

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

In the Matter of:)
)
Henson Chua)
2945 Somerset Place)
San Marino, CA 91108)
)
and with an address at:)
)
Henson Chua)
27 Cambridge Street)
Hillsborough Village)
Muntin Lupa City, Philippines, 1780)
)
Respondent)
)
Celltron Marketing Company)
a.k.a. Celltron Mktg. Co.)
47A G. Araneta Ave)
Quezon City, MM Philippines, 1105)
)

Related Person)

ORDER DENYING EXPORT PRIVILEGES

A. Denial of Export Privileges of Henson Chua

On November 8, 2011, in the U.S. District Court, Middle District of Florida Tampa Division, Henson Chua (“Chua”) was convicted of violating Section 38 of the Arms Export Control Act (22 U.S.C. § 2778 (2000)) (“AECA”). Specifically, Chua was convicted of knowingly and willfully causing the temporary import into the United States, an unmanned aerial vehicle, which was designated as a defense article on the United States Munitions List, without having first obtained from the U.S. Department of State a license or written authorization for such temporary import.

Chua was sentenced to time served followed by three years of supervised release. Chua was ordered to pay a fine of \$13,000 and a special assessment of \$100.00. Chua is also listed on the U.S. Department of State Debarred List.

Section 766.25 of the Export Administration Regulations (“EAR” or “Regulations”)¹ provides, in pertinent part, that “[t]he Director of the Office of Exporter Services, in consultation with the Director of the Office of Export Enforcement, may deny the export privileges of any person who has been convicted of a violation of the EAA, the EAR, of any order, license or authorization issued thereunder; any regulation, license, or order issued under the International Emergency Economic Powers Act (50 U.S.C. 1701-1706); 18 U.S.C. 793, 794 or 798; section 4(b) of the Internal Security Act of 1950 (50 U.S.C. 783(b)), or section 38 of the Arms Export Control Act (22 U.S.C. 2778).” 15 C.F.R. § 766.25(a); see also Section 11(h) of the EAA, 50 U.S.C. app. § 2410(h). The denial of export privileges under this provision may be for a period of up to 10 years from the date of the conviction. 15 C.F.R. § 766.25(d); see also 50 U.S.C. app. § 2410(h). In addition, Section 750.8 of the Regulations states that the Bureau of Industry and Security’s Office of Exporter Services may revoke any Bureau of Industry and Security (“BIS”) licenses previously issued in which the person had an interest in at the time of his conviction.

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2012). The Regulations issued pursuant to the EAA (50 U.S.C. app. §§ 2401-2420 (2000)). Since August 21, 2001, the Export Administration Act (“EAA”) 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, 2012 (77 Fed. Reg. 49699, August 16, 2012), has continued the Regulations in effect under International Emergency Economics Powers Act (50 U.S.C. § 1701, *et seq.* (2000)).

I have received notice of Chua's conviction for violating the AECA, and have provided notice and an opportunity for Chua to make a written submission to BIS, as provided in Section 766.25 of the Regulations. I have received a submission from Chua. Based upon my review and consultations with BIS's Office of Export Enforcement, including its Director, and the facts available to BIS, I have decided to deny Chua's export privileges under the Regulations for a period of five years from the date of Chua's conviction. I have also decided to revoke all licenses issued pursuant to the Act or Regulations in which Chua had an interest at the time of his conviction.

B. Denial of Export Privileges of Related Person

Pursuant to Sections 766.25(h) and 766.23 of the Regulations, the Director of BIS's Office of Exporter Services, in consultation with the Director of BIS's Office of Export Enforcement, may take action to name persons related to a Respondent by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business in order to prevent evasion of a denial order. Celltron is the name of the company that Chua utilized in his dealing with Immigration and Customs Enforcement ("ICE"), Homeland Security Investigations ("HIS"). He used this company as the sender of the goods to HIS/ICE. Therefore Celltron is related to Chua by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business. BIS believes that naming Celltron as a related person to Chua is necessary to avoid evasion of the denial order against Chua.

As provided in Section 766.23 of the Regulations, I gave notice to Celltron that its export privileges under the Regulations could be denied for up to 10 years due to its relationship with Chua and that BIS believes naming it as a person related to Chua would

be necessary to prevent evasion of a denial order imposed against Chua. In providing such notice, I gave Celltron an opportunity to oppose its addition to the Chua Denial Order as a related party. Having received a submission from Chua, I have decided, following consultations with BIS's Office of Export Enforcement, including its Director, to name Celltron as a Related Person to the Chua Denial Order, thereby denying its export privileges for five years from the date of Chua's conviction.

I have also decided to revoke all licenses issued pursuant to the Act or Regulations in which the Related Person had an interest at the time of Chua's conviction. The five-year denial period will end on November 8, 2016.

Accordingly, it is hereby

ORDERED

I. Until November 8, 2016, Henson Chua, with last known addresses at: 2945 Somerset Place, San Marino, CA 91108, and 27 Cambridge Street, Hillsborough Village, Muntin Lupa City, Philippines, 1780, and when acting for or on behalf of Chua, his representatives, assigns, agents or employees (collectively referred to hereinafter as the "Denied Person"), and the following person related to the Denied Person as defined by Section 766.23 of the Regulations: Celltron Marketing Company, a.k.a. Celltron Mktg. Co., with a last known address at: 47A G. Araneta Ave, Quezon City, MM Philippines, 1105, and when acting for or on behalf of Celltron, its successors or assigns, agents, or employees ("the Related Person") (together, the Denied Person and the Related Person are "Persons Subject to this Order"), may not, directly or indirectly, participate 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.
- II. No person may, directly or indirectly, do any of the following:
- A. Export or reexport to or on behalf of the Persons Subject to this Order any item subject to the Regulations;
 - B. Take any action that facilitates the acquisition or attempted acquisition by the Persons Subject to this Order 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 Persons Subject to this Order acquire or attempt to acquire such ownership, possession or control;

- C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from the Persons Subject to this Order of any item subject to the Regulations that has been exported from the United States;
 - D. Obtain from the Persons Subject to this Order 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 Persons Subject to this Order, or service any item, of whatever origin, that is owned, possessed or controlled by the Persons Subject to this Order 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.
- III. In addition to the Related Person named above, after notice and opportunity for comment as provided in section 766.23 of the Regulations, any other person, firm, corporation, or business organization related to the Denied Person 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 if necessary to prevent evasion of the Order.
- IV. 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.

- V. This Order is effective immediately and shall remain in effect until November 8, 2016.
- VI. In accordance with Part 756 of the Regulations, Chua may file an appeal of this Order with the Under Secretary of Commerce for Industry and Security. The appeal must be filed within 45 days from the date of this Order and must comply with the provisions of Part 756 of the Regulations.
- VII. In accordance with Part 756 of the Regulations, the Related Person may also file an appeal of this Order with the Under Secretary of Commerce for Industry and Security. The appeal must be filed within 45 days from the date of this Order and must comply with the provisions of Part 756 of the Regulations.
- VIII. A copy of this Order shall be delivered to the Denied Person and the Related Person. This Order shall be published in the Federal Register.

Issued this 21st day of December, 2012.


Bernard Kritzer
Director
Office of Exporter Services