

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

In the Matter of:)
)
Aaron Robert Henderson)
740 Jessie St.)
North Liberty, IA 52317)
)
Respondent)
)
and)
)
Valhalla Tactical Supply)
740 Jessie Street)
North Liberty, IA 52317)
)

Related Person)

ORDER DENYING EXPORT PRIVILEGES

A. Denial of Export Privileges of Aaron Robert Henderson.

On September 18, 2009, in the U.S. District Court for the Southern District of Iowa, Aaron Robert Henderson (“Henderson”) pleaded guilty to and was convicted of one count of violating the International Emergency Economic Powers Act (50 U.S.C. § 1701 et seq.) (“IEEPA”). Specifically, Henderson pleaded guilty to knowingly and willfully exporting and causing to be exported an EOTech sighting device from the United States to Taiwan without having first obtaining a validated export license from the Department of Commerce. Henderson was sentenced to time served, two years of supervised release, and a \$100 special assessment.

Section 766.25 of the Export Administration Regulations (“EAR” or “Regulations”)¹ provides, in pertinent part, that “[t]he Director of the Office of Exporter Services, in consultation with the Director of the Office of Export Enforcement, may deny the export privileges of any person who has been convicted of a violation of the [Export Administration Act (“EAA”)], the EAR, or any order, license or authorization issued thereunder; any regulation, license, or order issued under the International Emergency Economic Powers Act (50 U.S.C. 1701-1706); 18 U.S.C. 793, 794 or 798; section 4(b) of the Internal Security Act of 1950 (50 U.S.C. 783(b)), or section 38 of the Arms Export Control Act (22 U.S.C. 2778).” 15 C.F.R. § 766.25(a); see also Section 11(h) of the EAA, 50 U.S.C. app. § 2410(h). The denial of export privileges under this provision may be for a period of up to 10 years from the date of the conviction. 15 C.F.R. § 766.25(d); see also 50 U.S.C. app. § 2410(h). In addition, Section 750.8 of the Regulations states that the Bureau of Industry and Security’s Office of Exporter Services may revoke any Bureau of Industry and Security (“BIS”) licenses previously issued in which the person had an interest in at the time of his conviction.

I have received notice of Henderson’s conviction for violating the IEEPA, and have provided notice and an opportunity for Henderson to make a written submission to BIS, as

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2010). The Regulations issued pursuant to the EAA, which is currently codified at 50 U.S.C. app. §§ 2401-2420 (2000). Since August 21, 2001, the EAA 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 13, 2009 (74 Fed. Reg. 41325, August 14, 2009)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701 et seq. (2000)).

provided in Section 766.25 of the Regulations. I have not received a submission from Henderson. Based upon my review and consultations with BIS's Office of Export Enforcement, including its Director, and the facts available to BIS, I have decided to deny Henderson's export privileges under the Regulations for a period of 10 years from the date of Henderson's conviction. I have also decided to revoke all licenses issued pursuant to the Act or Regulations in which Henderson had an interest at the time of his conviction.

B. Denial of Export Privileges of Related Person.

Pursuant to Sections 766.25(h) and 766.23 of the Regulations, the Director of BIS's Office of Exporter Services, in consultation with the Director of BIS's Office of Export Enforcement, may take action to name persons related to a Respondent by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business in order to prevent evasion of a denial order. Because Henderson is the owner, operator and president of Valhalla Tactical Supply ("Valhalla"), Valhalla is related to Henderson by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business. BIS believes that naming Valhalla as an entity related to Henderson is necessary to avoid evasion of the denial order against Henderson.

As provided in Section 766.23 of the Regulations, I gave notice to Valhalla that its export privileges under the Regulations could be denied for up to 10 years due to its relationship with Henderson and that BIS believes naming it as an entity related to Henderson would be necessary to prevent evasion of a denial order imposed against Henderson. In providing such notice, I gave Valhalla an opportunity to oppose its addition to the Henderson Denial Order as a related party.

Having received no submission, I have decided, following consultations with BIS's Office of Export Enforcement, including its Director, to name Valhalla as a Related Person to the Henderson Denial Order, thereby denying its export privileges for ten years from the date of Henderson's conviction.

I have also decided to revoke all licenses issued pursuant to the Act or Regulations in which the Related Person had an interest at the time of Henderson's conviction. The 10-year denial period will end on September 18, 2019.

Accordingly, it is hereby

ORDERED

I. Until September 18, 2019, Aaron Robert Henderson with a last known address at, 740 Jessie Street, North Liberty, IA 52317, and when acting for or on behalf of Henderson, his representatives, assigns, agents, or employees, ("the Denied Person") and the following person related to the Denied Person as defined by Section 766.23 of the Regulations: Valhalla Tactical Supply, with a last known address at 740 Jessie Street, North Liberty, IA 52317, and when acting for or on behalf of Valhalla, its successors or assigns, employees, agents, ("the Related Person") (together, the Denied Person and the Related Person are "Persons Subject To This Order") may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as "item") exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations, including but not limited to:

- A. Applying for, obtaining, or using any license, License Exception, or export control document;

- B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations; or
 - C. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations.
- II. No person may, directly or indirectly, do any of the following:
- A. Export or reexport to or on behalf of the Persons Subject to this Order any item subject to the Regulations;
 - B. Take any action that facilitates the acquisition or attempted acquisition by the Persons Subject to this Order 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 Persons Subject to this Order 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 Persons Subject to this Order of any item subject to the Regulations that has been exported from the United States;
 - D. Obtain from the Persons Subject to this Order 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 Persons Subject to this Order, or service any item, of whatever origin, that is owned, possessed or controlled by the Person Subject to this Order 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.
- III. In addition to the Related Person named above, after notice and opportunity for comment as provided in Section 766.23 of the Regulations, any other person, firm, corporation, or business organization related to Henderson by affiliation, ownership, control or position of responsibility in the conduct of trade or related services may also be subject to the provisions of this Order if necessary to prevent evasion of the Order.
- IV. 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.
- V. This Order is effective immediately and shall remain in effect until September 18, 2019.
- VI. In accordance with Part 756 of the Regulations, Henderson may file an appeal of this Order with the Under Secretary of Commerce for Industry and Security. The

appeal must be filed within 45 days from the date of this Order and must comply with the provisions of Part 756 of the Regulations.

- VII. In accordance with Part 756 of the Regulations, the Related Person may also file an appeal of this Order with the Under Secretary of Commerce for Industry and Security. The appeal must be filed within 45 days from the date of this Order and must comply with the provisions of Part 756 of the Regulations.
- VIII. A copy of this Order shall be delivered to the Denied Person and the Related Person. This Order shall be published in the Federal Register.


Bernard Kritzer
Director
Office of Exporter Services

Issued this 28th day of May, 2010.