

UNITED STATES OF AMERICA  
DEPARTMENT OF COMMERCE

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In the Matter of )  
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**MAAG Gala, Inc.** )  
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**Case No. 25-03**

**ORDER**

The Office of Antiboycott Compliance, Bureau of Industry and Security, United States Department of Commerce (“BIS”) has notified MAAG Gala, Inc. (“MAAG”),<sup>1</sup> of its intention to initiate an administrative proceeding pursuant to Section 766.3 of the Export Administration Regulations (“EAR” or the “Regulations”),<sup>2</sup> against MAAG through the issuance of a Proposed Charging Letter to MAAG (a copy of which is attached hereto and incorporated by reference)<sup>3</sup> that alleges that MAAG committed eighteen violations of the Regulations.

<sup>1</sup>As set forth in the Proposed Charging Letter, MAAG is a U.S. person, specifically, a domestic concern, under part 760 of the EAR. See Section 760.1 (Definitions).

<sup>2</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. parts 730–774 (2025). On August 13, 2018, the President signed into law the John S. McCain National Defense Authorization Act for Fiscal Year 2019, which includes the Export Control Reform Act of 2018, 50 U.S.C. §§ 4801–4852 (“ECRA”). The Anti-Boycott Act of 2018 is codified as Subchapter II of ECRA. The substantive antiboycott provisions of the EAR are set forth in part 760 of the EAR. Recordkeeping requirements related to part 760 are set forth in part 762 of the EAR.

<sup>3</sup> The violations alleged occurred during the years 2021 through 2024. The Regulations governing the violations at issue are found in the 2019 version of the Code of Federal Regulations (15 C.F.R. parts 730-774 (2019)). The 2025 Regulations govern the procedural aspects of this matter.

WHEREAS, BIS and MAAG have entered into a Settlement Agreement pursuant to Section 766.18(a) of the Regulations, whereby they have agreed to settle this matter in accordance with the terms and conditions set forth therein;

WHEREAS, MAAG admits committing the alleged conduct described in the Proposed Charging Letter; and;

WHEREAS, I have approved the terms of such Settlement Agreement;

IT IS THEREFORE ORDERED:

FIRST, that MAAG shall be assessed a civil penalty in the amount of \$ 67,500, the payment of which shall be made to the U.S. Department of Commerce within 30 days from the date of entry of this Order.

SECOND, that pursuant to the Debt Collections Act of 1982, as amended (31 U.S.C. §§3701 – 3720E (2012)), 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, MAAG shall 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 full and timely payment of the civil penalty in accordance with the payment schedule 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 MAAG. Accordingly, should MAAG fail to pay the civil penalty in a full and timely manner the undersigned may issue an order denying all of MAAG's export privileges

under the Regulations for a period of one year from the date of failure to make such payment.

FOURTH, that the Proposed Charging Letter, 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.



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David A. Peters  
Assistant Secretary of Commerce for Export  
Enforcement

Entered this 18<sup>th</sup> day of June, 2026

Attachments

## 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) and the Federal Claims Collection Standards (31 C.F.R. Parts 900-904 (2025)), 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 issued. 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)).

**Payment instructions:**

INSTRUCTIONS FOR PAYMENT OF CIVIL PENALTY

1. The civil penalty check should be made payable to:

U.S. Department of Commerce/BIS

2. The check should be mailed to:

U.S. Department of Commerce  
Bureau of Industry and Security  
Room H-6622  
14th Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

ATTN: Makayla Thompson

Payments may also be made electronically via FedWire, Automated Clearing House (ACH), and pay.gov.

Guidance for payment via FedWire, ACH, and pay.gov is attached.

UNITED STATES OF AMERICA  
DEPARTMENT OF COMMERCE

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In the Matter of )  
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**MAAG Gala, Inc.** )  
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**Case No. 25-03**

**SETTLEMENT AGREEMENT**

This Settlement Agreement (“Agreement”) is made by and between MAAG Gala, Inc. (“MAAG”)<sup>1</sup> and the Office of Antiboycott Compliance, Bureau of Industry and Security, United States Department of Commerce (“BIS”) (together, the “Parties”), pursuant to Section 766.18(a) of the Export Administration Regulations (“EAR” or “Regulations”).<sup>2</sup>

WHEREAS, MAAG has filed a voluntary self-disclosure with BIS in accordance with Section 764.8 of the Regulations concerning the transactions at issue herein;

WHEREAS, BIS has notified MAAG of its intention to initiate an administrative proceeding against MAAG pursuant to the Regulations;

<sup>1</sup> As set forth in the Proposed Charging Letter, MAAG is a U.S. person, specifically, a domestic concern, under part 760 of the EAR. See Section 760.1 (Definitions).

<sup>2</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. parts 730–774 (2025). On August 13, 2018, the President signed into law the John S. McCain National Defense Authorization Act for Fiscal Year 2019, which includes the Export Control Reform Act of 2018, 50 U.S.C. §§ 4801–4852 (“ECRA”). The Anti-Boycott Act of 2018 is codified as Subchapter II of ECRA. The substantive antiboycott provisions of the EAR are set forth in part 760 of the EAR. Recordkeeping requirements related to part 760 are set forth in part 762 of the EAR.

WHEREAS, BIS has issued to MAAG a Proposed Charging Letter (a copy of which is attached hereto and incorporated herein by reference);<sup>3</sup> that alleges that MAAG committed eighteen violations of the Regulations;

WHEREAS, MAAG has reviewed the Proposed Charging Letter and is aware of the allegations made against it and the administrative sanctions that could be imposed against it if the allegations are found to be true;

WHEREAS, MAAG fully understands the terms of this Agreement and the Order (“Order”) that the Assistant Secretary of Commerce for Export Enforcement, or appropriate designee, will issue if he approves this Agreement as the final resolution of this matter;

WHEREAS, MAAG enters into this Agreement voluntarily and with full knowledge of its rights, after having consulted with counsel;

WHEREAS, MAAG states that no promises or representations have been made to it other than the agreements and considerations herein expressed;

WHEREAS, MAAG admits committing the alleged conduct described in the Proposed Charging Letter; and

WHEREAS, MAAG agrees to be bound by the Order, if issued;

NOW THEREFORE, the Parties hereby agree, for purposes of this Agreement, as follows:

1. BIS has jurisdiction over MAAG, under the Regulations, in connection with the matters alleged in the Proposed Charging Letter.
2. The following sanctions shall be imposed against MAAG:

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<sup>3</sup> The violations alleged occurred during the years 2021 through 2024. The Regulations governing the violations at issue are found in the 2019 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2019)). The 2025 Regulations govern the procedural aspects of this matter.

- a. MAAG shall be assessed a civil penalty in the amount of \$ 67,500, the payment of which shall be made 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. Payment shall be made in the manner specified in the attached instructions.
  - b. The full and timely payment of the civil penalty agreed to in Paragraph 2.a 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 MAAG. Failure to make full and timely payment of the civil penalty may result in the denial of all of MAAG's export privileges under the Regulations for a period of one year from the date of the failure to make such payment.
3. Subject to the approval of this Agreement pursuant to paragraph 7 hereof, MAAG hereby waives all rights to further procedural steps in this matter including, without limitation, any right to:
- a. an administrative hearing regarding the allegations in the Proposed Charging Letter;
  - b. request a refund of any civil penalty paid pursuant to this Agreement and the Order, if issued; and
  - c. seek judicial review or otherwise contest the validity of this Agreement or the Order, if issued. MAAG also waives and will not assert any Statute of Limitations defense, and the Statute of Limitations will be tolled, in connection with any violation of the Anti-Boycott Act of 2018 or the

Regulations arising out of the transactions identified in the Proposed Charging Letter, or in connection with collection of the civil penalty, or enforcement of this Agreement and the Order, if issued, from the date of the Order, until MAAG pays in full the civil penalty agreed to in Paragraph 2.a of this Agreement.

4. BIS agrees that upon full and timely payment of the civil penalty as set forth in Paragraph 2.a above, BIS will not initiate any further administrative proceeding against MAAG in connection with any violation of the Regulations arising out of the transactions specifically detailed in the Proposed Charging Letter.
5. This Agreement is for settlement purposes only. Therefore, if this Agreement is not accepted and the Order not entered by the Assistant Secretary of Commerce for Export Enforcement, or appropriate designee, pursuant to Section 766.18(a) of the Regulations, no Party may use this Agreement in any administrative or judicial proceeding, and the Parties shall not be bound by the terms contained in this Agreement in any subsequent administrative or judicial proceeding.
6. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise alter or affect the terms of this Agreement or the Order, if issued; nor shall this Agreement serve to bind, constrain, or otherwise limit any action by any other agency or department of the U. S. Government with respect to the facts and circumstances addressed herein.
7. This Agreement shall become binding on the Parties only if the Assistant Secretary of Commerce for Export Enforcement, or appropriate designee, approves it by issuing

the Order, which shall have the same force and effect as a decision and order issued after a full administrative hearing on the record.

8. BIS will make the Proposed Charging Letter, this Agreement, and the Order, if issued, available to the public.
9. Each signatory affirms that he/she has authority to enter into this Agreement and to bind his/her respective party to the terms and conditions set forth herein.

MAAG Gala, Inc.

DocuSigned by:  
*Paul Merich*  
7500FD040E9E4DA...

DATE: June 10, 2026

U.S. Department of Commerce

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DUVEL

Digitally signed by REGINALD  
DUVEL  
Date: 2026.06.11 07:52:06  
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DATE: \_\_\_\_\_

Reginald Duvel  
Acting Director  
Office of Antiboycott Compliance

**PROPOSED CHARGING LETTER**

May 19, 2026

MAAG Gala, Inc.  
181 Pauley Street  
Eagle Rock, VA 24085

Attention: Paul Merich  
Vice President/General Manager  
MAAG Americas

Case No 25-03

Dear Mr. Merich:

The Bureau of Industry and Security, Department of Commerce (“BIS”)<sup>1</sup> has reason to believe that MAAG Gala, Inc. (“MAAG”), has committed eighteen violations of the Export Administration Regulations (currently codified at 15 C.F.R. parts 730-774 (2025)) (the “Regulations” or “EAR”).<sup>2</sup>

As detailed below, BIS alleges that MAAG committed eighteen violations of Section 760.5 of the Regulations, in that MAAG, on eighteen occasions, failed to report to BIS MAAG’s receipt of a request to engage in a restrictive trade practice or boycott, as required by the Regulations.

**General Allegations**

MAAG is, and at all times relevant was, a domestic concern organized under the laws of the United States and doing business in the State of Virginia. As such, MAAG is a United States person as defined by Section 760.1(b) of the Regulations.

During the period January 2021 through April 2024, MAAG engaged in transactions involving the sale and/or transfer of goods or services (including information) from the United States to Qatar, activities in the interstate or foreign commerce of the United States, as defined in Section 760.1(d) of the Regulations.

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<sup>1</sup> This action is brought by the Office of Antiboycott Compliance (“OAC”) within the Bureau of Industry and Security. OAC is charged with enforcing the provisions of the Anti-Boycott Act of 2018.

<sup>2</sup> On August 13, 2018, the President signed into law the John S. McCain National Defense Authorization Act for Fiscal Year 2019, which includes the Export Control Reform Act of 2018, 50 U.S.C. §§ 4801-4852 (“ECRA”). The Anti-Boycott Act of 2018 is codified as Subchapter II of ECRA. The substantive antiboycott provisions of the EAR are set forth in part 760 of the EAR. Recordkeeping requirements related to part 760 are set forth in part 762 of the EAR.

**Charges 1 - 18 (15 C.F.R. §760.5 – Failing to Report the Receipt of a Request to Engage in a Restrictive Trade Practice or Foreign Boycott Against a Country Friendly to the United States)**

On eighteen occasions, during the period January 2021 through April 2024, MAAG received a request to take an action which would have the effect of furthering or supporting a restrictive trade practice or unsanctioned foreign boycott. Specifically, during this period, MAAG received requests in the terms and conditions for eighteen purchase orders for spare parts, at primarily low values, totaling approximately \$115,000 from one customer located in Qatar. Each purchase order included the language described in Table A, stating either “Israeli origin goods are not permitted to import into Qatar” or “Follow Qatar import regulations on restricted, banned and boycotted origin goods.”

Section 760.5 of the Regulations requires U.S. persons to report to BIS their receipt of any request to take an action that would have the effect of furthering or supporting a restrictive trade practice or unsanctioned foreign boycott. MAAG failed to report to BIS its receipt of the eighteen requests described in Table A. By failing to report its receipt of the eighteen requests described in Table A, as directed by Section 760.5 of the Regulations, MAAG is in violation of Section 760.5. BIS therefore charges MAAG with eighteen violations of Section 760.5 of the Regulations.

\* \* \*

Accordingly, MAAG is hereby notified that an administrative proceeding is instituted against it pursuant to Part 766 of the Regulations for the purpose of obtaining an order imposing administrative sanctions,<sup>3</sup> including, but not limited to any or all of the following:

- The maximum civil penalty allowed by law of up to the greater of \$374,474 per violation, or twice the value of the transaction that is the basis of the violation;<sup>4</sup>
- Denial of export privileges;
- Exclusion from practice before BIS; and/or
- Any other liability, sanction, or penalty available under law.

If MAAG fails to answer the charges 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. If MAAG defaults, the Administrative Law Judge may find the charges alleged in this letter are true without a hearing or further notice to MAAG. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty for the charges in this letter.

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<sup>3</sup> The potential sanctions are specified in § 1774 of the Anti-Boycott Act of 2018, codified at 50 U.S.C. § 4843.

<sup>4</sup> This amount is subject to annual increases pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Sec. 701 of Public Law 114-74, enacted on November 2, 2015.

MAAG Gala, Inc.  
Proposed Charging Letter

MAAG is entitled to an agency hearing on the record as provided in Section 766.6 of the Regulations. If MAAG wishes to have a hearing on the record, MAAG must file a written demand for one with its answer. MAAG is entitled to be represented by counsel or other authorized representative who has power of attorney to represent it. *See* 15 C.F.R. §§ 766.3(a) and 766.4. Under the Small Business Regulatory Enforcement Flexibility Act, MAAG may be eligible for assistance from the Office of the National Ombudsman of the Small Business Administration in this matter.<sup>5</sup>

MAAG may also seek settlement without a hearing. *See* 15 C.F.R. 766.18. Should MAAG have a proposal to settle this case, MAAG should transmit it to the attorney representing BIS named below.

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. Therefore, in accordance with the instructions in Section 766.5(a) of the Regulations, MAAG's 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 MAAG's answer should be served on BIS at the following address:

Office of the Chief Counsel for Industry and Security  
U.S. Department of Commerce  
Room H-3839  
14<sup>th</sup> Street & Constitution Avenue, NW  
Washington, D.C. 20230

Sydney Jolliffe is the attorney representing BIS in this case; any communications that MAAG may wish to have concerning this matter should occur through her. She may be contacted by email at [sjolliffe@doc.gov](mailto:sjolliffe@doc.gov).

Sincerely,

Reginald Duvel  
Acting Director  
Office of Antiboycott Compliance

Enclosures

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<sup>5</sup> To determine eligibility and get more information, please see: <http://www.sba.gov/ombudsman/>.

MAAG Gala, Inc.  
Proposed Charging Letter

**TABLE A**  
**Schedule of Alleged Violations of Section 760.5**  
**FAILURE TO REPORT RECEIPTS OF BOYCOTT REQUESTS**

**MAAG GALA, INC.**  
Case No. 25-03

Item #	Reference	Date Request Received	Date Reporting Violation*	Boycotting Country	Boycott Request
1	PO # 4500145762	01.14.23	04.30.23	Qatar	ISRAELI ORIGIN GOODS ARE NOT PERMITTED TO IMPORT INTO QATAR.
2	PO # 4500143744	10.12.22	01.31.23	Qatar	ISRAELI ORIGIN GOODS ARE NOT PERMITTED TO IMPORT INTO QATAR.
3	PO # 4500143745	10.12.22	01.31.23	Qatar	ISRAELI ORIGIN GOODS ARE NOT PERMITTED TO IMPORT INTO QATAR.
4	PO # 4500138934	03.20.22	04.30.22	Qatar	ISRAELI ORIGIN GOODS ARE NOT PERMITTED TO IMPORT INTO QATAR.
5	PO # 4500139470	04.10.22	07.31.22	Qatar	ISRAELI ORIGIN GOODS ARE NOT PERMITTED TO IMPORT INTO QATAR.
6	PO # 4500135128	11.01.21	01.31.22	Qatar	ISRAELI ORIGIN GOODS ARE NOT PERMITTED TO IMPORT INTO QATAR.

\* As provided in Section 760.5(b)(4)(i) of the Regulations, where the person receiving the request is a United States person located in the United States, each report of requests must be postmarked or electronically date-stamped by the last day of the month following the calendar quarter in which the request was received.

MAAG Gala, Inc.  
Proposed Charging Letter

**TABLE A**  
**Schedule of Alleged Violations of Section 760.5**  
**FAILURE TO REPORT RECEIPTS OF BOYCOTT REQUESTS**

**MAAG GALA, INC.**  
Case No. 25-03

Item #	Reference	Date Request Received	Date Reporting Violation*	Boycotting Country	Boycott Request
7	PO # 4500132247	07.31.21	10.31.21	Qatar	ISRAELI ORIGIN GOODS ARE NOT PERMITTED TO IMPORT INTO QATAR.
8	PO # 4500130572	05.29.21	07.31.21	Qatar	ISRAELI ORIGIN GOODS ARE NOT PERMITTED TO IMPORT INTO QATAR.
9	PO # 4500128579	03.01.21	04.30.21	Qatar	ISRAELI ORIGIN GOODS ARE NOT PERMITTED TO IMPORT INTO QATAR.
10	PO # 4500155681	04.25.24	07.31.24	Qatar	FOLLOW QATAR IMPORT REGULATIONS ON RESTRICTED, BANNED AND BOYCOTTED ORIGIN GOODS....
11	PO # 4500155682	04.25.24	07.31.24	Qatar	FOLLOW QATAR IMPORT REGULATIONS ON RESTRICTED, BANNED AND BOYCOTTED ORIGIN GOODS....
12	PO # 4500145523	01.04.23	04.30.23	Qatar	FOLLOW QATAR IMPORT REGULATIONS ON RESTRICTED, BANNED AND BOYCOTTED ORIGIN GOODS....

\* As provided in Section 760.5(b)(4)(i) of the Regulations, where the person receiving the request is a United States person located in the United States, each report of requests must be postmarked or electronically date-stamped by the last day of the month following the calendar quarter in which the request was received.

MAAG Gala, Inc.  
Proposed Charging Letter

**TABLE A**  
**Schedule of Alleged Violations of Section 760.5**  
**FAILURE TO REPORT RECEIPTS OF BOYCOTT REQUESTS**

**MAAG GALA, INC.**  
Case No. 25-03

Item #	Reference	Date Request Received	Date Reporting Violation*	Boycotting Country	Boycott Request
13	PO # 4500145095	12.13.22	01.31.23	Qatar	FOLLOW QATAR IMPORT REGULATIONS ON RESTRICTED, BANNED AND BOYCOTTED ORIGIN GOODS....
14	PO # 4500132105	07.27.21	10.31.21	Qatar	FOLLOW QATAR IMPORT REGULATIONS ON RESTRICTED, BANNED AND BOYCOTTED ORIGIN GOODS....
15	PO # 4500130077	04.28.21	07.31.21	Qatar	FOLLOW QATAR IMPORT REGULATIONS ON RESTRICTED, BANNED AND BOYCOTTED ORIGIN GOODS....
16	PO # 4500128595	03.02.21	04.30.21	Qatar	FOLLOW QATAR IMPORT REGULATIONS ON RESTRICTED, BANNED AND BOYCOTTED ORIGIN GOODS....
17	PO # 4500127652	01.28.21	04.30.21	Qatar	FOLLOW QATAR IMPORT REGULATIONS ON RESTRICTED, BANNED AND BOYCOTTED ORIGIN GOODS....
18	PO # 4500127586	01.26.21	04.30.21	Qatar	FOLLOW QATAR IMPORT REGULATIONS ON RESTRICTED, BANNED AND BOYCOTTED ORIGIN GOODS....

\* As provided in Section 760.5(b)(4)(i) of the Regulations, where the person receiving the request is a United States person located in the United States, each report of requests must be postmarked or electronically date-stamped by the last day of the month following the calendar quarter in which the request was received.