

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

In the Matter of:)
)
Sandra Stevens)
11924 64th St.)
Mira Loma, CA 91752)
)
Respondent)

ORDER RELATING TO SANDRA STEVENS

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

Charge 1 15 C.F.R. § 764.2(c): Attempted Export of Stun Guns to Thailand without the Required License

Between on or about October 26, 2005 and on or about October 28, 2005, Stevens attempted to engage in a violation of the Regulations when she attempted to export stun guns, items subject to the Regulations, classified under Export Control Classification Number (“ECCN”) 0A985, controlled for Crime Control reasons and valued at approximately \$3,995, from the United States to Thailand without the Department of Commerce license required by Section 742.7 of the

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2010). The charged violation occurred in 2005. The Regulations governing the violation at issue are found in the 2005 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2005)). The 2010 Regulations set forth the procedures that apply to this matter.

² 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)), which has been extended by successive Presidential Notices, the most recent being that of August 12, 2010 (75 Fed. Reg. 50,681 (Aug. 16, 2010)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701 *et seq.*).

Regulations. In so doing, Stevens committed one violation of Section 764.2(c) of the Regulations.

WHEREAS, BIS and Stevens 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, Stevens shall be assessed a civil penalty in the amount of \$20,000, all of which shall be suspended for a period of one year from the date of issuance of the Order, and thereafter shall be waived, provided that during the period of suspension, Stevens has committed no violation of the Act, or any regulation, order, or license issued thereunder.

SECOND, that Stevens shall complete an export controls compliance training program on the Regulations within six months of the issuance of this Order. Before she attends, Stevens shall notify the Office of Export Enforcement, Special Agent in Charge of the Los Angeles Field Office, of the course she has selected. No later than seven months from the date of issuance of this Order, Stevens shall submit a certification of attendance from the training provider to the Office of Export Enforcement, Los Angeles Field Office, 2601 Maine Street, Suite 310, Irvine, CA 92614.

THIRD, for a period one year from the date of entry of this Order, Sandra Stevens, 11924 64th Street, Mira Loma, California 91752, her representatives, assigns or agents (hereinafter collectively referred to as "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;
- 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.

FOURTH, that no person may, directly or indirectly, do any of the following:

- 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.

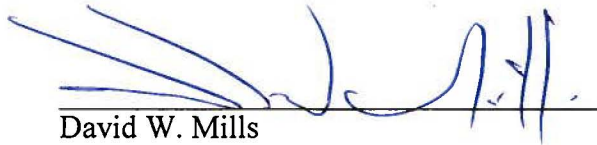
FIFTH, that, after notice and opportunity for comment as provided in Section 766.23 of the Regulations, any person, firm, corporation, or business organization related to Stevens by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be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

SIXTH, 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.

SEVENTH, that, as authorized by Section 766.18 (c) of the Regulations, the denial period set forth above shall be suspended in its entirety for one year from the date of issuance of this Order, and shall thereafter be waived, provided that during the period of suspension, Stevens has committed no violation of the Act or any regulation, order or license issued thereunder.

EIGHTH, 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.



David W. Mills
Assistant Secretary of Commerce
for Export Enforcement

Issued this 28 day of February, 2011.

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

In the Matter of:)
)
Sandra Stevens)
11924 64th St.)
Mira Loma, CA 91752)
)
Respondent)

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Sandra Stevens (“Stevens”) and the Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) (collectively, the “Parties”), pursuant to Section 766.18(a) of the Export Administration Regulations (the “Regulations”),¹ issued pursuant to the Export Administration Act of 1979, as amended (the “Act”).²

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

WHEREAS, BIS has issued a Proposed Charging Letter to Stevens that alleged that Stevens committed one violation of the Regulations, specifically:

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2010). The charged violation occurred in 2005. The Regulations governing the violation at issue are found in the 2005 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2005)). The 2010 Regulations set forth the procedures that apply to this matter.

² 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)), which has been extended by successive Presidential Notices, the most recent being that of August 12, 2010 (75 Fed. Reg. 50,681 (Aug. 16, 2010)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701 *et seq.*).

Charge 1 15 C.F.R. § 764.2(c): Attempted Export of Stun Guns to Thailand without the Required License

Between on or about October 26, 2005 and on or about October 28, 2005, Stevens attempted to engage in a violation of the Regulations when she attempted to export stun guns, items subject to the Regulations, classified under Export Control Classification Number (“ECCN”) 0A985, controlled for Crime Control reasons and valued at approximately \$3,995, from the United States to Thailand without the Department of Commerce license required by Section 742.7 of the Regulations. In so doing, Stevens committed one violation of Section 764.2(c) of the Regulations.

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

WHEREAS, Stevens 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, Stevens enters into this Agreement voluntarily and with full knowledge of her rights;

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

WHEREAS, Stevens neither admits nor denies the allegations contained in the Proposed Charging Letter;

WHEREAS, Stevens wishes to settle and dispose of all matters alleged in the Proposed Charging Letter by entering into this Agreement; and

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

NOW THEREFORE, the Parties hereby agree as follows:

1. BIS has jurisdiction over Stevens, under the Regulations, in connection with the matters alleged in the Proposed Charging Letter.

2. The following sanctions shall be imposed against Stevens in complete settlement of the alleged violation of the Regulations relating to the transaction specifically detailed in the Proposed Charging Letter:

a. Stevens shall be assessed a civil penalty in the amount of \$20,000, all of which shall be suspended for a period of one year from the date of issuance of the Order, and thereafter shall be waived, provided that during the period of suspension, Stevens has committed no violation of the Act, or any regulation, order, or license issued thereunder.

b. Stevens shall complete an export controls compliance training program on the Regulations within six months of the issuance of this Order. Before she attends, Stevens shall notify the Office of Export Enforcement, Special Agent in Charge of the Los Angeles Field Office, of the course she has selected. No later than seven months from the date of issuance of this Order, Stevens shall submit a certification of attendance from the training provider to the Office of Export Enforcement, Los Angeles Field Office, 2601 Maine Street, Suite 310, Irvine, CA 92614.

c. For a period one year from the date of issuance of this Order, Stevens, 11924 64th Street, Mira Loma, California 91752, her representatives, assigns or agents (hereinafter collectively referred to as "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:

- i. Applying for, obtaining, or using any license, License Exception, or export control document;
- ii. 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
- iii. 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.
- d. That, as authorized by Section 766.18(c) of the Regulations, the denial period set forth above shall be suspended in its entirety for one year from the date of issuance of the Order, and shall thereafter be waived, provided that during the period of suspension, Stevens has committed no violation of the Act or any regulation, order or license issued thereunder.

3. Subject to the approval of this Agreement pursuant to paragraph 8 hereof, Stevens 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 issued), 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 issued; and (c) seek judicial review or otherwise contest the validity of this Agreement or the Order, if issued.

4. BIS agrees that, upon issuance of the Order, it will not initiate any further administrative proceeding against Stevens in connection with any violation of the Act or the Regulations arising out of the transactions specifically detailed in the Proposed Charging Letter.

5. BIS will make the Proposed Charging Letter, this Agreement, and the Order, if issued, 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 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.

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

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

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



Date: 2/23 . 2011

Douglas R. Hassebrock
Director
Office of Export Enforcement



Sandra Stevens

Date: 2/18/ . 2011

PROPOSED CHARGING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Sandra Stevens
11924 64th St.
Mira Loma, CA 91752

Dear Ms. Stevens:

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), has reason to believe that you, Sandra Stevens (“Stevens”), in your individual capacity, have committed one violation of the Export Administration Regulations (the “Regulations”),¹ which are issued under the authority of the Export Administration Act of 1979, as amended (the “Act”).² Specifically, BIS charges that Stevens committed the following violation:

**Charge 1 15 C.F.R. § 764.2(c): Attempted Export of Stun Guns to Thailand
without the Required License**

Between on or about October 26, 2005 and on or about October 28, 2005, Stevens attempted to engage in a violation of the Regulations when she attempted to export stun guns, items subject to the Regulations, classified under Export Control Classification Number (“ECCN”) 0A985, controlled for Crime Control reasons and valued at approximately \$3,995, from the United States to Thailand without the Department of Commerce license required by Section 742.7 of the Regulations. In so doing, Stevens committed one violation of Section 764.2(c) of the Regulations.

* * * * *

Accordingly, Stevens is hereby notified that an administrative proceeding is instituted against her 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:

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2010). The charged violation occurred in 2005. The Regulations governing the violation at issue are found in the 2005 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2005)). The 2010 Regulations set forth the procedures that apply to this matter.

² 50 U.S.C. app. §§ 2401-2420 (2000). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13,222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended most recently by the Notice of August 12, 2010 (75 Fed. Reg. 50681 (Aug. 16, 2010)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1707 (2000)).

- 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;³
- Denial of export privileges; and/or
- Exclusion from practice before BIS.

If Stevens 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 (2010). If Stevens defaults, the Administrative Law Judge may find the charges alleged in this letter are true without a hearing or further notice to her. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty for the charges in this letter.

Stevens is further notified that she is entitled to an agency hearing on the record if she files a written demand for one with her answer. *See* 15 C.F.R. § 766.6 (2010). She is also entitled to be represented by counsel or other authorized representative who has power of attorney to represent her. *See* 15 C.F.R. §§ 766.3(a) and 766.4 (2010).

The Regulations provide for settlement without a hearing. *See* 15 C.F.R. § 766.18 (2010). Should Stevens have a proposal to settle this case, she or her representative should transmit it to the attorney representing BIS named below.

Stevens is further notified that under the Small Business Regulatory Enforcement Flexibility Act, she 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, Stevens' 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

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

³ *See* International Emergency Economic Powers Enhancement Act of 2007, Pub. L. No. 110-96, 121 Stat. 1011 (2007).

Sandra Stevens
Proposed Charging Letter
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Chief Counsel for Industry and Security
Attention: Elias Wolfberg, Esq.
Room H-3839
United States Department of Commerce
14th Street and Constitution Avenue, N.W.
Washington, D.C. 20230

Elias Wolfberg is the attorney representing BIS in this case; any communications that Stevens may wish to have concerning this matter should occur through him. Mr. Wolfberg may be contacted by telephone at (202) 482-5301.

Sincerely,

Douglas R. Hassebrock
Director
Office of Export Enforcement