

denial of the license application. In making the shipments on the dates specified above, Omega engaged in conduct prohibited by or contrary to the denial of export license application Z097230 and the Under Secretary's upholding of that denial, thereby committing four violations of Section 764.2(a) of the Regulations.

2. *Twelve Violations of 15 CFR 764.2(g): False Statements:* On or about June 25, July 3, July 11, and July 16, 1997, Omega, through an employee, submitted or caused to be submitted a Shipper's Export Declaration (SED) regarding one of the shipments described above. Michel knew that items ultimately destined for Pakistan were included in such shipments to Newport in Germany, and then were to be shipped from Germany to Pakistan. Each SED falsely identified Newport as the ultimate consignee and Germany as the country of ultimate destination. Each SED also stated that the export qualified for export pursuant to "NLR" (no license required), when in fact a license was required, as the Department of Commerce had previously advised Omega. By submitting or causing to be submitted these four SED's, each of which contained these three false statements, Omega committed twelve violations of Section 764.2(g) of the Regulations.

3. *One Violation of 15 CFR 764.2(e): Acting With Knowledge of a Violation:* In making or causing to be made the above-described exports, Omega, through Michel, acted with knowledge that such exports were prohibited by or contrary to the Department of Commerce's denial of its export license application and the Under Secretary's sustaining of that denial, as described above. By selling and transferring the items described above with knowledge that such violation was about to occur and was intended to occur in connection with the items, Omega violated Section 764.2(e) of the Regulations.

BIS and Omega having 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 the terms of the Settlement Agreement having been approved by me;

It Is Therefore Ordered:

First, that Omega shall pay a civil penalty of \$187,000 to the U.S. Department of Commerce, as follows: \$87,000 to be paid within 30 days from the date of entry of the Order; \$50,000 to be paid within one year from the date of entry of the Order; and \$50,000 to be paid within two years from the date of

entry of the Order. At its option, Omega may accelerate this payment schedule. 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 (1983 and Supp. 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, Omega 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 Omega. Accordingly, if Omega should fail to pay the civil penalty in a timely manner, the undersigned may enter an Order denying all of Omega's export privileges for a period of one year from the date of entry of this Order.

Fourth, that for a period of five years from the date of this Order, Omega Engineering, Inc., One Omega Drive, Stamford, Connecticut, 06907, its successors or assigns, and, when acting for or on behalf of Omega, its officers, representatives, agents or employees "Denied Persons") may not, directly or indirectly, participate in any way in any transaction involving any commodity, software, or technology (hereinafter collectively referred to as "item") that is subject to the Regulations and that is exported or to be exported from the United States to Pakistan, or in any other activity subject to the Regulations that involves Pakistan, including, but not limited to:

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

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 that is subject to the Regulations and that is exported or to be exported from the United States to Pakistan, or in any other activity subject to the Regulations that involves Pakistan; or

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

subject to the Regulations that involves Pakistan.

Fifth, 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 to Pakistan:

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

B. Take any action that facilitates the acquisition or attempted acquisition by a 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 to Pakistan, including financing or other support activities related to a transaction whereby a 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 a Denied Person of any item subject to the Regulations that has been exported from the United States to Pakistan;

D. Obtain from a 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 to Pakistan; 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 to Pakistan and that is owned, possessed or controlled by a Denied Person, or service any item, of whatever origin, that is owned, possessed or controlled by a 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 to Pakistan. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

Sixth, 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 Omega by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be subject to the provisions of this Order.

Seventh, that this Order does not prohibit any export, reexport, or other transaction subject to the Regulations where the only items involved that are subject to the Regulations are the foreign-produced direct product of U.S.-origin technology.

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