



**UNITED STATES DEPARTMENT OF COMMERCE**  
**Bureau of Industry and Security**  
 Washington, D.C. 20230

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Sun Microsystems, Inc.  
 901 San Antonio Road  
 Palo Alto, CA 94303

COPY

Attention: *Scott McNealy*  
*Chairman*

RECEIVED  
 FRONT DESK  
 2003 APR 24 5 07 PM  
 ALJ-BALTIMORE

Dear Mr. McNealy:

The Bureau of Industry and Security, United States Department of Commerce ("BIS") has a reason to believe that Sun Microsystems, Inc. ("Sun") violated the Export Administration Regulations (the "Regulations"),<sup>1</sup> which are issued under the authority of the Export Administration Act of 1979 (the "Act"),<sup>2</sup> on 19 occasions. Specifically, BIS charges that Sun committed the following violations:

**Charges 1-7 (15 C.F.R. §764.2(a) - Failure to Comply with Conditions of BIS Export Licenses)**

Between on or about September 9, 1998 and on or about July 1, 1999, BIS issued seven export licenses to Sun that authorized the export of high performance computers or upgrades to high performance computers to various countries, including the People's Republic of China and Russia. All the high performance computers and upgrades were subject to the Regulations and covered by export control classification number ("ECCN") 4A003. The licenses included a

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2002). The violations charged occurred from 1998 through 1999. The Regulations governing the violations at issue are found in the 1998 and 1999 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (1998-1999)). The 1998 and 1999 Regulations are substantially the same as the 2002 Regulations, which establish the procedures that apply to this matter.

<sup>2</sup> From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§1701 - 1706 (2000)) ("IEEPA"). On November 13, 2000, the Act was reauthorized by Pub. L. No. 106-508, and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222, which has been extended by a Presidential Notice of August 14, 2002 (67 Fed. Reg. 159 (August 16, 2002)), has continued the Regulations in effect under IEEPA.



condition that required “[a]fter the first shipment is made against [the] ... license, send one copy of your Shipper’s Export Declaration and Bill of Lading or Airway Bill to the Department of Commerce....” Despite exporting under the licenses, Sun did not file the required documents with the Department of Commerce. For further detail, see Schedule A, which is attached hereto and incorporated herein by reference. By not complying with the license conditions, Sun committed seven violations of section 764.2(a) of the Regulations.

**Charges 8 - 13           (15 C.F.R. §764.2(a) - Discrepancies Between BIS Export Licenses and the Related Shipping Documents)**

Between on or about September 23, 1998 and on or about December 17, 1999, Sun exported high performance computers or upgrades to high performance computers to various countries under the authority of six BIS export licenses. Each of the six licenses listed, among other parties to the transactions, an approved intermediate consignee and ultimate consignee. In completing the shipping documents, namely the Shipper’s Export Declarations (“SEDs”) and Airway Bills, for the exports under the six BIS licenses, Sun failed to identify the ultimate consignee on the documents and named the intermediate consignee as the ultimate consignee. For further detail, see Schedule A. Section 758.4 of the Regulations requires that the shipping documents used in connection with any shipment under the authority of a BIS export license conform with the export license. By using shipping documents that did not conform with BIS export licenses, Sun committed six violations of Section 764.2(a) of the Regulations.

**Charges 14 - 16       (15 C.F.R. §764.2(a) - Failure to Comply with Responsibilities as Licensee on BIS Export Licenses)**

On or about March 31, May 16, and September 3, 1999, Sun exported upgrades to high performance computers to Colombia and Venezuela under the authority of three BIS export licenses which listed the approved intermediate and ultimate consignees. Sun exported the upgrades to the intermediate consignees and can not verify that the exports were delivered to the ultimate consignees. Section 750.7(d) of the Regulations provides that a licensee is responsible “for effecting the export or reexport, for proper use of the license, and for due performance of all of the license’s terms and conditions.” By failing to satisfy its responsibilities as licensee on the BIS export licenses, Sun committed three violations of section 764.2(a) of the Regulations.

**Charges 17 - 18       (15 C.F.R. §764.2(i) - Failure to Maintain the Required Records)**

In connection with the September 23, 1998 export of a high performance computer to the People’s Republic of China and the March 31, 1999 export of an upgrade to a high performance computer to Colombia, Sun failed to maintain the required documents, namely the SEDs and Airway Bills, as required by section 762.2 of the Regulations. For further detail, see Schedule A. Therefore, Sun committed two violations of section 764.2(i) of the Regulations.

**Charge 19 (15 C.F.R. §764.2(g) - False Statement on the Shipper's Export Declaration as to Authority to Export)**

In connection with the September 23, 1998 export of a high performance computer to the People's Republic of China, Sun filed an SED with the U.S. Government that represented that the high performance computer was eligible for export as NLR ("no license required"). The computer had a composite theoretical performance level of 2,062 MTOPS ("millions of theoretical operations per second") and was covered by ECCN 4A003. The use of NLR on the SED was false as a BIS license was required for the export. While Sun had been issued an export license for the export to China, Sun failed to include the license number on the SED at the time it was filed. By failing to cite the correct authority for the export on the SED, Sun committed one violation of section 764.2(g) of the Regulations.

Accordingly, Sun 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 \$11,000;<sup>3</sup>

Denial of export privileges; and/or

Exclusion from practice before BIS.

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

Sun is further notified that it is entitled to an agency hearing on the record if Sun files a written demand for one with its answer. (Regulations, Section 766.6). Sun 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 Sun have a proposal to settle this case, Sun or its representative should transmit the offer to me through the attorney representing BIS named below.

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<sup>3</sup> See 15 C.F.R. §6.4(a)(2).

Sun Microsystems  
Charging Letter  
Page 4

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

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

Melissa B. Mannino is the attorney representing BIS in this case; any communications that you may wish to have concerning this matter should occur through her. She may be contacted by telephone at (202) 482-5301.

Sincerely,



Mark D. Menefee  
Director  
Office of Export Enforcement

Enclosure



**Sun Microsystems, Inc.**  
**Schedule of Violations**

<i>License Number</i>	<i>Date License Issued</i>	<i>Date of Export</i>	<i>Destination</i>	<i>Item</i>	<i>Violations of the Regulations</i>
D252475	9 Sept. 98	23 Sept. 98	China	server with 4 CPUS (2,062 ctp)	15 CFR §764.2(a)- Failure to comply with license condition 15 CFR §764.2(i) - Failure to maintain records 15 CFR § 764.2(g) - False statement on SED
D250435	13 Jan. 99	17 Dec. 99	Russia	server with 32 CPUS (16,063 ctp)	15 CFR §764.2(a)- Failure to comply with license condition
D259783	26 Mar. 99	appx. 31 Mar. 99	Colombia	upgrade to 21,588 ctp	15 CFR §764.2(a)- Failure to comply with license condition 15 CFR §764.2(i) - Failure to maintain records 15 CFR §764.2(a)- Failure to comply with responsibilities as licensee 15 CFR §764.2(a) -Discrepancy between documents
D260845	27 Apr. 99	8 May 99	Korea	upgrade to 17,556 ctp	15 CFR §764.2(a)- Failure to comply with license condition 15 CFR §764.2(a) - Discrepancy between documents

**Sun Microsystems, Inc.**  
**Schedule of Violations**

D260165	13 May 99	16 May 99	Venezuela	upgrade to 43,092 ctp	<p>15 CFR § 764.2(a)- Failure to comply with license condition</p> <p>15 CFR § 764.2(a) -Failure to comply with responsibilities as Licensee</p> <p>15 CFR § 764.2(a) - Discrepancy between documents</p> <p>15 CFR § 764.2(g) - False statement on SED</p>
D260893	5 Jun. 99	19 Jun. 99	Thailand	upgrade to 17,556 ctp	<p>15 CFR §764.2(a)- Failure to comply with license condition</p> <p>15 CFR §764.2(a) -Discrepancy between documents</p>
D261948	1 July 99	3 Sept. 99	Venezuela	upgrade to 17,556 ctp	<p>15 CFR §764.2(a)- Failure to comply with license condition</p> <p>15 CFR §764.2(a) - Failure to comply with responsibilities as Licensee</p> <p>15 CFR §764.2(a) - Discrepancy between documents</p>

JAN 31 2002



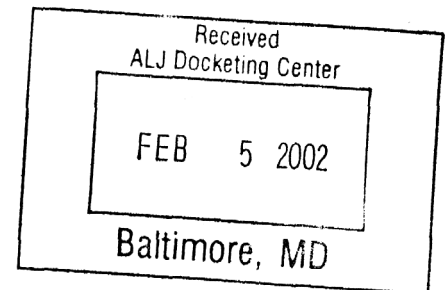
UNITED STATES DEPARTMENT OF COMMERCE  
Bureau of Export Administration  
Washington, D.C. 20230

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Sun Microsystems, Inc.  
901 San Antonio Road  
Palo Alto, CA 94303

Attention: *Scott McNealy*  
*Chairman*



Dear Mr. McNealy:

The Bureau of Export Administration, United States Department of Commerce ("BXA"), has reason to believe that Sun Microsystems, Inc. ("Sun") violated the Export Administration Regulations (the "Regulations"),<sup>1</sup> which are issued under the authority of the Export Administration Act of 1979 (the "Act"),<sup>2</sup> on four occasions. Specifically, BXA charges that Sun committed the following violations:

**Charge 1 (15 C.F.R. §764.2(a) - Engaging in Prohibited Conduct - Export without a License)**

On or about February 7, 1997, Sun exported or caused to be exported a computer, a Sun E5000 server with an operating capability of approximately 2,700 MTOPS<sup>3</sup>, an item subject to the Regulations, from the United States to a military end-user in People's Republic of China without a license from the Department of Commerce as required by Section 742.12(b)(3) of the Regulations. In doing so, Sun committed one violation of Section 764.2(a) of the Regulations.

**Charge 2 (15 C.F.R. §764.2(g) - False or Misleading Representation of Material Fact - False Representation on a Shipper's Export Declaration)**

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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 (2001). The violations charged occurred in 1997. The Regulations governing the violations are codified at 15 C.F.R. Parts 730-774 (1997). They are substantially the same as the 2001 version of the Regulations which govern the procedural aspects of this case.

<sup>2</sup> 50 U.S.C. app. §§ 2401-2420 (1994 & Supp. IV 1998), as reauthorized by Act of November 13, 2000, Pub. L. No. 106-508, 114 Stat. 2360. The Act expired on August 20, 1994. Executive Order 12924 (3 C.F.R., 1994 Comp. 917 (1995)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706 (1994 & Supp. IV 1998)) until the Act was reauthorized on November 13, 2000. The Act and Regulations are available on the Government Printing Office website at: <http://w3.access.gpo.gov/bxa/>.

<sup>3</sup> MTOPS means "million theoretical operations per second."



On or about February 6, 1997, in connection with the export described in Charge 1, Sun, through Panalpina Inc., a freight forwarder acting as Sun's authorized agent, represented on a Shipper's Export Declaration, an export control document as defined in Part 772 of the Regulations, that the ultimate consignee of the HPC was Automated Systems (HK) Ltd. Warehouse in Hong Kong. This representation was false. The ultimate consignee of the HPC was the Changsha Institute of Science and Technology in Changsha, People's Republic of China. Consequently, Sun made a false or misleading representation to an official of a U.S. Government agency indirectly through another individual in connection with the preparation, submission, and use of an export control document. In doing so, Sun committed one violation of Section 764.2(g) of the Regulations.

**Charge 3 (15 C.F.R. §764.2(g) - False or Misleading Representation of Material Fact - False Representation on a Shipper's Export Declaration)**

On or about February 6, 1997, in connection with the export described in Charge 1, Sun, through Panalpina Inc., a freight forwarder acting as Sun's authorized agent, represented on a Shipper's Export Declaration, an export control document as defined in Part 772 of the Regulations, that the country of ultimate destination was Hong Kong. This representation was false. The country of ultimate destination was the Peoples Republic of China. Consequently, Sun made a false or misleading representation to an official of a U.S. Government agency indirectly through another individual in connection with the preparation, submission, and use of an export control document. In doing so, Sun committed one violation of Section 764.2(g) of the Regulations.

**Charge 4 (15 C.F.R. §764.2(g) - False or Misleading Representation of Material Fact - Altering a Document Responsive to a Subpoena)**

On or about July 14, 1997, an administrative subpoena seeking documents relating to the export described in Charge 1 was served on Sun by BXA's Office of the Export Enforcement in the course of an investigation of exports of computers. After receiving the subpoena but prior to producing documents, Sun, through one of its employees, altered a Non-Proliferation Compliance Letter ("NPCL") by changing the end-use from "Education Only" to "Electricity City." Then on or about July 23, 1997, Sun submitted the altered NPCL to BXA as a document responsive to the subpoena. Consequently, Sun made a false or misleading representation to BXA in the course of an investigation. In doing so, Sun committed one violation of Section 764.2(g) of the Regulations.

Accordingly, Sun 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 \$11,000 per violation;<sup>4</sup>

Denial of export privileges; and/or

Exclusion from practice before BXA.

If Sun 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 Sun defaults, the Administrative Law Judge may find the charges alleged in this letter are true without hearing or further notice to Sun. The Under Secretary for Export Administration may then impose up to the maximum penalty on each of the charges in this letter.

Sun is further notified that it is entitled to an agency hearing on the record if Sun files a written demand for one with its answer. (Regulations, Section 766.6). Sun 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 you have a proposal to settle this case, you or your representative should transmit it to me through the attorney representing BXA named below.

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

Chief Counsel for Export Administration  
Attention: Anstruther Davidson  
Room H-3839  
United States Department of Commerce  
14th Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

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<sup>4</sup> Pursuant to the Federal Civil Penalties Adjustment Act of 1990 (28 U.S.C. §2461, note (1994 & Supp. V 1999)), and 15 C.F.R. §6.4(a)(2), the maximum penalty for each violation committed after October 23, 1996 and before November 1, 2000 is \$11,000.

Sun Microsystems, Inc.  
Charging Letter  
Page 4

Anstruther Davidson is the attorney representing BXA in this case. He may be contacted by telephone at (202) 482-4804.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mark D. Menefee".

Mark D. Menefee  
Director  
Office of Export Enforcement



UNITED STATES DEPARTMENT OF COMMERCE  
Bureau of Export Administration  
Washington, D.C. 20230

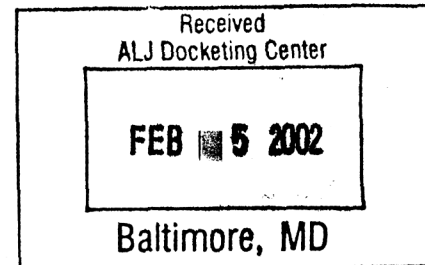
JAN 31 2002

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901 San Antonio Road  
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Attention: *Scott McNealy*  
*Chairman*



Dear Mr. McNealy:

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**Charge 1 (15 C.F.R. §764.2(a) - Engaging in Prohibited Conduct - Export without a License)**

On or about March 17, 1998, Sun exported or caused to be exported two computers, Sun Enterprise servers with an operating capability of 2,475 MTOPS<sup>3</sup>, items subject to the Regulations, from the United States to a military end-user in Egypt without a license from the Department of Commerce as required by Section 742.12(b)(3) of the Regulations. In doing so, Sun committed one violation of Section 764.2(a) of 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 (2001). The violations charged occurred in 1997. The Regulations governing the violations are codified at 15 C.F.R. Parts 730-774 (1997). They are substantially the same as the 2001 version of the Regulations which govern the procedural aspects of this case.

<sup>2</sup> 50 U.S.C. app. §§ 2401-2420 (1994 & Supp. IV 1998), as reauthorized by Act of November 13, 2000, Pub. L. No. 106-508, 114 Stat. 2360. The Act expired on August 20, 1994. Executive Order 12924 (3 C.F.R., 1994 Comp. 917 (1995)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706 (1994 & Supp. IV 1998)) until the Act was reauthorized on November 13, 2000. The Act and Regulations are available on the Government Printing Office website at: <http://w3.access.gpo.gov/bxa/>.

<sup>3</sup> "MTOPS" means "million theoretical operations per second."



**Charge 2 (15 C.F.R. §764.2(e) - Acting with Knowledge of a Violation)**

In or about March or April of 1998, in connection with the export referenced in Charge 1, Sun, through its authorized distributor in Egypt, transferred the computers to a military end-user in Egypt. At the time Sun transferred the computers, Sun knew that a violation of the Regulations would occur since a license was required from the Department of Commerce to export the computers from the United States to a military end-user in Egypt. In doing so, Sun committed one violation of Section 764.2(e) of the Regulations.

Accordingly, Sun 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 \$11,000 per violation;<sup>4</sup>

Denial of export privileges; and/or

Exclusion from practice before BXA.

If Sun 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 Sun defaults, the Administrative Law Judge may find the charges alleged in this letter are true without hearing or further notice to Sun. The Under Secretary for Export Administration may then impose up to the maximum penalty on each of the charges in this letter.

Sun is further notified that it is entitled to an agency hearing on the record if Sun files a written demand for one with its answer. (Regulations, Section 766.6). Sun 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 you have a proposal to settle this case, you or your representative should transmit it to me through the attorney representing BXA named below.

The U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, Sun'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> Pursuant to the Federal Civil Penalties Adjustment Act of 1990 (28 U.S.C. §2461, note (1994 & Supp. V 1999)), and 15 C.F.R. §6.4(a)(2), the maximum penalty for each violation committed after October 23, 1996 and before November 1, 2000 is \$11,000.



Sun Microsystems, Inc.  
Charging Letter  
Page 3

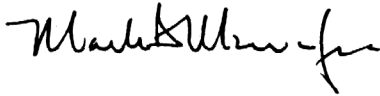
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Chief Counsel for Export Administration  
Attention: Anstruther Davidson  
Room H-3839  
United States Department of Commerce  
14th Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

Anstruther Davidson is the attorney representing BXA in this case. He may be contacted by telephone at (202) 482-4804.

Sincerely,



Mark D. Menefee  
Director  
Office of Export Enforcement

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

In the Matters of: )

Sun Microsystems, Inc. )  
901 San Antonio Road )  
Palo Alto, CA 94303, )

Respondent. )

Case Nos: 02-BXA-04  
02-BXA-05  
03-BIS- 04

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Respondent, Sun Microsystems, Inc. (“Sun”)<sup>1</sup>, and the Bureau of Industry and Security, United States Department of Commerce (“BIS”) (collectively referred to as “Parties”), pursuant to Section 766.18(b) of the Export Administration Regulations (15 C.F.R. Parts 730-774 (2003)) (“Regulations”),<sup>2</sup> issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“Act”).<sup>3</sup>

WHEREAS, BIS has initiated administrative proceedings against Sun, case numbers 02-

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<sup>1</sup> This Settlement Agreement applies to Sun Microsystems, Inc., 901 San Antonio Road, Palo Alto, CA 94303 and not to subsidiaries of Sun Microsystems, Inc.

<sup>2</sup> The violations charged occurred in 1997 -1999. The Regulations governing the violations are codified at 15 C.F.R. Parts 730-774 (1997-1999). The 1997 - 1999 Regulations are substantially the same as the 2003 Regulations which govern the procedural aspects of this case.

<sup>3</sup> From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was issued on August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§1701 - 1706 (2000)) (“IEEPA”). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. 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 renewed by the Notice of August 14, 2002 (67 *Fed. Reg.* 53721 (August 16, 2002)), has continued the Regulations in effect under IEEPA.

BXA-04, 02-BXA-05, and 03-BIS-04, pursuant to the Act and the Regulations;

WHEREAS, Sun has received notice of issuance of the charging letters pursuant to section 766.3 of the Regulations;

WHEREAS, Sun has reviewed the charging letters 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, Sun fully understands the terms of this Agreement and the Order of the Assistant Secretary of Commerce for Export Enforcement that will implement this Agreement (“Order”);

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

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

WHEREAS, Sun neither admits nor denies the allegations contained in the charging letters;

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

WHEREAS, Sun agrees to be bound by the Order, when entered;

NOW THEREFORE, the Parties hereby agree as follows:

1. BIS has jurisdiction over Sun, under the Regulations, in connection with the matters alleged in case numbers 02-BXA-04, 02-BXA-05, and 03-BIS-04.
2. BIS and Sun shall settle the administrative cases pending against Sun, 02-BXA-04, 02-BXA-05, and 03-BIS-04, with civil penalties based upon the following 24 charges:

A. Violations Relating to the Export of a High Performance Computer to a Military End-User in the People's Republic of China

1. *One Violation of 15 C.F.R. §764.2(a) - Export of a High Performance Computer to a Military End-User without the Required BIS License:* On or about February 7, 1997, Sun exported or caused to be exported a high performance computer ("HPC"), a Sun E5000 server with an operating capability of approximately 2,700 MTOPS<sup>4</sup>, an item subject to the Regulations, from the United States to a military end-user in the People's Republic of China, the Changsha Institute of Science and Technology in Changsha, China, without a license from the Department of Commerce as required by Section 742.12(b)(3) of the Regulations.
2. *One Violation of 15 C.F.R. §764.2(g) - False Representation as to Country of Ultimate Destination on a Shipper's Export Declaration:* On or about February 6, 1997, in connection with the above referenced export to the Changsha Institute of Science and Technology, Sun, through a freight forwarder acting as Sun's authorized agent, represented on a Shipper's Export Declaration, an export control document as defined in Part 772 of the Regulations, that the country of ultimate destination was Hong Kong. This representation was false. The country of ultimate destination was the People's Republic of China.
3. *One Violation of 15 C.F.R. §764.2(g) - Altering a Document Responsive to a BIS Subpoena:* On or about July 14, 1997, in the course of an

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<sup>4</sup> MTOPS means "million theoretical operations per second."

investigation into exports of computers, BIS's Office of Export Enforcement served an administrative subpoena on Sun seeking documents relating to the export to the Changsha Institute of Science and Technology, among other exports. After receiving the subpoena but prior to producing documents, Sun, through one of its employees, altered a Non-Proliferation Compliance Letter ("NPCL") by changing the end-use from "Education Only" to "Electricity City." Then on or about July 23, 1997, Sun submitted the altered NPCL to BXA as a document responsive to the subpoena.

B. Violations Relating to the Export of a High Performance Computer to a Military End-User in Egypt

1. *One Violation of 15 C.F.R. §764.2(a) - Export to a Military End-User in Egypt without the Required BIS License:* On or about December 27, 1997, Sun exported or caused to be exported HPCs, two Sun Enterprise servers with an operating capability of 2,475 MTOPS, items subject to the Regulations, from the United States to the Egyptian Army, a military end-user in Egypt, without a license from the Department of Commerce as required by Section 742.12(b)(3) of the Regulations.
2. *One Violation of 15 C.F.R. §764.2(e) - Exporting a High Performance Computer with Knowledge that a Violation of the Regulations Would Occur:* In connection with the above referenced export to the Egyptian Army, Sun, through its authorized distributor in Egypt, sold two HPCs to a military end-user in Egypt. At the time Sun sold the HPCs to the Egyptian Army, Sun knew or had reason to know that a license was required from

the Department of Commerce for the export, and that a license had not been obtained for the export.

C. Violations Relating to the Breach of BIS License Conditions

1. *Seven Violations of 15 C.F.R. §764.2(a) - Failure to Comply with Conditions of BIS Export Licenses:* Between on or about September 9, 1998 and on or about July 1, 1999, BIS issued seven export licenses to Sun that authorized the export of HPCs or upgrades to HPCs to various countries, including the People's Republic of China and Russia. All the HPCs and upgrades were subject to the Regulations and covered by export control classification number ("ECCN") 4A003. The licenses included a condition that required "[a]fter the first shipment is made against [the] ... license, send one copy of your Shipper's Export Declaration and Bill of Lading or Airway Bill to the Department of Commerce...." Despite exporting under the licenses, Sun did not file the required documents with the Department of Commerce.
2. *Six Violations of 15 C.F.R. §764.2(a) - Discrepancies Between BIS Export Licenses and the Related Shipping Documents:* Between on or about September 23, 1998 and on or about December 17, 1999, Sun exported HPCs or upgrades to HPCs to various countries under the authority of six BIS export licenses. Each of the six licenses listed, among other parties to the transactions, an approved intermediate consignee and ultimate consignee. In completing the shipping documents, namely the Shipper's Export Declarations ("SEDs") and airway bills, for the exports under the six BIS licenses, Sun failed to identify the ultimate consignee on the

documents and named the intermediate consignee as the ultimate consignee. Section 758.4 of the Regulations requires that the shipping documents used in connection with any shipment under the authority of a BIS export license conform with the export license.

3. *Three Violations of 15 C.F.R. §764.2(a) - Failure to Comply with Responsibilities as Licensee on BIS Export Licenses:* On or about March 31, May 16, and September 3, 1999, Sun exported upgrades to HPCs to Colombia and Venezuela under the authority of three BIS export licenses, which listed the approved intermediate and ultimate consignees. Sun exported the upgrades to the intermediate consignees and can not verify that the exports were delivered to the ultimate consignees. Section 750.7(d) of the Regulations provides that a licensee is responsible “for effecting the export or reexport, for proper use of the license, and for due performance of all of the license’s terms and conditions.”
4. *Two Violations of Section 15 C.F.R. §764.2(i) - Failure to Maintain the Required Records:* In connection with the September 23, 1998 export of a HPC to the People’s Republic of China and the March 31, 1999 export of an upgrade to a HPC to Colombia, Sun failed to maintain the required documents, namely the SEDs and airway bills, as required by section 762.2 of the Regulations.
5. *One Violation of 15 C.F.R. §764.2(g) - False Statement on the Shipper’s Export Declaration as to Authority to Export:* In connection with the September 23, 1998 export of an HPC to the People’s Republic of China, Sun filed an SED with the U.S. Government that represented that the HPC

was eligible for export as NLR (“no license required”). The computer had a composite theoretical performance level of 2,062 MTOPS and was covered by ECCN 4A003. The use of NLR on the SED was false as a BIS license was required for the export. While Sun had been issued an export license for the export to China, Sun failed to include the license number on the SED at the time it was filed.

2. The following sanctions shall be imposed against Sun in complete settlement of the alleged violations of the Regulations set forth in case numbers 02-BXA-04, 02-BXA-05, and 03-BIS-04:

- a. Sun shall be assessed a civil penalty in the amount of \$264,000 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 Sun. Failure to make timely payment of the civil penalty set forth above shall result in the denial of all of Sun’s export privileges for a period of one year from the date of imposition of the penalty.
- c. Sun, its successors or assigns, and, when acting for or on behalf of Sun, its officers, representatives, agents or employees (“denied persons”) may not, for a period of one year from the date of entry of the Order, participate, directly or indirectly, 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 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 one year denial period set forth in paragraph 2.c. shall be suspended for a period of one year from the entry of the appropriate Order, and shall thereafter be waived, provided that during the period of suspension, Sun has committed no violation of the Act or any regulation, order or license issued thereunder, and, provided further that Sun has made timely payment of the \$264,000 civil penalty assessed pursuant to this Settlement Agreement and the Order. This suspension may only be modified or revoked after Sun is provided with notice and opportunity to respond in accordance with Section 766.17 of the Regulations.

3. a. For a period of one year from the date of this Order, Sun will not, directly or indirectly, export, reexport, or transfer in country any items subject to the Regulations, or engage in any other activity with respect to items subject to the Regulations, such as repair or maintenance, if such activity involves the Egyptian Army or the Changsha Institute of Science

and Technology (also known as the National University of Defense Technology), 137 Yanwachi Zheng Jie, 410073, Changsha, People's Republic of China, including but not limited to any of its affiliates, departments, and bureaus located at the aforementioned address or elsewhere, without prior written consent from BIS.

b. The one year prohibition set forth above shall not preclude Sun from servicing or repairing Sun Microsystem products that have been exported or sold to the Egyptian Army prior to the date of the Order in accordance with the Regulations upon the condition that any service or repair does not enhance or increase in any way the capability of the products, including, but not limited to, an increase in the MTOPS level.

4. Upon request, Sun shall assist BIS in conducting post-shipment verifications on the HPCs that were exported to the Egyptian Army without the required BIS license, as described in paragraph 2.B. above, including using reasonable efforts to obtain any necessary approvals for the post shipment verification from third parties.

5. Subject to the approval of this Agreement pursuant to paragraph 10 hereof, Sun hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violation of this Agreement or the Order, when entered), including, without limitation, any right to: (a) an administrative hearing regarding the allegations in the charging letters; (b) request a refund of any civil penalty paid pursuant to this Agreement and the Order, when entered; and (c) seek judicial review or otherwise contest the validity of this Agreement or the Order, when entered.

6. BIS agrees that, upon entry of the Order, it will not initiate any administrative proceeding against Sun in connection with any violation of the Act or the Regulations arising out of the transactions identified in case numbers 02-BXA-04, 02-BXA-05, and 03-BIS-04.

7. The charging letters, this Agreement, and the Order, when entered, in addition to the

record of the cases will be available to the public.

8. BIS and Sun agree that 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, BIS and Sun agree that they may not use this Agreement in any administrative or judicial proceeding and that the parties shall not be bound by the terms contained in this Agreement in any subsequent administrative or judicial proceeding.

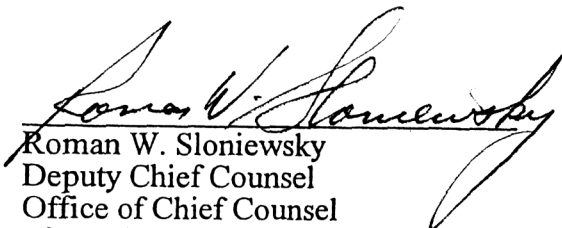
9. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise affect the terms of this Agreement or the Order, when entered, nor shall this Agreement serve to bind, constrain, or otherwise limit any action by any other agency or department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


10. This Agreement shall become binding on BIS only when 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.

11. Each signatory affirms that he has authority to enter into this 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

SUN MICROSYSTEMS, INC.

  
Roman W. Sloniewsky  
Deputy Chief Counsel  
Office of Chief Counsel  
for Industry and Security

  
Steve McGowan  
Chief Financial Officer

Date: 11/14/03

Date: 7/28/03

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

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In the Matters of: )  
 )  
Sun Microsystems, Inc. )  
4150 Network Circle )  
Santa Clara, CA 95054, )  
 )  
 )  
Respondent. )  
\_\_\_\_\_

Case Nos: 02-BXA-04  
02-BXA-05  
03-BIS- 04

ORDER

The Bureau of Industry and Security, United States Department of Commerce (“BIS”), initiated administrative proceedings against Respondent, Sun Microsystems, Inc. (“Sun”)<sup>1</sup>, pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2003)) (“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)) (“Act”),<sup>3</sup> by issuing charging letters that alleged that Sun violated the Regulations. BIS and Sun have entered into a Settlement Agreement pursuant to Section 766.18(b) of the Regulations whereby they have agreed to settle

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<sup>1</sup> This Order applies to Sun Microsystems, Inc., 4150 Network Circle, CA 95054 and not to subsidiaries of Sun Microsystems, Inc.

<sup>2</sup> The violations charged occurred in 1997 -1999. The Regulations governing the violations are codified at 15 C.F.R. Parts 730-774 (1997-1999). The 1997 - 1999 Regulations are substantially the same as the 2003 Regulations which govern the procedural aspects of this case.

<sup>3</sup> From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) (“IEEPA”). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. 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 the Notice of August 7, 2003 (68 *Fed. Reg.* 47833, August 11, 2003)), has continued the Regulations in effect under IEEPA..

the administrative cases pending against Sun, case numbers 02-BXA-04, 02-BXA-05, and 03-BIS-04, with civil penalties based upon the following 24 charges:

A. Violations Relating to the Export of a High Performance Computer to a Military End-User in the People's Republic of China

1. *One Violation of 15 C.F.R. §764.2(a) - Export of a High Performance Computer to a Military End-User without the Required BIS License:* On or about February 7, 1997, Sun exported or caused to be exported a high performance computer ("HPC"), a Sun E5000 server with an operating capability of approximately 2,700 MTOPS<sup>4</sup>, an item subject to the Regulations, from the United States to a military end-user in the People's Republic of China, the Changsha Institute of Science and Technology in Changsha, China, without a license from the Department of Commerce as required by Section 742.12(b)(3) of the Regulations.
2. *One Violation of 15 C.F.R. §764.2(g) - False Representation as to Country of Ultimate Destination on a Shipper's Export Declaration:* On or about February 6, 1997, in connection with the above referenced export to the Changsha Institute of Science and Technology, Sun, through a freight forwarder acting as Sun's authorized agent, represented on a Shipper's Export Declaration, an export control document as defined in Part 772 of the Regulations, that the country of ultimate destination was Hong Kong. This representation was false. The country of ultimate destination was the People's Republic of China.

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<sup>4</sup> MTOPS means "million theoretical operations per second."

3. *One Violation of 15 C.F.R. §764.2(g) - Altering a Document Responsive to a BIS Subpoena:* On or about July 14, 1997, in the course of an investigation into exports of computers, BIS's Office of Export Enforcement served an administrative subpoena on Sun seeking documents relating to the export to the Changsha Institute of Science and Technology, among other exports. After receiving the subpoena but prior to producing documents, Sun, through one of its employees, altered a Non-Proliferation Compliance Letter ("NPCL") by changing the end-use from "Education Only" to "Electricity City." Then on or about July 23, 1997, Sun submitted the altered NPCL to BXA as a document responsive to the subpoena.

B. Violations Relating to the Export of a High Performance Computer to a Military End-User in Egypt

1. *One Violation of 15 C.F.R. §764.2(a) - Export to a Military End-User in Egypt without the Required BIS License:* On or about December 27, 1997, Sun exported or caused to be exported HPCs, two Sun Enterprise servers with an operating capability of 2,475 MTOPS, items subject to the Regulations, from the United States to the Egyptian Army, a military end-user in Egypt, without a license from the Department of Commerce as required by Section 742.12(b)(3) of the Regulations.
2. *One Violation of 15 C.F.R. §764.2(e) - Exporting a High Performance Computer with Knowledge that a Violation of the Regulations Would Occur:* In connection with the above referenced export to the Egyptian Army, Sun, through its authorized distributor in Egypt, sold two HPCs to a

military end-user in Egypt. At the time Sun sold the HPCs to the Egyptian Army, Sun knew or had reason to know that a license was required from the Department of Commerce for the export, and that a license was not obtained for the export.

C. Violations Relating to the Breach of BIS License Conditions

1. *Seven Violations of 15 C.F.R. §764.2(a) - Failure to Comply with Conditions of BIS Export Licenses:* Between on or about September 9, 1998 and on or about July 1, 1999, BIS issued seven export licenses to Sun that authorized the export of HPCs or upgrades to HPCs to various countries, including the People's Republic of China and Russia. All the HPCs and upgrades were subject to the Regulations and covered by export control classification number ("ECCN") 4A003. The licenses included a condition that required "[a]fter the first shipment is made against [the] ... license, send one copy of your Shipper's Export Declaration and Bill of Lading or Airway Bill to the Department of Commerce...." Despite exporting under the licenses, Sun did not file the required documents with the Department of Commerce.
2. *Six Violations of 15 C.F.R. §764.2(a) - Discrepancies Between BIS Export Licenses and the Related Shipping Documents:* Between on or about September 23, 1998 and on or about December 17, 1999, Sun exported HPCs or upgrades to HPCs to various countries under the authority of six BIS export licenses. Each of the six licenses listed, among other parties to the transactions, an approved intermediate consignee and ultimate consignee. In completing the shipping documents, namely the Shipper's



Export Declarations (“SEDs”) and airway bills, for the exports under the six BIS licenses, Sun failed to identify the ultimate consignee on the documents and named the intermediate consignee as the ultimate consignee. Section 758.4 of the Regulations requires that the shipping documents used in connection with any shipment under the authority of a BIS export license conform with the export license.

3. *Three Violations of 15 C.F.R. §764.2(a) - Failure to Comply with Responsibilities as Licensee on BIS Export Licenses:* On or about March 31, May 16, and September 3, 1999, Sun exported upgrades to HPCs to Colombia and Venezuela under the authority of three BIS export licenses, which listed the approved intermediate and ultimate consignees. Sun exported the upgrades to the intermediate consignees and can not verify that the exports were delivered to the ultimate consignees. Section 750.7(d) of the Regulations provides that a licensee is responsible “for effecting the export or reexport, for proper use of the license, and for due performance of all of the license’s terms and conditions.”
4. *Two Violations of Section 15 C.F.R. §764.2(i) - Failure to Maintain the Required Records:* In connection with the September 23, 1998 export of a HPC to the People’s Republic of China and the March 31, 1999 export of an upgrade to a HPC to Colombia, Sun failed to maintain the required documents, namely the SEDs and airway bills, as required by section 762.2 of the Regulations.
5. *One Violation of 15 C.F.R. §764.2(g) - False Statement on the Shipper’s Export Declaration as to Authority to Export:* In connection with the

September 23, 1998 export of an HPC to the People's Republic of China, Sun filed an SED with the U.S. Government that represented that the HPC was eligible for export as NLR ("no license required"). The computer had a composite theoretical performance level of 2,062 MTOPS and was covered by ECCN 4A003. The use of NLR on the SED was false as a BIS license was required for the export. While Sun had been issued an export license for the export to China, Sun failed to include the license number on the SED at the time it was filed.

BIS and Sun having 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 the terms of the Settlement Agreement having been approved by me;

IT IS THEREFORE ORDERED:

FIRST, that Sun shall pay a civil penalty of \$264,000 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 (1983 and Supp. 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, Sun 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 Sun. Accordingly, if Sun should fail to pay the civil penalty in a timely manner, the undersigned may enter an Order denying all of Sun's export privileges for a period of one year from the date of entry of this Order.

FOURTH, that for a period of one year from the date of this Order, Sun Microsystems, Inc., 4150 Network Circle, Santa Clara, CA 95054, its successors or assigns, and when acting for or on behalf of Sun, its officers, representatives, agents or employees ("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 "items") exported or to be exported from the United States that are 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.

FIFTH, 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.

SIXTH, 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 Sun 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.

SEVENTH, that 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.

EIGHTH, that, as authorized by Section 766.18(c) of the Regulations, the denial period set forth above shall be suspended in its entirety for one year from the date of this Order, and shall thereafter be waived, provided that during the period of suspension, Sun has committed no violation of the Act or any regulation, order or license issued thereunder, and, provided further, that Sun has made timely payment of the civil penalty as provided herein. This suspension may only be modified or revoked after Sun is provided with notice and opportunity to respond in accordance with Section 766.17 of the Regulations.

NINTH, for a period of one year from the date of this Order, Sun will not, directly or indirectly, export, reexport, or transfer in country any items subject to the Regulations, or engage in any other activity with respect to items subject to the Regulations, such as repair or maintenance, if such activity involves the Egyptian Army or the Changsha Institute of Science and Technology (also known as the National University of Defense Technology), 137 Yanwachi Zheng Jie, 410073, Changsha, People's Republic of China, including but not limited to any of its affiliates, departments, and bureaus located at the aforementioned address or elsewhere, without prior written consent from BIS.

TENTH, the one year prohibition set forth immediately above shall not preclude Sun from servicing or repairing Sun Microsystem products that have been exported or sold to the Egyptian Army prior to the date of the Order in accordance with the Regulations upon the condition that any service or repair does not enhance or increase in any way the capability of the products, including, but not limited to, an increase in the MTOPS level.


ELEVENTH, upon request, Sun shall assist BIS in conducting post-shipment verifications on the HPCs that were exported to the Egyptian Army without the required BIS license, as described above, including using reasonable efforts to obtain any necessary approvals for the post shipment verification from third parties.

Order  
Sun Microsystems, Inc.  
Page 10

TWELFTH, that the charging letters, the Settlement Agreement, and this Order, in addition to the record of the cases shall be made available to the public.

THIRTEENTH, that a copy of this Order shall be delivered to the United States Coast Guard ALJ Docketing Center, 40 South Gay Street, Baltimore, Maryland 21202-4022, notifying that office that these cases are withdrawn from adjudication, as provided by Section 766.18 of the Regulations.

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

  
Julie L. Myers  
Assistant Secretary of Commerce  
for Export Enforcement

Entered this 15<sup>th</sup> day of December 2003.