

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

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In the Matter of: )  
)  
YAUDAT MUSTAFA TALYI )  
a.k.a. JOSEPH TALYI )  
41 Chamale Cove East )  
Slidell, Louisiana 70460, )  
and, )  
Oakdale FDC )  
Federal Bureau of Prisons )  
P.O. Box 5060 )  
Oakdale, Louisiana 71463, )  
)  
Respondent. )

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**RENEWAL OF ORDER TEMPORARILY DENYING EXPORT PRIVILEGES**

Pursuant to Section 766.24 of the Export Administration Regulations (“EAR”),<sup>1</sup> the Bureau of Industry and Security (“BIS”), U.S. Department of Commerce, through its Office of Export Enforcement, has requested that I renew the order (“TDO”) issued on March 19, 2004

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<sup>1</sup> The EAR, which are currently codified at 15 C.F.R. Parts 730-774 (2004), are issued under the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420) (2000) (the “Act”). 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 EAR in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1707 (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 6, 2004, (69 Fed. Reg. 48763 (August 10, 2004)), continued the Regulations in effect under the IEEPA.

temporarily denying the export privileges of YAUDAT MUSTAFA TALYI, a.k.a. JOSEPH TALYI (“Talyi”), 41 Chamale Cove East, Slidell, Louisiana 70460; and Oakdale FDC, Federal Bureau of Prisons, P.O. Box 5060, Oakdale, Louisiana 71463. BIS is requesting that the TDO be renewed for a period of 180 days or until an administrative case against Talyi is completed, whichever occurs earlier.

In its August 26, 2004 request for renewal of the TDO, BIS states that based upon new evidence, and evidence previously adduced that was the basis for the issuance of the initial order temporarily denying the export privileges of Talyi, as well as the subsequent renewals,<sup>2</sup> it believes that renewal of the current TDO is necessary to prevent further violations of the export control laws of the United States. See BIS Request for Renewal dated August 26, 2004, at 4.

BIS evidence attached to its request for renewal of the TDO indicates that Talyi has refused to enter into a settlement agreement, to which he previously agreed, concerning a BIS administrative enforcement case pending against him. See id. at 4-6. That settlement agreement was consistent with the criminal plea agreement that Talyi entered into that resulted in his criminal conviction. See id. at 7.

Specifically, BIS evidence indicates that on January 29, 2004, pursuant to a plea agreement filed in the United States District Court for the Eastern District of Louisiana, Talyi pled guilty to two felony counts of violating the International Emergency Economic Powers Act for his participation in the export and attempted export of items to the United Arab Emirates that

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<sup>2</sup> The Assistant Secretary of Commerce for Export Enforcement (“Assistant Secretary”) initially issued a TDO against Talyi and his two companies on September 30, 2002. The Assistant Secretary renewed the TDO on March 29, 2003, modified it on July 24, 2003 to add related persons, again renewed it on September 24, 2003, and renewed it on March 19, 2004 as to Talyi alone.

were violations of the initial TDO. See id. at 5. Talyi's plea agreement further stated that Talyi agreed to settle the BIS administrative case by paying a \$75,000 civil penalty and accepting a 10-year denial of export privileges.<sup>3</sup> See id. BIS evidence indicates the plea agreement stated that a copy of the settlement agreement for BIS's administrative case was attached thereto. See id. BIS evidence also indicates that settlement documents consistent with Talyi's criminal plea agreement were sent to Talyi's counsel on March 2, 2004. See id. at 5-6. However, BIS evidence has established that counsel for Talyi ignored repeated attempts by counsel for BIS to discuss the administrative case throughout the spring of 2004 and refused to return a signed settlement agreement consistent with the terms of the plea agreement. See id. at 6. Based on the foregoing, BIS has established that, to date, Talyi has failed to enter into a settlement agreement consistent with his criminal plea agreement despite his agreement to do so. See id. at 4-6.

BIS evidence further indicates that in failing to enter into a settlement agreement with BIS, it appears Talyi has breached the terms of his criminal plea agreement. See id. at 6. Additionally, due to Talyi's failure to abide by the terms of his agreement, BIS was forced to institute a formal administrative proceeding against Talyi and he has defaulted in that matter. See id.

In light of the above, I find that Talyi has demonstrated a continued pattern of noncompliance with the export control laws of the United States and terms of agreements with and orders of the United States government that establishes Talyi's complete disregard for the export control laws of the United States. Specifically, despite a TDO being issued against him

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<sup>3</sup> On April 28, 2004, U.S. District Court Judge Jay C. Zainey sentenced Talyi to five months in prison, five months of home confinement, one year of supervised release, and a \$25,000 criminal fine for the two felony convictions. See id. at 5.

on September 30, 2002, Talyi began violating its terms less than two weeks later. Then, on January 29, 2004, Talyi pled guilty to two felony counts for violations of the initial TDO and agreed to settle the BIS administrative case by paying a \$75,000 civil penalty and accepting a 10-year denial of his export privileges. Despite executing the plea agreement, which stated the BIS settlement agreement was attached, Talyi has now refused to enter into a settlement agreement consistent with his plea agreement and has forced BIS to pursue a formal administrative case against him due to his repeated failure to engage in any constructive settlement negotiations. Finally, Talyi has defaulted in the BIS administrative case pending against him and has apparently breached the terms of his criminal plea agreement.

Accordingly, I am renewing the order temporarily denying the export privileges of Talyi for a period of 180 days or until the administrative enforcement case against him is completed, whichever occurs earlier as I have concluded that a TDO against Talyi continues to be necessary, in the public interest, to prevent an imminent violation of the EAR.

IT IS THEREFORE ORDERED:

FIRST, that YAUDAT MUSTAFA TALYI, a.k.a. JOSEPH TALYI (“Talyi”), 41 Chamale Cove East, Slidell, Louisiana 70460; and Oakdale FDC, Federal Bureau of Prisons, P.O. Box 5060, Oakdale, Louisiana 71463 (the “Denied Person”) may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as “item”) exported or to be exported from the United States that is subject to the Export Administration Regulations (“EAR”), or in any other activity subject to the EAR, including, but not limited to:

- A. Applying for, obtaining, or using any license, License Exception, or export control document;
- B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the EAR, or in any other activity subject to the EAR;  
or
- C. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the EAR, or in any other activity subject to the EAR.

SECOND, that no person may, directly or indirectly, do any of the following:

- A. Export or reexport to or on behalf of the Denied Person any item subject to the EAR;
- B. Take any action that facilitates the acquisition or attempted acquisition by the Denied Person of the ownership, possession, or control of any item subject to the EAR that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby the Denied Person acquires or attempts to acquire such ownership, possession or control;
- C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from the Denied Person of any item subject to the EAR that has been exported from the United States;

D. Obtain from the Denied Person order in the United States any item subject to the EAR with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or

E. Engage in any transaction to service any item subject to the EAR that has been or will be exported from the United States and which is owned, possessed or controlled by the Denied Person, or service any item, of whatever origin, that is owned, possessed or controlled by the Denied Person if such service involves the use of any item subject to the EAR that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

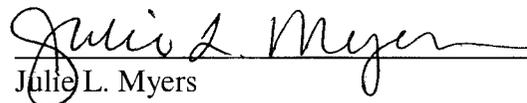
THIRD, that, in addition to the related person named above, after notice and opportunity for comment as provided in section 766.23 of the EAR, any other person, firm, corporation, or business organization related to the denied person by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be made subject to the provisions of this Order.

FOURTH, that this Order does not prohibit any export, reexport, or other transaction subject to the EAR where the only items involved that are subject to the EAR are the foreign-produced direct product of U.S.-origin technology.

In accordance with the provisions of Section 766.24(e) of the EAR, denied persons may, at any time, appeal this Order by filing a full written statement in support of the appeal with the Office of the Administrative Law Judge, U.S. Coast Guard ALJ Docketing Center, 40 South Gay Street, Baltimore, Maryland 21202-4022.

This Order is effective immediately and shall remain in effect for a period of 180 days or until an administrative enforcement case against Talyi is completed, whichever occurs earlier.

A copy of this Order shall be served on Talyi and shall be published in the Federal Register.



Julie L. Myers  
Assistant Secretary of Commerce  
for Export Enforcement

Entered this 13<sup>th</sup> day of September, 2004.