



CERTIFIED MAIL - RETURN RECEIPT REQUESTED

The Oeser Company  
730 Marine Drive  
Bellingham, WA 98225

NOV - 8 2004

Attention: C.M. Secrist, Owner

Dear Mr. Secrist:

The Bureau of Industry and Security, United States Department of Commerce ("BIS"), has reason to believe that The Oeser Company of Bellingham, Washington ("Oeser") violated the Export Administration Regulations (the "Regulations"),<sup>1</sup> which are issued under the authority of the Export Administration Act of 1979 (the "Act"),<sup>2</sup> on 208 occasions. Specifically, BIS charges that Oeser committed the following violations:

**Charges 1-208      15 C.F.R. § 764.2(a) - Exporting Items Without the Required  
Department of Commerce Licenses**

On 208 occasions between on or about November 9, 1999, and February 14, 2004, Oeser engaged in conduct prohibited by the Regulations by exporting utility poles composed of unprocessed Western Red Cedar, items subject to the Regulations (ECCN<sup>3</sup> 1C988), to Canada for

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<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2004). The charged violations occurred during the 1999-2004 period. The Regulations governing the violations at issue are found in the 1999-2004 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774) (1999-2004). The 2004 Regulations set forth the procedures that apply to this matter.

<sup>2</sup> 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., p. 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.

<sup>3</sup>"ECCN" refers to "Export Control Classification Number." See Supp. 1 to 15 C.F.R. § 774.



further processing without obtaining the Department of Commerce licenses required by Section 754.4(a) of the Regulations. The violations are further described in the schedule of violations which is attached hereto and incorporated herein by reference. In so doing, Oeser committed 208 violations of Section 764.2(a) of the Regulations.

Accordingly, Oeser is hereby notified that an administrative proceeding is instituted against it pursuant to 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;<sup>4</sup>

Denial of export privileges; and/or

Exclusion from practice before BIS.

If Oeser 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. *See* 15 C.F.R. §§ 766.6 and 766.7. If Oeser defaults, the Administrative Law Judge may find the charges alleged in this letter are true without a hearing or further notice to Oeser. *See id.* The Under Secretary for Industry and Security may then impose up to the maximum penalty on the charges in this letter. *See id.*

Oeser is further notified that it is entitled to an agency hearing on the record if Oeser files a written demand for one with its answer. *See* 15 C.F.R. § 766.6. Oeser is also entitled to be represented by counsel or other authorized representative who has power of attorney to represent it. *See* 15 C.F.R. §§ 766.3(a) and 766.4.

The Regulations provide for settlement without a hearing. *See* 15 C.F.R. § 766.18. Should Oeser have a proposal to settle this case, its representative should transmit it to 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, Oeser's answer must be filed in accordance with the instructions set forth 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 Oeser's answer must be served on BIS at the following address:

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<sup>4</sup> *See* 15 C.F.R. § 6.4(a)(2).

The Oeser Company  
Charging Letter  
Page 3 of 3

Chief Counsel for Industry and Security  
Attention: Parvin R. Huda  
Room H-3839  
United States Department of Commerce  
14<sup>th</sup> Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

Parvin R. Huda is the attorney representing BIS in this case. Any communications that you may wish to have concerning this matter should occur through her. Ms. Huda may be contacted by telephone at (202) 482-5301.

Sincerely,

A handwritten signature in cursive script that reads "Arnold I. Peter".

Acting Director  
Office of Export Enforcement

The Oeser Company  
Schedule of Violations

CHARGE NUMBER	DATE OF VIOLATION	DESTINATION	INVOICE VALUE	NUMBER OF POLES SHIPPED
1	11/9/1999	CANADA	\$17,997.00	103
2	11/19/1999	CANADA	\$17,514.00	126
3	11/24/1999	CANADA	\$19,472.00	86
4	11/30/1999	CANADA	\$25,390.00	68
5	11/30/1999	CANADA	\$32,790.00	54
6	12/14/1999	CANADA	\$22,911.00	77
7	12/17/1999	CANADA	\$20,469.00	81
8	12/29/1999	CANADA	\$20,400.00	74
9	12/28/1999	CANADA	\$22,638.00	96
10	11/15/1999	CANADA	\$10,200.00	4
11	1/10/2000	CANADA	\$23,450.00	70
12	1/10/2000	CANADA	\$21,583.00	73
13	1/14/2000	CANADA	\$23,275.00	97
14	1/24/2000	CANADA	\$20,490.00	76
15	2/11/2000	CANADA	\$23,049.00	117
16	2/15/2000	CANADA	\$23,100.00	100
17	2/17/2000	CANADA	\$21,271.00	72
18	2/29/2000	CANADA	\$22,458.00	114
19	3/3/2000	CANADA	\$21,394.00	85
20	3/7/2000	CANADA	\$20,921.00	74
21	3/15/2000	CANADA	\$19,314.00	74
22	3/17/2000	CANADA	\$31,780.00	90
23	3/18/2000	CANADA	\$21,057.00	76
24	3/18/2000	CANADA	\$21,456.00	72
25	3/28/2000	CANADA	\$22,734.00	101
26	3/29/2000	CANADA	\$23,811.00	103
27	3/30/2000	CANADA	\$23,800.00	56
28	4/3/2000	CANADA	\$23,115.00	69
29	4/6/2000	CANADA	\$22,264.00	92
30	4/7/2000	CANADA	\$20,885.00	64
31	4/10/2000	CANADA	\$21,939.00	73
32	4/14/2000	CANADA	\$21,174.00	75

33	4/18/2000	CANADA	\$33,586.00	54
34	4/21/2000	CANADA	\$29,440.00	54
35	5/18/2000	CANADA	\$25,287.00	106
36	5/24/2000	CANADA	\$22,655.00	115
37	5/14/2000	CANADA	\$22,863.00	95
38	7/18/2000	CANADA	\$22,647.00	95
39	7/19/2000	CANADA	\$36,076.00	58
40	7/25/2000	CANADA	\$19,414.00	89
41	8/8/2000	CANADA	\$21,780.00	90
42	8/21/2000	CANADA	\$36,555.00	55
43	8/22/2000	CANADA	\$22,310.00	93
44	9/6/2000	CANADA	\$18,662.00	86
45	9/19/2000	CANADA	\$22,410.00	83
46	9/25/2000	CANADA	\$19,467.00	74
47	9/27/2000	CANADA	\$21,757.00	75
48	9/29/2000	CANADA	\$21,134.00	86
49	10/3/2000	CANADA	\$20,604.00	96
50	10/20/2000	CANADA	\$20,916.00	84
51	10/31/2000	CANADA	\$22,780.00	68
52	11/2/2000	CANADA	\$23,115.00	69
53	11/14/2000	CANADA	\$33,750.00	54
54	11/16/2000	CANADA	\$33,750.00	54
55	11/27/2000	CANADA	\$21,320.00	65
56	11/30/2000	CANADA	\$20,992.00	64
57	12/4/2000	CANADA	\$22,125.00	75
58	5/4/2000	CANADA	\$7,991.00	61
59	5/5/2000	CANADA	\$8,384.00	64
60	4/25/2000	CANADA	\$19,707.00	12
61	5/4/2000	CANADA	\$19,214.00	13
62	5/8/2000	CANADA	\$16,970.00	10
63	1/1/2001	CANADA	\$20,097.00	77
64	1/12/2001	CANADA	\$20,680.00	70
65	2/9/2001	CANADA	\$29,100.00	42
66	2/9/2001	CANADA	\$20,570.00	42
67	2/15/2001	CANADA	\$34,025.00	43
68	2/22/2001	CANADA	\$16,762.00	106
69	2/23/2001	CANADA	\$19,694.00	86

70	2/28/2001	CANADA	\$22,018.00	101
71	3/1/2001	CANADA	\$24,650.00	58
72	3/13/2001	CANADA	\$11,656.00	94
73	3/22/2001	CANADA	\$21,960.00	97
74	3/23/2001	CANADA	\$22,022.00	91
75	2/23/2001	CANADA	\$22,648.00	76
76	3/30/2001	CANADA	\$21,247.00	85
77	5/11/2001	CANADA	\$23,585.00	53
78	6/27/2001	CANADA	\$20,178.00	114
79	7/13/2001	CANADA	\$20,008.00	61
80	7/16/2001	CANADA	\$23,326.00	107
81	7/25/2001	CANADA	\$19,467.00	82
82	9/27/2001	CANADA	\$42,560.00	56
83	10/8/2001	CANADA	\$29,224.00	52
84	2/26/2001	CANADA	\$19,050.00	134
85	3/5/2001	CANADA	\$21,390.00	115
86	10/15/2001	CANADA	\$18,330.00	23
87	10/16/2001	CANADA	\$17,040.00	24
88	10/16/2001	CANADA	\$13,170.00	25
89	10/17/2001	CANADA	\$10,983.00	25
90	10/17/2001	CANADA	\$8,856.00	27
91	10/25/2001	CANADA	\$10,371.00	24
92	2/27/2001	CANADA	\$18,850.00	13
93	2/28/2001	CANADA	\$15,525.00	10
94	3/30/2001	CANADA	\$9,840.00	7
95	3/6/2001	CANADA	\$11,904.00	96
96	3/13/2001	CANADA	\$11,656.00	94
97	3/22/2001	CANADA	\$10,300.00	103
98	3/22/2001	CANADA	\$11,658.00	58
99	3/26/2001	CANADA	\$10,300.00	103
100	3/29/2001	CANADA	\$12,400.00	100
101	3/29/2001	CANADA	\$10,922.00	62
102	4/2/2001	CANADA	\$10,800.00	108
103	4/2/2001	CANADA	\$11,656.00	94
104	4/5/2001	CANADA	\$10,684.00	86
105	4/5/2001	CANADA	\$11,576.00	110
105	4/9/2001	CANADA	\$11,532.00	93

107	4/9/2001	CANADA	\$13,948.00	82
108	4/11/2001	CANADA	\$10,349.00	79
109	4/13/2001	CANADA	\$9,819.00	78
110	4/17/2001	CANADA	\$13,350.00	75
111	4/18/2001	CANADA	\$11,780.00	95
112	4/19/2001	CANADA	\$13,350.00	75
113	4/20/2001	CANADA	\$12,896.00	104
114	4/23/2001	CANADA	\$12,282.00	69
115	4/23/2001	CANADA	\$10,912.00	88
116	4/25/2001	CANADA	\$14,304.00	84
117	4/26/2001	CANADA	\$12,026.00	80
118	4/27/2001	CANADA	\$12,757.00	71
119	5/1/2001	CANADA	\$12,524.00	101
120	5/2/2001	CANADA	\$10,523.00	80
121	12/10/2001	CANADA	\$13,125.00	25
122	12/11/2001	CANADA	\$13,125.00	25
123	12/11/2001	CANADA	\$13,125.00	25
124	12/12/2001	CANADA	\$13,125.00	25
125	12/12/2001	CANADA	\$13,125.00	25
126	12/13/2001	CANADA	\$15,600.00	20
127	12/13/2001	CANADA	\$15,600.00	20
128	12/18/2001	CANADA	\$15,600.00	20
129	12/19/2001	CANADA	\$15,600.00	20
130	12/20/2001	CANADA	\$12,994.00	20
131	12/20/2001	CANADA	\$10,168.00	73
132	12/27/2001	CANADA	\$12,816.00	82
133	1/17/2002	CANADA	\$19,880.00	72
134	1/17/2002	CANADA	\$20,440.00	71
135	2/8/2002	CANADA	\$21,111.00	73
136	2/20/2002	CANADA	\$20,884.00	93
137	2/22/2002	CANADA	\$21,672.00	92
138	3/4/2002	CANADA	\$20,916.00	86
139	3/5/2002	CANADA	\$21,942.00	83
140	3/15/2002	CANADA	\$21,752.00	106
141	3/21/2002	CANADA	\$46,515.00	79
142	3/30/2002	CANADA	\$43,640.00	40
143	4/7/2002	CANADA	\$19,705.00	44
				118

144	4/19/2002	CANADA	\$20,055.00	78
145	4/20/2002	CANADA	\$29,145.00	67
146	4/23/2002	CANADA	\$29,580.00	68
147	4/25/2002	CANADA	\$34,485.00	57
148	4/30/2002	CANADA	\$35,000.00	56
149	5/1/2002	CANADA	\$20,207.00	121
150	5/2/2002	CANADA	\$20,776.00	95
151	5/5/2002	CANADA	\$24,090.00	73
152	6/20/2002	CANADA	Not Listed	80
153	6/28/2002	CANADA	\$19,638.00	114
154	7/26/2002	CANADA	\$18,865.00	77
155	8/23/2002	CANADA	\$20,094.00	82
156	8/29/2002	CANADA	\$25,080.00	76
157	8/29/2002	CANADA	\$26,490.00	67
158	10/11/2002	CANADA	\$20,440.00	73
159	10/23/2002	CANADA	\$21,845.00	85
160	10/31/2002	CANADA	\$30,975.00	57
161	11/5/2002	CANADA	\$21,000.00	75
162	11/6/2002	CANADA	\$21,588.00	84
163	12/12/2002	CANADA	\$20,148.00	84
164	1/3/2002	CANADA	\$12,994.00	73
165	1/3/2002	CANADA	\$9,920.00	80
166	1/7/2002	CANADA	\$13,350.00	75
167	1/9/2002	CANADA	\$12,816.00	72
168	1/4/2002	CANADA	\$9,548.00	77
169	1/11/2002	CANADA	\$11,314.00	75
170	2/18/2002	CANADA	\$9,798.00	69
171	2/26/2003	CANADA	\$17,115.00	13
172	3/3/2003	CANADA	\$9,328.00	44
173	3/4/2003	CANADA	\$16,390.00	13
174	3/4/2003	CANADA	\$13,650.00	15
175	3/10/2003	CANADA	\$9,652.00	54
176	3/11/2003	CANADA	\$8,120.00	35
177	3/12/2003	CANADA	\$8,970.00	38
178	3/12/2003	CANADA	\$18,200.00	20
179	3/13/2003	CANADA	\$9,392.00	47
180	3/14/2003	CANADA	\$16,100.00	19

181	3/17/2003	CANADA	\$9,171.00	33
182	3/18/2003	CANADA	\$8,527.00	33
183	3/25/2003	CANADA	\$8,582.00	28
184	3/26/2003	CANADA	\$9,498.00	39
185	3/27/2003	CANADA	\$10,121.00	42
186	3/31/2003	CANADA	\$9,838.00	57
187	4/14/2003	CANADA	\$10,112.00	54
188	4/30/2003	CANADA	\$9,355.00	42
189	6/10/2003	CANADA	\$10,391.00	44
190	7/15/2003	CANADA	\$37,525.00	39
191	7/17/2003	CANADA	\$30,650.00	46
192	8/4/2003	CANADA	\$26,364.00	64
193	9/2/2003	CANADA	\$22,258.00	92
194	10/3/2003	CANADA	\$22,885.00	107
195	10/8/2003	CANADA	\$16,870.00	24
196	10/7/2003	CANADA	\$33,529.00	101
197	10/9/2003	CANADA	\$16,340.00	20
198	10/10/2003	CANADA	\$29,040.00	59
199	10/30/2003	CANADA	\$32,663.00	94
200	11/21/2003	CANADA	\$22,329.00	63
201	12/29/2003	CANADA	\$22,577.00	87
202	10/6/2003	CANADA	\$18,590.00	19
203	10/8/2003	CANADA	\$16,870.00	24
204	10/10/2003	CANADA	\$29,040.00	59
205	12/2/2003	CANADA	\$28,440.00	68
206	2/4/2004	CANADA	\$22,070.00	72
207	2/12/2004	CANADA	\$19,105.00	16
208	2/13/2004	CANADA	\$17,925.00	21

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

.....	)	
In the Matter of:	)	
	)	
The Oeser Company	)	04-BIS-24
730 Marine Drive	)	
Bellingham, WA 98225	)	
	)	
Respondent.	)	
.....	)	

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made by and between The Oeser Company ("Oeser"), and the Bureau of Industry and Security, U.S. 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 (2005)) ("Regulations"),<sup>1</sup> issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) ("Act"),<sup>2</sup>

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<sup>1</sup> The charged violations occurred during the 1999-2004 period. The Regulations governing the violations at issue are found in the 1999-2004 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774) (1999-2004). The 2005 Regulations set forth the procedures that apply to this matter.

<sup>2</sup> 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 2, 2005 (70 *Fed. Reg.* 45273, August 5, 2005), has continued the Regulations in effect under the IEEPA.

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

WHEREAS, BIS has issued a charging letter to Oeser that alleged that Oeser committed 208 violations of the Regulations, specifically:

1. *208 Violations of 15 C.F.R. § 764.2(a) - Exporting Items Without the Required Department of Commerce Licenses:* On 208 occasions between on or about November 9, 1999, and February 14, 2004, Oeser engaged in conduct prohibited by the Regulations by exporting utility poles composed of unprocessed western red cedar harvested from Federal or State lands, items subject to the Regulations (ECCN<sup>3</sup> 1C988), to Canada for further processing without obtaining the Department of Commerce licenses required by Section 754.4(a) of the Regulations.

WHEREAS, Oeser has reviewed the 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, Oeser 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, Oeser enters into this Agreement voluntarily and with full knowledge of its rights;

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

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<sup>3</sup>"ECCN" refers to "Export Control Classification Number." See Supp. 1 to 15 C.F.R. § 774.

WHEREAS, Oeser does not admit the allegations contained in the charging letter;

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

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

NOW THEREFORE, the Parties hereby agree as follows:

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

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

a. Oeser shall be assessed a civil penalty in the amount of \$83,200, which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of the Order. Payment shall be made in the manner specified in the attached instructions.

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 Oeser. Failure to make timely payment of the civil penalty set forth above may result in the denial of all of Oeser'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, Oeser 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 \$83,200 civil penalty, BIS will not initiate any further administrative proceeding against Oeser 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, and the Order, if entered, available to the public and record of the case as described in Section 766.22 of the Regulations.

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 U.S. 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.

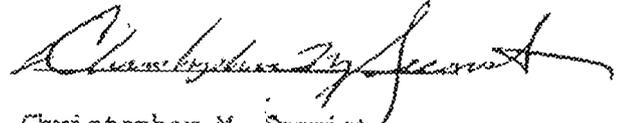
9. Each signatory affirms that he has authority to enter into this Settlement Agreement and to bind his respective party to the terms and conditions set forth herein.

OFFICE OF CHIEF COUNSEL FOR  
INDUSTRY AND SECURITY  
U.S. DEPARTMENT OF COMMERCE

THE OESER COMPANY



Craig S. Burkhardt  
Acting Chief Counsel



Christopher M. Secrist  
President

Date: August 15, 2005

Date: August 13, 2005

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

In the Matter of:	)	
	)	
The Oeser Company	)	04-BIS-24
730 Marine Drive	)	
Bellingham, WA 98225	)	
	)	
Respondent.	)	

ORDER RELATING TO THE OESER COMPANY

The Bureau of Industry and Security, U.S. Department of Commerce ("BIS") having initiated an administrative proceeding against The Oeser Company ("Oeser"), pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2005)) ("Regulations"),<sup>1</sup> and Section 13(c) of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) ("Act"),<sup>2</sup> by issuing a charging letter to Oeser that alleged that Oeser committed 208 violations of the Regulations. Specifically, the charges are:

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<sup>1</sup> The charged violations occurred during the 1999-2004 period. The Regulations governing the violations at issue are found in the 1999-2004 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774) (1999-2004). The 2005 Regulations set forth the procedures that apply to this matter.

<sup>2</sup> 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 2, 2005 (70 *Fed. Reg.* 45273, August 5, 2005), has continued the Regulations in effect under the IEEPA.

1. *208 Violations of 15 C.F.R. § 764.2(a) - Exporting Items Without the Required Department of Commerce Licenses:* On 208 occasions between on or about November 9, 1999, and February 14, 2004, Oeser engaged in conduct prohibited by the Regulations by exporting utility poles composed of unprocessed western red cedar harvested from Federal or State lands, items subject to the Regulations (ECCN<sup>3</sup> 1C988), to Canada for further processing without obtaining the Department of Commerce licenses required by Section 754.4(a) of the Regulations.

WHEREAS, BIS and Oeser 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 of the terms of such Settlement Agreement;

IT IS THEREFORE ORDERED:

FIRST, that a civil penalty of \$83,200 is assessed against Oeser, which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of the 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,

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<sup>3</sup>“ECCN” refers to “Export Control Classification Number.” See Supp. 1 to 15 C.F.R. § 774.  
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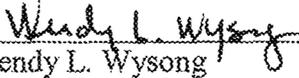
Oeser will be assessed, in addition to the full amount of the civil penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

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 Oeser. Accordingly, if Oeser should fail to pay the civil penalty in a timely manner, the undersigned may enter an Order denying all of Oeser's export privileges for a period of one year from the date of entry of this Order.

FOURTH, that a copy of this Order shall be delivered to the Honorable Peter A. Fitzpatrick, United States Coast Guard, Norfolk Federal Office Building, 200 Granby Street, Room 602, Norfolk, Virginia 23510-18888; and the United States Coast Guard ALJ Docketing Center, 40 Gay Street, Baltimore, Maryland 21202-4022, notifying them that this case is withdrawn from adjudication, as provided by Section 766.18 of the Regulations.

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

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 15th day of August 2005.