

to in subsection (a)(3), even though approved as a trustee by the Secretary, may not operate the vessel under the mortgage or assignment without the Secretary's approval.

(c) STATUS OF PROHIBITED TRANSACTION.—A transaction in violation of this section is void.

(d) RECOVERY OF CONSIDERATION.—

(1) IN GENERAL.—A person that deposited or paid consideration in connection with a transaction prohibited by this section may recover the consideration after tender of the vessel, facility, stock, or other security, or interest therein, to the person entitled to it, or the forfeiture thereof to the United States Government.

(2) EXCEPTION.—Paragraph (1) does not apply if the person in whose interest the consideration was deposited, or to whom it was paid, entered into the transaction in the belief that the person depositing or paying the consideration was a citizen of the United States.

(e) PENALTIES.—

(1) CRIMINAL PENALTY.—A person that violates, or attempts or conspires to violate, this section shall be fined under title 18, imprisoned for not more than 5 years, or both.

(2) FORFEITURE.—The following shall be forfeited to the Government:

(A) A vessel, a facility for building or repairing vessels, or an interest in a vessel or such a facility, that is sold, mortgaged, leased, chartered, delivered, transferred, or documented, or agreed to be sold, mortgaged, leased, chartered, delivered, transferred, or documented, in violation of this section.

(B) Stock and other securities sold or transferred, or agreed to be sold or transferred, in violation of this section.

(C) A vessel departing in violation of subsection (a)(6).

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1652.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
56102(a)	46 App.:835(a)-(c) (less provisos), (d)-(f).	Sept. 7, 1916, ch. 451, §37, as added July 15, 1918, ch. 152, §4, 40 Stat. 901; Exec. Order No. 6166, §12, eff. June 10, 1933; June 29, 1936, ch. 858, title II, §204, title IX, §904, 49 Stat. 1987, 2016; Pub. L. 89-346, §2, Nov. 8, 1965, 79 Stat. 1306; Pub. L. 97-31, §12(30), Aug. 6, 1981, 95 Stat. 156.
56102(b)	46 App.:835(c) (provisos).	
56102(c)	46 App.:835 (2d par. after cl. (f), last par. words before 9th comma).	
56102(d)	46 App.:835 (last par. words after 9th comma).	
56102(e)	46 App.:835 (1st, 3d pars. after cl. (f)).	

In this section, the words "facility for building or repairing vessels" are substituted for "shipyard, dry dock, shipbuilding or ship-repairing plant or facility" (or similar language) to eliminate unnecessary words.

In subsection (a)(1), the words "transfer to" and "or flag" are omitted as surplus. The words "Territory, District, or possession thereof" are omitted as unnecessary because of the definition of "State" in chapter 1 of the revised title.

In subsection (a)(3), the words "instrument of indebtedness" are substituted for "bond, note, or other evidence of indebtedness" to eliminate unnecessary words. The words "right, title, or" are omitted as unnecessary.

In subsection (a)(5), the words "or the majority of the voting power" are omitted as covered by "controlling interest".

In subsection (b)(1), before subparagraph (A), the words "and only if" are added for clarity because the Secretary is required to disapprove a trustee that ceases to meet the specified conditions.

Subsections (c) and (d) are substituted for the source provisions to eliminate unnecessary words.

In subsection (e)(1), the words "guilty of a misdemeanor" are omitted, and the words "fined under title 18" are substituted for "punishable by a fine of not more than \$5000", because of chapter 227 of title 18.

§ 56103. Conditional approvals

(a) IN GENERAL.—In approving an act or transaction under section 56101 or 56102 of this title, the Secretary of Transportation may do so absolutely or upon conditions the Secretary considers advisable. The Secretary shall state the conditions in the notice of approval.

(b) VIOLATIONS.—A violation of a condition of approval is subject to the same penalties as a violation resulting from an act done without the required approval. The violation occurs at the time the condition is violated.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1654.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
56103	46 App.:839 (1st par.).	Sept. 7, 1916, ch. 451, §41 (1st par.), as added July 15, 1918, ch. 152, §4, 40 Stat. 902; Exec. Order No. 6166, June 10, 1933, §12; June 29, 1936, ch. 858, title II, §204, title IX, §904, 49 Stat. 1987, 2016; Pub. L. 97-31, §12(32), Aug. 6, 1981, 95 Stat. 156.

This section is substituted for the source provision to eliminate unnecessary words.

§ 56104. Penalty for false statements

A person that knowingly makes a false statement of a material fact to the Secretary of Transportation or another officer, employee, or agent of the Department of Transportation, to obtain the Secretary's approval under section 56101 or 56102 of this title, shall be fined under title 18, imprisoned for not more than 5 years, or both.

(Pub. L. 109-304, §8(c), Oct. 6, 2006, 120 Stat. 1654.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
56104	46 App.:839 (last par.).	Sept. 7, 1916, ch. 451, §41 (last par.), as added July 15, 1918, ch. 152, §4, 40 Stat. 903; Exec. Order No. 6166, June 10, 1933, §12; June 29, 1936, ch. 858, title II, §204, title IX, §904, 49 Stat. 1987, 2016; Pub. L. 97-31, §12(32), Aug. 6, 1981, 95 Stat. 156.

The words "guilty of a misdemeanor" are omitted, and the words "fined under title 18" are substituted for "subject to a fine of not more than \$5000", because of chapter 227 of title 18.