

Mr. SOMMERFIELD. Yes, sir.

Mr. DIGGS. Does the regime have any other accounts in the United States that you know of?

Mr. SOMMERFIELD. Those are the only free accounts they have which they can use for purposes which are not illegal under any other law. The funds that they earn from missionary remittances go into those accounts.

They may have indeed, and undoubtedly do, have blocked or suspense accounts which would be frozen by the American bank holding the account. There would be no transactions through such an account without permission.

Mr. DIGGS. I assume that you are aware that the Rhodesian Information Office, the expense money that is remitted monthly, or whenever the periodic payments take place, is remitted by telegraphic money order direct to Riggs National Bank here in Washington, D.C. I assume you are aware of that.

Mr. SOMMERFIELD. I was not aware it came by money order. I know they do fund it. I know they are permitted to fund it from these free accounts in New York. Whether they send the funds by telegraphic money order, cashier's check, or money order, I have no idea.

I could find out if I wanted to, but it would not make a lot of difference.

Mr. DIGGS. Do you know anything about the payments that have been made in both directions in connection with the Standard Bank, Barclay Bank New York account?

Mr. SOMMERFIELD. We have, from time to time, obtained monthly reports or summaries of transactions through the account, just to see what was going on. We never found anything wrong, except minor clerical errors, so that we do not scrutinize the banks intensively on a daily basis.

The bank, for reasons of its own self-interest and its own feeling of responsibility to comply with our laws, has not violated knowingly.

Mr. DIGGS. Your testimony on pages 1 and 2 points out that the Treasury regulations prohibit, among other things, unlicensed remittances to Rhodesia, unlicensed imports of goods of Rhodesian origin, unlicensed expenditures of Rhodesian funds in the United States and other forms of economic relations between Americans and Rhodesia.

Could you elaborate on these other forms of economic relations between Americans and Rhodesians?

Mr. SOMMERFIELD. The regulations are so comprehensive they apply to everything. A contract is prohibited. If it is a contract between an American and a Rhodesian for a transfer of property, whether it is a transfer of a bank account or a transfer of a stock or a security or bond, any form of transfer or contract for transfer is prohibited. Any way we can visualize that Rhodesia would earn foreign exchange is prohibited under those regulations.

If it would not be prohibited as the regulations now exist, I assure you they would be rewritten, but nobody has ever convinced me that there is some type of transaction which is not covered.

Mr. DIGGS. How do you obtain information on violations of these matters, since you indicate that they are very comprehensive?

Mr. SOMMERFIELD. We rely primarily on the banks that hold Rhodesian accounts to police the Rhodesian accounts in accordance with our