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

In the Matter of:	
Dynatex International 5577 Skylane Boulevard Santa Rosa, CA 95403	

# Respondent

# ORDER RELATING TO DYNATEX INTERNATIONAL

The Bureau of Industry and Security, U.S. Department of Commerce ("BIS"), has notified Dynatex International of Santa Rosa, California ("Dynatex"), of its intention to initiate an administrative proceeding against Dynatex pursuant to Section 766.3 of the Export Administration Regulations (the "Regulations"), through the issuance of a Proposed Charging Letter to Dynatex that alleges that Dynatex committed one violation of the Regulations. Specifically, the charge is:

ECRA provides, in pertinent part, that all rules and regulations that were made or issued under the EAA, including as continued in effect pursuant to IEEPA, and were in effect as of ECRA's date of enactment (August 13, 2018), shall continue in effect until modified, superseded, set aside, or

<sup>1</sup> The Regulations originally issued under the Export Administration Act of 1979, as amended,

revoked through action undertaken pursuant to the authority provided under ECRA.

<sup>50</sup> U.S.C. §§ 4601-4623 (Supp. III 2015) ("the EAA"), which lapsed on August 21, 2001. The President, through Executive Order 13,222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, including the Notice of August 8, 2018 (83 Fed. Reg. 39,871 (Aug. 13, 2018)), continued the Regulations in full force and effect under the International Emergency Economic Powers Act, 50 U.S.C. § 1701, et seq. (2012) ("IEEPA"). On August 13, 2018, the President signed into law the John S. McCain National Defense Authorization Act for Fiscal Year 2019, which includes the Export Control Reform Act of 2018, 50 U.S.C. §§ 4801-4852 ("ECRA"). While Section 1766 of ECRA repeals the provisions of the EAA (except for three sections which are inapplicable here), Section 1768 of

<sup>&</sup>lt;sup>2</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2021). The charged violation occurred in 2015 through 2020. The Regulations governing the violation at issue are found in the 2015-2020 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774). The 2021 Regulations set forth the procedures that apply to this matter.

# Charge 1 15 C.F.R. § 764.2(d) – Conspiracy

Between December 14, 2015, and January 17, 2020, Dynatex conspired with others known and unknown to export semiconductor manufacturing equipment, specifically a DTX-150 MDB scribe and break tool and associated consumables and accessories, items subject to the Regulations and designated EAR99,<sup>3</sup> to Chengdu GaStone Technology Company (CGTC), a.k.a. Chengdu HiWafer Semiconductor, and China Electronics Technology Group Corporation 55th Research Institute (CETC 55), without the required license from the U.S. Department of Commerce. CGTC and CETC 55 at all times relevant hereto (and remain) listed on the Entity List, Supplement No. 4 to Part 744 of the Regulations, and a BIS license was required to export the above-referenced items subject to the Regulations to those entities. *See* 15 C.F.R. § 744.11 and Supp. No. 4 to 15 C.F.R. Part 744. The total value of the commodities exported to the entities was \$234,530.

Prior to engaging in the transactions, Dynatex was informed that CGTC was on a black list, and was asked for clarification that Dynatex could ship the scriber breaker machine to CGTC in China without a problem. Dynatex was also informed that CGTC's name should not be shown on shipping documents. Nonetheless, Dynatex erroneously responded that they could continue with the transaction as CGTC was not their customer, but that of their distributor. Dynatex also improperly continued to ship items to CGTC and CETC 55 without the required authorization after it was aware that CGTC and CETC 55 were on the Entity List, stating that Dynatex did not understand the license requirement to apply to consumables and accessories.

No licenses from the U.S. Department of Commerce to engage in the exports was either sought or issued. In so doing, Dynatex committed one violation of Section 764.2(d) of the Regulations.

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

WHEREAS, I have approved of the terms of such Settlement Agreement; IT IS THEREFORE ORDERED:

FIRST, Dynatex shall be assessed a civil penalty in the amount of \$469,060. The payment of \$50,000 shall be made to the U.S. Department of Commerce within 30 days

<sup>&</sup>lt;sup>3</sup> "EAR99" is a designation for items subject to the Regulations but not listed on the Commerce Control List (CCL). *See* 15 C.F.R. §§ 734.3(c) and 772.1.

from the date of this Order. Payment of the remaining \$419,060 shall be suspended for a period of one year from the date of this Order, and shall be waived upon the first to occur of the following: (1) Dynatex has dissolved or ceased its business operations, with written certification of such corporate dissolution or cessation provided to BIS; (2) Dynatex, or the majority of the assets related to Dynatex's business operations, is acquired by a U.S.based company that (a) maintains a written code of conduct that includes a corporate commitment to follow the direction of U.S. export control regulatory authorities, including without limitation a corporate commitment to comply with U.S. regulations regarding exports and re-exports of controlled commodities and technologies, and (b) employs trained personnel to ensure such export control compliance, with written certification of such corporate acquisition and compliance structure provided to BIS; or (3) Dynatex completes the one-year payment probationary period under this Order without having committed a violation of the Export Control Reform Act of 2018 ("ECRA"), 4 the Regulations, or any order, license, or authorization issued under ECRA or the Regulations, provided in each case that Dynatex has made full and timely payment of \$50,000 as set forth above and has complied with all other terms of the Settlement Agreement. Payment shall be made in the manner specified in the attached instructions.

SECOND, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C. §§ 3701-3720E (2012)), 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, Dynatex will be assessed, in addition to the full amount of the civil

<sup>&</sup>lt;sup>4</sup> See note 1, supra.

penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, compliance with the terms of the Settlement Agreement and the Order, including the full and timely payment of the civil penalty in accordance with the payment schedule 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 Dynatex. Accordingly, if Dynatex should fail to pay the civil penalty in a full and timely manner or otherwise fail to comply in full with the terms of the Settlement Agreement or this Order, the undersigned may issue an order denying all of Dynatex's export privileges under the Regulations for a period of one year from the date of issuance of any such denial

FOURTH, Dynatex shall not dispute or deny, directly or indirectly, the allegations contained in the Proposed Charging Letter or this Order or take any position contrary thereto in any public statement. The foregoing does not affect Dynatex's testimonial obligations in any administrative or judicial proceeding, nor does it affect its right to take legal or factual positions in civil litigation or other civil proceedings in which the U.S. Department of Commerce is not a party.

FIFTH, the Proposed Charging Letter, the Settlement Agreement, and this Order shall be made available to the public.

Dynatex International Order Page 5 of 5

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

KEVIN

Digitally signed by KEVIN KURLAND

Date: 2021.08.16
16:15:18 -04'00'

Kevin J. Kurland Acting Assistant Secretary for Export Enforcement

Issued this 16th day of August, 2021.

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

In the Matter of:

Dynatex International 5577 Skylane Boulevard Santa Rosa, CA 95403

Respondent

#### SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made by and between Dynatex International of Santa Rosa, California ("Dynatex"), and the Bureau of Industry and Security, U.S. Department of Commerce ("BIS") (collectively, the "Parties"), pursuant to Section 766.18(a) of the Export Administration Regulations (the "Regulations").

WHEREAS, BIS has notified Dynatex of its intentions to initiate an administrative proceeding against Dynatex pursuant to the Regulations;<sup>2</sup>

The Regulations originally issued under the Export Administration Act of 1979, 50 U.S.C. §§ 4601-4623 (Supp. III 2015) ("EAA"), which lapsed on August 21, 2001. The President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, including the Notice of August 8, 2018 (83 Fed. Reg. 39,871 (Aug. 13, 2018)), has continued the Regulations in full force and effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, et seq.) (2012) ("IEEPA"). On August 13, 2018, the President signed into law the John S. McCain National Defense Authorization Act for Fiscal Year 2019, which includes the Export Control Reform Act of 2018, 50 U.S.C. §§ 4801-4852 ("ECRA"). While Section 1766 of ECRA repeals the provisions of the EAA (except for three sections which are inapplicable here), Section 1768 of ECRA provides, in pertinent part, that all rules and regulations that were made or issued under the EAA, including as continued in effect pursuant to IEEPA, and were in effect as of ECRA's date of enactment (August 13, 2018), shall continue in effect until modified, superseded, set aside, or revoked through action undertaken pursuant to the authority provided under ECRA.

<sup>&</sup>lt;sup>2</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2021). The charged violation occurred in 2015 through 2020. The Regulations governing the violations at issue are found in the 2015-2020 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774). The 2021 Regulations set forth the procedures that apply to this matter.

WHEREAS, BIS has issued a Proposed Charging Letter to Dynatex that alleges that Dynatex committed one violation of the Regulations, specifically:

## Charge 1 15 C.F.R. § 764.2(d) – Conspiracy

Between December 14, 2015, and January 17, 2020, Dynatex conspired with others known and unknown to export semiconductor manufacturing equipment, specifically a DTX-150 MDB scribe and break tool and associated consumables and accessories, items subject to the Regulations and designated EAR99,<sup>3</sup> to Chengdu GaStone Technology Company (CGTC), a.k.a. Chengdu HiWafer Semiconductor, and China Electronics Technology Group Corporation 55th Research Institute (CETC 55), without the required license from the U.S. Department of Commerce. CGTC and CETC 55 at all times relevant hereto (and remain) listed on the Entity List, Supplement No. 4 to Part 744 of the Regulations, and a BIS license was required to export the above-referenced items subject to the Regulations to those entities. *See* 15 C.F.R. § 744.11 and Supp. No. 4 to 15 C.F.R. Part 744. The total value of the commodities exported to the cntities was \$234,530.

Prior to engaging in the transactions, Dynatex was informed that CGTC was on a black list, and was asked for clarification that Dynatex could ship the scriber breaker machine to CGTC in China without a problem. Dynatex was also informed that CGTC's name should not be shown on shipping documents. Nonetheless, Dynatex erroneously responded that they could continue with the transaction as CGTC was not their customer, but that of their distributor. Dynatex also improperly continued to ship items to CGTC and CETC 55 without the required authorization after it was aware that CGTC and CETC 55 were on the Entity List, stating that Dynatex did not understand the license requirement to apply to consumables and accessories.

No licenses from the U.S. Department of Commerce to engage in the exports was either sought or issued. In so doing, Dynatex committed one violation of Section 764.2(d) of the Regulations.

WHEREAS, Dynatex has reviewed the Proposed Charging Letter and is aware of the allegations made against Dynatex and the administrative sanctions that could be imposed against it if the allegations are found to be true;

WHEREAS, Dynatex fully understands the terms of this Agreement and the Order ("Order") that the Assistant Secretary of Commerce for Export Enforcement, or

<sup>&</sup>lt;sup>3</sup> "EAR99" is a designation for items subject to the Regulations but not listed on the Commerce Control List (CCL). *See* 15 C.F.R. §§ 734.3(c) and 772.1.

appropriate designee, will issue if he approves this Agreement as the final resolution of this matter;

WHEREAS, Dynatex enters into this Agreement voluntarily and with full knowledge of its rights, after having consulted with counsel;

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

WHEREAS, Dynatex neither admits nor denies the allegations contained in the Proposed Charging Letter; and

WHEREAS, Dynatex agrees to be bound by the Order, if issued;

NOW THEREFORE, the Parties hereby agree, for purposes of this Settlement Agreement, as follows:

- 1. BIS has jurisdiction over Dynatex, under the Regulations, in connection with the matters alleged in the Proposed Charging Letter.
  - 2. The following sanctions shall be imposed against Dynatex:
  - a. Dynatex shall be assessed a civil penalty in the amount of \$469,060. The payment of \$50,000 shall be made to the U.S. Department of Commerce within 30 days from the date of the Order. Payment of the remaining \$419,060 shall be suspended for a period of one year from the date of the Order, and shall be waived upon the first to occur of the following: (1) Dynatex has dissolved or ceased its business operations, with written certification of such corporate dissolution or cessation provided to BIS; (2) Dynatex, or the majority of the assets related to Dynatex's business operations, is acquired by a U.S.-based company that (a) maintains a written code of conduct that includes a corporate commitment to follow the direction of U.S.

export control regulatory authorities, including without limitation a corporate commitment to comply with U.S. regulations regarding exports and re-exports of controlled commodities and technologies, and (b) employs trained personnel to ensure such export control compliance, with written certification of such corporate acquisition and compliance structure provided to BIS; or (3) Dynatex completes the one-year payment probationary period under this Order without having committed a violation of the Export Control Reform Act of 2018 ("ECRA"),<sup>4</sup> the Regulations, or any order, license, or authorization issued under ECRA or the Regulations, provided in each case that Dynatex has made full and timely payment of \$50,000 as set forth above and has complied with all other terms of the Settlement Agreement. Payment shall be made in the manner specified in the attached instructions.

- b. Compliance with the terms of this Agreement and the Order, including full and 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 Dynatex. Failure to make full and timely payment of the civil penalty may result in the denial of all of Dynatex's export privileges under the Regulations for one year from the date of the failure to make such payment.
- 3. Subject to the approval of this Agreement pursuant to Paragraph 8 hereof, Dynatex hereby waives all rights to further procedural steps in this matter (except the procedural steps set forth in Sections 766.17(c) and 766.18(c) of the Regulations with respect to the possible activation of suspended sanctions due to a violation of this

<sup>&</sup>lt;sup>4</sup> See note 1, supra.

Agreement or the Order, if issued), including, without limitation, any right to: (a) receive an administrative hearing regarding the allegations in any charging letter; (b) request a refund of any civil penalty paid pursuant to this Agreement and the Order, if issued; and (c) seek judicial review or otherwise contest the validity of this Agreement or the Order, if issued. Dynatex also waives and will not assert any Statute of Limitations defense, and the Statute of Limitations will be tolled, in connection with any violation of the Act or the Regulations arising out of the transactions identified in the Proposed Charging Letter or in connection with collection of the civil penalty or enforcement of this Agreement and the Order, if issued, from the date of the Order until the later of the date Dynatex pays in full the civil penalty agreed to in Paragraph 2.a of this Agreement.

- 4. Dynatex shall not dispute or deny, directly or indirectly, the allegations contained in the Proposed Charging Letter or the Order or take any position contrary thereto in any public statement. The foregoing does not affect Dynatex's testimonial obligations in any administrative or judicial proceeding, nor does it affect its right to take legal or factual positions in civil litigation or other civil proceedings in which the U.S. Department of Commerce is not a party.
- 5. BIS agrees that upon full and timely payment of the civil penalty as set forth in Paragraph 2.a, BIS will not initiate any further administrative proceeding against Dynatex, or its successors or assigns, in connection with any violation of the Regulations arising out of the transactions specifically detailed in the Proposed Charging Letter.
- 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, or appropriate designee, 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. This Agreement constitutes and contains the entire agreement and understanding among the parties, and the terms of this Agreement or the Order, if issued, may not be varied or otherwise altered or affected by any agreement, understanding, representation, or interpretation not contained in this Agreement; 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 the Parties only if the Assistant Secretary of Commerce for Export Enforcement, or appropriate designee, approves it by issuing 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. BIS will make the Proposed Charging Letter, this Agreement, and the Order, if issued, available to the public.
- 10. Each signatory affirms that he/she has authority to enter into this

  Settlement Agreement and to bind his/her respective party to the terms and conditions set forth herein.
- 11. If any provision of this Settlement Agreement is found to be unlawful, only the specific provision in question shall be affected and the other provisions shall remain in full force and effect.

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

DAN CLUTCH CLUTCH Date: 2021.08.16 14:52:19

By: John D. Sonderman Director, Office of Export Enforcement

8/16/2021 Date:

DYNATEX INTERNATIONAL

Date: 8,02,21

Kathah Henry

Reviewed and approved by:

Barry Hurewitz

Barry J. Hurewitz, Esq. Wilmer Cutler Pickering Hale and Dorr LLP Counsel for Dynatex International

Date: 8-6-2021

#### PROPOSED CHARGING LETTER

## CERTIFIED MAIL- RETURN RECEIPT REQUESTED

Dynatex International 5577 Skylane Boulevard Santa Rosa, CA 95403

Attention: Kathaleen Henry President

Dear Ms. Henry,

The Bureau of Industry and Security, U.S. Department of Commerce ("BIS"), has reason to believe that Dynatex International of Santa Rosa, California, has committed one violation of the Export Administration Regulations (the "Regulations"). Specifically, BIS alleges that Dynatex International committed the following violation: <sup>2</sup>

# **Charge 1** 15 C.F.R. § 764.2(d) – Conspiracy

Between December 14, 2015, and January 17, 2020, Dynatex conspired with others known and unknown to export semiconductor manufacturing equipment, specifically a DTX-150 MDB scribe and break tool and associated consumables and accessories, items subject to the Regulations and designated EAR99,<sup>3</sup> to Chengdu GaStone Technology

<sup>1</sup> The Regulations originally issued under the Export Administration Act of 1979, 50 U.S.C. §§ 4601-4623 (Supp. III 2015) ("EAA"), which lapsed on August 21, 2001. The President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, including the Notice of August 8, 2018 (83 Fed. Reg. 39,871 (Aug. 13, 2018)), has continued the Regulations in full force and effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, *et seq.*) (2012) ("IEEPA"). On August 13, 2018, the President signed into law the John S. McCain National Defense Authorization Act for Fiscal Year 2019, which includes the Export Control Reform Act of 2018, 50 U.S.C. §§ 4801-4852 ("ECRA"). While Section 1766 of ECRA repeals the provisions of the EAA (except for three sections which are inapplicable here), Section 1768 of ECRA provides, in pertinent part, that all rules and regulations that were made or issued under the EAA, including as continued in effect pursuant to IEEPA, and were in effect as of ECRA's date of enactment (August 13, 2018), shall continue in effect until modified, superseded, set aside, or revoked through action undertaken pursuant to the authority provided under ECRA.

<sup>&</sup>lt;sup>2</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2021). The violation alleged occurred in 2015 through 2020. The Regulations governing the violation at issue are found in the 2015-2020 versions of the Code of Federal Regulations, 15 C.F.R. Parts 730-774. The 2021 Regulations govern the procedural aspects of this case.

<sup>&</sup>lt;sup>3</sup> "EAR99" is a designation for items subject to the Regulations but not listed on the Commerce Control List (CCL). *See* 15 C.F.R. §§ 734.3(c) and 772.1.

Dynatex International Proposed Charging Letter Page 2 of 4

Company (CGTC), a.k.a. Chengdu HiWafer Semiconductor, and China Electronics Technology Group Corporation 55th Research Institute (CETC 55), without the required license from the U.S. Department of Commerce. CGTC and CETC 55 at all times relevant hereto (and remain) listed on the Entity List, Supplement No. 4 to Part 744 of the Regulations, and a BIS license was required to export the above-referenced items subject to the Regulations to those entities. *See* 15 C.F.R. § 744.11 and Supp. No. 4 to 15 C.F.R. Part 744. The total value of the commodities exported to the entities was \$234,530.

Prior to engaging in the transactions, Dynatex was informed that CGTC was on a black list, and was asked for clarification that Dynatex could ship the scriber breaker machine to CGTC in China without a problem. Dynatex was also informed that CGTC's name should not be shown on shipping documents. Nonetheless, Dynatex erroneously responded that they could continue with the transaction as CGTC was not their customer, but that of their distributor. Dynatex also improperly continued to ship items to CGTC and CETC 55 without the required authorization after it was aware that CGTC and CETC 55 were on the Entity List, stating that Dynatex did not understand the license requirement to apply to consumables and accessories.

No licenses from the U.S. Department of Commerce to engage in the exports was either sought or issued. In so doing, Dynatex committed one violation of Section 764.2(d) of the Regulations.

\* \* \* \* \*

Accordingly, Dynatex International 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<sup>4</sup>, including, but not limited to any or all of the following:

• The maximum civil penalty allowed by law of up to the greater of \$311,562 per violation,<sup>5</sup> or twice the value of the transaction that is the basis of the violation;<sup>6</sup>

<sup>4</sup> The alleged violations occurred prior to August 13, 2018, the date of enactment of ECRA. Consequently, the potential sanctions are provided for in IEEPA. In situations involving alleged violations that occurred on or after August 13, 2018, the potential sanctions are specified in Section 1750(c) of ECRA.

<sup>5</sup> See 15 C.F.R. §§ 6.3(b)(4), 6.4. This amount is subject to annual increases pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Sec. 701 of Public Law 114-74, enacted on November 2, 2015. See 86 Fed. Reg. 1,764 (Jan. 10, 2021) (Adjusting for inflation the maximum civil monetary penalty under IEEPA from \$307,922 to \$311,562, effective Jan. 15, 2021); note 1, *supra*.

<sup>&</sup>lt;sup>6</sup> See International Emergency Economic Powers Enhancement Act of 2007, Pub. L. No. 110-96, 121 Stat. 1011 (2007).

Dynatex International Proposed Charging Letter Page 3 of 4

- Denial of export privileges;
- Exclusion from practice before BIS; and/or
- Any other liability, sanction, or penalty available under law.

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

Dynatex International 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. *See* 15 C.F.R. § 766.6. Dynatex International 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 Dynatex International have a proposal to settle this case, Dynatex International should transmit it to the attorney representing BIS named below.

Dynatex International is further notified that under the Small Business Regulatory Enforcement Flexibility Act, Dynatex International may be eligible for assistance from the Office of the National Ombudsman of the Small Business Administration in this matter. To determine eligibility and get more information, please see: http://www.sba.gov/ombudsman/.

The U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, Dynatex International'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

Dynatex International Proposed Charging Letter Page 4 of 4

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

Chief Counsel for Industry and Security Attention: Peter R. Klason Room H-3839 14th Street and Constitution Avenue, N.W. Washington, D.C. 20230

Peter R. Klason is the attorney representing BIS in this case; any communications that Dynatex International may wish to have concerning this matter should occur through him. Mr. Klason may be contacted by email at pklason@doc.gov.

Sincerely,

John Sonderman Director Office of Export Enforcement