



UNITED STATES DEPARTMENT OF COMMERCE
Bureau of Industry and Security
Washington, D.C. 20230

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Dosmatic U.S.A., Inc.
1230 Crowley Circle
Carrollton, TX 75006

Attn: *Frank A. Walton*
President

Dear *Mr.* Walton:

The Bureau of Industry and Security, United States Department of Commerce (“BIS”) has reason to believe that Dosmatic U.S.A., Inc. (“Dosmatic”) 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 five occasions. Specifically, BIS charges that Dosmatic committed the following violations:

Charges 1 - 2 (15 C.F.R. §764.2(a) - Exporting Liquid Injectors to Iran without the Required U.S. Government Authorization)

On or about May 24, 2001 and August 10, 2001, Dosmatic exported or caused the export of four liquid injectors and 120 liquid injectors, respectively, items subject to the Regulations and to the Iranian Transaction Regulations, from the United States to Iran without prior authorization from the Office of Foreign Assets Control, U.S. Department of Treasury, in violation of Section 746.7 of the Regulations. By exporting or causing exports that violated the Regulations, Dosmatic committed two violations of Section 764.2(a) of the Regulations.

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2002). The violations charged occurred in 2001. The Regulations governing the violations at issue are found in the 2001 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2001)). The 2001 Regulations are substantially the same as the 2002 Regulations, which govern the procedural aspects of the case.

² From November 13, 2000 through August 20, 2001, the Act was in effect. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222, which has been extended by a Presidential Notice of August 14, 2002 (67 *Fed. Reg.* 159 (August 16, 2002)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§1701 - 1707 (2000)). The Act and Regulations are available on the Government Printing Office website at: <http://w3.access.gpo.gov/bis/>.



Charge 3 (15 C.F.R. §764.2(g)(1) - False Representation as to Country of Ultimate Destination on a Shipper's Export Declaration)

In connection with the August 10,2001 export referenced above, Dosmatic made a false statement to the U.S. Government by filing or causing to be filed a Shipper's Export Declaration³ ("SED") that falsely provided Belgium as the country of ultimate destination. Dosmatic told the freight forwarder that Belgium was the country of ultimate destination, and the freight forwarder then prepared and filed an SED stating that the liquid injectors were being exported to Belgium. This statement was false as the export's ultimate destination was Iran. By causing a false statement to be made to the U.S. Government, Dosmatic committed one violation of Section 764.2(g)(1) of the Regulations.

Charge 4 (15 C.F.R. §764.2(g)(1) - False Representation as to Ultimate Consignee on a Shipper's Export Declaration)

In connection with the August 10,2001 export referenced above, Dosmatic made a false statement to the U.S. Government by filing or causing to be filed an SED that falsely provided that Dosmatic Europe was the ultimate consignee of the liquid injectors. Dosmatic told the freight forwarder that Dosmatic Europe was the ultimate consignee of the export, and the freight forwarder then prepared and filed an SED stating that the ultimate consignee of the liquid injectors was Dosmatic Europe. This statement was false as the ultimate consignee was Pouya Bazargan Co. in Iran. By causing a false statement to be made to the U.S. Government, Dosmatic committed one violation of Section 764.2(g)(1) of the Regulations.

Charge 5 (15 C.F.R. §764.2(g)(1) - False Representation as to Authority to Export on a Shipper's Export Declaration)

In connection with the August 10,2001 export referenced above, Dosmatic made a false statement to the U.S. Government by filing or causing to be filed an SED that falsely provided that the liquid injectors qualified for export under NLR, no license required. Dosmatic told the freight forwarder that no export license was required for the export, and the freight forwarder then prepared and filed an SED stating that the export was authorized under NLR. This statement was false as the export of the liquid injectors required an export license from the U.S. Government. By causing a false statement to be made to the U.S. Government, Dosmatic committed one violation of Section 764.2(g)(1) of the Regulations.

Accordingly, Dosmatic 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 of \$11,000 per violation:

Denial of export privileges; and/or

³ A Shipper's Export Declaration is an export control document as defined in ~~Part~~ 772 of the Regulations.

⁴ See 15 C.F.R. §6.4(a)(2).

Exclusion from practice before BIS.

If Dosmatic 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 Dosmatic defaults, the Administrative Law Judge may find the charges alleged in this letter are true without hearing or further notice to Dosmatic. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty on each charge in this letter.

Dosmatic 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). Dosmatic 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 Dosmatic have a proposal to settle this case, Dosmatic 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, Dosmatic'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

In addition, a copy of Dosmatic'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

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

In the Matter of)
)
Dosmatic U.S.A., Inc.)
1230 Crowley Circle)
Carrollton, Texas 75006,)
)
Respondent.)

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Respondent, Dosmatic U.S.A., Inc. (“Dosmatic”) 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 (currently codified at 15 C.F.R. Parts 730-774 (2002)) (“Regulations”), issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“Act”).²

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

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

¹ The violations charged occurred in 2001. The Regulations governing the violations at issue are found in the 2001 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2001)). The 2001 Regulations are substantially the same as the 2002 Regulations, which govern the procedural aspects of the case.

² From November 13, 2000 through August 20, 2001, the Act was in effect. 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 14, 2002 (67 Fed. Reg. 53721 (August 16, 2002)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1707 (2000)).

1. *Two Violations of 15 C.F.R. §764.2(a)- Exporting **Liquid** Injectors to Iran without the Required US. Government Authorization:* On or about May 24,2001 and **August** 10,2001, Dosmatic exported or caused the export of four liquid injectors and 120 liquid injectors, respectively, items subject to the Regulations and to the Iranian Transaction Regulations, from the United States to Iran without prior authorization from the Office of Foreign Assets Control, **U.S.** Department of Treasury, in violation of Section 746.7 of the Regulations.
2. *One Violation of 15 C.F.R. §764.2(g)(1) - False Representation as to **Country** of Ultimate Destination on a **Shipper's Export Declaration**:* In connection with the August 10,2001 export referenced above, Dosmatic made a false statement to the U.S. Government by filing or causing to be filed a Shipper's Export Declaration³ ("SED") that falsely provided Belgium **as** the country of ultimate destination. Dosmatic told the freight forwarder that Belgium was the country of ultimate destination, and the freight forwarder then prepared and filed an SED stating that the liquid injectors were being exported to Belgium. This statement was false **as** the export's ultimate destination was Iran.
3. *One Violation of 15 C.F.R. §764.2(g)(1) - False Representation as to Ultimate Consignee on a Shipper's **Export Declaration**:* In connection with the August 10,2001 export referenced above, Dosmatic made a false statement to the U.S. Government by filing or causing to be filed an SED that falsely provided that Dosmatic Europe was the

³ A Shipper's Export Declaration is **an** export control document as defined in Part 772 of the Regulations.

ultimate consignee of the liquid injectors.. Dosmatic told the freight forwarder that Dosmatic Europe was the ultimate consignee of the export, and the freight forwarder then prepared and filed an SED stating that the ultimate consignee of the liquid injectors was Dosmatic Europe. This statement was false as the ultimate consignee was Pouya Bazargan Co. in ~~Iran~~.

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

WHEREAS, Dosmatic fully understands the terms of this Agreement and the Order of the Assistant Secretary of Commerce for Export Enforcement that will implement this Agreement (“Order”);

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

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

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

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

WHEREAS, Dosmatic agrees to be bound by the Order, when entered;

NOW THEREFORE, the Parties hereby agree as follows:

1. BIS has jurisdiction over Dosmatic, under *the* Regulations, in connection with the matters alleged in the proposed charging letter.

2. The following sanction shall be imposed against Dosmatic in complete settlement of the violations of the Regulations set forth in the proposed charging letter:

- a. Dosmatic shall be assessed a civil penalty in the amount of \$44,000. Dosmatic shall pay the civil penalty in four installments of \$11,000 each. The payments of \$11,000 each shall be made to the U.S. Department of Commerce no later than June 1, 2003, November 1, 2003, April 1, 2004, and September 1, 2004, respectively.
- 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, permission, or privilege granted, or to be granted, to Dosmatic. Failure to make timely payment of the civil penalty set forth above may result in the denial of all of Dosmatic's export privileges for a period of one year from the date of imposition of the penalty.
- c. Dosmatic, its successors or assigns, and, when acting for or on behalf of Dosmatic, its officers, representatives, agents or employees ("denied persons") may not, for a period of 30 months from the date of entry of the Order, participate, directly or indirectly, 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 Regulations, or in any other activity subject to the Regulations, including, but not limited to:

- i. Applying for, obtaining, or using any license, License Exception, or export control document;
 - ii. 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 Regulations, or in any other activity subject to the Regulations; or
 - iii. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations.
- d. BIS agrees that, as authorized by Section 766.18(c) of the Regulations, the 30 month denial period set forth in paragraph 2.c. shall be suspended for a period of 30 months from the entry of the appropriate Order, and shall thereafter be waived, provided that during the period of suspension, Dosmatic **has** committed no violation of the Act or any regulation, order or license issued thereunder, **and**, provided further that Dosmatic **has** made timely payment of the \$44,000 civil penalty assessed pursuant to this Settlement Agreement and the Order.

3. Dosmatic agrees that, subject to the approval of this Agreement pursuant to paragraph 8 hereof, it hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violations of this Agreement or the Order, when 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, when entered;

and (c) seek judicial review or otherwise contest the validity of this Agreement or the Order, when entered.

4. Upon entry of the Order, BIS will not initiate any further administrative proceeding against Dosmatic in connection with any violation of the Act or the Regulations arising out the transactions identified in the proposed charging letter.

5. Dosmatic understands that BIS will make the proposed charging letter, this Agreement, and the Order, when 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, when 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 when 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 it 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

DOSMATIC U.S.A., Inc.


Mark Menefee
Director
Office of Export Enforcement


Frank A. Walton
President

Date: 4/17/03

Date: 4/14/03

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

In the Matter of:)
)
Dosmatic U.S.A., Inc.)
1230 Crowley Circle)
Carrollton, Texas 75006,)
)
Respondent.)
_____)

ADDENDUM TO SETTLEMENT AGREEMENT

The Bureau of Industry and Security, United States Department of Commerce (“BIS”) and Respondent, Dosmatic U.S.A., Inc. (“Dosmatic”) (collectively referred to as “Parties”), enter into this Addendum (“Addendum”) to the Settlement Agreement between the Parties dated April 17, 2003 (“Settlement Agreement”) to change the due date of Dosmatic’s first \$11,000 installment payment to BIS under the Settlement Agreement. The Parties have agreed that Dosmatic shall pay a \$44,000 civil penalty and have its export privileges denied for 30 months (~~the~~ denial of export privileges shall be suspended in its entirety) to settle the allegations that Dosmatic committed four violations of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2003)) for exporting or causing the export of **liquid** injectors to Iran without the required U.S. Government authorization. Under the terms of the Settlement Agreement, Dosmatic’s first \$11,000 installment payment would have been due on June 11, 2003. However, as a result of the unforeseen delay in Dosmatic’s sentencing in the related criminal case, which is currently set for July 10, 2003, the Order resolving the administrative case has not been signed. Therefore, the Parties agree that the due date of Dosmatic’s first

\$11,000 installment payment shall be changed from June 11, 2003 to August 1, 2003. The dates of the three remaining installment payments remain unchanged. The Parties hereby agree **as** follows:

1. The last sentence of Paragraph 2.a. of the Settlement Agreement is struck in its entirety and replaced by the following:

The payments of \$11,000 each shall be made to the U.S. Department of Commerce no later than August 1, 2003, November 1, 2003, **April** 1, 2004, and September 1, 2004, respectively.

2. Paragraph 7 is struck in its entirety and replaced by the following:

Nothing in this Agreement may be changed or otherwise modified other than in a written modification signed by both Parties. This Agreement and any written modification thereto do not 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.

3. With the exception of Paragraphs 2.a. and **7** as revised above, the terms and conditions of the Settlement Agreement remain unchanged and in full force and effect.

4. This Addendum shall be made available to the public if and when the Order is signed by the Assistant Secretary of Commerce for Export Enforcement.

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

Addendum to Settlement Agreement

Dosmatic

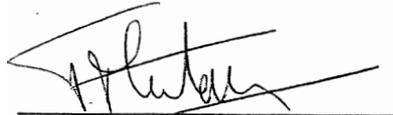
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BUREAU OF INDUSTRY AND SECURITY
U.S. DEPARTMENT OF COMMERCE

DOSMATIC U.S.A. INC.



Mark Menefee
Director
Office of Export Enforcement



Frank A. Walton
President

Date: 7/31/03

Date: 7 2 0 3

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

In the Matter of:)
)
Dosmatic U.S.A., Inc.)
1230 Crowley Circle)
Carrollton, Texas 75006,)
)
Respondent.)

SECOND ADDENDUM TO SETTLEMENT AGREEMENT

The Bureau of Industry and Security, United States Department of Commerce (“BIS”) and Respondent, Dosmatic U.S.A., Inc. (“Dosmatic”) (collectively referred to as “Parties”), enter into this Second Addendum to the Settlement Agreement between the Parties dated April 17, 2003 (“Settlement Agreement”) to change the due date of Dosmatic’s first installment payment from August 1, 2003, to a date 30 days after the signing of the order as a result of further delay in this matter.

The Parties hereby agree as follows:

1. The last sentence of Paragraph 2.a. of the Settlement Agreement is struck in its entirety and replaced by the following:

The four payments of \$11,000 each shall be made to the U.S. Department of Commerce no later ~~than~~ the following dates:

First payment: Thirty days after the date of signing of the order;

Second payment: January 5, 2004,

Third payment: May 3, 2004, and

Fourth payment: October 1, 2004.

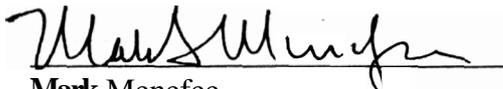
3. With the exception of Paragraph 2.a. as revised above, the terms and conditions of the Settlement Agreement as Amended by the first Addendum remain unchanged and in full force and effect.

4. This Second Addendum shall be made available to the public if and when the Order is signed by the Assistant Secretary of Commerce for Export Enforcement.

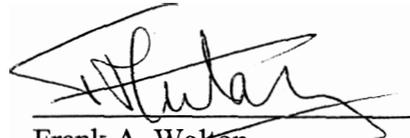
5. Each signatory affirms that he has the authority to enter into this Second Addendum and to bind his respective **party** to the terms **and** conditions set forth herein.

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

DOSMATIC U.S.A. INC.



Mark Menefee
Director
Office of Export Enforcement



Frank A. Walton
President

Date: 9/10/03

Date: 8/20/03

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

In the Matter of)
)
Dosmatic U.S.A., Inc.)
1230 Crowley Circle)
Carrollton, Texas 75006,)
)
Respondent.)

ORDER

The Bureau of Industry and Security, United States Department of Commerce (“BIS”) notified Dosmatic U.S.A., Inc. (“Dosmatic”) of its intention to initiate an administrative proceeding against Dosmatic pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2002)) (“Regulations”), and Section 13(c) of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“Act”),¹ based on the proposed charging letter issued to Dosmatic that alleged that Dosmatic violated the Regulations on four occasions. Specifically, the charges are:

1. *Two Violations of 15 C.F.R. §764.2(a)- Exporting Liquid Injectors to Iran without the Required U.S. Government Authorization:* On or about May 24,2001 and August 10,2001, Dosmatic exported or caused the export of four liquid injectors and 120 liquid injectors, respectively, items subject to the Regulations and to the Iranian Transaction Regulations, from the United States to Iran without prior authorization from the Office of Foreign Assets Control, U.S. Department of

¹ From November 13, 2000 through August 20,2001, the Act was in effect. 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 the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1707 (2000)).

Treasury, in violation of Section 746.7 of the Regulations.

2. *One Violation of 15 C.F.R. §764.2(g)(1) - False Representation as to Country of Ultimate Destination on a Shipper's Export Declaration:* In connection with the August 10, 2001 export referenced above, Dosmatic made a false statement to the U.S. Government by filing or causing to be filed a Shipper's Export Declaration* ("SED") that falsely provided Belgium as the country of ultimate destination. Dosmatic told the freight forwarder that Belgium was the country of ultimate destination, and the freight forwarder then prepared and filed an SED stating that the liquid injectors were being exported to Belgium. This statement was false as the export's ultimate destination was Iran.
3. *One Violation of 15 C.F.R. §764.2(g)(1) - False Representation as to Ultimate Consignee on a Shipper's Export Declaration:* In connection with the August 10, 2001 export referenced above, Dosmatic made a false statement to the U.S. Government by filing or causing to be filed an SED that falsely provided that Dosmatic Europe was the ultimate consignee of the liquid injectors. Dosmatic told the freight forwarder that Dosmatic Europe was the ultimate consignee of the export, and the freight forwarder then prepared and filed an SED stating that the ultimate consignee of the liquid injectors was Dosmatic Europe. This statement was false as the ultimate consignee was Pouya Bazargan Co. in Iran,

BIS and Dosmatic having entered into a Settlement Agreement pursuant to Section 766.18(a) of the Regulations and written Addenda thereto dated July 31, 2003, and September 10,

² A Shipper's Export Declaration is an export control document as defined in Part 772 of the Regulations.

2003, whereby they agreed to settle this matter in accordance with the terms and conditions set forth therein, and the terms of the Settlement Agreement and the Addenda having been approved by me;

IT IS THEREFORE ORDERED:

FIRST, that a civil penalty of \$44,000 is assessed against Dosmatic. Dosmatic shall pay the civil penalty in four installments of \$11,000 each. The payments of \$11,000 each shall be made to the U.S. Department of Commerce no later than thirty days from the date of signing of this order, January 5, 2004, May 3, 2004, and October 1, 2004, respectively. 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, Dosmatic 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 for a period of 30 months from the date of this Order, Dosmatic U.S.A., Inc., 1230 Crowley Circle, Carrollton, Texas 75006, its successors or assigns, and when acting for or on behalf of Dosmatic, its officers, representatives, agents or employees (“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 Regulations, or in any other activity subject to the Regulations, 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 Regulations, or in any other activity subject to the Regulations; 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 Regulations, or in any other activity subject to the Regulations.

FOURTH, 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 Regulations;
- 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 Regulations 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 Regulations that has been exported from the United States;

- D. Obtain from the denied person in the United States any item subject to the Regulations 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 Regulations 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 Regulations that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

FIFTH, that after notice and opportunity for comment as provided in Section 766.23 of the Regulations, any person, firm, corporation, or business organization related to Dosmatic by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be subject to the provisions of this Order.

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

SEVENTH, that, as authorized by Section 766.18(c) of the Regulations, the denial period set forth above shall be suspended in its entirety for 30 months from the date of this Order, and shall thereafter be waived, provided that during the period of suspension, Dosmatic has committed no violation of the Act or any regulation, order or license issued thereunder, and, provided further, that Dosmatic has made timely payment of the civil penalty as provided herein.

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

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



Lisa A. Prager
Acting Assistant Secretary of Commerce
for Export Enforcement

Entered this 30th day of September 2003.