

UNITED STATES OF AMERICA  
DEPARTMENT OF COMMERCE

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In the Matter of )  
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**Rohde & Liesenfeld, Inc (Houston )**  
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Case No. 07-03

**ORDER**

The Office of Antiboycott Compliance, Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), 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. §§ 2401-2420 (2000)) (the “Act”)<sup>1</sup> and the Export Administration Regulations (currently codified at 15 C.F.R Parts 730-774 (2008)) (the “Regulations”), against Rohde & Liesenfeld, Inc (Houston) (“R&L”), a domestic concern doing business in the State of Texas, based on allegations set forth in the Proposed Charging Letter, dated May 18, 2007, that alleged that R&L committed thirty-six violations of the Regulations;

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<sup>1</sup> Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R. 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent of which was July 23, 2008 (73 Fed. Reg. 43603 (July 25, 2008)), continues the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706 (2000)).

Specifically, the charges are:

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

During the years 2002 and 2003, R&L engaged in transactions involving the sale and/or transfer of goods or services (including information) from the United States to Syria, activities 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 thirty-six occasions, R&L, with intent to comply with, further or support an unsanctioned foreign boycott, furnished information concerning its or another person's business relationships with or in a boycotted country, an activity prohibited by Section 760.2(d) of the Regulations, and not excepted.

BIS and R&L 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 THEREFORE ORDERED THAT:

FIRST, a civil penalty of \$ 108,000 is assessed against R&L.


SECOND, R&L shall pay to the U.S. Department of Commerce in complete settlement of this matter the sum of \$ 30,000 within 30 days from the date of entry of this Order. Payment of the \$ 78,000 remaining civil penalty will be suspended from the date this Order is entered until November 10, 2008 and will thereafter be waived, provided that, during the period of suspension, R&L does not violate the Regulations or this Order and, provided further that, R&L makes timely payment of the sum of \$ 30,000 within 30 days from the date of entry of this Order in the manner specified in the attached instructions.

THIRD, 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, R&L 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.

FOURTH, as authorized by Section 11(d) of the Act, the timely payment of the sum of \$ 30,000 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 R&L. Accordingly, if R&L 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 R&L's export privileges for a period of one year from the date of the entry of this Order.

FIFTH, 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 R&L.

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



\_\_\_\_\_  
Darryl W Jackson  
Assistant Secretary of Commerce for  
Export Enforcement

Entered this 29<sup>th</sup> day of September, 2008

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 & Constitution Avenue, N.W.  
Washington, D.C. 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. §§ 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. §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. §3717 and 4 C.F.R. §901.9.

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

UNITED STATES OF AMERICA  
DEPARTMENT OF COMMERCE

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In the Matter of )  
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Rohde & Liesenfeld, Inc (Houston) )  
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Case No. 07 - 03

**SETTLEMENT AGREEMENT**

This agreement is made by and between Rohde & Liesenfeld, Inc (Houston) (“R&L”), a domestic concern doing business in the State of Texas, and the Office of Antiboycott Compliance, Bureau of Industry and Security, United States Department of Commerce (“BIS”), pursuant to Section 766.18(a) of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2008)) (the “Regulations”), issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. §§ 2401-2420 (2000)) (the “Act”).<sup>1</sup>

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<sup>1</sup> Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R. 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent of which was July 23, 2008 (73 Fed. Reg. 43603 (July 25, 2008)), continues the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706 (2000)).

WHEREAS, BIS has notified R&L of its intention to initiate an administrative proceeding against R&L pursuant to Section 11(c) of the Act by issuing the Proposed Charging Letter dated 18 May 2007, a copy of which is attached hereto and incorporated herein by this reference; and

WHEREAS, R&L 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; R&L fully understands the terms of this Settlement Agreement, and enters into this Settlement Agreement voluntarily and with full knowledge of its rights; and R&L states that no promises or representations have been made to it other than the agreements and considerations herein expressed; and

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

WHEREAS, R&L agrees to be bound by the appropriate Order (“Order”) when entered;

NOW, THEREFORE, R&L and BIS agree as follows:



1. Under the Act and the Regulations, BIS has jurisdiction over R&L with respect to the matters alleged in the Proposed Charging Letter.
2. BIS will impose a civil penalty in the amount of \$ 108,000. R&L will pay to the U.S. Department of Commerce, within 30 days from the date of entry of the Order, and in accordance with the terms of the Order, when entered, the amount of \$ 30,000 in complete settlement of all matters set forth in the Proposed Charging Letter.

Payment of the \$ 78,000 remaining civil penalty will be suspended from the date the Order is entered until November 10, 2008 and will thereafter be waived, provided that, during the period of suspension, R&L does not violate the Regulations, this Settlement Agreement or the Order, when entered, and provided further that R&L makes timely payment of the sum of \$ 30,000 in the manner prescribed in the Order.

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 R&L. Failure to make payment of this amount shall result in the denial of all of R&L'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, R&L hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violation of this 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 R&L pursuant to this 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. BIS, 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 R&L with respect to any violation of Section 8 of the Act or Part 760 of the Regulations arising out of the transactions set forth in the Proposed Charging Letter or any other transaction that was disclosed to or reviewed by BIS in the course of its investigation.
  
6. R&L understands that BIS 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 R&L 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, BIS may not use this Settlement Agreement against R&L 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 R&L's right to challenge any action brought by any other agency based on a referral by BIS or any employee thereof, in contravention of paragraph 5 of this Settlement Agreement.


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

ROHDE & LIESENFELD, INC (HOUSTON)

  
Attorney - In - Fact

DATE: September 22, 2008

U.S. DEPARTMENT OF COMMERCE

  
Edward O. Weant III  
Director  
Office of Antiboycott Compliance

DATE: September 26, 2008

Attachment



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

## PROPOSED CHARGING LETTER

18 May 2007

Rohde & Liesenfeld, Inc  
12600 Northborough Drive  
Houston, TX 77067

Attention : Frank Schroder,  
Manager

Case No. 07.03

Gentlemen/Ladies:

We, the Office of Antiboycott Compliance, Bureau of Industry and Security, United States Department of Commerce ("BIS"), have reason to believe that you, Rohde & Liesenfeld, Inc (Houston) ("R&L"), on thirty-six occasions, have violated the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2007)) (the "Regulations"),<sup>1</sup> which are issued under the authority of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (the "Act").<sup>2</sup>

We charge that you committed thirty-six violations of Section 760.2(d) of the Regulations, in that, on thirty-six occasions, with intent to comply with, further or support an unsanctioned foreign boycott, you furnished information concerning your or another person's business relationships with or in a boycotted country.

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<sup>1</sup> The alleged violations occurred during the years 2002 and 2003. The Regulations governing the violations at issue are found in the 2002 and 2003 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2002 and 2003)). The prior years' Regulations are substantially the same as the 2007 version of the Regulations which govern the procedural aspects of this matter.

<sup>2</sup> Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent 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, Rohde & Liesenfeld, Inc (Houston) are, and at all times relevant were, a domestic concern doing business in the State of Texas. As such, you are a United States person as defined in Section 760.1(b) of the Regulations.

During the years 2002 and 2003, you engaged in transactions involving the sale and/or transfer of goods or services (including information) from the United States to Syria, activities in the interstate or foreign commerce of the United States, as defined in Section 760.1(d) of the Regulations.

**Charges 1 - 36 (15 C.F.R. § 760.2(d) - Furnishing Information about Business Relationships with Boycotted Countries or Blacklisted Persons)**

In connection with the activities referred to above, on thirty-six occasions, you furnished, to Al-Furat Petroleum Company (Syria), information, as described in Table A, which is attached and incorporated herein by this reference, concerning your or another person's business relationships with or in a boycotted country. Providing the information described in Table A, 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 thirty-six violations 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.<sup>5</sup>

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.

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, 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 matters set forth in this letter.

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<sup>5</sup> Administrative sanctions may include any or all 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)(2004));
- b. Denial of export privileges (see § 764.3(a)(2) of the Regulations); and/or
- c. Exclusion from practice before BIS (see § 764.3(a)(3) of the Regulations).

Therefore, in accordance with the instructions in Section 766.5(a) of the Regulations, your answer should be filed with:

U.S. Coast Guard ALJ Docketing Center  
40 South Gay Street  
Baltimore, Maryland 21202-4022

Attention: Administrative Law Judge

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 Industry and Security  
Room H-3839  
Bureau of Industry and Security  
U.S. Department of Commerce  
14th Street & Constitution Avenue, N.W.  
Washington, D.C. 20230

Sincerely,

Edward O Weant, III  
Director  
Office of Antiboycott Compliance

**TABLE A**

Schedule of Alleged Violations of Section 760.2(d)  
**Furnishing Prohibited Business Information**

Rohde & Liesenfeld Inc (Houston)  
Case No. 07-03

<b>Item</b>	<b>Document Furnished</b>	<b>On or About</b>	<b>Reference</b>	<b>Information Furnished</b>
1	Tropwind Trading Ltd Invoice # 1836	07.15.02	Al-Furat (Syria) PO # 90.1.74840	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
2	Tropwind Trading Ltd Invoice # 1846	08.01.02	Al-Furat (Syria) PO # 65.1.76611	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
3	Tropwind Trading Ltd Invoice # 1863	05.29.02	Al-Furat (Syria) PO # 73.2.60330	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
4	Tropwind Trading Ltd Invoice # 1880	07.19.02	Al-Furat (Syria) PO # 77.2.30660	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
5	Tropwind Trading Ltd Invoice # 1892	07.15.02	Al-Furat (Syria) PO # 65.2.30750	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
6	Tropwind Trading Ltd Invoice # 1894	07.24.02	Al-Furat (Syria) PO # 68.2.60390	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
7	Tropwind Trading Ltd Invoice # 1898	07.31.02	Al-Furat (Syria) PO # 90.2.65100	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
8	Tropwind Trading Ltd Invoice # 1906	09.01.02	Al-Furat (Syria) PO # 60.2.30910	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.



9	Tropwind Trading Ltd Invoice # 1907	11.01.02	Al-Furat (Syria) PO # 68.2.63030	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
10	Tropwind Trading Ltd Invoice # 1910	08.05.02	Al-Furat (Syria) PO # 67.1.69310	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
11	Tropwind Trading Ltd Invoice # 1913	09.09.02	Al-Furat (Syria) PO # 93.2.91850	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
12	Tropwind Trading Ltd Invoice # 1915	08.07.02	Al-Furat (Syria) PO # 90.2.31300	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
13	Tropwind Trading Ltd Invoice # 1918	08.28.02	Al-Furat (Syria) PO # 83.2.65060	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
14	Tropwind Trading Ltd Invoice # 1921	08.28.02	Al-Furat (Syria) PO # 58.2.64920	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
15	Tropwind Trading Ltd Invoice # 1933	09.09.02	Al-Furat (Syria) PO # 68.2.66440	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
16	Tropwind Trading Ltd Invoice # 1937	10.02.02	Al-Furat (Syria) PO # 88.2.68980	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
17	Tropwind Trading Ltd Invoice # 1938	09.11.02	Al-Furat (Syria) PO # 96.2.63840	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
18	Tropwind Trading Ltd Invoice # 1947	11.04.02	Al-Furat (Syria) PO # 72.2.70080	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
19	Tropwind Trading Ltd Invoice # 1950	10.08.02	Al-Furat (Syria) PO # 83.2.67120	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
20	Tropwind Trading Ltd Invoice # 1960	11.14.02	Al-Furat (Syria) PO # 59.2.71880	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.

21	Tropwind Trading Ltd Invoice # 1963	11.22.02	Al-Furat (Syria) PO # 68.2.71041	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
22	Tropwind Trading Ltd Invoice # 1965	11.21.02	Al-Furat (Syria) PO # 68.2.70700	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
23	Tropwind Trading Ltd Invoice # 1970	12.24.02	Al-Furat (Syria) PO # 24.2.10120	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
24	Tropwind Trading Ltd Invoice # 1977	11.17.02	Al-Furat (Syria) PO # 90.2.96860	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
25	Tropwind Trading Ltd Invoice # 1981	01.06.03	Al-Furat (Syria) PO # 67.2.72730	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
26	Tropwind Trading Ltd Invoice # 1990	01.08.03	Al-Furat (Syria) PO # 88.2.32550	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
27	Tropwind Trading Ltd Invoice # 1994	01.17.03	Al-Furat (Syria) PO # 68.2.72660	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
28	Tropwind Trading Ltd Invoice # 2002	12.27.02	Al-Furat (Syria) PO # 68.2.97040	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
29	Tropwind Trading Ltd Invoice # 2004	01.17.03	Al-Furat (Syria) PO # 67.2.68071	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
30	Tropwind Trading Ltd Invoice # 2016	03.10.03	Al-Furat (Syria) PO # 24.2.32390	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
31	Tropwind Trading Ltd Invoice # 2025	03.06.03	Al-Furat (Syria) PO # 61.2.77510	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
32	Tropwind Trading Ltd Invoice # 2027	02.27.03	Al-Furat (Syria) PO # 65.2.33210	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.

33	Tropwind Trading Ltd Invoice # 2032	03.25.03	Al-Furat (Syria) PO # 67.2.76090	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
34	Tropwind Trading Ltd Invoice # 2037	03.14.03	Al-Furat (Syria) PO # 60.2.76841	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
35	Tropwind Trading Ltd Invoice # 2047	03.14.03	Al-Furat (Syria) PO # 85.2.75440	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.
36	Tropwind Trading Ltd Invoice # 2055	04.10.03	Al-Furat (Syria) PO # 85.3.60190	We certify that the goods enumerated in this Invoice are not of Israeli origin and do not contain any Israeli materials.