

Billing Code: 3510-DT-P  
Department of Commerce  
Bureau of Industry and Security

Action Affecting Export Privileges; MOHAMAD M. ELKATEB

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In the Matter of: )  
)  
Mohamad M. Elkateb )  
29256 Marilyn Dr. )  
Canyon Country, CA 91387 )  
)  
Respondent \_\_\_\_\_)

ORDER RELATING TO MOHAMAD M. ELKATEB

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) has notified Mohamad M. Elkateb (“Elkateb”) of its intention to initiate an administrative proceeding against Elkateb pursuant to Section 766.3 of the Export Administration Regulations (the “Regulations”),<sup>1</sup> and Section 13(c) of the Export Administration Act of 1979, as amended (the “Act”),<sup>2</sup> through issuance of a Proposed Charging Letter to Elkateb that alleged that he committed one violation of the Regulations. Specifically, the charge is:

**Charge 1 15 C.F.R. §764.2(d) – Conspiracy**

Between on or about July 9, 2004, and continuing through on or about August 16, 2004, Elkateb conspired and acted in concert with others, known and unknown, to violate the Regulations and to bring about an act that constituted a violation of the Regulations. The

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2009). The charged violation occurred in 2004. The Regulations governing the violation at issue are found in the 2004 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2004)). The 2009 Regulations set forth the procedures that apply to this matter.

<sup>2</sup> 50 U.S.C. app. §§ 2401-2420 (2000). 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 most recently by the Notice of August 13, 2009 (74 Fed. Reg. 41325 (Aug. 14, 2009)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 et seq.).

purpose of the conspiracy was to cause the export of U.S.-origin lab equipment from the United States to Syria, via Indonesia, without the required U.S. Government authorization. Pursuant to General Order No. 2 of May 14, 2004, set forth in Supplement No. 1 to Part 736 of the Regulations, authorization was required from BIS before the lab equipment, items subject to the Regulations,<sup>1</sup> could be exported from the United States to Syria. In furtherance of the conspiracy, Elkateb and his co-conspirators devised and employed a scheme to purchase U.S.-origin lab equipment for a customer in Syria from a foreign distributor of the U.S. manufacturer. This scheme was developed after Elkateb was informed by the U.S. manufacturer that there were restrictions on exporting to Syria. By engaging in this activity, Elkateb committed one violation of Section 764.2(d) of the Regulations.

WHEREAS, BIS and Elkateb 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 for a period of one year from the date of issuance of the Order, Mohamad M. Elkateb, 29256 Marilyn Dr., Canyon Country, CA 91387, and when acting on behalf of Elkateb, his representatives, assigns, or agents (“Denied Person”) may not participate, directly or indirectly, in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as “item”) exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations, including, but not limited to:

A. Applying for, obtaining, or using any license, License Exception, or export control document;

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<sup>1</sup> EAR99 is a designation for items subject to the Regulations but not listed on the Commerce Control List. 15 C.F.R. § 734.3(c) (2004).

B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations; or

C. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations.

SECOND, that no person may, directly or indirectly, do any of the actions described below with respect to an item that is subject to the Regulations and that has been, will be, or is intended to be exported or reexported from the United States:

A. Export or reexport to or on behalf of the Denied Person any item subject to the Regulations;

B. Take any action that facilitates the acquisition or attempted acquisition by the Denied Person of the ownership, possession, or control of any item subject to the Regulations that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby the Denied Person acquires or attempts to acquire such ownership, possession or control;

C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from the Denied Person of any item subject to the Regulations that has been exported from the United States;

D. Obtain from the Denied Person in the United States any item subject to the Regulations with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or

E. Engage in any transaction to service any item subject to the Regulations that has been or will be exported from the United States and which is owned, possessed or controlled by the Denied Person, or service any item, of whatever origin, that is owned, possessed or controlled by the Denied Person if such service involves the use of any item subject to the Regulations that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

THIRD, that, after notice and opportunity for comment as provided in Section 766.23 of the Regulations, any person, firm, corporation, or business organization related to Elkateb by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be made subject to the provisions of the Order.

FOURTH, that the proposed charging letter, the Settlement Agreement, and this Order shall be made available to the public.

FIFTH, that this Order shall be served on the Denied Person and on BIS, and shall be published in the *Federal Register*.

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

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David W. Mills  
Assistant Secretary of Commerce  
for Export Enforcement

Issued this 26 day of February 2010.

[FR Doc. 2010-4776 Filed 03/05/2010 at 8:45 am; Publication Date: 03/08/2010]