

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

\_\_\_\_\_  
In the Matter of: )  
 )  
Agility International, Inc. )  
7550 Accotink Park Rd. )  
Springfield, VA 22150 )  
 )  
Respondent )  
\_\_\_\_\_

ORDER RELATING TO AGILITY INTERNATIONAL, INC.

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), has notified Agility International, Inc. (referred to hereinafter as “Agility”), formerly known as Matrix International Logistics, Inc.,<sup>1</sup> of its intention to initiate an administrative proceeding against Agility pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2007)) (the “Regulations”),<sup>2</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>3</sup> through issuance of a proposed charging letter to

<sup>1</sup> Agility International, Inc. operated under the name Matrix International Logistics, Inc. at the time of the alleged violations.

<sup>2</sup> The violations alleged to have been committed occurred in 2004. The Regulations governing the violations at issue are found in the 2004 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2004)). The 2007 Regulations establish the procedures that apply to this matter.

<sup>3</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)), 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 (50 U.S.C. §§ 1701-1706 (2000)) (“IEEPA”).

Agility that alleged that Agility committed two violations of the Regulations.

Specifically, the charges are:

**Charge 1      15 C.F.R. §764.2(b) - Causing, Aiding or Abetting an Attempted Export in Violation of the Export Administration Regulations**

On or about July 9, 2004, Agility caused, aided or abetted an act prohibited by the Regulations when it caused, aided or abetted the attempted export of concealable vests, body armor and bomb blast blankets to Iraq without the required U.S. government authorization. Specifically, Agility caused, aided or abetted the attempt by a Bethesda, Maryland company to export concealable vests, body armor and bomb blast blankets to Iraq by preparing, packaging and attempting to ship the items. The concealable vests and body armor are subject to the Regulations and classified as ECCN 1A005, and are controlled for National Security and Anti-Terrorism concerns. The bomb blast blankets are subject to the Regulations, and are designated as EAR99. Pursuant to Section 746.3(a) of the Regulations, in order to comply with the Regulations, transactions subject to both the Regulations and the Iraqi Sanctions Regulations maintained by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"), require OFAC authorization, and transactions subject to the Regulations that are not subject to the Iraqi Sanctions Regulations may require authorization from the Department of Commerce. The exports to Iraq of the items described herein were not authorized by OFAC or the Department of Commerce. In so doing, Agility committed one violation of Section 764.2(b) of the Regulations.

**Charge 2      15 C.F.R. § 764.2(g) - Misrepresentation**

On or about July 9, 2004, in connection with the transaction described in Charge 1, Agility made false or misleading representations to the U.S. government in violation of the Regulations. Specifically, Agility filed or caused to be filed a Shipper's Export Declaration ("SED") with the U.S. Government that stated that certain concealable vests, body armor and bomb blast blankets qualified for export from the United States to Iraq as "NLR," meaning that no license was required for their export. This is false because a license was required to export these items to Iraq. An SED is an export control document as defined in Part 772 of the Regulations. In so doing, Agility committed one violation of Section 764.2(g) of the Regulations.

WHEREAS, BIS and Agility 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, that a civil penalty of \$13,200 is assessed against Agility, 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 date specified herein, Agility will be assessed, in addition to the full amount of the civil penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, that the timely payment of the civil penalty set forth above is hereby made a condition to the granting, restoration, or continuing validity of any export license, license exception, permission, or privilege granted, or to be granted, to Agility. Accordingly, if Agility should fail to pay the civil penalty in a timely manner, the undersigned may enter an Order denying all of Agility's export privileges for a period of one year from the date of entry of this Order.

FOURTH, that the proposed charging letter, the Settlement Agreement, and this Order shall be made available to the public.

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

*for* *Keri D. Dell'Obel*  
Darryl W. Jackson  
Assistant Secretary of Commerce  
for Export Enforcement

Entered this 19<sup>th</sup> day of march, 2008.

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

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In the Matter of: )  
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Agility International, Inc. )  
7550 Accotink Park Rd. )  
Springfield, VA 22150 )  
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Respondent )  
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SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made by and between Agility International, Inc. (referred to hereinafter as "Agility"), formerly known as Matrix International Logistics, Inc.,<sup>1</sup> 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 (currently codified at 15 C.F.R. Parts 730-774 (2007)) (the "Regulations"),<sup>2</sup> issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (the "Act").<sup>3</sup>

<sup>1</sup> Agility International, Inc. operated under the name Matrix International Logistics, Inc. at the time of the alleged violations.

<sup>2</sup> The violations alleged to have been committed occurred in 2004. The Regulations governing the violations at issue are found in the 2004 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2004)). The 2007 Regulations establish the procedures that apply to this matter.

<sup>3</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)), 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 (50 U.S.C. §§ 1701-1706 (2000)) ("IEEPA").

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

WHEREAS, BIS has issued a proposed charging letter to Agility that alleged that Agility committed two violations of the Regulations, specifically:

**Charge 1     15 C.F.R. §764.2(b) - Causing, Aiding or Abetting an Attempted Export in Violation of the Export Administration Regulations**

On or about July 9, 2004, Agility caused, aided or abetted an act prohibited by the Regulations when it caused, aided or abetted the attempted export of concealable vests, body armor and bomb blast blankets to Iraq without the required U.S. government authorization. Specifically, Agility caused, aided or abetted the attempt by a Bethesda, Maryland company to export concealable vests, body armor and bomb blast blankets to Iraq by preparing, packaging and attempting to ship the items. The concealable vests and body armor are subject to the Regulations and classified as ECCN 1A005, and are controlled for National Security and Anti-Terrorism concerns. The bomb blast blankets are subject to the Regulations, and are designated as EAR99. Pursuant to Section 746.3(a) of the Regulations, in order to comply with the Regulations, transactions subject to both the Regulations and the Iraqi Sanctions Regulations maintained by the Office of Foreign Assets Control, U.S. Department of the Treasury ("OFAC"), require OFAC authorization, and transactions subject to the Regulations that are not subject to the Iraqi Sanctions Regulations may require authorization from the Department of Commerce. The exports to Iraq of the items described herein were not authorized by OFAC or the Department of Commerce. In so doing, Agility committed one violation of Section 764.2(b) of the Regulations.

**Charge 2     15 C.F.R. § 764.2(g) - Misrepresentation**

On or about July 9, 2004, in connection with the transaction described in Charge 1, Agility made false or misleading representations to the U.S. government in violation of the Regulations. Specifically, Agility filed or caused to be filed a Shipper's Export Declaration ("SED") with the U.S. Government that stated that certain concealable vests, body armor and bomb blast blankets qualified for export from the United States to Iraq as "NLR," meaning that no license was required for their export. This is false because a license was required to export these items to Iraq. An SED is an export control document as defined in Part 772 of the Regulations. In so doing, Agility committed one violation of Section 764.2(g) of the Regulations.

WHEREAS, Agility has reviewed the proposed charging letter and is aware of the allegations made against it and the administrative sanctions which could be imposed against Agility if the allegations are found to be true;

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

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

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

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

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

NOW THEREFORE, the Parties hereby agree as follows:

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

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

a. Agility shall be assessed a civil penalty in the amount of \$13,200, all of 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 Agility.

Failure to make timely payment of the civil penalty set forth above may result in the denial of all of Agility's export privileges for a period of one year from the date of imposition of the penalty.

3. Subject to the approval of this Agreement pursuant to paragraph 8 hereof, Agility 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 \$13,200 civil penalty, BIS will not initiate any further administrative proceeding against Agility in connection with any violation of the Act or the Regulations arising out of the transactions identified in the proposed charging letter.

5. BIS will make the proposed 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(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. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise affect the terms of this



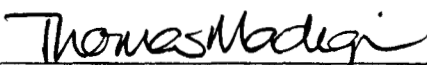
Agreement or the Order, if entered, nor shall this Agreement serve to bind, constrain, or otherwise limit any action by any other agency or department of the U.S. Government with respect to the facts and circumstances addressed herein.


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

AGILITY INTERNATIONAL, INC.

  
\_\_\_\_\_  
Thomas Madigan  
Acting Director  
Office of Export Enforcement

  
\_\_\_\_\_  
Douglas Crankshank  
President

Date: 3/12/18

Date: 3-7-08

PROPOSED CHARGING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Agility International, Inc  
7550 Accotink Park Rd.  
Springfield, VA 22150

Attention: *Abe Ranish*  
*President*

Dear Mr. Ranish:

The Bureau of Industry and Security, U. S. Department of Commerce (“BIS”), has reason to believe that Agility International, Inc (“Agility”), of Springfield, Virginia, formerly known as Matrix International Logistics, Inc.,<sup>1</sup> has committed two violations of the Export Administration Regulations (the “Regulations”),<sup>2</sup> which are issued under the authority of the Export Administration Act of 1979, as amended (the “Act”).<sup>3</sup> Specifically, BIS charges that Agility committed the following violations:

**Charge 1      15 C.F.R. §764.2(b) - Causing, Aiding or Abetting an Attempted Export in Violation of the Export Administration Regulations**

On or about July 9, 2004, Agility caused, aided or abetted an act prohibited by the Regulations when it caused, aided or abetted the attempted export of concealable vests, body armor and bomb blast blankets to Iraq without the required U.S. government authorization. Specifically, Agility caused, aided or abetted the attempt by a Bethesda, Maryland company to export concealable vests, body armor and bomb blast blankets to Iraq by preparing, packaging and attempting to ship the items. The concealable vests and body armor are subject to the Regulations and classified as

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<sup>1</sup> Agility International, Inc. operated under the name Matrix International Logistics, Inc. at the time of the alleged violations.

<sup>2</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2007). The violations charged occurred in 2004. The Regulations governing the violations at issue are found in the 2004 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2004)). The 2007 Regulations govern the procedural aspects of this case.

<sup>3</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)), as extended most recently by the Notice of August 2, 2006, (71 Fed. Reg. 44,551 (Aug. 7, 2006)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) (“IEEPA”). The Act and the Regulations are available on the Government Printing Office website at: <http://www.access.gpo.gov/bis>.

ECCN 1A005, and are controlled for National Security and Anti-Terrorism concerns.<sup>4</sup> The bomb blast blankets are subject to the Regulations, and are designated as EAR99.<sup>5</sup> Pursuant to Section 746.3(a) of the Regulations, in order to comply with the Regulations, transactions subject to both the Regulations and the Iraqi Sanctions Regulations maintained by the Office of Foreign Assets Control, U.S. Department of the Treasury (“OFAC”),<sup>6</sup> require OFAC authorization, and transactions subject to the Regulations that are not subject to the Iraqi Sanctions Regulations may require authorization from the Department of Commerce. The exports to Iraq of the items described herein were not authorized by OFAC or the Department of Commerce. In so doing, Agility committed one violation of Section 764.2(b) of the Regulations.

**Charge 2     15 C.F.R. § 764.2(g) - Misrepresentation**

On or about July 9, 2004, in connection with the transaction described in Charge 1, Agility made false or misleading representations to the U.S. government in violation of the Regulations. Specifically, Agility filed or caused to be filed a Shipper’s Export Declaration (“SED”) with the U.S. Government that stated that certain concealable vests, body armor and bomb blast blankets qualified for export from the United States to Iraq as “NLR,” meaning that no license was required for their export. This is false because a license was required to export these items to Iraq. An SED is an export control document as defined in Part 772 of the Regulations. In so doing, Agility committed one violation of Section 764.2(g) of the Regulations.

\* \* \* \* \*

Accordingly, Agility 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 up to \$11,000 per violation;<sup>7</sup>

Denial of export privileges; and/or

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<sup>4</sup> The term “ECCN” refers to an Export Control Classification Number. *See* 15 C.F.R. § 772.1 (2004).

<sup>5</sup> “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) (2004).

<sup>6</sup> 31 C.F.R. Part 575 (2004).

<sup>7</sup> *See* 15 C.F.R. § 6.4(a)(4) (2004).

Exclusion from practice before BIS.

If Agility 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. (Regulations, Sections 766.6 and 766.7). If Agility defaults, the Administrative Law Judge may find the charges alleged in this letter are true without a hearing or further notice to Agility. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty on each of the charges in this letter.

Agility is further notified that it is entitled to an agency hearing on the record if Agility files a written demand for one with its answer. (Regulations, Section 766.6). Agility is also entitled to be represented by counsel or other authorized representative who has power of attorney to represent it. (Regulations, Sections 766.3(a) and 766.4).

The Regulations provide for settlement without a hearing. (Regulations, Section 766.18). Should Agility have a proposal to settle this case, Agility's representative should transmit it to the attorney representing BIS named below.

The U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, Agility'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, a copy of Agility's answer must be served on BIS at the following address:

Office of Chief Counsel for Industry and Security  
Attention: Eric Clark  
Room H-3839  
United States Department of Commerce  
14th Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

Agility International Inc.  
Proposed Charging Letter  
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Eric Clark is the attorney representing BIS in this case; any communications that Agility may wish to have concerning this matter should occur through him. He may be contacted by telephone at (202) 482-5301.

Sincerely,

Thomas Madigan  
Acting Director  
Office of Export Enforcement