



A626-1
UNITED STATES DEPARTMENT OF COMMERCE
Bureau of Export Administration
Washington, D.C. 20230

MAY 12 1998

CHARGING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Alexandria International (U.S.A.)
713 Shorter Avenue
Rome, Georgia 30165

Attention: Nassim Khalib
General Manager

Dear Mr. Khalib:

The Office of Antiboycott Compliance, Bureau of Export Administration, United States Department of Commerce (BXA), hereby charges that Alexandria International (U.S.A.) (Alexandria International) has, as described below, violated the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (1997)) (the Regulations),¹ issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C.A. app. §§ 2401-2420 (1991 & Supp. 1998)) (the Act).²

At all times relevant to the violation of the former Regulations alleged herein, Alexandria International was a corporation organized under the laws of the State of Georgia, a state of the United States, and, as such, was a United States person as defined in Section 769.1(b) of the former Regulations.

As described in Charge 1 below, with intent to comply with, further, or support an unsanctioned foreign boycott, as defined in Section 769.1(e) of the former Regulations, and in connection with activities involving the sale or transfer of goods or services (including information) between the

¹ The alleged violation occurred in 1995. The Regulations governing the violation at issue are found in the 1995 version of the Code of Federal Regulations (15 C.F.R. Parts 768-799 (1995)). Those Regulations define the violation that BXA alleges occurred and are referred to hereinafter as the former Regulations. Since that time, the Regulations have been reorganized and restructured; the restructured Regulations establish the procedures that apply to this matter.

² The Act expired on August 20, 1994. Executive Order 12924 (3 C.F.R., 1994 Comp. 917 (1995)), extended by Presidential Notices of August 15, 1995 (3 C.F.R., 1995 Comp. 501 (1996)), August 14, 1996 (3 C.F.R., 1996 Comp. 298 (1997)), and August 13, 1997 (62 Fed. Reg. 43629 (August 15, 1997)), continued the Export Administration Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C.A. §§ 1701-1706 (1991 & Supp. 1998)).



United States and the United Arab Emirates, activities in the foreign commerce of the United States as defined in Section 769.1(d) of the former Regulations, Alexandria International engaged in the following prohibited activity.

Facts constituting violation:

Charge 1

On or about October 19, 1995, Alexandria International shipped U.S.-origin goods to the United Arab Emirates. Along with the shipment, Alexandria International sent an invoice, number 1608, that contained the following clause:

WE CERTIFY THAT THE GOODS ARE NOT OF ISRAELI ORIGIN AND NOT [SIC] CONTAIN ANY ISRAELI MATERIAL.

By providing the above statement, Alexandria International furnished information about its or another person's past, present or proposed business relationships with or in a boycotted country; with any business concern organized under the laws of a boycotted country; with any national or resident of a boycotted country; or with any other person who is known or believed to be restricted from having any business relationship with or in a boycotting country, an activity prohibited by Section 769.2(d) of the former Regulations, and not excepted. By so doing, Alexandria International committed one violation of Section 769.2(d) of the former Regulations.

Accordingly, Alexandria International 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 \$10,000 per violation (see Section 764.3(a)(1) of the Regulations);

Denial of export privileges (see Section 764.3(a)(2) of the Regulations); and/or

Exclusion from practice (see Section 764.3(a)(3) of the Regulations).

Copies of relevant Parts of the Regulations are enclosed.

If Alexandria International fails to answer the charge contained in this letter within 30 days after being served with notice of issuance of this letter as provided in Section 766.6 of the Regulations, that failure will be treated as a default under Section 766.7 of the Regulations.

Alexandria International is further notified that it is entitled to an agency hearing on the record as provided by Section 13(c) of the Act and Section 766.6 of the Regulations, if a written demand

for one is filed with its answer, to be represented by counsel, and to seek a consent settlement.

Pursuant to an Interagency Agreement between BXA 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. Accordingly, Alexandria International's answer should be filed with the U.S. Coast Guard ALJ Docketing Center, 40 S. Gay Street, Baltimore, Maryland 21202-4022, in accordance with the instructions in Section 766.5(a) of the Regulations.

In addition, a copy of Alexandria International's answer should be served on BXA at the address set forth in Section 766.5(b), adding "ATTENTION: Mi-Yong Kim, Esq." below the address. Ms. Kim may be contacted by telephone at (202) 482-5311.

Sincerely



Dexter M. Price
Acting Director
Office of Antiboycott Compliance

Enclosures

UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF EXPORT ADMINISTRATION
WASHINGTON, D.C. 20230

_____)	
In the Matter of:)	
)	
ALEXANDRIA INTERNATIONAL (U.S.A.))	
713 Shorter Avenue)	Docket No: 98-BXA-04
Rome, Georgia 30165,)	
)	
Respondent)	
_____)	

SETTLEMENT AGREEMENT

This Agreement is made by and between Alexandria International (U.S.A.) (Alexandria International) and the Bureau of Export Administration, United States Department of Commerce (BXA), pursuant to Section 766.18(b) of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (1997)) (the Regulations),¹ issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C.A. app. §§ 2401-2420 (1991 & Supp. 1998)) (the Act).²

¹ The alleged violation occurred in 1995. The Regulations governing the violation at issue are found in the 1995 version of the Code of Federal Regulations (15 C.F.R. Parts 768-799 (1995)). Those Regulations define the violation that BXA alleges occurred and are referred to hereinafter as the former Regulations. Since that time, the Regulations have been reorganized and restructured; the restructured Regulations establish the procedures that apply to this matter.

² The Act expired on August 20, 1994. Executive Order 12924 (3 C.F.R., 1994 Comp. 917 (1995)), extended by Presidential Notices of August 15, 1995 (3 C.F.R., 1995 Comp. 501 (1996)), August 14, 1996 (3 C.F.R., 1996 Comp. 298 (1997)), and August 13, 1997 (62 Fed. Reg. 43629 (August 15, 1997)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C.A. §§ 1701-1706 (1991 & Supp. 1998)).

Whereas, on May 12, 1998, the Office of Antiboycott Compliance, BXA, initiated an administrative proceeding against Alexandria International pursuant to the Act and the Regulations by issuing a Charging Letter alleging that, on or about October 19, 1995, Alexandria International furnished information about its business relationship with or in a boycotted country on an invoice for a shipment it made of U.S.-origin goods to the United Arab Emirates, in violation of Section 769.2(d) of the former Regulations;

Whereas, Alexandria International received notice of issuance of the Charging Letter on May 14, 1998;

Whereas, Alexandria International has reviewed the 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; it fully understands the terms of this Settlement Agreement and the Order; it enters into this Settlement Agreement voluntarily and with full knowledge of its rights, and it states that no promises or representations have been made to it other than the agreements and considerations herein expressed;

Whereas, Alexandria International neither admits nor denies the allegations contained in the Charging Letter;

Whereas, Alexandria International wishes to settle and dispose of all matters alleged in the Charging Letter by entering into this Settlement Agreement; and

Whereas, Alexandria International agrees to be bound by an appropriate Order giving effect to the terms of this Settlement Agreement, when entered (appropriate Order);

Now Therefore, Alexandria International and BXA agree as follows:

1. BXA has jurisdiction over Alexandria International, under the Act and the Regulations, in connection with the matters alleged in the Charging Letter.
2. BXA and Alexandria International agree that the following sanction shall be imposed against Alexandria International in complete settlement of the alleged violation of the Act and the former Regulations set forth in the Charging Letter:
 - (a) Alexandria International shall be assessed a civil penalty of \$7,000, which shall be paid within 30 days of the date of entry of an appropriate Order;
 - (b) As authorized by Section 11(d) of the Act, 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 Alexandria International. Failure to make timely payment of the civil penalty shall result in the denial of all of Alexandria International's export privileges for a period of one year from the date of entry of the appropriate Order imposing the civil penalty.
3. Alexandria International agrees that, subject to the approval of this Settlement Agreement pursuant to paragraph 8 hereof, it hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violation of this Settlement Agreement or the appropriate Order, when entered), including, without limitation, any right: (a) to an administrative hearing regarding the allegations in the Charging Letter; (b) to request a refund of the civil penalty imposed pursuant to this Settlement Agreement and the appropriate Order, when entered; and (c) to seek judicial review or otherwise to contest the validity of this Settlement Agreement or the appropriate Order, when entered.

4. BXA agrees that, upon entry of an appropriate Order, it will not initiate any further administrative proceedings against Alexandria International in connection with any violations of the Act or the Regulations arising out of the transaction identified in the Charging Letter.

5. Alexandria International understands that BXA will make this Settlement Agreement and the appropriate Order, when entered, available to the public.

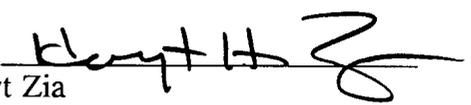
6. BXA and Alexandria International agree that this Settlement Agreement is for settlement purposes only. Therefore, if this Settlement Agreement is not accepted and an appropriate Order is not issued by the Assistant Secretary for Export Enforcement pursuant to Section 766.18(b) of the Regulations, BXA and Alexandria International agree that they may not use this Settlement Agreement in any administrative or judicial proceeding and that neither party shall be bound by the terms contained in this Settlement Agreement in any subsequent administrative or judicial proceeding.

7. 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 appropriate Order, when entered, nor shall this Settlement 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.

8. This Settlement Agreement shall become binding on BXA only when the Assistant Secretary for Export Enforcement approves it by entering an appropriate Order, which will have the same force and effect as a decision and order issued after a full administrative hearing on the record.

BUREAU OF EXPORT ADMINISTRATION
U.S. DEPARTMENT OF COMMERCE

ALEXANDRIA INTERNATIONAL
(U.S.A.)

BY: 
Hoyt Zia
Chief Counsel
Office of the Chief Counsel
for Export Administration

BY: 
Mohammad Shorbagi
Shipping Department Manager

Date: 7/17/98

Date: 06/30/98

UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF EXPORT ADMINISTRATION
WASHINGTON, D.C. 20230

In the Matter of:)	
)	
ALEXANDRIA INTERNATIONAL (U.S.A.))	
713 Shorter Avenue)	Docket No: 98-BXA-04
Rome, Georgia 30165,)	
)	
Respondent)	

ORDER

The Office of Antiboycott Compliance, Bureau of Export Administration, United States Department of Commerce (BXA), having initiated an administrative proceeding against Alexandria International (U.S.A.) (Alexandria International) pursuant to Section 13(c) of the Export Administration Act of 1979, as amended (50 U.S.C.A. app. §§ 2401-2420 (1991 & Supp. 1998)) (the Act),¹ and the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (1997)) (the Regulations),² based on allegations that, on or about October 19, 1995, Alexandria International furnished information about its business relationship with or in a boycotted country on an invoice on a shipment it made of U.S.-origin

¹ The Act expired on August 20, 1994. Executive Order 12924 (3 C.F.R., 1994 Comp. 917 (1995)), extended by Presidential Notices of August 15, 1995 (3 C.F.R., 1995 Comp. 501 (1996)), August 14, 1996 (3 C.F.R., 1996 Comp. 298 (1997)), and August 13, 1997 (62 Fed. Reg. 43629 (August 15, 1997)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C.A. §§ 1701-1706 (1991 & Supp. 1998)).

² The alleged violation occurred in 1995. The Regulations governing the violation at issue are found in the 1995 version of the Code of Federal Regulations (15 C.F.R. Parts 768-799 (1995)). Those Regulations define the violation that BXA alleges occurred and are referred to hereinafter as the former Regulations. Since that time, the Regulations have been reorganized and restructured; the restructured Regulations establish the procedures that apply to this matter.

goods to the United Arab Emirates, in violation of Section 769.2(d) of the former Regulations;
and

BXA and Alexandria International 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 a civil penalty of \$7,000 is assessed against Alexandria International, which shall be paid within 30 days of the date of this Order. Payment shall be made in the manner specified in the attached instructions.

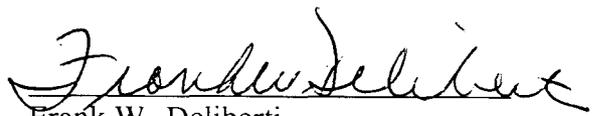
SECOND, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C.A. §§ 3701-3720E (1983 and Supp. 1998)), the civil penalty owed under this Order accrues interest as more fully described in the attached Notice, and if payment is not made by the due date specified herein, Alexandria International will be assessed, in addition to interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, that, as authorized by Section 11(d) of the Act, 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, permission, or privilege granted, or to be granted, to Alexandria International. Accordingly, if Alexandria International should fail to pay in a timely manner the civil penalty set forth above, the undersigned will enter an Order under the authority of Section 11(d) of the Act denying all of Alexandria International's export privileges for a period of one year from the date of this Order.

FOURTH, that a copy of this Order shall be delivered to the Office of the Administrative Law Judge, United States Coast Guard, U.S. Custom House, 40 South Gay Street, Baltimore, Maryland 21202, notifying that Office that the case is withdrawn from adjudication, as provided by Section 766.18(b) of the Regulations.

FIFTH, that 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.


Frank W. Deliberti
Acting Assistant Secretary
for Export Enforcement

Entered this 24th day of July, 1998.