

OCT 7 2004



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

REGISTERED MAIL - RETURN RECEIPT REQUESTED

Jamie Radi Mustafa
Khalidiya, P.O. Box 46112
Abu Dhabi, United Arab Emirates

Dear Mr. Mustafa:

The Bureau of Industry and Security, United States Department of Commerce ("BIS"), has reason to believe that you, Jamie Radi Mustafa of Abu Dhabi, United Arab Emirates ("Mustafa") have committed six violations of the Export Administration Regulations (the "Regulations"),¹ which are issued under the authority of the Export Administration Act of 1979 (the "Act").² Specifically, BIS charges that Mustafa has committed the following violations:

Charge 1 15 C.F.R. § 764.2(k) - Participating in an Export or Attempted Export of Items Subject to the Regulations Prohibited by an Order Issued Thereunder

On or about October 30, 2002, Mustafa took action prohibited by a denial order by participating in a transaction concerning the export of oil field parts, items subject to the

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2004). The charged violations occurred from 2002 to 2003. The Regulations governing the violations at issue are found in the 2002 to 2003 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2002-2003)). The 2004 Regulations 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 by Pub. L. No. 106-508 (114 Stat. 2360 (2000)) and it remained in effect through August 20, 2001. Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 6, 2004 (69 *Fed. Reg.* 48763, August 10, 2004), continues the Regulations in effect under IEEPA.



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

In the Matter of:)
)
Jamie Radi Mustafa)
Khalidiya, P.O. Box 46112) Docket No. 04-BIS-17
Abu Dhabi, United Arab Emirates)
)
Respondent)

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between, Jamie Radi Mustafa (“Mustafa”) and the Bureau of Industry and Security, United States Department of Commerce (“BIS”) (collectively referred to as “Parties”), pursuant to Section 766.18(b) of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2004)) (“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 charged violations occurred from 2002 to 2003. The Regulations governing the violations at issue are found in the 2002 to 2003 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2002-2003)). The 2004 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 6, 2004, (69 Fed. Reg. 48763 (August 10, 2004)), has continued the Regulations in effect under IEEPA.

WHEREAS, BIS has initiated an administrative proceeding against Mustafa, pursuant to the Act and the Regulations;

WHEREAS, BIS has issued a charging letter to Mustafa that alleged that Mustafa, as Assistant Managing Director of Uni-Arab Engineering and Oil Field Services of Abu Dhabi, United Arab Emirates (“Uni-Arab”), in his individual capacity committed six violations of the Regulations, specifically:

1. *One Violation of 15 C.F.R. § 764.2(k) - Participating in an Export or Attempted Export of Items Subject to the Regulations Prohibited by an Order Issued Thereunder:* On or about October 30, 2002, Mustafa took action prohibited by a BIS denial order by participating in a transaction concerning the export of oil field parts, items subject to the Regulations (EAR99³), from the United States in violation of an order issued pursuant to the Regulations dated September 30, 2002 denying the export privileges of International Business Services, Ltd. and its owner, Yaudat Mustafa Talyi, a.k.a. Joseph Talyi (“Talyi”) (“Talyi TDO”). Specifically, on October 30, 2002, Mustafa, on behalf of Uni-Arab, ordered oil field equipment from an oil field equipment broker located in the United States for export to the United Arab Emirates. The Talyi TDO prohibited Talyi from “carrying on negotiations concerning, or ordering, buying, ... any item exported or to be exported from the United States that is subject to the Regulations.”

³ The term “EAR99” refers to items subject to the Regulations that are not listed on the Commerce Control List. *See* 15 C.F.R. § 734.3(c).

Mustafa's participation in this export transaction was contrary to the terms and conditions of the Talyi TDO since Talyi had participated in this transaction.

2. *One Violation of 15 C.F.R. § 764.2(e) - Ordering Items Subject to the Regulations With Knowledge That a Violation Would Occur:* On or about October 30, 2002, Mustafa ordered the items referenced in paragraph one above with knowledge that such items would be exported from the United States in violation of the terms and conditions of the Talyi TDO. Mustafa knew that Talyi was subject to the Talyi TDO and that BIS had not authorized Uni-Arab to take actions prohibited by the Talyi TDO.
3. *One Violation of 15 C.F.R. §764.2(g) - False Statement to Assistant Secretary for Export Enforcement in the Course of a BIS Administrative Enforcement Proceeding:* On or about July 7, 2003, in connection with an ongoing BIS administrative enforcement proceeding, Mustafa represented to the BIS Assistant Secretary for Export Enforcement that Uni-Arab, of which Mustafa was Assistant Managing Director, had not had any direct or indirect intentional dealings with countries under U.S. embargo restrictions in connection with merchandise that is subject to U.S. jurisdiction. This statement was false as Uni-Arab had, on one or more occasions, participated in transactions involving the sale of items subject to the Regulations to a petrochemical company in Libya.
4. *One Violation of 15 C.F.R. §764.2(g) - False Statement to Assistant Secretary for Export Enforcement in the Course of a BIS Administrative Enforcement Proceeding:* On or about July 7, 2003, in connection with an ongoing BIS

administrative enforcement proceeding, Mustafa represented to the BIS Assistant Secretary for Export Enforcement that Uni-Arab had not had any direct dealings with Libya involving any U.S. products or otherwise subject to U.S. jurisdiction. This statement was false as Uni-Arab had, on one or more occasions, participated in transactions involving the sale of items subject to the Regulations to a petrochemical company in Libya.

5. *One Violation of 15 C.F.R. §764.2(g) - False Statement to Assistant Secretary for Export Enforcement in the Course of a BIS Administrative Enforcement*

Proceeding: On or about July 7, 2003, in connection with an ongoing BIS administrative enforcement proceeding, Mustafa represented to the BIS Assistant Secretary for Export Enforcement that he had not had any direct or indirect intentional dealings with countries under U.S. embargo restrictions in connection with merchandise that is subject to U.S. jurisdiction. This statement was false as he had, on one or more occasions, participated in transactions involving the sale of items subject to the Regulations to a petrochemical company in Libya.

6. *One Violation of 15 C.F.R. §764.2(g) - False Statement to Assistant Secretary for Export Enforcement in the Course of a BIS Administrative Enforcement*

Proceeding: On or about July 7, 2003, in connection with an ongoing BIS administrative enforcement proceeding, Mustafa represented to the BIS Assistant Secretary for Export Enforcement that he had not had any direct dealings with Libya involving any U.S. products or otherwise subject to U.S. jurisdiction. This statement was false as he had, on one or more occasions, participated in

transactions involving the sale of items subject to the Regulations to a petrochemical company in Libya.

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

WHEREAS, Mustafa 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, Mustafa enters into this Agreement voluntarily and with full knowledge of his rights;

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

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

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

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

NOW THEREFORE, the Parties hereby agree as follows:

1. BIS has jurisdiction over Mustafa, under the Regulations, in connection with the matters alleged in the charging letter.
2. The following sanctions shall be imposed against Mustafa in complete settlement of the violations of the Regulations set forth in the charging letter:

- a. Mustafa shall be assessed a civil penalty in the amount of \$55,000 which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of the 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, permission, or privilege granted, or to be granted, to Mustafa. Failure to make timely payment of the civil penalty set forth above shall result in the denial of all of Mustafa's export privileges for a period of one year from the date of imposition of the penalty.
- c. For a period five years from the date of entry of the Order, Mustafa, and, when acting for or on behalf of Mustafa, his representatives, agents, assigns or employees ("Denied Person") may not 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 five year denial period set forth in paragraph 2.c. shall be suspended in its entirety for a period of one year from the entry of the appropriate Order, and shall thereafter be waived, provided that during the period of suspension, Mustafa has committed no violation of the Act or any regulation, order or license issued thereunder, and, provided further that Mustafa has made timely payment of the \$55,000 civil penalty assessed pursuant to this Agreement and the Order.

3. Subject to the approval of this Agreement pursuant to paragraph 8 hereof, Mustafa 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 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 \$55,000 civil penalty, BIS will not initiate any further administrative proceeding against Mustafa in connection with any violation of the Act or the Regulations arising out of the transactions identified in the charging letter.

5. BIS will make the charging letter, this Agreement, the Order, if entered, and the record of the case as defined in Section 766.20 of the Regulations 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(b) 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.

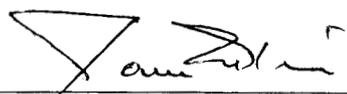
8. This Agreement shall become binding on BIS only if the Assistant Secretary of Commerce for Export Enforcement approves it by entering the Order, which will have the same force and effect as a decision and order issued after a full administrative hearing on the record.

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

JAMIE RADI MUSTAFA


Roman W. Slonevsky
Acting Chief Counsel


Jamie Radi Mustafa
In his individual capacity

Date: 3/16/05

Date: 15 February / 2005

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

_____)	
In the Matter of:)	
)	
Jamie Radi Mustafa)	Docket No. 04-BIS-17
Khalidiya, P.O. Box 46112)	
Abu Dhabi, United Arab Emirates)	
)	
Respondent)	
_____)	

ORDER RELATING TO JAMIE RADI MUSTAFA

The Bureau of Industry and Security, United States Department of Commerce (“BIS”) has initiated an administrative proceeding against Jamie Radi Mustafa (“Mustafa”) pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2004)) (“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 by filing a charging letter that alleged that Mustafa committed six violations of the Regulations. Specifically, the charges are:

¹ The charged violations occurred from 2002 to 2003. The Regulations governing the violations at issue are found in the 2002 to 2003 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2002-2003)). The 2004 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 issued on 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 6, 2004, (69 Fed. Reg. 48763 (August 10, 2004)), has continued the Regulations in effect under IEEPA.

1. *One Violation of 15 C.F.R. § 764.2(k) - Participating in an Export or Attempted Export of Items Subject to the Regulations Prohibited by an Order Issued Thereunder:* On or about October 30, 2002, Mustafa took action prohibited by a BIS denial order by participating in a transaction concerning the export of oil field parts, items subject to the Regulations (EAR99³), from the United States in violation of an order issued pursuant to the Regulations dated September 30, 2002 denying the export privileges of International Business Services, Ltd. and its owner, Yaudat Mustafa Talyi, a.k.a. Joseph Talyi (“Talyi”) (“Talyi TDO”). Specifically, on October 30, 2002, Mustafa, on behalf of Uni-Arab, ordered oil field equipment from an oil field equipment broker located in the United States for export to the United Arab Emirates. The Talyi TDO prohibited Talyi from “carrying on negotiations concerning, or ordering, buying, ... any item exported or to be exported from the United States that is subject to the Regulations.”
2. *One Violation of 15 C.F.R. § 764.2(e) - Ordering Items Subject to the Regulations With Knowledge That a Violation Would Occur:* On or about October 30, 2002, Mustafa ordered the items referenced in paragraph one above with knowledge that such items would be exported from the United States in violation of the terms and conditions of the Talyi TDO. Mustafa knew that Talyi was subject to the Talyi TDO and that BIS had not authorized Uni-Arab to take actions prohibited by the Talyi TDO.
3. *One Violation of 15 C.F.R. § 764.2(g) - False Statement to Assistant Secretary for Export Enforcement in the Course of a BIS Administrative Enforcement*

³ The term “EAR99” refers to items subject to the Regulations that are not listed on the Commerce Control List. See 15 C.F.R. § 734.3(c).

Proceeding: On or about July 7, 2003, in connection with an ongoing BIS administrative enforcement proceeding, Mustafa represented to the BIS Assistant Secretary for Export Enforcement that Uni-Arab, of which Mustafa was Assistant Managing Director, had not had any direct or indirect intentional dealings with countries under U.S. embargo restrictions in connection with merchandise that is subject to U.S. jurisdiction. This statement was false as Uni-Arab had, on one or more occasions, participated in transactions involving the sale of items subject to the Regulations to a petrochemical company in Libya.

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he had, on one or more occasions, participated in transactions involving the sale of items subject to the Regulations to a petrochemical company in Libya.

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Proceeding: On or about July 7, 2003, in connection with an ongoing BIS administrative enforcement proceeding, Mustafa represented to the BIS Assistant Secretary for Export Enforcement that he had not had any direct dealings with Libya involving any U.S. products or otherwise subject to U.S. jurisdiction. This statement was false as he had, on one or more occasions, participated in transactions involving the sale of items subject to the Regulations to a petrochemical company in Libya.

WHEREAS, BIS and Mustafa have entered into a Settlement Agreement pursuant to Section 766.18(b) of the Regulations whereby they agreed to settle this matter in accordance with the terms and conditions set forth therein; and

WHEREAS, I have approved the terms of such Settlement Agreement;

IT IS THEREFORE ORDERED:

FIRST, that a civil penalty of \$55,000 is assessed against Mustafa, which shall be paid on the date of entry of this Order.

SECOND, for a period five years from the date of entry of the Order, Jamie Radi Mustafa, Khalidiya, P.O. Box 46112, Abu Dhabi, United Arab Emirates, (“Mustafa”), and when acting for or on behalf of Mustafa, his representatives, agents, assigns or employees (“Denied Person”) may not 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:

- 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.

THIRD, 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.

FOURTH, 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 Mustafa 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 the Order.

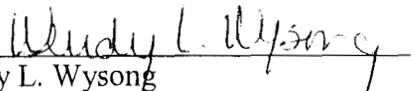
FIFTH, that this Order does not prohibit any export, reexport, or other transaction subject to the Regulations where the only items involved that are subject to the Regulations are the foreign-produced direct product of U.S.-origin technology.

SIXTH, that, as authorized by Section 766.18 (c) of the Regulations, the denial period set forth above shall be suspended in its entirety for one year from the date of this Order, and shall thereafter be waived, provided that during the period of suspension, Mustafa has committed no violation of the Act or any regulation, order or license issued thereunder.

SEVENTH, that the charging letter, the Settlement Agreement, this Order and the record of the case as defined in Section 766.20 of the Regulations shall be made available to the public.

EIGHTH, that the administrative law judge shall be notified that this case is withdrawn from adjudication.

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


Wendy L. Wysong
Acting Assistant Secretary of Commerce
for Export Enforcement

Entered this 17th day of March 2005.