

DRAFT

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Rockwell Automation, Inc.
777 East Wisconsin Avenue, Suite 1400
Milwaukee, Wisconsin 53202

Attention: David N. Whitley
Assistant General Counsel

Dear Mr. Whitley:

The Bureau of Industry and Security, United States Department of Commerce (“BIS”), has reason to believe that Rockwell Automation, Inc. (“Rockwell”), both in its own capacity and as successor to Entek-IRD International Corporation (“Entek-US”) and Entek IRD International Limited (“Entek-UK”)¹, violated the Export Administration Regulations (the “Regulations”),² which are issued under the authority of the Export Administration Act of 1979 (the “Act”),³ on 17 occasions. Specifically, BIS charges that Rockwell is liable for the following violations:

**Charge 1 15 C.F.R. § 764.2(a) - Exporting Items Without the Required
Department of Commerce License**

¹In April 2000, Rockwell acquired Entek-US, an Ohio company with its principal place of business in Milford, Ohio. Entek-US is a subsidiary of Rockwell. Pursuant to this acquisition, Rockwell indirectly acquired Entek-UK, a wholly owned British subsidiary of Entek-US with a principal place of business in Chester, England. Entek-UK is an indirect subsidiary of Rockwell.

² The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2004). The violations charged occurred between 1999 and 2001. The Regulations governing the violations at issue are found in the 1999, 2000, and 2001 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (1999-2001)). The 2004 Regulations govern the procedural aspects of the case.

³ 50 U.S.C. app. §§ 2401-2420 (2000). 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 (114 Stat. 2360 (2000)) 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 6, 2004 (69 Fed. Reg. 48763 (August 10, 2004)), has continued the Regulations in effect under IEEPA.

As described in greater detail in Schedule A, which is enclosed herewith and incorporated herein by reference, on or about July 9, 1999, Entek-US exported a balancing machine, an item subject to the Regulations (ECCN⁴ 2B229) to Malaysia without obtaining the Department of Commerce license required by Section 742.3 of the Regulations. Items classified under ECCN 2B229 are controlled for reasons of nonproliferation to Malaysia. In so doing, Entek-US committed one violation of Section 764.2(a) of the Regulations, and Rockwell is liable for the violation as successor to Entek-US.

Charges 2-3 15 C.F.R. § 764.2(g) - False or Misleading Representations of Fact—False Statements on Shipper’s Export Declarations Concerning Authority to Export

In connection with Charge 1 above, and as described in greater detail in Schedule A, which is enclosed herewith and incorporated herein by reference, on or about July 9, 1999, Entek-US filed or caused to be filed a Shipper’s Export Declaration with the U.S. Government for the export of a balancing machine (ECCN 2B229), to Malaysia that stated that the machine qualified for export from the United States as NLR (“No license required”) and was classified as 3A992. These two representations were false because, as described above, the machine was classified as ECCN 2B229 and a license was required. In so doing, Entek-US committed two violations of Section 764.2(g) of the Regulations, and Rockwell is liable for the violations as successor to Entek-US.

Charges 4-6 15 C.F.R. § 764.2(a) - Exporting Items Without the Required Department of Commerce License

As described in greater detail in Schedule A, which is enclosed herewith and incorporated herein by reference, on three occasions between on or about July 14, 2000 and April 18, 2001, Entek-US, a division of Rockwell, exported balancing machines, items subject to the Regulations (ECCN 2B229), to Mexico without obtaining the licenses required by Section 742.3 of the Regulations. Items classified under ECCN 2B229 are controlled for reasons of nonproliferation to Mexico. In so doing, Rockwell committed three violations of Section 764.2(a) of the Regulations.

Charge 7 15 C.F.R. § 764.2(a) - Exporting Items Without the Required Department of Commerce License

As described in greater detail in Schedule A, which is enclosed herewith and incorporated herein by reference, on 1 occasion on or about January 5, 2001, Entek-US, a division of Rockwell, exported a balancing machine, an item subject to the Regulations (ECCN 2B229), to Venezuela without obtaining the license required by Section 742.3 of the Regulations. Items classified under ECCN 2B229 are controlled for reasons of nonproliferation to Venezuela. In so doing, Rockwell committed one violation of Section 764.2(a) of the Regulations.

⁴“ECCN” refers to “Export Control Classification Number.” See Supp. 1 to 15 C.F.R. § 774.

Charges 8-9 15. C.F.R. § 764.2(g) - False or Misleading Representations of Fact—False Statements on Shipper’s Export Declarations Concerning Authority to Export

In connection with Charge 7 above, and as described in greater detail in Schedule A, which is enclosed herewith and incorporated herein by reference, on or about January 5, 2001, Entek-US, a division of Rockwell, filed or caused to be filed a Shipper’s Export Declaration with the U.S. Government for an export of a balancing machine (ECCN 2B229) to Venezuela that stated that the machine qualified for export from the United States as NLR (“No license required”) and was classified as 3A992. These two representations were false because, as described above, the machine was classified as ECCN 2B229 and a license was required. In so doing, Rockwell committed two violations of Section 764.2(g) of the Regulations.

Charge 10 15 C.F.R. § 764.2(a) - Exporting Items to Entity List End-user Without the Required Department of Commerce License

As described in greater detail in Schedule A, which is enclosed herewith and incorporated herein by reference, on or about July 13, 1999, Entek-US exported computer software and accessories, items subject to the Regulations (EAR 99)⁵ to Bharat Heavy Electrical Limited, Hardwar (“BHEL-Hardwar”), without the Department of Commerce license required by Section 744.1 of the Regulations. At all times relevant hereto, BHEL-Hardwar was an organization listed on the Entity List set forth at Supplement No. 4 to Part 744 of the Regulations. In so doing, Entek-US committed one violation of Section 764.2(a) of the Regulations, and Rockwell is liable for the violation as successor to Entek-US.

Charges 11-12 15. C.F.R. § 764.2(g) - False or Misleading Representations of Fact—False Statements on Shipper’s Export Declarations Concerning Authority to Export

In connection with Charge 10 above, and as described in greater detail in Schedule A, which is enclosed herewith and incorporated herein by reference, on or about July 13, 1999, Entek-US filed or caused to be filed a Shipper’s Export Declaration for an export of computer software and accessories subject to the Regulations (EAR99) to BHEL-Hardwar that stated that the product qualified for export from the United States as NLR (“No license required”) and was classified as 3D994. These two representations were false because, as described above, the machine was classified as EAR99 and required a license to an end-user on the Entity List under Section 744.1 of the Regulations. In so doing, Entek-US committed two violations of Section 764.2(g) of the Regulations, and Rockwell is liable for the two violations as successor to Entek-US.

Charge 13-16 15 C.F.R. § 764.2(a) - Reexporting Items to Entity List Organizations without the Required Department of Commerce License

⁵EAR 99 is a designation for items subject to the Regulations that are not listed on the Commerce Control list.

As described in greater detail in Schedule A, which is enclosed herewith and incorporated herein by reference, on four occasions between on or about August 31, 1999 and February 24, 2000, Entek-UK reexported software, data collectors, and vibration monitors and associated parts, items subject to the Regulations (EAR 99 and ECCN 9B990), from the United Kingdom to organizations listed on the Entity List as set forth at Supplement No. 4 to Part 744 of the Regulations, without the Department of Commerce licenses required by Section 744.1(c). In so doing, Entek-UK committed four violations of Section 764.2(a) of the Regulations, and Rockwell is liable for the violations as successor to Entek-UK.

Charge 17 15 C.F.R. § 764.2(a) - Reexporting Items to Entity List Organizations without the Required Department of Commerce License

As described in greater detail in Schedule A, which is enclosed herewith and incorporated herein by reference, on or about March 30, 2001, Entek-UK, a division of Rockwell, reexported software, data collectors, and vibration monitors and associated parts, items subject to the Regulations (EAR 99 and ECCN 9B990), from the United Kingdom to organizations listed on the Entity List as set forth at Supplement No. 4 to Part 744 of the Regulations, without the Department of Commerce licenses required by Section 744.1(c). In so doing, Rockwell committed one violation of Section 764.2(a) of the Regulations.

Accordingly, Rockwell 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;
- Denial of export privileges; and/or
- Exclusion from practice before BIS.

If Rockwell 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 Rockwell defaults, the Administrative Law Judge may find the charges alleged in this letter are true without hearing or further notice to Rockwell. 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.

Rockwell is further notified that it is entitled to an agency hearing on the record if Rockwell files a written demand for one with its answer. (Regulations, Section 766.6). Rockwell 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 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, Rockwell'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 Rockwell's answer must be served on BIS at the following address:

Chief Counsel for Industry and Security
Attention: Parvin R. Huda
Room H-3839
United States Department of Commerce
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 you may wish to have concerning this matter should occur through her. Ms. Huda may be contacted by telephone at (202) 482-5301.

Sincerely,

Acting Director
Office of Export Enforcement

Enclosure

WHEREAS, Rockwell filed a voluntary self-disclosure with BIS's Office of Export Enforcement in accordance with Section 764.5 of the Regulations concerning the transactions at issue herein;

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

WHEREAS, BIS has issued a proposed charging letter to Rockwell that alleged that Rockwell committed 17 violations of the Regulations, both in its own capacity and as successor to Entek-IRD International ("Entek-US") and Entek IRD International Limited ("Entek-UK")³, specifically:

1. *One Violation of 15 C.F.R. § 764.2(a) -Exporting Items Without the Required Department of Commerce License:* On or about July 9, 1999, Entek-US, a division of Rockwell, exported a balancing machine, an item subject to the Regulations (ECCN⁴ 2B229) to Malaysia without obtaining the Department of Commerce license required by Section 742.3 of the Regulations.
2. *Two Violations of 15 C.F.R. § 764.2(g) - Statements on Shipper's Export Declarations Concerning Authority to Export:* On or about July 9, 1999, Entek-US,

³In April 2000, Rockwell acquired Entek-US, an Ohio company with its principal place of business in Milford, Ohio. Entek-US is a subsidiary of Rockwell. Pursuant to this acquisition, Rockwell indirectly acquired Entek-UK, a wholly owned British subsidiary of Entek-US with a principal place of business in Chester, England. Entek-UK is an indirect subsidiary of Rockwell. Rockwell is liable as successor to Entek-US and Entek-UK for the ten violations that predate April 2000. It is liable in its own capacity for the seven violations that occurred after April 2000.

⁴"ECCN" refers to "Export Control Classification Number." See Supp. 1 to 15 C.F.R. § 774.

a division of Rockwell, filed or caused to be filed a Shipper's Export Declaration with the U.S. Government for the export of a balancing machine (ECCN 2B229), to Malaysia that stated that the machine qualified for export from the United States as NLR ("No license required") and was classified as 3A992. These two representations were false because, as described above, the machine was classified as ECCN 2B229 and a Department of Commerce license was required.

3. *Three Violations of 15 C.F.R. § 764.2(a) - Exporting Items Without the Required Department of Commerce License:* On three occasions between on or about July 14, 2000 and April 18, 2001, Entek-US, a division of Rockwell, exported balancing machines, items subject to the Regulations (ECCN 2B229), to Mexico without obtaining the Department of Commerce licenses required by Section 742.3 of the Regulations.
4. *One Violation of 15 C.F.R. § 764.2(a) - Exporting Items Without the Required Department of Commerce License:* On one occasion on or about January 5, 2001, Entek-US, a division of Rockwell, exported a balancing machine, an item subject to the Regulations (ECCN 2B229), to Venezuela without obtaining the Department of Commerce license required by Section 742.3 of the Regulations.
5. *Two Violations of 15 C.F.R. § 764.2(g) - Statements on Shipper's Export Declarations Concerning Authority to Export:* On or about January 5, 2001, Entek-US, a division of Rockwell, filed or caused to be filed a Shipper's Export Declaration with the U.S. Government for an export of a balancing machine (ECCN

2B229) to Venezuela that stated that the machine qualified for export from the United States as NLR (“No license required”) and was classified as 3A992. These two representations were false because, as described above, the machine was classified as ECCN 2B229 and a Department of Commerce license was required.

6. *One Violation of 15 C.F.R. § 764.2(a) - Exporting Items to Entity List End-user Without the Required Department of Commerce License:* On or about July 13, 1999, Entek-US, a division of Rockwell, exported computer software and accessories, items subject to the Regulations (EAR 99)⁵ to Bharat Heavy Electrical Limited, Hardwar (“BHEL-Hardwar”), without the Department of Commerce license required by Section 744.1 of the Regulations. At all times relevant hereto, BHEL-Hardwar was an organization listed on the Entity List set forth in Supplement No. 4 to Part 744 of the Regulations.
7. *Two Violations of 15 C.F.R. § 764.2(g) - Statements on Shipper’s Export Declarations Concerning Authority to Export:* On or about July 13, 1999, Entek-US, a division of Rockwell, filed or caused to be filed a Shipper’s Export Declaration with the U.S. Government for an export of computer software and accessories, items subject to the Regulations (EAR99), to BHEL-Hardwar that stated that the product qualified for export from the United States as NLR (“No license required”) and was classified as 3D994. These two representations were

⁵EAR 99 is a designation for items subject to the Regulations that are not listed on the Commerce Control list.

false because, as described above, the machine was classified as EAR99 and required a license to an end-user on the Entity List under Section 744.1 of the Regulations.

8. *Four Violations of 15 C.F.R. § 764.2(a) - Reexporting Items to Entity List Organizations without the Required Department of Commerce License:* On four occasions between on or about August 31, 1999 and February 24, 2000, Entek-UK, a division of Rockwell, reexported software, data collectors, and vibration monitors and associated parts, items subject to the Regulations (EAR 99 and ECCN 9B990), from the United Kingdom to organizations listed on the Entity List as set forth in Supplement No. 4 to Part 744 of the Regulations, without the Department of Commerce licenses required by Section 744.1(c) of the Regulations.
9. *One Violation of 15 C.F.R. § 764.2(a) - Reexporting Items to Entity List Organizations without the Required Department of Commerce License:* On or about March 30, 2001, Entek-UK, a division of Rockwell, reexported software, data collectors, and vibration monitors and associated parts, items subject to the Regulations (EAR 99 and ECCN 9B990), from the United Kingdom to organizations listed on the Entity List as set forth in Supplement No. 4 to Part 744 of the Regulations, without the Department of Commerce licenses required by Section 744.1(c) of the Regulations.

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

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

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

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

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

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

NOW THEREFORE, the Parties hereby agree as follows:

1. BIS has jurisdiction over Rockwell, under the Regulations, in connection with the matters alleged in the proposed charging letter.
2. The following sanction shall be imposed against Rockwell in complete settlement of the violations of the Regulations relating to the transactions specifically detailed in the voluntary self-disclosure and the proposed charging letter:
 - a. Rockwell shall be assessed a civil penalty in the amount of \$46,750 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, License Exception, permission, or privilege granted, or to be granted, to Rockwell.

Failure to make timely payment of the civil penalty set forth above may result in the denial of all of Rockwell'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, Rockwell 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 the proposed charging letter; (b) request a refund of any civil penalty paid pursuant to this Agreement and the Order, if entered; (c) request any relief from the Order, if entered, including without limitation relief from the terms of a denial order under 15 C.F.R. § 764.3(a)(2); and (d) 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 \$46,750 civil penalty, BIS will not initiate any further administrative proceeding against Rockwell in connection with any violation of the Act or the Regulations arising out of the transactions detailed 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.

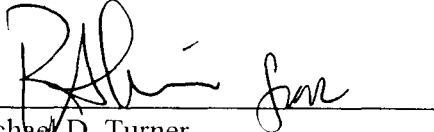
7. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise affect the terms of this Agreement or the Order, if

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.

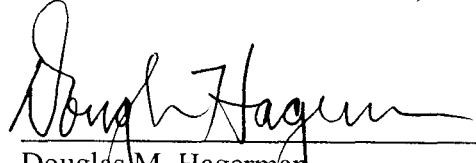
9. Each signatory affirms that he has authority to enter into this Settlement Agreement and to bind his respective party to the terms and conditions set forth herein.

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



Michael D. Turner
Director
Office of Export Enforcement

ROCKWELL AUTOMATION, INC.



Douglas M. Hagerman
Senior Vice President, General Counsel
and Secretary

Date: 3/11/05

Date: 3-8-05

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

In the Matter of:)
)
Rockwell Automation, Inc.)
777 East Wisconsin Avenue, Suite 1400)
Milwaukee, Wisconsin 53202)
)
Respondent.)
_____)

ORDER RELATING TO ROCKWELL AUTOMATION, INC.

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) has notified Rockwell Automation, Inc. (“Rockwell”) of its intention to initiate an administrative proceeding against Rockwell pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2004)) (“Regulations”),¹ and Section 13(c) of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“Act”),² by issuing a proposed charging letter to Rockwell that alleged that Rockwell committed 17 violations

¹ The violations charged occurred between 1999 and 2001. The Regulations governing the violations at issue are found in the 1999-2001 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (1999-2001)). The 2004 Regulations establish the procedures that apply to this matter.

² 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 (114 Stat. 2360 (2000)) and it remained in effect through August 20, 2001. 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 6, 2004 (69 *Fed. Reg.* 48763, August 10, 2004), continues the Regulations in effect under IEEPA.

of the Regulations, both in its own capacity and as successor to Entek-IRD International (“Entek-US”) and Entek IRD International Limited (“Entek-UK”).³ Specifically, the charges are:

1. *One Violation of 15 C.F.R. § 764.2(a) -Exporting Items Without the Required Department of Commerce License:* On or about July 9, 1999, Entek-US, a division of Rockwell, exported a balancing machine, an item subject to the Regulations (ECCN⁴ 2B229) to Malaysia without obtaining the Department of Commerce license required by Section 742.3 of the Regulations.
2. *Two Violations of 15 C.F.R. § 764.2(g) - False Statements on Shipper’s Export Declarations Concerning Authority to Export:* On or about July 9, 1999, Entek-US, a division of Rockwell, filed or caused to be filed a Shipper’s Export Declaration with the U.S. Government for the export of a balancing machine (ECCN 2B229), to Malaysia that stated that the machine qualified for export from the United States as NLR (“No license required”) and was classified as 3A992. These two representations were false because, as described above, the machine was classified as ECCN 2B229 and a Department of Commerce license was required.

³In April 2000, Rockwell acquired Entek-US, an Ohio company with its principal place of business in Milford, Ohio. Entek-US is a subsidiary of Rockwell. Pursuant to this acquisition, Rockwell indirectly acquired Entek-UK, a wholly owned British subsidiary of Entek-US with a principal place of business in Chester, England. Entek-UK is an indirect subsidiary of Rockwell. Rockwell is liable as successor to Entek-US and Entek-UK for the ten violations that predate April 2000. It is liable in its own capacity for the seven violations that occurred after April 2000.

⁴“ECCN” refers to “Export Control Classification Number.” *See* Supp. 1 to 15 C.F.R. § 774.

3. *Three Violations of 15 C.F.R. § 764.2(a) - Exporting Items Without the Required Department of Commerce License:* On three occasions between on or about July 14, 2000 and April 18, 2001, Entek-US, a division of Rockwell, exported balancing machines, items subject to the Regulations (ECCN 2B229), to Mexico without obtaining the Department of Commerce licenses required by Section 742.3 of the Regulations.
4. *One Violation of 15 C.F.R. § 764.2(a) - Exporting Items Without the Required Department of Commerce License:* On one occasion on or about January 5, 2001, Entek-US, a division of Rockwell, exported a balancing machine, an item subject to the Regulations (ECCN 2B229), to Venezuela without obtaining the Department of Commerce license required by Section 742.3 of the Regulations.
5. *Two Violations of 15. C.F.R. § 764.2(g) - False Statements on Shipper's Export Declarations Concerning Authority to Export:* On or about January 5, 2001, Entek-US, a division of Rockwell, filed or caused to be filed a Shipper's Export Declaration with the U.S. Government for an export of a balancing machine (ECCN 2B229) to Venezuela that stated that the machine qualified for export from the United States as NLR ("No license required") and was classified as 3A992. These two representations were false because, as described above, the machine was classified as ECCN 2B229 and a Department of Commerce license was required.
6. *One Violation of 15 C.F.R. § 764.2(a) - Exporting Items to Entity List End-user Without the Required Department of Commerce License:* On or about July 13,

1999, Entek-US, a division of Rockwell, exported computer software and accessories, items subject to the Regulations (EAR 99)⁵ to Bharat Heavy Electrical Limited, Hardwar (“BHEL-Hardwar”), without the Department of Commerce license required by Section 744.1 of the Regulations. At all times relevant hereto, BHEL-Hardwar was an organization listed on the Entity List set forth in Supplement No. 4 to Part 744 of the Regulations.

7. *Two Violations of 15 C.F.R. § 764.2(g) - False Statements on Shipper's Export Declarations Concerning Authority to Export:* On or about July 13, 1999, Entek-US, a division of Rockwell, filed or caused to be filed a Shipper's Export Declaration with the U.S. Government for an export of computer software and accessories, items subject to the Regulations (EAR99), to BHEL-Hardwar that stated that the product qualified for export from the United States as NLR (“No license required”) and was classified as 3D994. These two representations were false because, as described above, the machine was classified as EAR99 and required a Department of Commerce license to an end-user on the Entity List under Section 744.1 of the Regulations.
8. *Four Violations of 15 C.F.R. § 764.2(a) - Reexporting Items to Entity List Organizations without the Required Department of Commerce License:* On four occasions between on or about August 31, 1999 and February 24, 2000, Entek-UK,

⁵EAR 99 is a designation for items subject to the Regulations that are not listed on the Commerce Control list.

a division of Rockwell, reexported software, data collectors, and vibration monitors and associated parts, items subject to the Regulations (EAR 99 and ECCN 9B990), from the United Kingdom to organizations listed on the Entity List as set forth in Supplement No. 4 to Part 744 of the Regulations, without the Department of Commerce licenses required by Section 744.1(c) of the Regulations.

9. *One Violation of 15 C.F.R. § 764.2(a) - Reexporting Items to Entity List*

Organizations without the Required Department of Commerce License: On or about March 30, 2001, Entek-UK, a division of Rockwell, reexported software, data collectors, and vibration monitors and associated parts, items subject to the Regulations (EAR 99 and ECCN 9B990), from the United Kingdom to organizations listed on the Entity List as set forth at Supplement No. 4 to Part 744 of the Regulations, without the Department of Commerce licenses required by Section 744.1(c) of the Regulations.

WHEREAS, BIS and Rockwell 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 \$46,750 is assessed against Rockwell, 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.

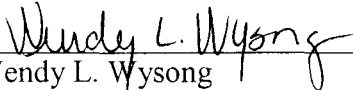
SECOND, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C.

§§ 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, Rockwell 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 Rockwell. Accordingly, if Rockwell should fail to pay the civil penalty in a timely manner, the undersigned may enter an Order denying all of Rockwell'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.



Wendy L. Wysong
Acting Assistant Secretary of
Commerce for Export Enforcement

Entered this 14th day of March 2005.