

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Roper Scientific, Inc.
3660 Quakerbridge Road
Trenton, NJ 08619

Attn: *Frank Mummolo*
President

Dear Mr. Mummolo:

The Bureau of Industry and Security, United States Department of Commerce ("BIS") has reason to believe that Roper Scientific, Inc. ("Roper") violated the Export Administration Regulations (the "Regulations"),¹ which are issued under the authority of the Export Administration Act of 1979 (the "Act"),² on 121 occasions. Specifically, BIS charges that Roper committed the following violations:

**Charge 1-40 (15 C.F.R § 764.2(a) - Exporting Imaging Cameras Without the
Required Department of Commerce Licenses)**

As described in greater detail in the Schedule of Violations, which is enclosed herewith and incorporated herein by reference, on 40 occasions from on or about March 13, 2000 through on or about August 24, 2000, Roper exported charged coupled device imaging cameras ("imaging cameras"), items subject to the Regulations and covered by export control classification number ("ECCN") 6A003, from the United States to various destinations, including Japan, South Korea and Italy, without the Department of Commerce export licenses required by Section 742.6 of the

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2003). The violations charged occurred in 2000 (15 C.F.R. Parts 730-774 (2000)). The 2000 Regulations are substantially the same as the 2003 Regulations that establish the procedures that apply to this matter.

² 50 U.S.C. app. §§ 2401- 2420 (2000). From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) ("IEEPA"). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. p. 783 (2002)), as extended by the Notice of August 7, 2003 (68 *Fed. Reg.* 47833, August 11, 2003)), has continued the Regulations in effect under IEEPA. The Act and Regulations are available on the Government Printing Office website at: <http://w3.access.gpo.gov/bis/>.

Regulations. In doing so, Roper committed 40 violations of Section 764.2(a) of the Regulations.

Charges 41-80 (15 C.F.R. § 764.2(e) - Selling and Servicing Imaging Cameras Knowing that a Violation of the Regulations was to Occur)

As described in greater detail in the Schedule of Violations, which is enclosed herewith and incorporated herein by reference, on 40 occasions from on or about March 13, 2000 through on or about August 24, 2000, Roper sold or serviced imaging cameras, items subject to the Regulations and covered by ECCN 6A003, knowing that they were to be exported from the United States in violation of the Regulations. At all times relevant hereto, Roper knew that the imaging cameras would be exported without the required Department of Commerce export licenses. In doing so, Roper committed 40 violations of Section 764.2(e) of the Regulations.

Charges 81-119 (15 C.F.R. § 764.2(e) - Failing to Maintain the Required Export Control Documents)

As described in greater detail in the Schedule of Violations, which is enclosed herewith and incorporated herein by reference, on 39 occasions from on or about March 13, 2000 through on or about August 24, 2000, Roper failed to retain export control documents, including Shipper's Export Declarations and air waybills, in connection with the exports of imaging cameras referenced above as required by Section 762.2 of the Regulations. In so doing, Roper committed 39 violations of Section 764.2(i) of the Regulations.

Charges 120-121 (15 C.F.R. § 764.2(g) - False Statements on a Shipper's Export Declaration Concerning ECCN and Authority to Export)

As described in greater detail in the Schedule of Violations, which is enclosed herewith and incorporated herein by reference, on or about March 16, 2000, Roper filed or caused to be filed a Shipper's Export Declaration for the export of an imaging camera to Italy that stated the imaging camera was "EAR99" and qualified for export from the United States as NLR ("No License Required"). These representations were false because the imaging camera was covered by ECCN 6A003 and a license was required to export the imaging camera from the United States to Italy. In doing so, Roper committed two violations of Section 764.2(g) of the Regulations.

Accordingly, Roper is hereby notified that an administrative proceeding is instituted against it pursuant to Section 13(c) of the Act and Part 766 of the Regulations for the purpose of obtaining an order imposing administrative sanctions, including any or all of the following:

The maximum civil penalty allowed by law;³

Denial of export privileges; and/or

Exclusion from practice before BIS.

If Roper fails to answer the charges contained in this letter within 30 days after being served with notice of issuance of this letter, that failure will be treated as a default. (Regulations, Sections 766.6 and 766.7). If Roper defaults, the Administrative Law Judge may find the charges alleged in this letter are true without hearing or further notice to Roper. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty on each charge in this letter.

Roper is further notified that it is entitled to an agency hearing on the record if it files a written demand for one with its answer. (Regulations, Section 766.6). Roper is also entitled to be represented by counsel or other authorized representative who has power of attorney to represent it. (Regulations, Sections 766.3(a) and 766.4).

The Regulations provide for settlement without a hearing. (Regulations, Section 766.18). Should Roper have a proposal to settle this case, Roper or its representative should transmit the offer to me through the attorney representing BIS named below.

The U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, Roper's answer must be filed in accordance with the instructions in Section 766.5(a) of the Regulations with:

U.S. Coast Guard ALJ Docketing Center
40 S. Gay Street
Baltimore, Maryland 21202-4022

³ See 15 C.F.R. §6.4(a)(2).

Roper Scientific, Inc.
Charging Letter
Page 4

In addition, a copy of Roper's answer must be served on BIS at the following address:

Chief Counsel for Industry and Security
Attention: Melissa B. Mannino
Room H-3839
United States Department of Commerce
14th Street and Constitution Avenue, N.W.
Washington, D.C. 20230

Melissa B. Mannino is the attorney representing BIS in this case; any communications that you may wish to have concerning this matter should occur through her. She may be contacted by telephone at (202) 482-5301.

Sincerely,

Mark D. Menefee
Director
Office of Export Enforcement

Enclosure

UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY
WASHINGTON, D.C. 20230

In the Matter of:)
)
Roper Scientific, Inc.)
3660 Quakerbridge Road)
Trenton, New Jersey 08619)
)
Respondent.)
)

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Respondent, Roper Scientific, Inc. (“Roper”), and the Bureau of Industry and Security, United States Department of Commerce (“BIS”) (collectively referred to as “Parties”), pursuant to Section 766.18(a) of the Export Administration Regulations (“Regulations”),¹ issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“Act”),²

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2003). The violations charged occurred in 2000. The Regulations governing the violations at issue are found in the 2000 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2000)). The 2003 Regulations establish the procedures that apply to this matter.

² From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) (“IEEPA”). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended by the Notice of August 7, 2003 (68 *Fed. Reg.* 47833, August 11, 2003), has continued the Regulations in effect under IEEPA.

WHEREAS, BIS has notified Roper of its intention to initiate an administrative proceeding against Roper, pursuant to the Act and the Regulations;

WHEREAS, BIS has issued a proposed charging letter to Roper that alleged that Roper committed 121 violations of the Regulations, specifically:

1. *40 Violations of 15 C.F.R § 764.2(a) - Exporting Imaging Cameras Without the Required Department of Commerce Licenses:* From on or about March 13, 2000 through on or about August 24, 2000, Roper exported charged coupled device imaging cameras (“imaging cameras”), items subject to the Regulations and covered by export control classification number (“ECCN”) 6A003, from the United States to various destinations, including Japan, South Korea and Italy, without the Department of Commerce export licenses required by Section 742.6 of the Regulations.
2. *40 Violations of 15 C.F.R. § 764.2(e) - Selling and Servicing Imaging Cameras Knowing that a Violation of the Regulations was to Occur:* From on or about March 13, 2000 through on or about August 24, 2000, Roper sold or serviced imaging cameras, items subject to the Regulations and covered by ECCN 6A003, knowing that they were to be exported from the United States in violation of the Regulations. At all times relevant hereto, Roper knew that the imaging cameras would be exported without the required Department of Commerce export licenses.

3. *39 Violations of 15 C.F.R. § 764.2(e) - Failing to Maintain the Required Export Control Documents:* From on or about March 13, 2000 through on or about August 24, 2000, Roper failed to retain export control documents, including Shipper's Export Declarations and air waybills, in connection with the exports of imaging cameras as required by Section 762.2 of the Regulations.
4. *Two Violations of 15 C.F.R. § 764.2(g) - False Statements on a Shipper's Export Declaration Concerning ECCN and Authority to Export:* On or about March 16, 2000, Roper filed or caused to be filed a Shipper's Export Declaration for the export of an imaging camera to Italy that stated the imaging camera was "EAR99" and qualified for export from the United States as NLR ("No License Required"). These representations were false because the imaging camera was covered by ECCN 6A003 and a license was required to export the imaging camera from the United States to Italy.

WHEREAS, Roper has reviewed the proposed charging letter and is aware of the allegations made against it and the administrative sanctions that could be imposed against it if the allegations are found to be true;

WHEREAS, Roper fully understands the terms of this Agreement and the Order ("Order") that the Assistant Secretary of Commerce for Export Enforcement will issue if she approves this Agreement as the final resolution of this matter;

WHEREAS, Roper enters into this Agreement voluntarily and with full knowledge of its rights;

WHEREAS, Roper states that no promises or representations have been made to it other than the agreements and considerations herein expressed;

WHEREAS, Roper neither admits nor denies the allegations contained in the proposed charging letter;

WHEREAS, Roper wishes to settle and dispose of all matters alleged in the proposed charging letter by entering into this Agreement; and

WHEREAS, Roper agrees to be bound by the Order, if entered;

NOW THEREFORE, the Parties hereby agree as follows:

1. BIS has jurisdiction over Roper, under the Regulations, in connection with the matters alleged in the proposed charging letter.
2. The following sanction shall be imposed against Roper in complete settlement of the violations of the Regulations set forth in the proposed charging letter:
 - a. Roper shall be assessed a civil penalty in the amount of \$422,000 which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of the appropriate Order.
 - b. The timely payment of the civil penalty agreed to in paragraph 2.a. is hereby made a condition to the granting, restoration, or continuing validity of any export license, license exception, permission, or privilege granted, or to be granted, to Roper. Failure to make timely payment of the civil penalty set forth above shall

result in the denial of all of Roper's export privileges for a period of one year from the date of imposition of the penalty.

3. Subject to the approval of this Agreement pursuant to paragraph 8 hereof, Roper hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violations of this Agreement or the Order, if entered), including, without limitation, any right to: (a) an administrative hearing regarding the allegations in the proposed charging letter; (b) request a refund of any civil penalty paid pursuant to this Agreement and the Order, if entered; (c) request any relief from the Order, if entered, including without limitation relief from the terms of a denial order under 15 C.F.R. § 764.3(a)(2); and (d) seek judicial review or otherwise contest the validity of this Agreement or the Order, if entered.

4. Upon entry of the Order and timely payment of the \$422,000 civil penalty, BIS will not initiate any further administrative proceeding against Roper in connection with any violation of the Act or the Regulations arising out of the transactions identified in the proposed charging letter.

5. BIS will make the proposed charging letter, this Agreement, and the Order, if entered, available to the public.

6. This Agreement is for settlement purposes only. Therefore, if this Agreement is not accepted and the Order is not issued by the Assistant Secretary of Commerce for Export Enforcement pursuant to Section 766.18(a) of the Regulations, no Party may use this Agreement in any administrative or judicial proceeding and the Parties shall not be bound by the terms contained in this Agreement in any subsequent administrative or judicial proceeding.

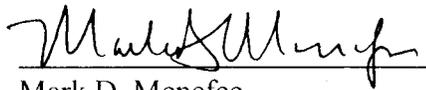
7. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise affect the terms of this Agreement or the Order, if entered, nor shall this Agreement serve to bind, constrain, or otherwise limit any action by any other agency or department of the United States Government with respect to the facts and circumstances addressed herein.

8. This Agreement shall become binding on BIS only if the Assistant Secretary of Commerce for Export Enforcement approves it by entering the Order, which will have the same force and effect as a decision and order issued after a full administrative hearing on the record.

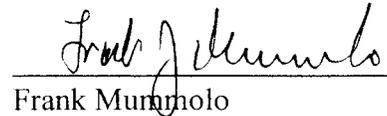
9. Each signatory affirms that he has authority to enter into this Settlement Agreement and to bind his respective party to the terms and conditions set forth herein.

BUREAU OF INDUSTRY AND SECURITY
U.S. DEPARTMENT OF COMMERCE

ROPER SCIENTIFIC, INC.



Mark D. Menefee
Director
Office of Export Enforcement



Frank Mummolo
President

Date: 4/8/04

Date: April 5, 2004

UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY
WASHINGTON, D.C. 20230

In the Matter of:)
)
Roper Scientific, Inc.)
3660 Quakerbridge Road)
Trenton, New Jersey 08619)
)
Respondent.)

ORDER

The Bureau of Industry and Security, United States Department of Commerce (“BIS”) having notified Roper Scientific, Inc. (“Roper”) of its intention to initiate an administrative proceeding against Roper pursuant to Section 766.3 of the Export Administration Regulations (“Regulations”),¹ and Section 13(c) of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“Act”),² based on the proposed charging letter issued to Roper that alleged that Roper committed 121 violations of the Regulations. Specifically, the charges are:

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2003). The violations charged occurred in 2000. The Regulations governing the violations at issue are found in the 2000 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2000)). The 2003 Regulations establish the procedures that apply to this matter.

² From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) (“IEEPA”). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended by the Notice of August 7, 2003 (68 *Fed. Reg.* 47833, August 11, 2003), has continued the Regulations in effect under IEEPA.

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export of an imaging camera to Italy that stated the imaging camera was "EAR99" and qualified for export from the United States as NLR ("No License Required"). These representations were false because the imaging camera was covered by ECCN 6A003 and a license was required to export the imaging camera from the United States to Italy.

BIS and Roper having entered into a Settlement Agreement pursuant to Section 766.18(a) of the Regulations whereby they agreed to settle this matter in accordance with the terms and conditions set forth therein, and the terms of the Settlement Agreement having been approved by me;

IT IS THEREFORE ORDERED:

FIRST, that a civil penalty of \$422,000 is assessed against Roper which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of this Order. Payment shall be made in the manner specified in the attached instructions.

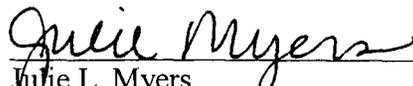
SECOND, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C. §§ 3701-3720E (2000)), the civil penalty owed under this Order accrues interest as more fully described in the attached Notice, and, if payment is not made by the due date specified herein, Roper will be assessed, in addition to the full amount of the civil penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, that the timely payment of the civil penalty set forth above is hereby made a condition to the granting, restoration, or continuing validity of any export license, license exception, permission, or privilege granted, or to be granted, to Roper. Accordingly, if Roper should fail to pay the civil penalty in a timely manner, the undersigned may enter an Order

denying all of Roper's export privileges for a period of one year from the date of entry of this Order.

FOURTH, that the proposed charging letter, the Settlement Agreement, and this Order shall be made available to the public.

This Order, which constitutes the final agency action in this matter, is effective immediately.



Julie L. Myers
Assistant Secretary of Commerce
for Export Enforcement

Entered this 14th day of April 2004.