

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

_____	)	
In the Matter of:	)	
	)	
Demetrios International Shipping Co., Inc.	)	Docket No.: 08-BIS-0003
91 Hicks Ave.	)	
Medford, MA 02155	)	
	)	
Respondent	)	
_____	)	

ORDER RELATING TO DEMETRIOS INTERNATIONAL SHIPPING CO., INC.

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) has initiated an administrative proceeding against Demetrios International Shipping Co., Inc. (“Demetrios”) pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2008)) (the “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)) (the “Act”),<sup>2</sup> through issuance of a charging letter to Demetrios that alleged that Demetrios committed one violation of the Regulations. Specifically, the charge is:

**Charge 1                      15 C.F.R. §764.2(b) – Causing, Aiding or Abetting a Violation**

On or about July 23, 2002, Demetrios caused, aided and/or abetted an act prohibited

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<sup>1</sup> The violation charged occurred in 2002. The Regulations governing the violation at issue are found in the 2002 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2002)). The 2008 Regulations govern the procedural aspects of this case.

<sup>2</sup> 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 successive Presidential Notices, the most recent being that of July 23, 2008 (73 Fed. Reg. 43,603 (July 25, 2008)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706 (2000)).

by the Regulations by arranging for the export of items, classified under ECCN 0A985,<sup>3</sup> from the United States to Algeria, without the Department of Commerce license required by Section 742.7 of the Regulations. Specifically, on behalf of a U.S. exporter, Demetrios shipped two Raptor 100k stun guns, classified under ECCN 0A985, to Algeria through France without the required U.S. Government authorization. Demetrios' arrangement of the export of these items caused, aided and/or abetted the exporter's attempted unlicensed export of these items to Algeria. In so doing, Demetrios committed one violation of Section 764.2(b) of the Regulations.

WHEREAS, BIS and Demetrios 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 \$6,000 is assessed against Demetrios of which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of this 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 dates specified herein, Demetrios will be assessed, in addition to the full amount of the

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<sup>3</sup> The term "ECCN" refers to an Export Control Classification Number. See 15 C.F.R. § 772.1.

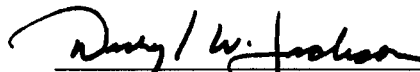
civil penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

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

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

FIFTH, 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.



\_\_\_\_\_  
Darryl W. Jackson  
Assistant Secretary of Commerce  
for Export Enforcement

Entered this 22<sup>nd</sup> day of September, 2008

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

In the Matter of:	)	
	)	
Demetrios International Shipping Co., Inc.	)	Docket No.: 08-BIS-0003
91 Hicks Ave.	)	
Medford, MA 02155	)	
	)	
Respondent	)	

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Demetrios International Shipping Co., Inc. (“Demetrios”) and the Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) (collectively, the “Parties”), pursuant to Section 766.18(b) of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2008)) (the “Regulations”),<sup>1</sup> issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (the “Act”),<sup>2</sup>

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

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<sup>1</sup> The violation charged occurred in 2002. The Regulations governing the violations at issue are found in the 2002 version of the Code of Federal Regulations. 15 C.F.R. Parts 730-774 (2002). The 2008 Regulations govern the procedural aspects of this case.

<sup>2</sup> Since August 21, 2001 the Act has been in lapse. However, 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, the most recent being that of July 23, 2008 (73 Fed. Reg. 43,603 (July 25, 2008)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1707 (2000)).

WHEREAS, BIS has issued a charging letter to Demetrios that alleged that Demetrios committed one violation of the Regulations, specifically:

**Charge 1                    15 C.F.R. §764.2(b) –Causing, Aiding or Abetting a Violation**

On or about July 23, 2002, Demetrios caused, aided and/or abetted an act prohibited by the Regulations by arranging for the export of items, classified under ECCN 0A985,<sup>3</sup> from the United States to Algeria, without the Department of Commerce license required by Section 742.7 of the Regulations. Specifically, on behalf of a U.S. exporter, Demetrios shipped two Raptor 100k stun guns, classified under ECCN 0A985, to Algeria through France without the required U.S. Government authorization. Demetrios' arrangement of the export of these items caused, aided and/or abetted the exporter's attempted unlicensed export of these items to Algeria. In so doing, Demetrios committed one violation of Section 764.2(b) of the Regulations.

WHEREAS, Demetrios 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, Demetrios fully understands the terms of this Agreement and the Order ("Order") that the Assistant Secretary of Commerce for Export Enforcement will issue if he approves this Agreement as the final resolution of this matter;

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

WHEREAS, Demetrios 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> The term "ECCN" refers to an Export Control Classification Number. See 15 C.F.R. § 772.1.

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

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

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

NOW THEREFORE, the Parties hereby agree as follows:

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

2. The following sanction shall be imposed against Demetrios in complete settlement of the alleged violations of the Regulations relating to the transactions specifically detailed in the charging letter:

a. Demetrios shall be assessed a civil penalty in the amount of \$6,000 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 Demetrios. Failure to make timely payment of the civil penalty set forth above may result in the denial of all of Demetrios' 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, Demetrios 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 any charging letter; (b) request a refund of any civil penalty paid pursuant to this Agreement and the Order, if entered; and (c) 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 \$6,000 civil penalty, BIS will not initiate any further administrative proceeding against Demetrios in connection with any violation of the Act or the Regulations arising out of the transaction identified in the charging letter.

5. BIS will make the charging letter, this Agreement, and the Order, if 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(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.

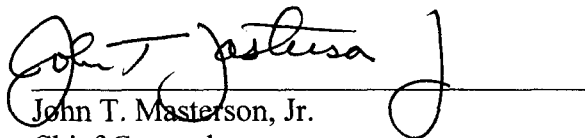
7. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise affect the terms of this Agreement or the Order, if entered, nor shall this Agreement serve to bind, constrain, or otherwise limit any action by any other agency or department of the U.S. Government with respect to the facts and circumstances addressed herein.

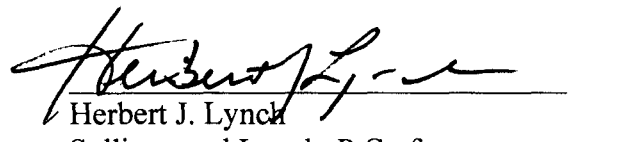
8. This Agreement shall become binding on the Parties only if the Assistant Secretary of Commerce for Export Enforcement approves it by entering the Order, which will have the same force and effect as a decision and order issued after a full administrative hearing on the record.

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

DEMETRIOS INTERNATIONAL SHIPPING  
CO., INC.

  
John T. Masterson, Jr.  
Chief Counsel  
Office of Chief Counsel for  
Industry and Security

  
Herbert J. Lynch  
Sullivan and Lynch, P.C., for  
Demetrios International Shipping Co., Inc.

Date: September 16, 2008

Date: September 15, 2008





**UNITED STATES DEPARTMENT OF COMMERCE**  
**Bureau of Industry and Security**

Washington, D.C. 20230

APR - 1 2008

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

2008 APR 15 A 11: 35

ALJ-BALTIMORE, MD

**COPY**

Demetrios International Shipping Co., Inc.  
91 Hicks Avenue  
Medford, MA 02155

Attention: *Demetrios Tsiaousopoulos*  
*Owner*

Dear Mr. Tsiaousopoulos:

The Bureau of Industry and Security, U.S. Department of Commerce ("BIS"), has reason to believe that Demetrios International Shipping Co., Inc., of Medford, Massachusetts, (Demetrios) has committed one violation of the Export Administration Regulations (the "Regulations"),<sup>1</sup> which are issued under the authority of the Export Administration Act of 1979, as amended (the "Act").<sup>2</sup> Specifically, BIS charges that Demetrios committed the following violation:

**Charge 1                    15 C.F.R. § 764.2(b): Causing, Aiding or Abetting a Violation**

On or about July 23, 2002, Demetrios caused, aided and/or abetted an act prohibited by the Regulations by arranging for the export of items, classified under ECCN 0A985,<sup>3</sup> from the United States to Algeria, without the Department of Commerce license required by Section 742.7 of the Regulations. Specifically, on behalf of a U.S. exporter, Demetrios shipped two Raptor 100k stun guns, classified under ECCN 0A985, to Algeria through France without the required U.S. Government authorization. Demetrios' arrangement of the export of these items caused, aided and/or abetted the exporter's attempted unlicensed export of these items to Algeria. In so doing, Demetrios committed one violation of Section 764.2(b) of the Regulations.

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2008). The charged violation occurred in 2002. The Regulations governing the violations at issue are found in the 2002 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2002)). The 2008 Regulations set forth the procedures that apply to this matter.

<sup>2</sup> 50 U.S.C. app. §§ 2401-2420 (2000). 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)), which has been extended by successive Presidential Notices, the most recent being that of August 15, 2007 (72 Fed. Reg. 46137 (Aug. 16, 2007)), has continued the Regulations in effect under the International Emergency Economic Powers Act, as amended (50 U.S.C. §§ 1701-1706 (2000)).

<sup>3</sup> The term "ECCN" refers to an Export Control Classification Number. See 15 C.F.R. § 772.1.



\* \* \* \* \*

Accordingly, Demetrios 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 \$250,000 per violation; or twice the value of the transaction that is the basis of the violation;<sup>4</sup>
- Denial of export privileges; and/or
- Exclusion from practice before BIS.

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

Demetrios 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. Demetrios 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 Demetrios have a proposal to settle this case, Demetrios or its representative should transmit it to the attorney representing BIS named below.

Demetrios is additionally notified that under the Small Business Regulatory Enforcement Flexibility Act, Demetrios 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, Demetrios's answer must be filed in accordance with the instructions in Section 766.5(a) of the Regulations with:

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<sup>4</sup> *See* International Emergency Economic Powers Enhancement Act of 2007, Pub. L. No. 110-96, 121 Stat. 1011 (2007).

Demetrios International Shipping Co., Inc.  
Charging Letter  
3 of 3


U.S. Coast Guard ALJ Docketing Center  
40 S. Gay Street  
Baltimore, Maryland 21202-4022

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

Chief Counsel for Industry and Security  
Attention: Rochelle D. Woodard, Esq.  
Room H-3839  
United States Department of Commerce  
1401 Constitution Avenue, N.W.  
Washington, D.C. 20230

Rochelle Woodard is the attorney representing BIS in this case; any communications that Demetrios may wish to have concerning this matter should occur through her. Ms. Woodard may be contacted by telephone at (202) 482-5301.

Sincerely,



Thomas Madigan  
Acting Director  
Office of Export Enforcement