

UNITED STATES DEPARTMENT OF COMMERCE  
BUREAU OF INDUSTRY AND SECURITY  
WASHINGTON, D.C. 20230

In the Matter of: )  
)  
Buehler Limited )  
41 Waukegan Road )  
Lake Bluff, IL 60044 )  
)  
Respondent )  
)

ORDER RELATING TO BUEHLER LIMITED

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), has notified Buehler Limited (“Buehler”) of its intention to initiate an administrative proceeding against Buehler pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2008)) (the “Regulations”),<sup>1</sup> and Section 13(c) of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (the “Act”),<sup>2</sup> through the issuance of a proposed charging letter to Buehler that alleged that Buehler committed 81 violations of the Regulations. Specifically, these charges are:

<sup>1</sup> The violations charged occurred during 2001-2006. The Regulations governing the violations at issue are found in the 2001-2006 versions of the Code of Federal Regulations. 15 C.F.R. Parts 730-774 (2001-2006). The 2008 Regulations govern the procedural aspects of this case.

<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 being that of July 23, 2008 (73 Fed. Reg. 43,603 (July 25, 2008)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1707 (2000)) (“IEEPA”).

**Charges 1-56            15 C.F.R. § 764.2(a) - Exporting Chemical Mixture Containing  
Chemical Precursor to Taiwan, Israel, and Thailand Without the  
Required Licenses**

Between on or about November 12, 2001 and on or about October 7, 2005, Buehler engaged in conduct prohibited by the Regulations by exporting or causing to be exported a product called Coolmet, a chemical mixture subject to the Regulations (ECCN 1C350c.9) in which the Schedule 3 chemical precursor Triethanolamine constitutes at least 30 percent of the weight, from the United States to Israel, Taiwan, and Thailand without the licenses required by Sections 742.2 and 742.18 of the Regulations. In so doing, Buehler committed 56 violations of Section 764.2(a).

**Charge 57                15 C.F.R. § 764.2(a) - Reexporting Chemical Mixture Containing  
Chemical Precursor from Germany to Iran Without the Required  
License**

On or about August 17, 2005, Buehler GmbH (“Buehler Germany”), an affiliate of Buehler located in Dusseldorf, Germany, engaged in conduct prohibited by the Regulations by reexporting or causing to be reexported a product called Coolmet, a chemical mixture subject to the Regulations (ECCN 1C350c.9) in which the Schedule 3 chemical precursor Triethanolamine constitutes at least 30 percent of the weight, from Germany to Iran without the required U.S. Government authorization. Pursuant to Section 746.7(a)(2)(ii) of the Regulations, the reexport of Coolmet to Iran required a license from BIS. Pursuant to Section 746.7(a)(3), in order to comply with the provisions of the EAR, transactions subject to both the EAR and the Iranian Transactions Regulations<sup>4</sup> maintained by the Office of Foreign Assets Control, U.S. Department of Treasury (“OFAC”), require OFAC authorization. The reexport of Coolmet to Iran required authorization from OFAC pursuant to 31 C.F.R. Part 560.205, and no such authorization was obtained. By failing to obtain such authorization from OFAC, Buehler Germany committed one violation of Section 764.2(a) of the Regulations, and Buehler is liable for the violation.

**Charges 58—81        15 C.F.R. § 764.2(a) - Exporting Chemical Mixture Containing  
Chemical Precursor to Several Countries Without the Required  
Licenses**

On twenty-three occasions between April 24, 2003 and July 31, 2006, Buehler engaged in conduct prohibited by the Regulations by exporting or causing to be exported a product called Coolmet, a chemical mixture subject to the Regulations (ECCN 1C350c.9) in which the Schedule 3 chemical precursor Triethanolamine constitutes at least 30 percent of the weight,

---

<sup>4</sup> The Iranian Transactions Regulations are currently codified in the Code of Federal Regulations at 31 C.F.R. Part 560 (2008).

from the United States to several countries without the licenses required by Section 742.2 of the Regulations. In so doing, Buehler committed twenty-three violations of Section 764.2(a).

WHEREAS, BIS and Buehler 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:

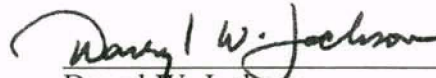
FIRST, that a civil penalty of \$200,000 is assessed against Buehler, which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of this Order. Payment shall be made in the manner specified in the attached instructions.

SECOND, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C. §§ 3701-3720E (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, Buehler 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 Buehler. Accordingly, if Buehler should fail to pay the civil penalty in a timely manner, the undersigned may enter an Order denying all of Buehler's export privileges under the Regulations for a period of one year from the date of entry of this Order.

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.



---

Darryl W. Jackson  
Assistant Secretary of Commerce  
for Export Enforcement

Entered this 12<sup>th</sup> day of December, 2008.

UNITED STATES DEPARTMENT OF COMMERCE  
BUREAU OF INDUSTRY AND SECURITY  
WASHINGTON, D.C. 20230

In the Matter of: )  
 )  
Buehler Limited )  
41 Waukegan Road )  
Lake Bluff, IL 60044 )  
 )  
Respondent )  
 )

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Respondent, Buehler Limited (“Buehler”), and the Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) (collectively referred to as “Parties”), pursuant to Section 766.18(a) of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2008)) (“Regulations”),<sup>1</sup> issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“Act”).<sup>2</sup>

WHEREAS, Buehler filed two voluntary self-disclosures with BIS’s Office of Export Enforcement in accordance with Section 764.5 of the Regulations concerning the transactions at issue herein;

<sup>1</sup> The violations charged occurred during 2001-2006. The Regulations governing the violations at issue are found in the 2001-2006 versions of the Code of Federal Regulations. 15 C.F.R. Parts 730-774 (2001-2006). The 2008 Regulations govern the procedural aspects of this case.

<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 being that of July 23, 2008 (73 Fed. Reg. 43,603 (July 25, 2008)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1707 (2000)) (“IEEPA”).

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

WHEREAS, BIS has issued a proposed charging letter to Buehler that alleged that Buehler committed 81 violations of the Regulations, specifically:

**Charges 1-56            15 C.F.R. § 764.2(a) - Exporting Chemical Mixture Containing Chemical Precursor to Taiwan, Israel, and Thailand Without the Required Licenses**

Between on or about November 12, 2001 and on or about October 7, 2005, Buehler engaged in conduct prohibited by the Regulations by exporting or causing to be exported a product called Coolmet, a chemical mixture subject to the Regulations (ECCN 1C350c.9) in which the Schedule 3 chemical precursor Triethanolamine constitutes at least 30 percent of the weight, from the United States to Israel, Taiwan, and Thailand without the licenses required by Sections 742.2 and 742.18 of the Regulations. In so doing, Buehler committed 56 violations of Section 764.2(a).

**Charge 57            15 C.F.R. § 764.2(a) - Reexporting Chemical Mixture Containing Chemical Precursor from Germany to Iran Without the Required License**

On or about August 17, 2005, Buehler GmbH (“Buehler Germany”), an affiliate of Buehler located in Dusseldorf, Germany, engaged in conduct prohibited by the Regulations by reexporting or causing to be reexported a product called Coolmet, a chemical mixture subject to the Regulations (ECCN 1C350c.9) in which the Schedule 3 chemical precursor Triethanolamine constitutes at least 30 percent of the weight, from Germany to Iran without the required U.S. Government authorization. Pursuant to Section 746.7(a)(2)(ii) of the Regulations, the reexport of Coolmet to Iran required a license from BIS. Pursuant to Section 746.7(a)(3), in order to comply with the provisions of the EAR, transactions subject to both the EAR and the Iranian Transactions Regulations<sup>4</sup> maintained by the Office of Foreign Assets Control, U.S. Department of Treasury (“OFAC”), require OFAC authorization. The reexport of Coolmet to Iran required authorization from OFAC pursuant to 31 C.F.R. Part 560.205, and no such authorization was obtained. By failing to obtain such authorization from OFAC, Buehler Germany committed one violation of Section 764.2(a) of the Regulations, and Buehler is liable for the violation.

---

<sup>4</sup> The Iranian Transactions Regulations are currently codified in the Code of Federal Regulations at 31 C.F.R. Part 560 (2008).

**Charges 58—81      15 C.F.R. § 764.2(a) - Exporting Chemical Mixture Containing  
Chemical Precursor to Several Countries Without the Required  
Licenses**

On twenty-three occasions between April 24, 2003 and July 31, 2006, Buehler engaged in conduct prohibited by the Regulations by exporting or causing to be exported a product called Coolmet, a chemical mixture subject to the Regulations (ECCN 1C350c.9) in which the Schedule 3 chemical precursor Triethanolamine constitutes at least 30 percent of the weight, from the United States to several countries without the licenses required by Section 742.2 of the Regulations. In so doing, Buehler committed twenty-three violations of Section 764.2(a).

WHEREAS, Buehler has reviewed the proposed 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;

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

WHEREAS, Buehler enters into this Agreement voluntarily and with full knowledge of its rights;

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

WHEREAS, Buehler neither admits nor denies the allegations contained in the proposed charging letter;

WHEREAS, Buehler wishes to settle and dispose of all matters alleged in the proposed charging letter by entering into this Agreement; and

WHEREAS, Buehler agrees to be bound by the Order, if entered;

NOW THEREFORE, the Parties hereby agree as follows:

1. BIS has jurisdiction over Buehler, under the Regulations, in connection with the matters alleged in the proposed charging letter.

2. The following sanction shall be imposed against Buehler in complete settlement of the alleged violations of the Regulations relating to the transactions specifically detailed in the two voluntary self-disclosures and proposed charging letter:

- a. Buehler shall be assessed a civil penalty in the amount of \$200,000, which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of the Order.
- b. 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 Buehler. Failure to make timely payment of the civil penalty set forth above may result in the denial of all of Buehler's export privileges for a period of one year from the date of imposition of the penalty.

3. Subject to the approval of this Agreement pursuant to paragraph 8 hereof, Buehler hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violations of this Agreement or the Order, if entered), including, without limitation, any right to: (a) an administrative hearing regarding the allegations in any charging letter; (b) request a refund of any civil penalty paid pursuant to this Agreement and the Order, if entered; and (c) seek judicial review or otherwise contest the validity of this Agreement or the Order, if entered.

4. Upon entry of the Order, BIS will not initiate any further administrative proceeding against Buehler in connection with any violation of the Act or the Regulations arising



out of the transactions specifically detailed in the two voluntary self-disclosures and proposed charging letter.

5. BIS will make the proposed charging letter, this Agreement, and the Order, if entered, available to the public.

6. This Agreement is for settlement purposes only. Therefore, if this Agreement is not accepted and the Order is not issued by the Assistant Secretary of Commerce for Export Enforcement 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.

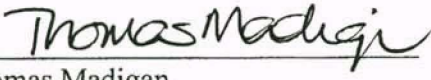
7. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise affect the terms of this Agreement or the Order, if entered, nor shall this Agreement serve to bind, constrain, or otherwise limit any action by any other agency or department of the United States Government with respect to the facts and circumstances addressed herein.

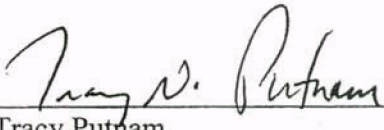
8. This Agreement shall become binding on the Parties only if the Assistant Secretary of Commerce for Export Enforcement approves it by entering the Order, which will have the same force and effect as a decision and order issued after a full administrative hearing on the record.

9. Each signatory affirms that he has authority to enter into this Settlement Agreement and to bind his respective party to the terms and conditions set forth herein.

BUREAU OF INDUSTRY AND SECURITY  
U.S. DEPARTMENT OF COMMERCE

BUEHLER LIMITED

  
\_\_\_\_\_  
Thomas Madigan  
Director  
Office of Export Enforcement

  
\_\_\_\_\_  
Tracy Putnam  
President

Date: December 11, 2008

Date: 12.08.08

PROPOSED CHARGING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Buehler Limited  
41 Waukegan Road  
Lake Bluff, IL 60044

*Attention:* Tracy Putnam  
President

Dear Mr. Putnam:

The Bureau of Industry and Security, U.S. Department of Commerce ("BIS"), has reason to believe that Buehler Limited of Lake Bluff, Illinois ("Buehler"), has committed 81 violations of the Export Administration Regulations (the "Regulations"),<sup>1</sup> which are issued under the authority of the Export Administration Act of 1979, as amended (the "Act").<sup>2</sup> Specifically, BIS alleges that Buehler committed the following violations:

**Charges 1-56            15 C.F.R. § 764.2(a) - Exporting Chemical Mixture Containing  
Chemical Precursor to Taiwan, Israel, and Thailand Without the  
Required Licenses**

As described in greater detail in the attached Schedule A, which is incorporated herein by reference, between on or about November 12, 2001 and on or about October 7, 2005, Buehler engaged in conduct prohibited by the Regulations by exporting or causing to be exported a product called Coolmet, a chemical mixture subject to the Regulations (ECCN 1C350c.9) in which the Schedule 3 chemical precursor Triethanolamine constitutes at least 30 percent of the weight, from the United States to Israel, Taiwan, and Thailand without the licenses required by

---

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2008). The violations alleged occurred during the 2001-2006 time period. The Regulations governing the violations at issue are found in the 2001-2006 versions of the Code of Federal Regulations. 15 C.F.R. Parts 730-774 (2001-2006). The 2008 Regulations govern the procedural aspects of this case.

<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 15, 2007 (72 Fed. Reg. 46,137 (Aug. 16, 2007)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1707 (2000)).

Sections 742.2 and 742.18 of the Regulations. In so doing, Buehler committed 56 violations of Section 764.2(a).

**Charge 57                    15 C.F.R. § 764.2(a) - Reexporting Chemical Mixture Containing  
Chemical Precursor from Germany to Iran Without the Required  
License**

As described in greater detail in the attached Schedule A, which is incorporated herein by reference, on or about August 17, 2005, Buehler GmbH (“Buehler Germany”), an affiliate of Buehler located in Dusseldorf, Germany, engaged in conduct prohibited by the Regulations by reexporting or causing to be reexported a product called Coolmet, a chemical mixture subject to the Regulations (ECCN 1C350c.9) in which the Schedule 3 chemical precursor Triethanolamine constitutes at least 30 percent of the weight, from Germany to Iran without the required U.S. Government authorization. Pursuant to Section 746.7(a)(2)(ii) of the Regulations, the reexport of Coolmet to Iran required a license from BIS. Pursuant to Section 746.7(a)(3), in order to comply with the provisions of the EAR, transactions subject to both the EAR and the Iranian Transactions Regulations<sup>4</sup> maintained by the Office of Foreign Assets Control, U.S. Department of Treasury (“OFAC”), require OFAC authorization. The reexport of Coolmet to Iran required authorization from OFAC pursuant to 31 C.F.R. Part 560.205, and no such authorization was obtained. By failing to obtain such authorization from OFAC, Buehler Germany committed one violation of Section 764.2(a) of the Regulations, and Buehler is liable for the violation.

**Charges 58—81            15 C.F.R. § 764.2(a) - Exporting Chemical Mixture Containing  
Chemical Precursor to Several Countries Without the Required  
Licenses**

As described in greater detail in the attached Schedule B, which is incorporated herein by reference, on twenty-four occasions between April 24, 2003 and July 31, 2006, Buehler engaged in conduct prohibited by the Regulations by exporting or causing to be exported a product called Coolmet, a chemical mixture subject to the Regulations (ECCN 1C350c.9) in which the Schedule 3 chemical precursor Triethanolamine constitutes at least 30 percent of the weight, from the United States to several countries without the licenses required by Section 742.2 of the Regulations. In so doing, Buehler committed twenty-four violations of Section 764.2(a).

\* \* \* \* \*

---

<sup>4</sup>The Iranian Transactions Regulations are currently codified in the Code of Federal Regulations at 31 C.F.R. Part 560 (2008).

Accordingly, Buehler 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 up to the greater of \$250,000 per violation, or twice the value of the transaction that is the basis of the violation;<sup>3</sup>
- Denial of export privileges; and/or
- Exclusion from practice before BIS.

If Buehler fails to answer the charges contained in this letter within 30 days after being served with notice of issuance of this letter, that failure will be treated as a default. *See* 15 C.F.R. §§ 766.6 and 766.7. If Buehler defaults, the Administrative Law Judge may find the charges alleged in this letter are true without a hearing or further notice to Buehler. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty for the charges in this letter.

Buehler is further notified that it is entitled to an agency hearing on the record if it files a written demand for one with its answer. *See* 15 C.F.R. § 766.6. Buehler is also 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.

The Regulations provide for settlement without a hearing. *See* 15 C.F.R. § 766.18. Should Buehler have a proposal to settle this case, Buehler should transmit it to the attorney representing BIS named below.

Buehler is further notified that under the Small Business Regulatory Enforcement Flexibility Act, Buehler may be eligible for assistance from the Office of the National Ombudsman of the Small Business Administration in this matter. To determine eligibility and get more information, please see: <http://www.sba.gov/ombudsman/>.

The U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, Buehler's answer must be filed in accordance with the instructions in Section 766.5(a) of the Regulations with:

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

---

<sup>3</sup> 50 U.S.C. § 1705(b) (2007).  
17888\_2

Buehler  
Proposed Charging Letter  
Page 4 of 4

In addition, a copy of Buehler's answer must be served on BIS at the following address:

Chief Counsel for Industry and Security  
Attention: Parvin R. Huda, Esq.  
Room H-3839  
United States Department of Commerce  
14th Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

Parvin R. Huda is the attorney representing BIS in this case; any communications that Buehler may wish to have concerning this matter should occur through her. Ms. Huda may be contacted by telephone at (202) 482-5301.

Sincerely,

Thomas L. Madigan  
Acting Director  
Office of Export Enforcement