UNITED STATES OF AMERICA

DEPARTMENT OF COMMERCE

In the Matter of	)	
QSA Global Inc.	)	**Case No. 03-06**

ORDER

The Office of Antiboycott Compliance, Bureau of Industry and Security, U.S. Department of Commerce ("Department"), having determined to initiate an administrative proceeding pursuant to Section 11(c) of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§2401-2420 (2000)) (the "Act")[1] and the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2007)) (the "Regulations"), against QSA Global Inc. (formerly, AEA Technology QSA Inc.) ("QSA"), a domestic concern, based on allegations set forth in the

[1]Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent of which was August 3, 2006 (71 Fed. Reg. 44551 (August 7, 2006)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706 (2000)).

Proposed Charging Letter, dated June 6, 2007, that alleged that QSA committed one violation of the Regulations;

Specifically, the charge is:

1. *One Violation of 15 C.F.R. §760.2(d) - Furnishing Information about Business Relationships with Boycotted Countries or Blacklisted Persons*

   Between August 21 and August 29, 2003, QSA engaged in a transaction involving the sale and/or transfer of U.S. goods or services (including information) from the United States to Oman, an activity in the interstate or foreign commerce of the United States, as defined in Section 760.1(d) of the Regulations. In connection with these activities, on one occasion, QSA, with intent to comply with, further or support an unsanctioned foreign boycott, furnished information concerning its business relationships with or in a boycotted country, an activity prohibited by Section 760.2(d) of the Regulations, and not excepted.

The Department and QSA having entered into a Settlement Agreement, pursuant to Section 766.18(a) of the Regulations, whereby the parties have 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 ORDERED THAT,

FIRST, a civil penalty of $1,600 is assessed against QSA and shall be paid to the U.S. Department of Commerce within 30 days from date of entry of this Order. Payment of these sums shall be made in the manner specified in the attached instructions.

SECOND, pursuant to the Debt Collections Act of 1982, as amended (31 U.S.C. §§ 3701-3720E (1983 and Supp. 2001)), 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, QSA will be assessed, in addition to the full amount of the penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, as authorized by Section 11(d) of the Act, the timely payment of the sum of $1,600 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 QSA. Accordingly, if QSA should fail to pay the civil penalty in a timely manner, the undersigned may enter an Order under the authority of Section 11(d) of the Act denying all of QSA's export privileges for a period of one year from the date of the entry of this Order.

FOURTH, the Proposed Charging Letter, the Settlement Agreement and this Order shall be made available to the public, and a copy of this Order shall be served upon QSA.

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

Darryl W. Jackson
Assistant Secretary for Export Enforcement

Entered this 27th day of July, 2007

Attachments

INSTRUCTIONS FOR PAYMENT OF SETTLEMENT AMOUNT

1. The check should be made payable to:

U.S. DEPARTMENT OF COMMERCE

2. The check should be mailed to:

U.S. Department of Commerce
Bureau of Industry and Security
Room 6622
14th Street & Constitution Avenue, NW
Washington, DC 20230

Attention: Jennifer Kuo

NOTICE

The Order to which this Notice is attached describes the reasons for the assessment of the civil monetary penalty. It also specifies the amount owed and the date by which payment of the civil penalty is due and payable.

Under the Debt Collection Act of 1982, as amended (31 U.S.C.A. §§3701-3720E (1983 and Supp. 2001)), and the Federal Claims Collection Standards (65 Fed. Reg. 70390-70406, November 22, 2000, to be codified at 31 C.F.R. Parts 900-904), interest accrues on any and all civil monetary penalties owed and unpaid under the Order, from the date of the Order until paid in full. The rate of interest assessed respondent is the rate of the current value of funds to the U.S. Treasury on the date that the Order was entered. However, interest is waived on any portion paid within 30 days of the date of the Order. See 31 U.S.C.A. §3717 and 31 C.F.R. §901.9.

The civil monetary penalty will be delinquent if not paid by the due date specified in the Order. If the penalty becomes delinquent, interest will continue to accrue on the balance remaining due and unpaid, and respondent will also be assessed both an administrative charge to cover the cost of processing and handling the delinquent claim and a penalty charge of six percent per year. However, although the penalty charge will be computed from the date that the civil penalty becomes delinquent, it will be assessed only on sums due and unpaid for over 90 days after that date. See 31 U.S.C.A. §3717 and 31 C.F.R. §901.9.

The foregoing constitutes the initial written notice and demand to respondent in accordance with Section 901.2(b) of the Federal Claims Collection Standards (31 C.F.R. §901.2(b)).

UNITED STATES OF AMERICA

DEPARTMENT OF COMMERCE

In the Matter of	)	
	)	
QSA Global Inc.	)	
	)	**Case No. 03-06**

SETTLEMENT AGREEMENT

This Agreement is made by and between QSA Global Inc. (formerly, AEA Technology QSA Inc.) ("QSA"), a domestic concern, and the Office of Antiboycott Compliance, Bureau of Industry and Security, United States Department of Commerce ("Department"), pursuant to Section 766.18(a) of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2007)) (the "Regulations"), issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§2401-2420 (2000)) (the "Act").[1]

[1]Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent of which was August 3, 2006 (71 Fed. Reg. 44551 (August 7, 2006)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706 (2000)).

WHEREAS, the Department has notified QSA of its intention to initiate an administrative proceeding against QSA pursuant to Section 11(c) of the Act by issuing the Proposed Charging Letter, dated June 6, 2007, a copy of which is attached hereto and incorporated herein by this reference; and

WHEREAS, QSA has reviewed the Proposed Charging Letter and is aware of the allegations against it and the administrative sanctions which could be imposed against it if the allegations are found to be true; QSA fully understands the terms of this Settlement Agreement, and enters into this Settlement Agreement voluntarily and with full knowledge of its rights; and QSA states that no promises or representations have been made to it other than the agreements and considerations herein expressed; and

WHEREAS, QSA neither admits nor denies the truth of the allegation, but wishes to settle and dispose of the allegation made in the Proposed Charging Letter by entering into this Settlement Agreement; and

WHEREAS, QSA agrees to be bound by the appropriate Order ("Order") when entered;

NOW, THEREFORE, QSA and the Department agree as follows:

1. Under the Act and the Regulations, the Department has jurisdiction over QSA with respect to the matter alleged in the Proposed Charging Letter.

2. The Department will impose a civil penalty in the amount of $1,600. QSA will pay to the Department, within 30 days of the date of entry of the Order, and in accordance with the terms of the Order when entered, the amount of $1,600 in complete settlement of all matters set forth in the Proposed Charging Letter.

3. As authorized by Section 11(d) of the Act, timely payment of the amount agreed to in paragraph 2 is hereby made a condition of the granting, restoration, or continuing validity of any export license, permission, or privilege granted, or to be granted, to QSA. Failure to make payment of this amount shall result in the denial of all of QSA's export privileges for a period of one year from the date of entry of the Order.

4. Subject to the approval of this Settlement Agreement, pursuant to paragraph 9 hereof, QSA hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violation of the Settlement Agreement or the Order when entered) including, without limitation, any right to:

a. An administrative hearing regarding the allegations in the Proposed Charging Letter;

b. Request a refund of the funds paid by QSA pursuant to the Settlement Agreement and the Order, when entered; or

c. Seek judicial review or otherwise contest the validity of this Settlement Agreement or the Order, when entered.

5. The Department, upon entry of the Order, will not initiate any administrative or judicial proceeding, or make a referral to the Department of Justice for criminal proceedings against QSA, with respect to any violation of Section 8 of the Act or Part 760 of the Regulations arising out of the transaction set forth in the Proposed Charging Letter or any other transaction that was disclosed to or reviewed by the Department in the course of its investigation.

6. QSA understands that the Department will disclose publicly the Proposed Charging Letter, this Settlement Agreement, and the Order, when entered.

7. This Settlement Agreement is for settlement purposes only, and does not constitute an admission by QSA that it has violated the Regulations, or an

admission of the truth of any allegation contained in the Proposed Charging Letter or referred to in this Settlement Agreement. Therefore, if this Settlement Agreement is not accepted and the Order not entered by the Assistant Secretary for Export Enforcement, the Department may not use this Settlement Agreement against QSA in any administrative or judicial proceeding.

8. No agreement, understanding, representation or interpretation not contained in this Settlement Agreement may be used to vary or otherwise affect the terms of this Settlement Agreement or the Order, when entered, nor shall this Settlement Agreement, 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 herein addressed.

This paragraph shall not limit QSA's rights to challenge any action brought by any other agency based on a referral by the Department or any employee thereof, in contravention of paragraph 5 of this Settlement Agreement.

9. This Settlement Agreement will become binding on the Department only when approved by the Assistant Secretary for Export Enforcement by entering the Order.

QSA Global Inc.
(formerly, AEA Technology QSA Inc.)

DATE: 16 JULY 2007

Lawrence K. Swift
President

U.S. Department of Commerce

DATE: July 26, 2007

Edward O. Weant III
Director
Office of Antiboycott Compliance

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

PROPOSED CHARGING LETTER

June 6, 2007

QSA Global Inc.
40 North Avenue
Burlington, MA 01803

Attention: Lawrence K. Swift, President

Case No. 03-06

Gentlemen:

We, the Bureau of Industry and Security, United States Department of Commerce ("BIS"), have reason to believe that you, QSA Global Inc. (formerly, AEA Technology QSA Inc.) ("QSA"), on one occasion, have violated the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2007)) (the "Regulations"),[1] which are issued under the authority of the Export Administration Act of 1979, as amended (50 U.S.C. §§2401-2420 (2000)) (the "Act").[2]

We charge that, with intent to comply with, further, or support an unsanctioned foreign boycott, you committed one violation of Section 760.2(d) of the Regulations, in that, on one occasion you furnished information about your business relationship with or in a boycotted country.

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[1]The violation occurred in 2003. The Regulations governing the violation at issue are found in the 2003 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2003). They are substantively the same as the 2007 version of the Regulations which govern the procedural aspects of this case.

[2]Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent of which was August 3, 2006 (71 Fed. Reg. 44551 (August 7, 2006)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706 (2000)).

We allege that:

You are a domestic concern resident in the State of Massachusetts. As such, you are a United States person as defined in Section 760.1(b) of the Regulations.

Between August 21 and August 29, 2003, you engaged in a transaction involving the sale and/or transfer of U.S. goods or services (including information) from the United States to Oman, an activity in the interstate or foreign commerce of the United States, as defined in Section 760.1(d) of the Regulations.

Charge 1 (15 C.F.R. §760.2(d) – Furnishing Information about Business Relationships with Boycotted Countries or Blacklisted Persons)

In connection with the transaction described above, on or about August 29, 2003, you provided to your customer in Oman, a commercial invoice #102075, order #CO 133795, which contained the following information:

"DECLARE: . . . NO ISRAELI COMPONENTS USED."

Section 760.2(d) of the Regulations prohibits U.S. persons from furnishing information about business relationships with or in a boycotted country. Providing the information described above, with intent to comply with, further or support an unsanctioned foreign boycott, is an activity prohibited by Section 760.2(d) of the Regulations, and not excepted. We, therefore, charge you with one violation of Section 760.2(d).

Accordingly, administrative proceedings are instituted against you pursuant to Part 766 of the Regulations for the purpose of obtaining an Order imposing administrative sanctions.[3]

You are entitled to a hearing on the record as provided in Section 766.6 of the Regulations. If you wish to have a hearing on the record, you must file a written demand for it with your answer. You are entitled to be represented by counsel and, under Section 766.18 of the Regulations, to seek a settlement agreement.

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[3]Administrative sanctions may include any or all of the following:

a. A civil penalty of $11,000 per violation (See §764.3(a)(1) of the Regulations and 15 C.F.R. §6.4(a)(4) (2003));
b. Denial of export privileges (See §764.3(a)(2) of the Regulations); and/or
c. Exclusion from practice (See §764.3(a)(3) of the Regulations).

If you fail to answer the allegations contained in this letter within thirty (30) days after service as provided in Section 766.6, such failure will be treated as a default under Section 766.7.

As provided in Section 766.3 of the Regulations, I am referring this matter to the Administrative Law Judge. Pursuant to an Interagency Agreement between BIS and the U.S. Coast Guard, the U.S. Coast Guard is providing administrative law judge services, to the extent that such services are required under the Regulations, in connection with the matter set forth in this letter. Therefore, in accordance with the instructions in Section 766.5(a) of the Regulations, your answer should be filed with:

Attention: Administrative Law Judge
U.S. Coast Guard ALJ Docketing Center
40 South Gay Street
Baltimore, Maryland 21202-4022

Also, in accordance with the instructions in Section 766.5(b) of the Regulations, a copy of your answer should also be served on the Bureau of Industry and Security at:

Office of the Chief Counsel for Export Administration
Room H-3839
Bureau of Industry and Security
U.S. Department of Commerce
14th Street and Constitution Avenue, NW
Washington, DC 20230

Sincerely,

Edward O. Weant III
Director
Office of Antiboycott Compliance