

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

In the Matter of:

**Harold Rinko,**  
**d/b/a Global Parts Supply a/k/a**  
**Global Parts Supply and Equip Repair**  
1383 Steam Hollow Road  
Hallstead, PA 18822

Respondent

**ORDER RELATING TO HAROLD RINKO, D/B/A GLOBAL PARTS  
SUPPLY A/K/A GLOBAL PARTS SUPPLY AND EQUIP REPAIR**

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), has notified Harold Rinko, doing business as Global Parts Supply (also known as Global Parts Supply and Equip Repair), of Hallstead, Pennsylvania (hereinafter “Rinko” or “Rinko/Global Parts Supply”), of its intention to initiate an administrative proceeding against Rinko pursuant to Section 766.3 of the Export Administration Regulations (the “Regulations”),<sup>1</sup> and Section 13(c) of the Export Administration Act of 1979, as amended (the “Act”),<sup>2</sup> through the issuance of a Proposed Charging Letter to Rinko that alleges that Rinko committed one violation of the Regulations. Specifically, the charge is:

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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 (2016). The charged violation occurred in 2011. The Regulations governing the violation at issue are found in the 2011 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774). The 2017 Regulations set forth the procedures that apply to this matter.

<sup>2</sup> 50 U.S.C. §§ 4601-4623 (Supp. III 2015). Since August 21, 2001, the Act has been in lapse and 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, the most recent being that of August 4, 2016 (81 Fed. Reg. 52,587 (Aug. 8, 2016)), has

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

Beginning in at least September 2007, and continuing through at least May 2011, Rinko/Global Parts Supply conspired and/or acted in concert with others, known and unknown, to bring about an act that constitutes a violation of the Regulations. The purpose of the conspiracy was to procure U.S.-origin goods, items subject to the Regulations, from suppliers in the United States for export from the United States to Syria without the required authorization from BIS. Rinko/Global Parts Supply's co-conspirators included Moawea Deri, a citizen and resident of Syria, and his brother, Ahmad Feras Diri, also known as Feras Diri, a citizen and resident of the United Kingdom ("U.K."), who both operated d-Deri Contracting & Trading, a business located in Damascus, Syria that also transacted business in and through the U.K. In furtherance of the conspiracy, Rinko/Global Parts Supply procured items subject to the Regulations from U.S. suppliers and exported or attempted to export them to Syria through a third country. These items were either specifically listed on the Commerce Control List or designated as EAR99.<sup>3</sup>

Rinko/Global Parts Supply contacted U.S. suppliers and provided price quotes to Moawea Deri and/or Ahmad Feras Diri. Rinko/Global Parts Supply placed orders for the items and procured and exported or attempted to export them, arranging to have them shipped from the United States to third countries, including the U.K., the United Arab Emirates ("U.A.E."), and Jordan, knowing that the items would be or were intended to be transhipped from the third countries to Syria. Rinko/Global Parts Supply received wire transfer payments from Moawea Deri and/or Ahmad Feras Diri for the sale and export of the items.

At all times relevant hereto, Rinko/Global Parts Supply was aware that the U.S.-origin items were ultimately destined for customers in Syria. As part of the conspiracy, and to circumvent the U.S. Government's embargo on Syria, Rinko/Global Parts Supply concealed from the U.S. suppliers the items' ultimate destination and prepared invoices that listed false purchasers and end users in third countries. Pursuant to the U.S. embargo, a BIS license is and at all times pertinent hereto was required to export or reexport items subject to the Regulations to Syria (with the exception of food and certain medicines), as set forth in General Order No. 2, codified in Supplement No. 1 to Part 736 of the Regulations.<sup>4</sup> Rinko/Global Parts Supply did not seek or obtain a BIS license in connection with any of the exports or attempted exports described herein.

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continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, et seq.) (2006 & Supp. IV 2010).

<sup>3</sup> The Commerce Control List is set forth in Supp. 1 to part 774 of the Regulations. "EAR99" is a designation for items subject to the Regulations but not listed on the Commerce Control List. 15 C.F.R. § 734.3(c) (2007-2011).

<sup>4</sup> General Order No. 2 was issued pursuant to the Syria Accountability and Lebanese Sovereignty Restoration Act of 2003, enacted on December 12, 2003. Subsequent to the transactions and violations alleged herein, the controls on exports and reexports to Syria were moved from

Rinko/Global Parts Supply began procuring items in furtherance of the conspiracy by no later than in or about September 2007, when Rinko/Global Parts Supply purchased from a U.S. supplier a portable multi-gas scanner subject to the Regulations and designated EAR99 that is used in the detection of chemical warfare agents. On or about October 8, 2008, Rinko/Global Parts Supply prepared a sales invoice that falsely identified a U.A.E. individual as the customer and misrepresented the value of the instrument and related accessories. On or about the same date, Rinko/Global Parts Supply shipped these items to the U.A.E. with knowledge that the items would be transshipped on to Syria. Rinko/Global Parts Supply subsequently received a foreign wire transfer for “goods value” as payment for this unlicensed export.

On several other occasions, Rinko/Global Parts Supply made unlicensed exports of items subject to the Regulations for transshipment to Syria using the same deceptive tactics to conceal the ultimate destination and other aspects of the transaction. For example, in early 2009, Rinko/Global Parts Supply exported from the United States to Syria a chemical detector kit subject to the Regulations and controlled under Export Control Classification Number 1A004.d, as well as parts for the kit also subject to the Regulations, through one or more third countries employing the same deceptive tactics designed to conceal the ultimate destination and other aspects of the transaction. Specifically, on January 29, 2009, Rinko/Global Parts Supply prepared an invoice listing the sale of the chemical detector kit and parts, falsely identifying a customer in Dubai, U.A.E, and also undervaluing the items. On February 25, 2009, Rinko/Global Parts Supply exported the chemical detector kit without the required BIS license. On May 5, 2009, in connection with a request made by Ahmad Feras Diri for additional parts for the chemical detector kit, Rinko/Global Parts Supply prepared an invoice for such parts that falsely identified Feras Diri in the U.K. as the ultimate end user. On January 16, 2009, and May 8, 2009, respectively, Rinko/Global Parts Supply received wire transfer payments for the chemical detector kit and parts.

The conspiracy continued into 2011, as Rinko/Global Parts Supply continued procuring items subject to the Regulations for export to Syria via third countries and engaging in similarly evasive actions, including the use of addresses they knew were false. In early and mid-February 2011, Rinko/Global Parts Supply provided price quotes by email to Moawea Deri for a gas flowmeter, a sampling pump, and a pH meter, items used in the measurement of chemicals and gas streams. These three items were subject to the Regulations and designated as EAR99. In a February 25, 2011 email to Moawea Deri, Rinko requested a “company name and address in London” to provide to the flowmeter’s U.S. manufacturer, which had requested end-user information, and indicated that he would “use this [information] for all in the future.” Rinko also stated that “[he] must make all of... [his] orders seem as though they are only going to London and not further.” By email later the same day, Moawea Deri provided Rinko his brother Ahmad

Feras Diri's London mailing address, but asked Rinko to send "the part" to Jordan once Rinko received it from the U.S. manufacturer. Rinko/Global Parts Supply subsequently prepared invoices dated March 3, 2011 for the sale and export of these items that listed false values for the items and falsely identified Feras Diri as the purchaser using the London, U.K. address that Moawea Deri had provided to Rinko. On or about March 7, 2011, Rinko/Global Parts received a wire transfer payment for "value of industrial machine spare parts." On or about the same date, Rinko/Global Parts Supply shipped the three items to the U.K., knowing that the items were intended to be transshipped to Syria. Rinko/Global Parts Supply did not seek or obtain a BIS license in connection with the attempted export of these items to Syria. Later in March 2011, U.K. Customs authorities detained the shipment following a determination that it was destined for Syria. In or about April 2011, the items were returned to the United States, where they were detained by U.S. Government authorities on or about April 13, 2011.

On or about March 31, 2011, Rinko similarly provided a price quote to Moawea Diri for magnetic stirrers, items subject to the Regulations and designated EAR99. On or about April 25, 2011, Rinko/Global Parts Supply prepared an invoice for the sale and intended unlicensed export of these items to Syria, and received a wire transfer payment approximately a week later in early May 2011. This export was not completed due to the investigation that had been initiated by BIS and other U.S. law enforcement agencies.

By participating in a conspiracy during at least September 2007-May 2011 to export items subject to the Regulations to Syria through third countries without the required BIS licenses, Rinko/Global Parts Supply violated Section 764.2(d) of the Regulations.

WHEREAS, BIS and Rinko 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; and

WHEREAS, in doing so, I have taken into consideration the guilty plea entered by Rinko and his conviction and sentence in a related criminal conspiracy prosecution in the United States District Court for the Middle District of Pennsylvania, including his payment of a forfeiture of \$45,698;

**IT IS THEREFORE ORDERED:**

FIRST, Rinko shall be assessed a civil penalty in the amount of \$100,000, all of which shall be suspended for a period of five years from the date of this Order, and thereafter shall be waived, provided that during this five-year payment probationary period, Rinko has fully and timely complied with the quarterly reporting requirements described below and has not committed a violation of the Act, or any regulation, order, license, or authorization issued thereunder. If during this five-year payment probationary period Rinko fails to timely complete and submit any of the quarterly reports or commits a violation of the Act or any regulation, order, license, or authorization issued thereunder, the civil penalty may be modified or revoked by BIS and the \$100,000 made due and owing immediately.

SECOND, Rinko shall provide quarterly reports of all export and reexport transactions involving items subject to the Regulations in which he participates in any way, whether doing business under or using his own name or the names Global Parts Supply or Global Parts Supply and Equip Repair, or under or using any other name, during the period from and including July 1, 2017, through and including June 30, 2022. These quarterly reports, including any relevant supporting materials, shall be submitted to the Department of Commerce, Bureau of Industry and Security, Office of Export Enforcement, 1200 South Avenue, Suite 104, Staten Island, New York 10314 ("BIS New York Field Office") no later than 15 calendar days following the close of the quarter covered by the report. Thus, the first quarterly report must be submitted to the BIS New York Field Office no later than October 15, 2017, and the last quarterly report must be

submitted no later than July 15, 2022. Each report shall include, at a minimum, the following information for each item involved in each such export or reexport transaction during the applicable quarter: item description; classification under the Regulations for export control classification purposes, including any applicable Export Control Classification Number (“ECCN”); ultimate destination and ultimate consignee; any intermediate destination and intermediate consignee; end use; U.S. dollar value; and the identity of any freight forwarder, consolidator, or broker involved in the transaction.

THIRD, that for a period of ten (10) years from the date of this Order, Harold Rinko, d/b/a Global Parts Supply (also known as Global Parts Supply and Equip Repair), with a last known address of 1383 Steam Hollow Road, Hallstead, PA 18822, and when acting for or on his behalf, his successors, assigns, representatives, agents, or employees (hereinafter collectively referred to as “Denied Person”), 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.

FOURTH, 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.

FIFTH, 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 the Denied Person 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 this Order.

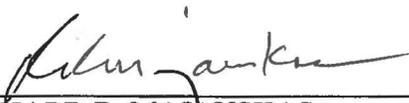
SIXTH, that, as authorized by Section 766.18(c) of the Regulations, the ten-year denial period shall be suspended for a period of ten years from the date of the Order, and shall thereafter be waived, provided that during this ten-year probationary period Rinko has timely completed and submitted each of the quarterly reports as set forth above, and has not committed any violation of the Act or the Regulations or any order, license or authorization issued thereunder. If Rinko does not timely complete and submit any of the quarterly reports, or commits another violation of the Act or the Regulations or any order, license or authorization issued thereunder, during this ten-year probationary period, the suspension may be modified or revoked by BIS and a denial order including a ten-year denial period activated against Rinko.

SEVENTH, Rinko shall not take any action or make or permit to be made any public statement, directly or indirectly, denying the allegations in the Proposed Charging Letter or this Order. The foregoing does not affect Rinko's testimonial obligations in any proceeding.

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

Harold Rinko, d/b/a Global Parts Supply  
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This Order, which constitutes the final agency action in this matter, is effective immediately.

  
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RICHARD R. MAJAUSKAS  
Acting Assistant Secretary of Commerce  
for Export Enforcement

Issued this 26<sup>th</sup> day of July, 2017

UNITED STATES DEPARTMENT OF COMMERCE  
BUREAU OF INDUSTRY AND SECURITY  
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**Harold Rinko**  
**d/b/a Global Parts Supply a/k/a**  
**Global Parts Supply and Equip Repair**  
1383 Steam Hollow Road  
Hallstead, PA 18822

Respondent

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Harold Rinko, doing business as Global Parts Supply (also known as Global Parts Supply and Equip Repair), of Hallstead, Pennsylvania (hereinafter “Rinko” or “Rinko/Global Parts Supply”) 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”),<sup>1</sup> issued pursuant to the Export Administration Act of 1979, as amended (the “Act”).<sup>2</sup>

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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 (2017). The charged violation occurred in 2011. The Regulations governing the violation at issue are found in the 2011 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774). The 2017 Regulations set forth the procedures that apply to this matter.

<sup>2</sup> 50 U.S.C. §§ 4601-4623 (Supp. III 2015). Since August 21, 2001, the Act has been in lapse and 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, the most recent being that of August 4, 2016 (81 Fed. Reg. 52,587 (Aug. 8, 2016)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, et seq.) (2006 & Supp. IV 2010).

WHEREAS, BIS has notified Rinko of its intention to initiate an administrative proceeding against Rinko pursuant to the Act and the Regulations;

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

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

Beginning in at least September 2007, and continuing through at least May 2011, Rinko/Global Parts Supply conspired and/or acted in concert with others, known and unknown, to bring about an act that constitutes a violation of the Regulations. The purpose of the conspiracy was to procure U.S.-origin goods, items subject to the Regulations, from suppliers in the United States for export from the United States to Syria without the required authorization from BIS. Rinko/Global Parts Supply's co-conspirators included Moawea Deri, a citizen and resident of Syria, and his brother, Ahmad Feras Diri, also known as Feras Diri, a citizen and resident of the United Kingdom ("U.K."), who both operated d-Deri Contracting & Trading, a business located in Damascus, Syria that also transacted business in and through the U.K. In furtherance of the conspiracy, Rinko/Global Parts Supply procured items subject to the Regulations from U.S. suppliers and exported or attempted to export them to Syria through a third country. These items were either specifically listed on the Commerce Control List or designated as EAR99.<sup>3</sup>

Rinko/Global Parts Supply contacted U.S. suppliers and provided price quotes to Moawea Deri and/or Ahmad Feras Diri. Rinko/Global Parts Supply placed orders for the items and procured and exported or attempted to export them, arranging to have them shipped from the United States to third countries, including the U.K., the United Arab Emirates ("U.A.E."), and Jordan, knowing that the items would be or were intended to be transshipped from the third countries to Syria. Rinko/Global Parts Supply received wire transfer payments from Moawea Deri and/or Ahmad Feras Diri for the sale and export of the items.

At all times relevant hereto, Rinko/Global Parts Supply was aware that the U.S.-origin items were ultimately destined for customers in Syria. As part of the conspiracy, and to circumvent the U.S. Government's embargo on Syria, Rinko/Global Parts Supply concealed from the U.S. suppliers the items' ultimate destination and prepared invoices that listed false purchasers and end users in third countries. Pursuant to the U.S. embargo, a BIS license is and at all times pertinent hereto was required to export or

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reexport items subject to the Regulations to Syria (with the exception of food and certain medicines), as set forth in General Order No. 2, codified in Supplement No. 1 to Part 736 of the Regulations.<sup>4</sup> Rinko/Global Parts Supply did not seek or obtain a BIS license in connection with any of the exports or attempted exports described herein.

Rinko/Global Parts Supply began procuring items in furtherance of the conspiracy by no later than in or about September 2007, when Rinko/Global Parts Supply purchased from a U.S. supplier a portable multi-gas scanner subject to the Regulations and designated EAR99 that is used in the detection of chemical warfare agents. On or about October 8, 2008, Rinko/Global Parts Supply prepared a sales invoice that falsely identified a U.A.E. individual as the customer and misrepresented the value of the instrument and related accessories. On or about the same date, Rinko/Global Parts Supply shipped these items to the U.A.E. with knowledge that the items would be transshipped on to Syria. Rinko/Global Parts Supply subsequently received a foreign wire transfer for “goods value” as payment for this unlicensed export.

On several other occasions, Rinko/Global Parts Supply made unlicensed exports of items subject to the Regulations for transshipment to Syria using the same deceptive tactics to conceal the ultimate destination and other aspects of the transaction. For example, in early 2009, Rinko/Global Parts Supply exported from the United States to Syria a chemical detector kit subject to the Regulations and controlled under Export Control Classification Number 1A004.d, as well as parts for the kit also subject to the Regulations, through one or more third countries employing the same deceptive tactics designed to conceal the ultimate destination and other aspects of the transaction. Specifically, on January 29, 2009, Rinko/Global Parts Supply prepared an invoice listing the sale of the chemical detector kit and parts, falsely identifying a customer in Dubai, U.A.E, and also undervaluing the items. On February 25, 2009, Rinko/Global Parts Supply exported the chemical detector kit without the required BIS license. On May 5, 2009, in connection with a request made by Ahmad Feras Diri for additional parts for the chemical detector kit, Rinko/Global Parts Supply prepared an invoice for such parts that falsely identified Feras Diri in the U.K. as the ultimate end user. On January 16, 2009, and May 8, 2009, respectively, Rinko/Global Parts Supply received wire transfer payments for the chemical detector kit and parts.

The conspiracy continued into 2011, as Rinko/Global Parts Supply continued procuring items subject to the Regulations for export to Syria via third countries and engaging in similarly evasive actions, including the use of addresses they knew were false. In early and mid-February 2011, Rinko/Global Parts Supply provided price quotes by email to Moawea Deri for a gas flowmeter, a sampling pump, and a pH meter, items used in the

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<sup>4</sup> General Order No. 2 was issued pursuant to the Syria Accountability and Lebanese Sovereignty Restoration Act of 2003, enacted on December 12, 2003. Subsequent to the transactions and violations alleged herein, the controls on exports and reexports to Syria were moved from General Order No. 2 to Section 746.9 of the Regulations. The licensing requirements continued unchanged. *See* 76 Fed. Reg. 77,115 (Dec. 12, 2011).

measurement of chemicals and gas streams. These three items were subject to the Regulations and designated as EAR99. In a February 25, 2011 email to Moawea Deri, Rinko requested a "company name and address in London" to provide to the flowmeter's U.S. manufacturer, which had requested end-user information, and indicated that he would "use this [information] for all in the future." Rinko also stated that "[he] must make all of... [his] orders seem as though they are only going to London and not further." By email later the same day, Moawea Deri provided Rinko his brother Ahmad Feras Diri's London mailing address, but asked Rinko to send "the part" to Jordan once Rinko received it from the U.S. manufacturer. Rinko/Global Parts Supply subsequently prepared invoices dated March 3, 2011 for the sale and export of these items that listed false values for the items and falsely identified Feras Diri as the purchaser using the London, U.K. address that Moawea Deri had provided to Rinko. On or about March 7, 2011, Rinko/Global Parts received a wire transfer payment for "value of industrial machine spare parts." On or about the same date, Rinko/Global Parts Supply shipped the three items to the U.K., knowing that the items were intended to be transshipped to Syria. Rinko/Global Parts Supply did not seek or obtain a BIS license in connection with the attempted export of these items to Syria. Later in March 2011, U.K. Customs authorities detained the shipment following a determination that it was destined for Syria. In or about April 2011, the items were returned to the United States, where they were detained by U.S. Government authorities on or about April 13, 2011.

On or about March 31, 2011, Rinko similarly provided a price quote to Moawea Diri for magnetic stirrers, items subject to the Regulations and designated EAR99. On or about April 25, 2011, Rinko/Global Parts Supply prepared an invoice for the sale and intended unlicensed export of these items to Syria, and received a wire transfer payment approximately a week later in early May 2011. This export was not completed due to the investigation that had been initiated by BIS and other U.S. law enforcement agencies.

By participating in a conspiracy during at least September 2007-May 2011 to export items subject to the Regulations to Syria through third countries without the required BIS licenses, Rinko/Global Parts Supply violated Section 764.2(d) of the Regulations.

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

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

WHEREAS, the Parties enter into this Agreement having taken into consideration the guilty plea entered by Rinko and his conviction and sentence in a related criminal conspiracy prosecution in the United States District Court for the Middle District of Pennsylvania, including his payment of a forfeiture of \$45,698;

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

WHEREAS, Rinko 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 Rinko, under the Regulations, in connection with the matters alleged in the Proposed Charging Letter.
2. Rinko admits each of the allegations contained and the violation alleged in the Proposed Charging Letter.
3. The following sanctions shall be imposed against Rinko:
  - a. Rinko shall be assessed a civil penalty in the amount of \$100,000, all of which shall be suspended for a period of five years from the date of the Order, and thereafter shall be waived, provided that during this five-year payment probationary period under the Order, Rinko has fully and timely complied with the quarterly reporting requirements set forth below in Paragraph 3.b. and has not committed any violation of the Act or the Regulations or any order, license, or authorization issued thereunder. If during this five-year payment probationary

period Rinko fails to timely complete and submit any of the quarterly reports agreed to under Paragraph 3.b., or commits a violation of the Act or the Regulations or any order, license, or authorization issued thereunder, the civil penalty may be modified or revoked by BIS and the \$100,000 made due and owing immediately.

b. Rinko shall provide quarterly reports of all export and reexport transactions involving items subject to the Regulations in which he participates in any way, whether doing business under or using his own name, or the names Global Parts Supply or Global Parts Supply and Equip Repair, or under or using any other name, during the period from and including July 1, 2017, through and including June 30, 2022. These quarterly reports, including any relevant supporting materials, shall be submitted to the Department of Commerce, Bureau of Industry and Security, Office of Export Enforcement, 1200 South Avenue, Suite 104, Staten Island, New York 10314 ("BIS New York Field Office") no later than 15 calendar days following the close of the quarter covered by the report. Thus, the first quarterly report must be submitted to the BIS New York Field Office no later than October 15, 2017, and the last quarterly report must be submitted no later than July 15, 2022. Each report shall include, at a minimum, the following information for each item involved in each such export or reexport transaction during the applicable quarter: item description; classification under the Regulations for export control classification purposes, including any applicable Export Control Classification Number ("ECCN"); ultimate destination and ultimate consignee; any intermediate destination and intermediate consignee; end use; U.S. dollar value; and the identity of any freight forwarder, consolidator, or broker involved in the transaction.

c. For a period of ten (10) years from the date of the Order, Harold Rinko, doing business as Global Parts Supply (also known as Global Parts Supply and Equip Repair), with a last known address of 1383 Steam Hollow Road, Halstead, Pennsylvania 18822, and when acting for or on his behalf, his successors, assigns, representatives, agents, or employees (hereinafter collectively referred to as "Denied Person"), 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:

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 engaging 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 ten-year denial period set forth in Paragraph 3.c shall be suspended for a period of ten years from the date of the Order, and shall thereafter be waived, provided that during this ten-year probationary period Rinko has timely completed and submitted each of the quarterly reports agreed to under Paragraph 3.b, and has not committed any violation of the Act or the Regulations or any order, license or authorization issued thereunder. If Rinko does not timely complete and submit any of the quarterly reports agreed to under Paragraph 3.b, or during this ten-year probationary period commits another violation of the Act or the Regulations or any order, license or authorization issued thereunder, the suspension may be modified or revoked by BIS and a denial order including a ten-year denial period activated against Rinko.

4. Subject to the approval of this Agreement pursuant to Paragraph 9 hereof, Rinko 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 issued), including, without limitation, any right to: (a) receive an administrative hearing regarding the allegations in any proposed charging letter or 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. Rinko 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 the collection of any civil penalty or enforcement of this Agreement

and the Order, if issued, from the date of the Order until the date Rinko has completed and timely submitted all of the quarterly reports described in Paragraph 3.b.

5. Rinko shall not take any action or make or permit to be made any public statement, directly or indirectly, denying the allegations in the Proposed Charging Letter or the Order. The foregoing does not affect Rinko's testimonial obligations in any proceeding.

6. BIS agrees that upon completion and submission of all of the quarterly reports as set forth in Paragraph 3.b, BIS will not initiate any further administrative proceeding against Rinko in connection with any violation of the Act or the Regulations arising out of the transactions specifically detailed in the Proposed Charging Letter.

7. 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(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.

8. 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 issued; 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.

9. This Agreement shall become binding on the Parties only if the Assistant Secretary of Commerce for Export Enforcement 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.

10. If the Order issues, BIS will make the Proposed Charging Letter, this Agreement, and the Order available to the public.

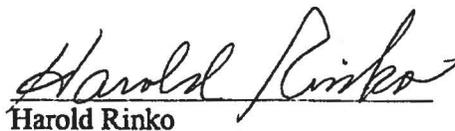
11. Each signatory affirms that he/she has authority to enter into this Settlement Agreement and to bind his/her respective party to the terms and conditions set forth herein.

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



Douglas R. Hassebrock  
Director of Export Enforcement

HAROLD RINKO  
D/B/A GLOBAL PARTS SUPPLY  
A/K/A GLOBAL PARTS SUPPLY AND  
EQUIP REPAIR

  
Harold Rinko

Date: July 25, 2017

Date: July 19, 2017

PROPOSED CHARGING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Harold Rinko  
d/b/a Global Parts Supply a/k/a  
Global Parts Supply and Equip Repair  
1383 Steam Hollow Road  
Hallstead, PA 18822

Dear Mr. Rinko:

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), has reason to believe that you, Harold Rinko, doing business as Global Parts Supply (also known as Global Parts Supply and Equip Repair), of Hallstead, Pennsylvania (hereinafter “Rinko” or “Rinko/Global Parts Supply”), violated the Export Administration Regulations (“the Regulations”),<sup>1</sup> which issued under the authority of the Export Administration Act of 1979, as amended (“the Act”).<sup>2</sup> Specifically, BIS alleges that Rinko/Global Parts Supply committed the following violation:

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

Beginning in at least September 2007, and continuing through at least May 2011, Rinko/Global Parts Supply conspired and/or acted in concert with others, known and unknown, to bring about an act that constitutes a violation of the Regulations. The purpose of the conspiracy was to procure U.S.-origin goods, items subject to the Regulations, from suppliers in the United States for export from the United States to Syria without the required authorization from BIS. Rinko/Global Parts Supply’s co-conspirators included Moawea Deri, a citizen and resident of Syria, and his brother, Ahmad Feras Diri, also known as Feras Diri, a citizen and resident of the United Kingdom (“U.K.”), who both operated d-Deri Contracting & Trading, a business located in Damascus, Syria that also transacted business in and through the U.K. In furtherance of the conspiracy, Rinko/Global Parts Supply procured items subject to the Regulations

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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 (2017). The violation alleged occurred in 2011. The Regulations governing the violations at issue are found in the 2011 versions of the Code of Federal Regulations, 15 C.F.R. parts 730-774 (2012). The 2017 Regulations govern the procedural aspects of this case.

<sup>2</sup> The Act, 50 U.S.C. §§ 4601-4623 (Supp. III 2015) (available at <http://uscode.house.gov>), has been in lapse since August 21, 2001, and 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, the most recent being that of August 4, 2016 (81 Fed. Reg. 52,587 (Aug. 8, 2016)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, et seq.) (2012).

from U.S. suppliers and exported or attempted to export them to Syria through a third country. These items were either specifically listed on the Commerce Control List or designated as EAR99.<sup>3</sup>

Rinko/Global Parts Supply contacted U.S. suppliers and provided price quotes to Moawea Deri and/or Ahmad Feras Diri. Rinko/Global Parts Supply placed orders for the items and procured and exported or attempted to export them, arranging to have them shipped from the United States to third countries, including the U.K., the United Arab Emirates (“U.A.E.”), and Jordan, knowing that the items would be or were intended to be transshipped from the third countries to Syria. Rinko/Global Parts Supply received wire transfer payments from Moawea Deri and/or Ahmad Feras Diri for the sale and export of the items.

At all times relevant hereto, Rinko/Global Parts Supply was aware that the U.S.-origin items were ultimately destined for customers in Syria. As part of the conspiracy, and to circumvent the U.S. Government’s embargo on Syria, Rinko/Global Parts Supply concealed from the U.S. suppliers the items’ ultimate destination and prepared invoices that listed false purchasers and end users in third countries. Pursuant to the U.S. embargo, a BIS license is and at all times pertinent hereto was required to export or reexport items subject to the Regulations to Syria (with the exception of food and certain medicines), as set forth in General Order No. 2, codified in Supplement No. 1 to Part 736 of the Regulations.<sup>4</sup> Rinko/Global Parts Supply did not seek or obtain a BIS license in connection with any of the exports or attempted exports described herein.

Rinko/Global Parts Supply began procuring items in furtherance of the conspiracy by no later than in or about September 2007, when Rinko/Global Parts Supply purchased from a U.S. supplier a portable multi-gas scanner subject to the Regulations and designated EAR99 that is used in the detection of chemical warfare agents. On or about October 8, 2008, Rinko/Global Parts Supply prepared a sales invoice that falsely identified a U.A.E. individual as the customer and misrepresented the value of the instrument and related accessories. On or about the same date, Rinko/Global Parts Supply shipped these items to the U.A.E. with knowledge that the items would be transshipped on to Syria. Rinko/Global Parts Supply subsequently received a foreign wire transfer for “goods value” as payment for this unlicensed export.

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<sup>3</sup> The Commerce Control List is set forth in Supp. 1 to part 774 of the Regulations. “EAR99” is a designation for items subject to the Regulations but not listed on the Commerce Control List. 15 C.F.R. § 734.3(c) (2007-2011).

<sup>4</sup> General Order No. 2 was issued pursuant to the Syria Accountability and Lebanese Sovereignty Restoration Act of 2003, enacted on December 12, 2003. Subsequent to the transactions and violations alleged herein, the controls on exports and reexports to Syria were moved from General Order No. 2 to Section 746.9 of the Regulations. The licensing requirements continued unchanged. *See* 76 Fed. Reg. 77,115 (Dec. 12, 2011).

On several other occasions, Rinko/Global Parts Supply made unlicensed exports of items subject to the Regulations for transshipment to Syria using the same deceptive tactics to conceal the ultimate destination and other aspects of the transaction. For example, in early 2009, Rinko/Global Parts Supply exported from the United States to Syria a chemical detector kit subject to the Regulations and controlled under Export Control Classification Number 1A004.d, as well as parts for the kit also subject to the Regulations, through one or more third countries employing the same deceptive tactics designed to conceal the ultimate destination and other aspects of the transaction. Specifically, on January 29, 2009, Rinko/Global Parts Supply prepared an invoice listing the sale of the chemical detector kit and parts, falsely identifying a customer in Dubai, U.A.E, and also undervaluing the items. On February 25, 2009, Rinko/Global Parts Supply exported the chemical detector kit without the required BIS license. On May 5, 2009, in connection with a request made by Ahmad Feras Diri for additional parts for the chemical detector kit, Rinko/Global Parts Supply prepared an invoice for such parts that falsely identified Feras Diri in the U.K. as the ultimate end user. On January 16, 2009, and May 8, 2009, respectively, Rinko/Global Parts Supply received wire transfer payments for the chemical detector kit and parts.

The conspiracy continued into 2011, as Rinko/Global Parts Supply continued procuring items subject to the Regulations for export to Syria via third countries and engaging in similarly evasive actions, including the use of addresses they knew were false. In early and mid-February 2011, Rinko/Global Parts Supply provided price quotes by email to Moawea Deri for a gas flowmeter, a sampling pump, and a pH meter, items used in the measurement of chemicals and gas streams. These three items were subject to the Regulations and designated as EAR99. In a February 25, 2011 email to Moawea Deri, Rinko requested a "company name and address in London" to provide to the flowmeter's U.S. manufacturer, which had requested end-user information, and indicated that he would "use this [information] for all in the future." Rinko also stated that "[he] must make all of... [his] orders seem as though they are only going to London and not further." By email later the same day, Moawea Deri provided Rinko his brother Ahmad Feras Diri's London mailing address, but asked Rinko to send "the part" to Jordan once Rinko received it from the U.S. manufacturer. Rinko/Global Parts Supply subsequently prepared invoices dated March 3, 2011 for the sale and export of these items that listed false values for the items and falsely identified Feras Diri as the purchaser using the London, U.K. address that Moawea Deri had provided to Rinko. On or about March 7, 2011, Rinko/Global Parts received a wire transfer payment for "value of industrial machine spare parts." On or about the same date, Rinko/Global Parts Supply shipped the three items to the U.K., knowing that the items were intended to be transshipped to Syria. Rinko/Global Parts Supply did not seek or obtain a BIS license in connection with the attempted export of these items to Syria. Later in March 2011, U.K. Customs authorities detained the shipment following a determination that it was destined for Syria. In or about April 2011, the items were returned to the United States, where they were detained by U.S. Government authorities on or about April 13, 2011.

On or about March 31, 2011, Rinko similarly provided a price quote to Moawea Diri for magnetic stirrers, items subject to the Regulations and designated EAR99. On or about April 25, 2011, Rinko/Global Parts Supply prepared an invoice for the sale and intended unlicensed export of these items to Syria, and received a wire transfer payment approximately a week later in early May 2011. This export was not completed due to the investigation that had been initiated by BIS and other U.S. law enforcement agencies.

By participating in a conspiracy during at least September 2007-May 2011 to export items subject to the Regulations to Syria through third countries without the required BIS licenses, Rinko/Global Parts Supply violated Section 764.2(d) of the Regulations.

\* \* \* \* \*

Accordingly, Rinko is hereby notified that an administrative proceeding is instituted against him 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, but not limited to any or all of the following:

- The maximum civil penalty allowed by law of up to the greater of \$289,238 per violation,<sup>5</sup> or twice the value of the transaction that is the basis of the violation;<sup>6</sup>
- Denial of export privileges;
- Exclusion from practice before BIS; and/or
- Any other liability, sanction, or penalty available under law.

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

Rinko is further notified that he is entitled to an agency hearing on the record if he files a written demand for one with his answer. *See* 15 C.F.R. § 766.6. Rinko is entitled to be

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<sup>5</sup> *See* 15 C.F.R. § 6.4(b)(4). This amount is subject to increase 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.

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

Harold Rinko, d/b/a Global Parts Supply  
Proposed Charging Letter  
Page 5 of 5

represented by counsel or other authorized representative who has power of attorney to represent him. *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 Rinko have a proposal to settle this case, Rinko should transmit it to the attorney representing BIS named below.

Rinko is further notified that under the Small Business Regulatory Enforcement Flexibility Act, he 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, Rinko'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

In addition, copies of Rinko's answer must be served on BIS at the following address:

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

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

Sincerely,

Douglas R. Hassebrock  
Director  
Office of Export Enforcement