include the HE-11 visa or A1 visa
- Guest will receive their visa during check-in
- Cost of the visa is $75 per guest, this will be charged to the guest's onboard account



- Cuban Government Required Royal's Passengers to Purchase "Tourist Visas" to Disembark at the Havana Port Terminal for Shore Excursions in Havana.
  - ECF No. 141, 172, at ¶¶ 90
  - ECF No. 122-22 at 29; Decl. of M. Levay, ECF No. 133-35 at 18; Decl. of M. Mattson, ECF No. 133-36 at 5, 6, 10, 13

- Royal bought the visas from the Cuban Government and re-sold them to the passengers at a 50% mark-up
  - ECF No. 122-6 at 59:7 – 60:25; Decl. of M. Levay, ECF No. 133-35 at 70.

Royal's Cruises Were Tourist Travel to Cuba

- Contracts with Sanctioned Entity of Cuban Ministry of Tourism (Havanatur) for Tourist Services (Shore Excursions) ✔
- Payments to Sanctioned Entity of Cuban Ministry of Tourism (Havanatur) for Tourist Services (Shore Excursions) ✔
- Tourist Visa Required to Disembark Cruise Ship for Shore Excursions ✔

Educational Travel Under the LIBERTAD Act

31 CFR Ch. V (7-1-96 Edition)

PART 515—CUBAN ASSETS CONTROL REGULATIONS

§ 515.419 Travel related to educational activities.

(a) Section 515.560(b) provides, in part, that specific licenses will be issued to persons for travel to Cuba for clearly defined educational activities. Transactions related to travel and maintenance in Cuba for the following activities will be licensed upon submission of an adequate written application:

(1) Attendance at a meeting or conference held in Cuba by a person with an established interest in the subject of the meeting or conference, provided that:

(i) The meeting or conference is organized by an international institution or association that regularly sponsors meetings or conferences in other countries; and

(ii) The purpose of the meeting or conference is not the promotion of tourism in Cuba or other commercial activities involving Cuba that are inconsistent with this part; and

(2) Activities related to study for an undergraduate or graduate degree sponsored by a college or university located in the United States.

(b) Transactions related to travel that is primarily tourist travel, including self-directed educational activities that are intended for personal enrichment, will not be licensed pursuant to § 515.560(b).

[60 FR 54196, Oct. 20, 1995]

ECF No. 171-11 at p. 18

REQUIREMENTS OF GENERAL LICENSES

(1) Defendant is a "person subject to U.S. jurisdiction," 31 C.F.R. § 515.572(a)(2)(i) (Nov. 9, 2017) (general authorization to provide carrier services).
(2) Defendant "provide[d] carrier services to, from, or within Cuba." *Id.*
(3) Defendant's cruises were "in connection with travel or transportation, directly or indirectly, between the United States and Cuba." *Id.*
(4) Defendant's cruises were provided for the travel or transportation to Cuba of "persons, baggage, or cargo authorized pursuant to" the CACR. *Id.*
(5) Defendant retained for at least five years "a certification from each customer indicating the section of [the CACR] that authorizes the person to travel" to Cuba, *id. § 515.572(b)(1).*
(6) Defendant maintained a "full and accurate record of each . . . transaction engaged in," including the "names and addresses of individual travelers," *id. §§ 515.572(b)(2), 515.601.*
(7) Defendant's shore excursions were not "primarily tourist-oriented," *id. § 515.565(f).*
(8) Defendant's shore excursions were "educational exchanges not involving academic study pursuant to a degree program," *id. § 515.565(b) (Nov. 9, 2017) ("General license for people-to-people travel").*
(9) Defendant's shore excursions took "place under the auspices of an organization that is a person subject to U.S. jurisdiction that sponsors such exchanges to promote people to people contact," *id. § 515.565(b)(1).*

REQUIREMENTS OF GENERAL LICENSES

(10) Defendant's shore excursions were "for the purpose of engaging, while in Cuba, in a full-time schedule of activities" that:

a. "enhance contact with the Cuban people,"

b. "support civil society in Cuba," or

c. "promote the Cuban people's independence from Cuban authorities," *id. § 515.565(b)(2).*

(11) Defendant's shore excursions were "a full-time schedule of educational exchange activities," *id. § 515.565(b)(3).*

(12) Defendant's shore excursions "result[ed] in a meaningful interaction between the [passengers] and individuals in Cuba." *Id.*

(13) Defendant's shore excursions were accompanied by "[a] person subject to U.S. jurisdiction who is an employee, paid consultant, agent, or other representative of the sponsoring organization" that "ensure[d] that each traveler has a full-time schedule of educational exchange activities," *id. § 515.565(b)(4).*

(14) "[T]he predominant portion of" Defendant's shore excursions was "not with a prohibited official of the Government of Cuba, as defined in § 515.337, or a prohibited member of the Cuban Communist Party, as defined in § 515.338," *id. § 515.565(b)(5).*

(15) Defendant "retain[ed] records sufficient to demonstrate that each individual [passenger] has engaged in a full-time schedule of activities that satisfy the requirement of" the people-to-people general license, *id., § 515.565(b)(6).*

Examples of "People-to-People Travel"

Example 1 to paragraph (b): An organization sponsors and organizes educational exchanges not involving academic study pursuant to a degree program for travelers to **learn side-by-side with Cuban individuals** in areas such as environmental protection or the arts. Each traveler in the group will have a full-time schedule of educational exchange activities that result in meaningful interaction between the travelers and individuals in Cuba. **The group will be accompanied by a person who is subject to U.S. jurisdiction who is a representative of the sponsoring organization for the duration of the trip. The organization's activities qualify for the general license for people-to-people travel.** In addition, the individual travelers may rely on the entity sponsoring the travel to satisfy their recordkeeping requirements.

31 C.F.R. § 515.565(b) (Oct. 17, 2016 – June 4, 2019)

Examples of "People-to-People Travel"

Example 4 to § 515.565(b): An individual plans to travel to Cuba **to rent a bicycle to explore the streets of Havana, engage in brief exchanges with shopkeepers while making purchases, and have casual conversations with waiters at restaurants and hotel staff. None of these activities are educational exchange activities that will result in meaningful interaction between the traveler and individuals in Cuba, and the traveler's trip does not qualify for the general license.**

31 C.F.R. § 515.565(b) (Oct. 17, 2016)

Examples of "People-to-People Travel"

Example 5 to § 515.565(b): An individual plans to travel to Cuba to participate in discussions with Cuban farmers and produce sellers about cooperative farming and agricultural practices and have extended dialogue with religious leaders about the influence of African traditions and religion on society and culture. **The individual also plans to spend a few days engaging in brief exchanges with Cuban food vendors while spending time at the beach. Only some of these activities are educational exchange activities that will result in meaningful interaction between the traveler and individuals in Cuba, and the traveler therefore does not have a full-time schedule of such activities on each day of the trip. The trip does not qualify for the general license.**

31 C.F.R. § 515.565(b) (Oct. 17, 2016)

Royal's "Apparent Violations" of the CACR

DEPARTMENT OF THE TREASURY
WASHINGTON, D.C. 20220

CAUTIONARY LETTER

ENF 51433

Bradley Stein
General Counsel
Royal Caribbean Cruises Ltd.
1050 Caribbean Way

JUN 04 2019

Travel-related transactions to, from, or involving Cuba for any other purpose, or that do not meet the full criteria and conditions of one or more of the above-referenced categories of general licenses, including recordkeeping requirements, are prohibited.

OFAC's review of certifications and other materials during its October 18, 2018 on-site visit, as well as the Subpoena response, revealed areas of concern related to RCL's compliance with its recordkeeping obligations. During the on-site visit, OFAC noted from a sampling of certifications that approximately 12 paper certifications failed to either select a general travel license or provide a specific license number. In addition, OFAC observed there were approximately five certifications that had hand written comments indicating that the individual traveler did not intend to disembark in Cuba. This appears to contradict RCL policy that passengers could not embark on a voyage to Cuba without providing the general license number

Specifically, § 515.201 of the CACR broadly prohibits U.S. persons from engaging in any transactions or dealings in or related to Cuba, including transactions or dealings in or related to unauthorized travel to Cuba. Accordingly, RCL's dealings in possible unauthorized travel by U.S. persons to Cuba appears to have violated the CACR.

Rosie Wells
Enforcement Section Chief
Office of Foreign Assets Control

ECF No. 122-23 at 3-6;
ECF Nos. 141, 172 at ¶¶ 95

Royal "Sponsored" its Shore Excursions Under 515.565(b)

DECLARATION OF MARIA SHAW

I, Maria Shaw, under penalty of perjury, declare as follows:

6. From 2016 through 2019, I served as account manager in Royal Caribbean Cruises Ltd.'s global tour operations department.

7. During that time, the global tour operations department was responsible for creating, maintaining, managing, and curating the shore excursions that cruise passengers can purchase.

11. During the time that Royal Caribbean Cruises Ltd. cruised to Cuba, there was a change in the government regulations that meant a Royal Caribbean Cruises Ltd. employee or representative had to accompany the shore excursions that Royal Caribbean Cruises Ltd. offered in Cuba. Because of this change, Royal Caribbean Cruises Ltd. sent an employee or representative to escort all of the shore excursions that it offered in Cuba.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on September 16, 2021.

Maria Shaw

MARIA SHAW

Decl. of M. Shaw, ECF No. 133-43 at 2, 3
ECF No. 122-22 at 3; Decl. of M. Levay, ECF No. 133-35 at 107

Shore Excursions: Tropicana Cabaret

1. Tropicana Cabaret Extravaganza
Havana, Cuba

Short Description:
Experience the Caribbean rhythms, vibrant costumes and sultry dancers of the legendary Tropicana Cabaret, a rollicking institution since the heydays of Havana.

Highlights:
- Applaud a magnificent Vegas-style revue amid the gardens of Cuba's sensational Tropicana Cabaret.
- Lean about the colorful history of this showplace and the rollicking party it has hosted since 1939.
- Enjoy preferred seating and Havana Club Rum with a mixer to stir up a few cocktails.

Find yourself caught up in the captivating and colorful spectacle that has made the Tropicana Cabaret a Havana sensation since 1939. Set in the famed suburb of Marianao, this legendary showplace was born in Havana's heyday as an international playground. Tonight, you'll relive those glory days surrounded by lush tropical gardens and blanketed under starry skies. Enjoy a premier reserved seat and Havana Club Rum with a mixer for a truly authentic VIP experience. Settle into your seat, whip up a refreshing cocktail, and enjoy a gala performance like no other. Marvel as 200 showgirls, adorned in wonderfully bawdy costumes and festooned in elaborate headdresses, take the stage to sing and dance in dazzling fashion. A live orchestra pumps out the rumba, conga and salsa rhythms, as the vivacious troupe of the Tropicana Cabaret delivers a slice of Cuban nightlife you'll not soon forget.

ECF Nos. 141, 172, at ¶¶ 96; ECF No. 122-49 at 42; ECF No. 123-2 at 4; 131-43 at 18.

2017
1939
TROPICANA

2017
1939
ROPICANA

Shore Excursions: Parisién Cabaret

19. Cabaret Parisién

Brief description:

- Welcome and group meeting by the guide at the Cruise Terminal (20 min)
- Buses depart to the Parisién at the Hotel Nacional. (20 min).
- Enjoy one of the most well-known typical night cabaret shows of Cuban Culture in the world, in the Hotel Nacional de Cuba, renowned worldwide. A night visit to the Malecon of Havana and part of the city from the gardens of the Hotel Nacional de Cuba. In the Hotel Nacional, they will find historical information about the stays of Frank Sinatra, Ava Gardner, Buster Keaton and Winston Churchill, who attended the Cabaret Parisién decades before to admire the sensational show "Cubano, Cubano".
- Includes 1 welcome cocktail plus the show.
- Our guides provide the clients a historical summary of the locale and the Italian American Mafia's management of the space prior to 1959.
- Return to port. (20 min).

Duration of the excursion: 3 1/2 hours.

Conditions:

- Appropriate clothing for a cabaret.

ECF No. 131-43 at 19; ECF Nos. 141, 172, at ¶¶ 96, 97.

The Art of Cuban Cocktails – Educational Exchange?

ROYAL CARIBBEAN CRUISES LTD.

havanatur

the Cuba specialist

34. Cocktail making classes

Brief description:

- Welcome and group meeting by the guide at the Cruise Terminal (20 min)
- Depart to the locales for interaction in relation to making Cuban cocktails. (20 min).
- Clients will receive explanations from specialists in making cocktails on how to make these types of drinks at home. (20 a 30 min).
- Sub-groups will be formed within the locales so the clients can comfortably prepare the drinks being taught, and competitions will take place between the groups to determine which preparations were the best (25 min).
- At the end there will be time to interact with the training specialists and hear some of their experiences and anecdotes about the profession (P2P). (15 min).
- Taste some hors d'oeuvres as well as 3 beverages, with a choice of mojito, daiquiri, cubalibre, soft drink, beer, water. (45 min).
- Return to port. (25 min).

Duration of the excursion: 3 1/2 hours. **Conditions:**

- Light, comfortable clothing for the tour.
- Includes one bottle of water per pax for the tour.

ECF No. 131-43 at 29; ECF Nos. 141, 172, at ¶¶ 96.

The Art of Cuban Cocktails – Educational Exchange?

Subject: RE: N149 The Art of Cuban Cocktails - tapas?

Good afternoon Empress and Majesty,

As you know, we are canceling the cooking class and now only selling **N149 The Art of Cuban Cocktails**.

However, for both legal and guest experience reasons, we need to have the Tour Operator provide small tapas/tastings of Cuban dishes/snacks to pair with the cocktails in this tour. Legally, we cannot have this program seem like just a boozy excursion. Although I discussed this with Mauricio in person in early August, he hasn't been able to reconfirm his OK via email.

...

Connie Lee | Account Executive, Product Development
Global Tour Operations
p: 305-982-2149 | f: 305-539-6119 | e: hlee@rccl.com
Royal Caribbean Cruises Ltd. |1050 Caribbean Way, Miami, FL 33132
Azamara Club Cruises | Celebrity Cruises | Royal Caribbean International

However, for both legal and guest experience reasons, we need to have the Tour Operator provide small tapas/tastings of Cuban dishes/snacks to pair with the cocktails in this tour. Legally, we cannot have this program seem like just a boozy excursion. Although I discussed this with Mauricio in person in early August, he hasn't been able to reconfirm his OK via email.

ECF No. 123-3 at 3-4

The Art of Cuban Cocktails – Educational Exchange?

Q. What would be the legal reasons to have small tapas and tastings of Cuban dishes and snacks to pair with the cocktails?

MR. PONCE: Object to form.

You can answer.

A. Again, I think that was for the -- for the guests not to -- to think that in any sort of way or it can get to an inebriated situation. Because the whole purpose of this particular workshop was to teach them about the drinks.

People were going to taste the drinks that they were mixing. So we needed to have food in there to make sure that this wasn't a scenario where they thought it was unlimited drinks or a scenario like in the Caribbean.

ECF No. 122-4 at 141:17 – 142:6

Shore Excursions: Panoramic Night Tours

33. Panoramic night tour

Brief description:

- Welcome and group meeting by the guide at the Cruise Terminal (20 min)
- Depart on foot to Plaza de San Francisco de Asis (5 min).
- Walk through the Plaza and transfer to Bodeguita del Medio (20 min).
- Time to interact with locals and learn about their customs. (15 min).
- Cocktail in the Bodeguita del Medio with an explanation by our guides of the process of making the drink known worldwide, the Mojito. (25 min).
- Walking tour toward Plaza de la Catedral with an explanation of the history and architecture of the location and environs. (25 min).
- Clients will take an air-conditioned bus and will be transported along the Malecon of Havana to the Hotel Nacional. (20 min).
- Cocktail in the Hall of Fame and time to explore the hotel's gardens with their impressive view of the Havana coastline. (40 min).
-
- Return to port. (10 min).

Duration of the excursion: 4 hours. **Conditions:**

- Light, comfortable clothing for the tour.
- Includes one bottle of water per pax for the tour.

ECF No. 131-43 at 28; ECF Nos. 141, 172, at ¶¶ 96.

Video-Recorded Deposition of Jorge Ernesto Delgado

A. Okay. Correcting myself now. I think -- and I know this happened -- whether I remember writing this or not is a different question. But I know that the tours -- multiple of the tour guides we got -- not at the beginning but later -- enter all kinds of nonsensical discussions with our guests on political issues.

What they were doing basically to our guests was reading the communist party bible on whatever they believe in, and that's what I meant by that. I believe that many of these guys got those positions and were trained on how to respond to questions from the guests in the way they did, basically brainwash.

And still I believe that, so -- which means, because of the numbers of visitors did increase radically, and Havanatur serviced all of the large American cruise lines, initially their cruise -- I mean, their tour guides, et cetera, were super professional, accustomed to deal with European and Canadian tourists, et cetera.

But then we started seeing that the volume increased and that there were not enough tours. So they started hiring fresh students or students of the Ministry of Foreign Relations.

The Ministry of Foreign Relations in Cuba is a political school, basically. Those kids came just because they spoke English to work now with American tourists, but their software was whatever they taught them. And, of course, there

ECF No. 122-6 at 101:9 – 105:6.