

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

In the Matter of:

Gregorio L. Salazar  
3675 N. Country Club Drive  
Suite 910  
Aventura, FL 33180

Respondent

ORDER RELATING TO  
GREGORIO L. SALAZAR

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

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<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2015). The charged violation occurred in 2013. The Regulations governing the violation at issue are found in the 2013 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2013)). The 2015 Regulations set forth the procedures that currently apply to this matter.

<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 13,222 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 7, 2015 (80 Fed. Reg. 48,233 (Aug. 11, 2015)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, et seq.) (2006 & Supp. IV 2010).

**Charge 1      15 C.F.R. § 764.2(g) – False or Misleading Statement in a Disclosure to BIS**

On or about March 15, 2013, Salazar made a false or misleading statement to BIS in the course of an investigation and in connection with effecting an export. On or about that date, Salazar submitted a disclosure letter to BIS describing GLS Solutions Inc.'s unlicensed export of a FLIR High Performance Infrared Camera from the United States to Venezuela on September 14, 2012. In the disclosure, Salazar claimed that at the time of the export he was "not aware that this camera required approval from United States Government in order to be shipped to Venezuela." However, on or about June 18, 2013, BIS Special Agents conducted a follow-up interview with Salazar and learned that he in fact knew of the licensing requirement for the FLIR High Performance Infrared Camera prior to the export of the item on September 14, 2012. During the follow-up interview, Salazar admitted that he knew of the licensing requirement prior to the export and further stated that a FLIR Systems, Inc. representative had informed him prior to the export that an export license was required.

WHEREAS, BIS and Salazar 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, Salazar shall be assessed a civil penalty in the amount of \$50,000. Salazar shall pay the U.S. Department of Commerce in three (3) installments of: \$17,000 not later than January 27, 2016; \$16,500 not later than April 27, 2016; and \$16,500 not later than July 29, 2016. Payment shall be made in the manner specified in the attached instructions. If any of the three (3) installment payments is not fully and timely made, any remaining scheduled installment payments may become due and owing immediately.

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,

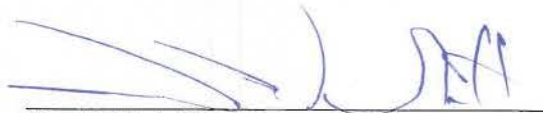
Salazar will be assessed, in addition to the full amount of the civil penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, that the 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 Salazar. Accordingly, if Salazar should fail to pay the civil penalty in a full and timely manner, the undersigned may issue an order denying all of Salazar's export privileges under the Regulations for a period of one year from the date of failure to make such payment.

FOURTH, Salazar shall not take any action or make or permit to be made any public statement, directly or indirectly, denying the allegations in the Proposed Charging Letter or this Order. The foregoing does not affect Salazar's testimonial obligations in any proceeding, nor does it affect his right to take legal or factual positions in civil litigation or other civil proceedings in which the U.S. Department of Commerce is not a party.

FIFTH, 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 10th day of December, 2015.

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

In the Matter of:

Gregorio L. Salazar  
3675 N. Country Club Drive  
Suite 910  
Aventura, FL 33180

Respondent

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Gregorio L. Salazar, of Aventura, Florida (“Salazar”), 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”),<sup>1</sup> issued pursuant to the Export Administration Act of 1979, as amended (the “Act”).<sup>2</sup>

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

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

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<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2015). The charged violation occurred in 2013. The Regulations governing the violation at issue are found in the 2013 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2013)). The 2015 Regulations set forth the procedures that currently apply to this matter.

<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 13,222 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 7, 2015 (80 Fed. Reg. 48,233 (Aug. 11, 2015)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, et seq.) (2006 & Supp. IV 2010).

**Charge 1 15 C.F.R. § 764.2(g) – False or Misleading Statement in a Disclosure to BIS**

On or about March 15, 2013, Salazar made a false or misleading statement to BIS in the course of an investigation and in connection with effecting an export. On or about that date, Salazar submitted a disclosure letter to BIS describing GLS Solutions, Inc.'s unlicensed export of a FLIR High Performance Infrared Camera from the United States to Venezuela on September 14, 2012. In the disclosure, Salazar claimed that at the time of the export he was "not aware that this camera required approval from United States Government in order to be shipped to Venezuela." However, on or about June 18, 2013, BIS Special Agents conducted a follow-up interview with Salazar and learned that he in fact knew of the licensing requirement for the FLIR High Performance Infrared Camera prior to the export of the item on September 14, 2012. During the follow-up interview, Salazar admitted that he knew of the licensing requirement prior to the export and further stated that a FLIR Systems, Inc. representative had informed him prior to the export that an export license was required.

In so doing, Salazar committed one violation of Section 764.2(g) of the Regulations.

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

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

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

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

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

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

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

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

a. Salazar shall be assessed a civil penalty in the amount of \$50,000. Salazar shall pay the U.S. Department of Commerce in three (3) installments of: \$17,000 not later than January 27, 2016; \$16,500 not later than April 27, 2016; and \$16,500 not later than July 29, 2016. Payment shall be made in the manner specified in the attached instructions. If any of the three (3) installment payments is not fully and timely made, any remaining scheduled installment payments may become due and owing immediately.

b. The full and 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, license exception, permission, or privilege granted, or to be granted, to Salazar. Failure to make full and timely payment of the civil penalty may result in the denial of all of Salazar's export privileges under the Regulations for one year from the date of the failure to make such payment.

3. Subject to the approval of this Agreement pursuant to Paragraph 8 hereof, Salazar 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.

Salazar 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 Act or the Regulations arising out of the transaction 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 Salazar pays in full the civil penalty agreed to in Paragraph 2.a of this Agreement.

4. Salazar shall not take any action or make or permit to be made any public statement, directly or indirectly, denying the allegations in the Proposed Charging Letter or the Order. The foregoing does not affect Salazar's testimonial obligations in any proceeding, nor does it affect his right to take legal or factual positions in civil litigation or other civil proceedings in which the U.S. Department of Commerce is not a party.

5. BIS agrees that upon full and timely payment of the civil penalty as set forth in Paragraph 2.a, BIS will not initiate any further administrative proceeding against Salazar in connection with any violation of the Act or the Regulations arising out of the transaction specifically detailed in the Proposed Charging Letter.

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.

9. BIS will make the Proposed Charging Letter, this Agreement, and the Order, if issued, available to the public.




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

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

  
\_\_\_\_\_  
Douglas R. Hassebrock  
Director of Export Enforcement


Date: 12/2/15

GREGORIO L. SALAZAR

  
\_\_\_\_\_  
Gregorio L. Salazar

Date: 10/23/15

Reviewed and approved by:

  
\_\_\_\_\_  
John Matthews, Esq.  
Wargo French  
Counsel for GLS Solutions, Inc.

Date: 10/27/15

PROPOSED CHARGING LETTER

CERTIFIED MAIL – RETURN RECEIPT REQUESTED

Gregorio L. Salazar  
3675 N. Country Club Drive  
Suite 910  
Aventura, FL 33180

Dear Mr. Salazar:

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), has reason to believe that Gregorio L. Salazar, of Aventura, Florida (“Salazar”), violated the Export Administration Regulations (the “Regulations”),<sup>1</sup> which issued under the authority of the Export Administration Act of 1979, as amended (the “Act”).<sup>2</sup> Specifically, BIS alleges that Salazar committed the following violation:

**Charge 1      15 C.F.R. § 764.2(g) – False or Misleading Statement in a Disclosure to BIS**

On or about March 15, 2013, Salazar made a false or misleading statement to BIS in the course of an investigation and in connection with effecting an export. On or about that date, Salazar submitted a disclosure letter to BIS describing GLS Solutions, Inc.’s unlicensed export of a FLIR High Performance Infrared Camera from the United States to Venezuela on September 14, 2012. In the disclosure, Salazar claimed that at the time of the export he was “not aware that this camera required approval from United States Government in order to be shipped to Venezuela.” However, on or about June 18, 2013, BIS Special Agents conducted a follow-up interview with Salazar and learned that he in fact knew of the licensing requirement for the FLIR High Performance Infrared Camera prior to the export of the item on September 14, 2012. During the follow-up interview, Salazar admitted that he knew of the licensing requirement prior to the export and further stated that a FLIR Systems, Inc. representative had informed him prior to the export that an export license was required.

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<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2015). The charged violation occurred in 2013. The Regulations governing the violation at issue are found in the 2013 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2013)). The 2015 Regulations set forth the procedures that currently apply to this matter.

<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 13,222 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 7, 2015 (80 Fed. Reg. 48,233 (Aug. 11, 2015)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, *et seq.*) (2006 & Supp. IV 2010).

In so doing, Salazar committed one violation of Section 764.2(g) of the Regulations.

\* \* \* \* \*

Accordingly, Salazar is hereby notified that an administrative proceeding is instituted against him 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, but not limited to, 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;
- Exclusion from practice before BIS; and/or
- Any other liability, sanction, or penalty available under law.

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

Salazar is further notified that he is entitled to an agency hearing on the record if he files a written demand for one with his answer. *See* 15 C.F.R. § 766.6. Salazar is also entitled to be represented by counsel or other authorized representative who has power of attorney to represent him. *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 Salazar have a proposal to settle this case, Salazar should transmit it to the attorney representing BIS named below.

Salazar is further notified that under the Small Business Regulatory Enforcement Flexibility ACT, Salazar 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/>.

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

Greg Salazar  
Proposed Charging Letter  
Page 3 of 3

The U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, Salazar'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

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

Chief Counsel for Industry and Security  
Attention: R. Elizabeth Abraham  
Room H-3839  
14th Street and Constitution Avenue, N.W.  
Washington, D.C. 20230

R. Elizabeth Abraham is the attorney representing BIS in this case; any communications that Salazar may wish to have concerning this matter should occur through her. Ms. Abraham may be contacted by telephone at (202) 482-8050.

Sincerely,

Douglas R. Hassebrock  
Director  
Office of Export Enforcement