

the Commission will convene at 12:00 p.m. (EDT) on Monday, August 12, 2013. The purpose of the meeting is for orientation and project planning.

Members of the public are entitled to submit written comments. The comments must be received in the regional office by Thursday, September 12, 2013. Comments may be mailed to the Eastern Regional Office, U.S. Commission on Civil Rights, 1331 Pennsylvania Avenue, Suite 1150, Washington, DC 20425, faxed to (202) 376-7548, or emailed to ero@usccr.gov. Persons who desire additional information may contact the Eastern Regional Office at 202-376-7533.

To ensure that the Commission secures an appropriate number of telephone lines for the public, persons are asked to contact the Eastern Regional Office five days before the meeting date either by email at ero@usccr.gov, or by phone at 202-376-7533.

Records generated from this meeting may be inspected and reproduced at the Eastern Regional Office, as they become available, both before and after the meeting. Persons interested in the work of this advisory committee are advised to go to the Commission's Web site, www.usccr.gov, or to contact the Eastern Regional Office at the above phone number, email or street address.

The meetings will be conducted pursuant to the provisions of the rules and regulations of the Commission and FACA.

Dated in Chicago, IL, on July 23, 2013.

David Mussatt,

*Acting Chief, Regional Programs
Coordination Unit.*

[FR Doc. 2013-18024 Filed 7-26-13; 8:45 am]

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DEPARTMENT OF COMMERCE

Bureau of Industry and Security

[10-BIS-0002]

Final Decision and Order

In the Matter of:

Chan Heep Loong, 95 Havelock Road, #14-583, Singapore, 160095 SG; Respondent.

This matter is before me upon a Recommended Decision and Order ("RDO") of an Administrative Law Judge ("ALJ"), as further described below.¹

¹ I received the certified record from the ALJ, including the original copy of the RDO, for my review on June 26, 2013. The RDO is dated June 25, 2013. BIS timely submitted a response to the RDO, while Respondent has not filed a response to the RDO.

I. Background

On February 10, 2010, the Bureau of Industry and Security ("BIS") issued a Charging Letter alleging that Respondent, Chan Heep Loong, of Singapore ("Loong" or "Respondent"), committed three violations of the Export Administration Regulations ("Regulations"),² issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. 2401-2420 (2000)) ("Act").³ The Charging Letter included the following specific allegations:

Charge 1 15 CFR 764.2(b)—Causing an Export to Iran Without Authorization

From on or about February 14, 2005, through on or about February 24, 2005, Loong caused the doing of an act prohibited by the Regulations. Specifically, Loong caused the export from the United States to Iran, via transshipment through Singapore, of GPS engines, items subject to the Regulations and the Iranian Transaction Regulations ("ITR") of the Department of the Treasury's Office of Foreign Assets Control ("OFAC"), without the required U.S. Government authorization. Specifically, Loong, in his capacity as Owner/Operator of Tysonic Enterprises ("Tysonic"), of Singapore, ordered and/or bought the GPS engines, items that are classified under Export Control Classification Number ("ECCN") 7A994 and are controlled for anti-terrorism reasons, from a U.S. company without informing that company of the intended final destination of the items. Loong then instructed the U.S. company to ship the items from the United States to Tysonic in Singapore, and, following arrival in Singapore, the items were then forwarded to Iran. Pursuant to Section 734.2(b)(6) of the Regulations, the export of an item from the United States to a second country intended for transshipment to a third country is deemed to be an export to that third country. Under Section 746.7 of the Regulations, a license from either BIS or

² The Regulations currently are codified at 15 CFR Parts 730-774 (2013). The charged violations occurred in 2005 and 2006. The Regulations governing the violations at issue are found in the 2005 and 2006 versions of the Code of Federal Regulations. 15 CFR Parts 730-774 (2005-06). The 2013 Regulations establish the procedures that apply to this matter. All citations herein to provisions of Part 766 (Administrative Enforcement Proceedings) are to the 2013 version of the Regulations. All other citations to the Regulations are to the 2005 and 2006 versions of the Regulations, as applicable, unless otherwise indicated. For ease of reference, I note that the 2005, 2006, and 2013 versions of the Regulations are the same with respect to the provisions of Section 764.2 and Part 766 cited herein, while Section 746.7 remains substantively the same in pertinent part.

³ Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13,222 of August 17, 2001 (3 CFR, 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 15, 2012 (77 FR 49,699 (Aug. 16, 2012)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701, *et seq.*) (2006 and Supp. IV 2010).

OFAC is required to export to Iran items subject to control for anti-terrorism reasons, including items listed under ECCN 7A994. Neither BIS nor OFAC authorized the exports of the items described above to Iran. In engaging in the activity described herein, Loong committed one violation of Section 764.2(b) of the Regulations.

Charge 2 15 CFR 764.2(b)—Causing an Export to Iran Without Authorization

From on or about April 22, 2005, through on or about May 12, 2005, Loong caused the doing of an act prohibited by the Regulations. Specifically, Loong caused the export from the United States to Iran, via transshipment through Singapore, of a peak power meter, an item subject to the Regulations and the Iranian Transaction Regulations ("ITR") of the Department of the Treasury's Office of Foreign Assets Control ("OFAC"), without the required U.S. Government authorization. Specifically, Loong, in his capacity as Owner/Operator of Tysonic, ordered and/or bought the peak power meter, an item classified under ECCN 3A992 and is controlled for anti-terrorism reasons, from a U.S. company []. Loong then instructed the U.S. company to ship the items from the United States to Tysonic in Singapore, and, following arrival in Singapore, the items were then forwarded to Iran. Pursuant to Section 734.2(b)(6) of the Regulations, the export of an item from the United States to a second country intended for transshipment to a third country is deemed to be an export to that third country. Under Section 746.7 of the Regulations, a license from BIS or OFAC is required to export to Iran items subject to control for anti-terrorism reasons, including items listed under ECCN 3A992. Neither BIS nor OFAC authorized the export of the items described above to Iran. In engaging in the activity described herein, Loong committed one violation of Section 764.2(b) of the Regulations.

Charge 3 15 CFR 764.2(k)—Violation of Terms of an Order Temporarily Denying Export Privileges

On or about August 29, 2006, Loong engaged in conduct prohibited by an Order issued by the Assistant Secretary of Commerce for Export Enforcement on April 12, 2006 pursuant to Section 766.24 of the Regulations, and effective upon publication in the **Federal Register** on April 19, 2006, temporarily denying the export privileges of Loong and Tysonic for 180 days (71 FR 20074, April 19, 2006) (the "TDO"). Under the terms of the TDO, Loong was prohibited from "directly or indirectly, participat[ing] in any way in any transaction involving any [item] exported or to be exported from the United States that is subject to the Regulations, or in a[n] other activity subject to the Regulations [], including . . . [c]arrying 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." On or about August 29, 2006, Loong, acting through

Rosen Enterprises, ordered and/or bought 30 inverters, items subject to the EAR and designated as EAR99, from a company located in the United States for export from the United States. Rosen Enterprises is owned and operated by Loong and co-located with Tysonic in Singapore. On or about August 29, 2006, the 30 inverters were exported from the United States to Singapore. The TDO continued in force at the time of the aforementioned actions taken by Loong. In engaging in the conduct described herein, Loong committed one violation of Section 764.2(k) of the Regulations.

Charging Letter at 1–3.

In accordance with § 766.3(b)(1) of the Regulations, on February 12, 2010, BIS mailed the notice of issuance of the Charging Letter to Loong at Loong's last known address in Singapore by registered mail. RDO at 2. BIS received a letter from Respondent's legal counsel, Mr. V. Esvaran, Esq., of the firm Esvaran & Tan, of Singapore, on March 4, 2010, indicating that the firm was acting for Loong, who had forwarded the Charging Letter from BIS to Mr. Esvaran and his firm. *Id.* at 2–3. Mr. Esvaran's letter also stated that although the Charging Letter was dated February 12, 2010, Loong was served with the Charging Letter on February 25, 2010. *Id.* at 3.

In March 2010, BIS counsel received an informal request from Respondent's counsel that BIS stipulate to an extension until April 15, 2010 to answer the charges. BIS counsel indicated that BIS would not object to Loong's request if Loong's counsel entered a notice of appearance and filed the stipulation. *Id.* at 3. No notice of appearance or stipulation of extension of time to file an answer was ever filed. *Id.* Respondent thus was obligated to answer the Charging Letter by no later than March 27, 2010.

On February 27, 2013, BIS counsel sent a letter by email and Federal Express to Respondent's counsel indicating that BIS would file a motion for default order if Respondent did not file an answer as required by the Regulations by March 13, 2013. *Id.* Respondent's counsel provided a letter response by email to BIS counsel on February 28, 2013, acknowledging that Respondent “has to respond in a format and in compliance with instructions under the regulations,” and asserting that Respondent would “revert shortly on the matter.” *Id.* However, Respondent did not submit an answer by March 13, 2013, or at any time thereafter. *Id.*

Under Section 766.6(a) of the Regulations, the “respondent must answer the charging letter within 30 days after being served with notice of issuance” of the charging letter. Section 766.7(a) of the Regulations provides, in

turn, that the “[f]ailure of the respondent to file an answer within the time provided constitutes a waiver of the respondent's right to appear and contest the allegations in the charging letter,” and that “on BIS's motion and without further notice to the respondent, [the ALJ] shall find the facts to be as alleged in the charging letter[.]”

On April 15, 2013, BIS filed its Motion for Default Order in accordance with Section 766.7(a) of the Regulations.⁴ The Motion for Default Order recommended that Loong be denied export privileges under the Regulations for a period of at least ten years. *Id.* at 7. In addition to the serious nature of Loong's violations, Loong's location in Singapore, BIS indicated that a monetary penalty may be difficult to collect and may not serve a sufficient deterrent effect.

On June 25, 2013, based on the record before him, the ALJ issued the RDO, in which he found Loong in default, found the facts to be as alleged in the Charging Letter, and concluded that Loong had committed the three violations alleged in the charging letter, specifically, two violations of 15 CFR 764.2(b), and one violation of 15 CFR 764.2(k). *Id.* at 7. The RDO contains a detailed review of the facts and applicable law relating to both merits and sanctions issues in this case.

Based on the record, the ALJ determined, *inter alia*, that, between February and April 2005, Loong caused two exports of items subject to the Regulations from the United States to Iran via transshipment through Singapore without the required U.S. Government authorization, in violation of Section 764.2(b) of the Regulations. *Id.* at 7–8. Further, the ALJ determined that after a TDO regarding Loong's U.S. export privileges was issued, Loong used another company he owned and controlled, Rosen Enterprises, to obtain other items subject to the Regulations for export from the United States in direct violation of the terms of the TDO. *Id.*

The ALJ also recommended that the Under Secretary deny Loong's export privileges for a period of ten years, citing, *inter alia*, Loong's “clear disregard for the Regulations and U.S. export control law, including the long-standing U.S. trade embargo against Iran and the TDO issued against him in April 2006.” *Id.* at 8. The ALJ further noted that a 10-year denial order was appropriate in this case “in light of the nature of his conduct, his multiple

violations and his location in Singapore.” *Id.*

II. Review Under Section 766.22

The RDO, together with the entire record in this case, has been referred to me for final action under Section 766.22 of the Regulations. BIS submitted a timely response to the RDO pursuant to Section 766.22(b); however, [Respondent has not submitted a response to the RDO].

I find that the record supports the ALJ's findings of fact and conclusions of law that Respondent never filed an answer, is in default, and committed the three violations of the Regulations as alleged in the Charging Letter and set forth above.

I also find that the ten-year denial order recommended by the ALJ upon his review of the entire record is appropriate, given, as discussed in further detail in the RDO, the nature and number of the violations, the facts of this case, and the importance of deterring Respondent and others from acting to evade the Regulations and otherwise knowingly violate the Regulations.

Accordingly, based on my review of the entire record, I affirm the findings of fact and conclusions of law in the RDO without modification.

Accordingly, it is therefore ordered:

First, that for a period of ten (10) years from the date this Order is published in the **Federal Register**, Chan Heep Loong (“Loong”), with a last known address of 95 Havelock Road, #140583, Singapore, 160095 SG, and his successors and assigns, and when acting for or on its behalf, his employees, representatives, 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 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

⁴ Although not required to do so by Section 766.7 of the Regulations a copy of the Motion for Default Order was served on Loong.

or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations.

Second, 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.

Third, 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 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.

Fourth, 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.

Fifth, that this Order shall be served on the Denied Person and on BIS, and shall be published in the **Federal Register**. In addition, the ALJ's Recommended Decision and Order,

except for the section related to the Recommended Order, shall be published in the **Federal Register**.

This Order, which constitutes the final agency action in this matter, is effective upon publication in the **Federal Register**.

Dated: July 21, 2013.

Eric L. Hirschhorn,

Under Secretary of Commerce for Industry and Security.

CERTIFICATE OF SERVICE

I hereby certify that on July 22, 2013, I caused the foregoing Response of the Bureau of Industry and Security to the Administrative Law Judge's Recommended Decision and Order to be sent by Federal Express to:

CHAN HEEP LOONG, 95 HAVELock ROAD, #14-583, SINGAPORE, 160095 SG.

And Hand-delivered to:

John T. Masterson, Jr., Esq., Joseph Jest, Esq., Peter Klason, Esq., Attorneys for the Bureau of Industry and Security, Office of Chief Counsel for Industry and Security, U.S. Department of Commerce, 14th & Constitution Avenue NW, Room H-3839, Washington, DC 20230.

Kirsten Mortimer,

Office of the Under Secretary for Industry and Security

**United States Department of Commerce
Bureau of Industry and Security
Washington, DC 20230**

10-BIS-0002

In the Matter of:

Chan Heep Loong, 95 Havelock Road, #14-583, Singapore, 160095 SG; Respondent.

Order Granting Motion for Default and Recommended Decision and Order

On February 12, 2010, the Bureau of Industry and Security (BIS), U.S. Department of Commerce, issued a charging letter initiating this administrative enforcement proceeding against Chan Heep Loong (Loong or Respondent).

The charging letter alleged that Chan Heep Loong, as Owner/Operator of Tysonic Enterprises (Tysonic) committed three (3) violations of the Export Administration Regulations (Regulations) (*See* 15 CFR Parts 730-774 (2008))⁵. The Regulations were issued under the Export Administration Act of 1979, as amended (50 U.S.C. app. 2401-2420 (2000)) (Act).⁶ In accordance with

⁵ The charges are for violations that are alleged to have occurred during 2005 and 2006. The Regulations governing the violations at issue are found in the 2005 and 2006 versions of the Code of Federal Regulations (15 CFR Parts 730-774 (2005-06)). The 2013 Regulations establish the procedures that apply to this matter.

⁶ Since August 21, 2001, the Export Administration Act has been in lapse and the

Section 766.7 of the Regulations, BIS moved for the issuance of an Order of Default against Chan Heep Loong in connection with Charges 1, 2 and 3 in the charging letter, as Chan Heep Loong failed to file an Answer to the allegations contained in the charging letter within the time period required by law.

A. Legal Authority for Issuing an Order of Default

Section 766.7 of the Regulations states upon Motion by BIS, the Court shall enter a judgment of default if a respondent fails to file a timely answer to the charging letter. That section, entitled Default, provides in pertinent part as follows:

Failure of the respondent to file an answer within the time provided constitutes a waiver of the respondent's right to appear and contest the allegations in the charging letter. In such event, the administrative law judge, on BIS' motion and without further notice to the respondent, shall find the facts to be as alleged in the charging letter and render an initial or recommended decision containing findings of fact and appropriate conclusions of law and issue or recommend an order imposing appropriate sanctions. 15 CFR 766.7 (2008).

Pursuant to § 766.6 of the Regulations, a respondent must file an answer to the charging letter "within 30 days after being served with notice of the issuance of the charging letter" initiating the proceeding.

B. Service of the Notice of Issuance of Charging Letter

Section 766.3(b)(1) of the Regulations provides notice of the issuance of a charging letter shall be served on a respondent by mailing a copy by registered or certified mail addressed to the respondent at the respondent's last known address. On February 12, 2010, BIS mailed the notice of issuance of a charging letter by registered mail to Chan Heep Loong at his last known address in Singapore. *See* Gov't Ex. 1. Pursuant to Section 766.3(c) of the Regulations, the date of service in this case is the date of delivery. After mailing the Charging Letter to Chan Heep Loong at his last known address, BIS received a letter from Respondent's legal counsel, Mr. V. Esvaran, Esq., of the firm of Esvaran & Tan, of Singapore, on March 4, 2010, indicating the firm was acting for Tysonic Enterprises and

President, through Executive Order 13222 of August 17, 2001 (3 CFR, 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 15, 2012 (77 FR 49699 (Aug. 16, 2012)), continues the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701-1706 (2006 and Supp. IV 2010)).

Respondent Chan Heep Loong who had forwarded the Charging Letter from the Agency to Mr. Esvaran and his firm. *See* Gov't Ex. 3. Mr. Esvaran's letter also stated that although the Charges are dated February 12, 2010 his clients were served with the Charges on February 25, 2010. *Id.* I find that BIS properly served the Charging Letter in accordance with 15 CFR 766.3(b).

In March of 2010, BIS counsel received an informal request from Respondent's counsel requesting BIS stipulate to an extension until April 15, 2010 to answer the charges. Agency counsel indicated BIS would not object if Respondent's counsel entered a notice of appearance and the necessary stipulation. *See* Gov't Ex. 4. However, no notice of appearance, motion, or stipulation for an extension has been filed. To date, Respondent has not filed an answer.

On February 27, 2013, BIS counsel sent a letter by email (and Federal Express) to Respondent's counsel indicating that BIS would file a motion for a default order if Respondent did not file an answer as required by the regulations with the Docketing Center by March 13, 2013. *See* Gov't Ex. 5; 15 CFR 766.5 and 766.6.

Respondent's counsel provided a letter response by email to BIS on February 28, 2013, acknowledging that Respondent "has to respond in a format and in compliance with instructions under the requisite regulations," and asserting that Respondent would "revert shortly on the matter." *See* Gov't Ex. 6. However, Respondent did not submit an answer on March 13, 2013 or at any time thereafter. On April 15, 2013, BIS filed a Motion for Default Order.

Under Section 766.6(a) of the Regulations, a respondent must file an answer to the charging letter within 30 days after being served with notice of issuance of the charging letter initiating the administrative enforcement proceeding. Respondent originally had 30 days from February 25, 2010, to file an answer to the charging letter. As noted above, on February 27, 2013 BIS provided notice to Respondent of another opportunity to file an answer by March 13, 2013 and that failure to answer would result in submission of a default motion by BIS. To date, Respondent has not filed an answer.

C. Summary of Violations Charged

The charging letter filed by BIS included a total of three charged violations. Two violations concerned causing unauthorized exports to Iran, via transshipment through Singapore, of items controlled under the Regulations on anti-terrorism grounds; and one

charge for violating an Order issued by the Assistant Secretary of Commerce for Export Enforcement on April 12, 2006 temporarily denying export privileges (TDO) of Loong and Tysonic for 180 days. (71 FR 20074, April 19, 2006).

Specifically, Charge 1 alleges from on or about February 14, 2005, through on or about February 24, 2005, Loong violated Section 764.2(b)(Causing, Aiding or Abetting a Violation) of the Regulations by causing the export of GPS engines to Iran, via transshipment through Singapore, without the required license. Acting through Tysonic Enterprises, a Singapore company Loong owned and operated, Loong ordered and/or bought the GPS engines, items classified on the Commerce Control List under Export Control Classification Number (ECCN) 7A994 and controlled for anti-terrorism reasons, from a U.S. company without informing that company that Iran was the intended final destination of the items. 7 Loong instead instructed the U.S. company to ship the items from the United States to Tysonic in Singapore, and following their arrival in Singapore, the items were forwarded to Iran. Pursuant to Section 734.2(b)(6) of the Regulations, the export of an item from the United States to a second country, such as Singapore, intended for transshipment to a third country, such as Iran, constitutes an export to that third country. Charge 1 further alleges that under Section 746.7 of the Regulations, a license from either BIS or the Treasury Department's Office of Foreign Assets Control (OFAC) was required to export these items to Iran, and that neither BIS nor OFAC authorized these exports to Iran. *See* Charging Letter; Gov. Ex. 1.

Charge 2 alleges from on or about April 22, 2005, through on or about May 12, 2005, Loong violated Section 764.2(b)(Causing, Aiding or Abetting a Violation) of the Regulations by causing the export of a peak power meter to Iran, via transshipment through Singapore, without the license required under Section 746.7 of the Regulations. Acting through Tysonic Enterprises, a Singapore company Loong owned and operated, Loong ordered and/or bought the peak power meter, an item classified on the Commerce Control List under ECCN 3A992 and controlled for anti-terrorism reasons, from a U.S. company without informing that company that Iran was the intended final destination of the item. Loong instead instructed the U.S. company to ship the item from the United States to Tysonic in Singapore, and following their arrival in Singapore, the items were forwarded to Iran. Pursuant to Section 734.2(b)(6) of the

Regulations, the export of an item from the United States to a second country, such as Singapore, intended for transshipment to a third country, such as Iran, constitutes an export to that third country. Charge 2 further alleges that under Section 746.7 of the Regulations, a license from either BIS or OFAC was required to export this item to Iran, and that neither BIS nor OFAC authorized this export to Iran. *See* Charging Letter; Gov. Ex. 1.

Charge 3 alleges from on or about August 29, 2006, Loong, acting through Rosen Enterprises, violated Section 764.2(k)(Violation of Terms of an Order Temporarily Denying Export Privileges) of the Regulations by purchasing 30 inverters, items subject to the EAR and designated as EAR99, from a company located in the United States for export from the United States. Rosen Enterprises is owned and operated by Loong and co-located with Tysonic Enterprises in Singapore. On or about August 29, 2006, the 30 inverters were exported from the United States to Singapore. The TDO continued in force at the time of these export actions taken by Respondent Loong. In engaging in these actions Loong committed one violation of Section 764.2(k) of the Regulations.

D. Penalty Recommendation

Pursuant to the default procedures set forth in § 766.7 of the Regulations, I find the allegations contained in the charging letter to be fact; and hereby determine that those facts establish Chan Heep Loong committed two violations of § 764.2(b) of the Regulations and one violation of Section 764.2(k) of the Regulations.

Section 764.3 of the Regulations establishes the sanctions BIS may seek for the violations charged in this proceeding. Sanctions potentially sought in this case include a civil monetary penalty, suspension from practice before the Department of Commerce, and a denial of export privileges under the Regulations. *See* 15 CFR 764.3.

BIS requests I recommend to the Under Secretary of Commerce for Industry and Security that Chan Heep Loong's export privileges under the Regulations be denied for ten (10) years.⁸ BIS believes that imposition of a civil penalty in this case would be ineffective and argues that a denial is justified because of the nature of Chan

⁸Pursuant to Section 13(c)(1) of the Act and § 766.17(b)(2) of the Regulations, in export control enforcement cases, the Administrative Law Judge issues a recommended decision and order which is reviewed by the Under Secretary, who issues the final agency decision in the case.

Heep Loong's multiple violations and his demonstrated disregard for U.S. export control laws including the long-standing U.S. trade embargo against Iran and a TDO issued against him by BIS. Specifically, between February and April 2005, Loong caused two exports of items subject to the Regulations from the United States to Iran⁹ via transshipment through Singapore without the required U.S. Government authorization, in violation of Section 764.2(b) of the Regulations, 15 CFR 764.2(b). See Charging Letter, Gov't Ex. 1, at Charges 1–2. Loong failed to inform the U.S. exporters that the intended final destination of the items was Iran, and instead instructed the exporters to ship the items from the United States to Tysonic in Singapore. Following the arrival of these items in Singapore, the items were forwarded on to Iran. These actions by Loong constitute two violations of Section 764.2(b) of the Regulations. *Id.*

BIS further notes Loong's actions in August 2006 were a clear violation of the TDO BIS issued against him (and Tysonic) on April 12, 2006.

Further, BIS asserts that a denial is justified in this case because Loong remains in Singapore, therefore a monetary penalty may be difficult to collect and would not serve a sufficient deterrent effect. In light of these circumstances, BIS requests the Court to recommend denial of Loong's export privileges for ten years as an appropriate sanction.

I agree that the facts set forth in the Charging Letter show that Loong engaged in conduct that demonstrated a clear disregard for the Regulations and U.S. export control laws, including the long-standing U.S. trade embargo against Iran and the TDO issued against him in April 2006. In addition, the facts show that to facilitate the purchase and unlawful export of the items at issue in Charges 1 and 2, Loong failed to inform the U.S. exporters that Iran, not Singapore, was the intended final destination for the anti-terrorism controlled items at issue. Likewise, after the TDO regarding Loong and Tysonic's U.S. export privileges was issued, Loong used another company he owned and controlled, Rosen Enterprises, to obtain other items subject to the Regulations for export from the United States in direct violation of the terms of the TDO.

I agree that Loong's unlawful conduct calls for a significant sanction and recommend as an appropriate sanction

the denial of Loong's export privileges for a period of ten (10) years, in light of the nature of his conduct, his multiple violations, and his location in Singapore. The imposition of a 10-year denial order as a sanction is also consistent with BIS precedent. See e.g. *In the Matter of: Teepad Electronic General Trading*, 71 FR 34596 (June 15, 2006) Ten (10) year denial order imposed against a defaulting respondent located in the United Arab Emirates (UAE) for conspiring to export anti-terrorism controlled telecommunications devices without the required licenses to Iran, via transshipment through UAE, aiding and abetting the unlicensed export of such items to Iran on two occasions, and committing knowledge violations in connection with those two exports. See also *In the Matter of: Aqua-Loop Cooling Towers, Co.*, 75 FR 16732 (Apr. 2, 2010). In view of the above facts and analysis I find Respondent's misconduct exhibited a disregard for the Regulations and U.S. export controls, and that a monetary penalty is not likely to be an effective deterrent in this case. Given the foregoing, and consistent with BIS precedent, I recommend, pursuant to Section 766.7(a), that the Under Secretary of Commerce for Industry and Security enter an Order denying Chan Heep Loong's export privileges for a period of ten (10) years.

Using provisions from the Standard Terms of Orders Denying Export Privileges set forth in Supplement No. 1 to Part 764 of the Regulations (Supp. No. 1 to 15 CFR Part 764), I recommend that the Under Secretary issue a Denial Order against Chan Heep Loong as follows:

[REDACTED SECTION]

[REDACTED SECTION]

[REDACTED SECTION]

[REDACTED SECTION]

Within thirty (30) days after receipt of this Recommended Decision and Order, the Under Secretary shall issue a written order affirming, modifying, or vacating this Recommended Decision and Order. See 15 CFR 766.22(c). A copy of the Agency Regulations for Review by the Under Secretary can be found as *Attachment A*.

Hon Michael J. Devine,

Administrative Law Judge United States Coast Guard

Done and dated this 25th day of June, 2013, Baltimore, Maryland

ATTACHMENT A

NOTICE TO THE PARTIES REGARDING REVIEW BY UNDER SECRETARY

TITLE 15—COMMERCE AND FOREIGN TRADE
SUBTITLE B—REGULATIONS RELATING TO COMMERCE AND FOREIGN TRADE

CHAPTER VII—BUREAU OF INDUSTRY AND SECURITY, DEPARTMENT OF COMMERCE

SUBCHAPTER C—EXPORT ADMINISTRATION REGULATIONS

PART 766—ADMINISTRATIVE ENFORCEMENT PROCEEDINGS

15 CFR 766.22

§ 766.22 Review by Under Secretary.

(a) *Recommended decision.* For proceedings not involving violations relating to part 760 of the EAR, the administrative law judge shall immediately refer the recommended decision and order to the Under Secretary. Because of the time limits provided under the EAA for review by the Under Secretary, service of the recommended decision and order on the parties, all papers filed by the parties in response, and the final decision of the Under Secretary must be by personal delivery, facsimile, express mail or other overnight carrier. If the Under Secretary cannot act on a recommended decision and order for any reason, the Under Secretary will designate another Department of Commerce official to receive and act on the recommendation.

(b) *Submissions by parties.* Parties shall have 12 days from the date of issuance of the recommended decision and order in which to submit simultaneous responses. Parties thereafter shall have eight days from receipt of any response(s) in which to submit replies. Any response or reply must be received within the time specified by the Under Secretary.

(c) *Final decision.* Within 30 days after receipt of the recommended decision and order, the Under Secretary shall issue a written order affirming, modifying or vacating the recommended decision and order of the administrative law judge. If he/she vacates the recommended decision and order, the Under Secretary may refer the case back to the administrative law judge for further proceedings. Because of the time limits, the Under Secretary's review will ordinarily be limited to the written record for decision, including the transcript of any hearing, and any submissions by the parties concerning the recommended decision.

⁹Pursuant to 15 CFR 734.2(b)(6) the export of items from the United States to a second country, intended for transshipment to a third country is deemed to be an export to the third country.

(d) *Delivery*. The final decision and implementing order shall be served on the parties and will be publicly available in accordance with § 766.20 of this part.

[61 FR 12907, Mar. 25, 1996, as amended at 75 FR 33683, June 15, 2010]

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing RECOMMENDED DECISION AND ORDER as indicated below:

Mr. Eric H. Hirschhorn,
Under Secretary for Industry and Security, Bureau of Industry and Security, U.S. Department of Commerce, Room H-3838, 14th Street & Constitution Avenue, N.W., Washington, DC 20230, Phone: (202) 482-1460

Sent by Federal Express courier

Chan Heep Loong,
95 Havelock Road, #14-583, Singapore, 160095 SG

Sent by Federal Express courier

Hearing Docket Clerk,
United States Coast Guard, ALJ Dockering Center, 40 S. Gay Street, Room 414, Baltimore, MD 21202, Telephone: (410) 962-51'00, Fax: (410) 962-1746

Sent by Hand Delivery

Peter Klason, Esq.,
Attorney-Advisor, Office of Chief Counsel for Ind. & Security, U.S. Dept. of Commerce, Room H-3839, 14th Street & Constitution Avenue, NW., Washington, DC 20230, Phone: (202) 482-5301, Fax: (202) 482-0085

Sent by Facsimile

Jenny L. Collins,

Paralegal Specialist for the Administrative Law Judge

Done and dated this 25th day of June, 2013 Baltimore, Maryland.

[FR Doc. 2013-18078 Filed 7-26-13; 8:45 am]

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DEPARTMENT OF COMMERCE

International Trade Administration

[C-533-858, C-489-817]

Certain Oil Country Tubular Goods From India and Turkey: Initiation of Countervailing Duty Investigations

AGENCY: Import Administration, International Trade Administration, Department of Commerce

DATES: *Effective Date:* July 29, 2013.

FOR FURTHER INFORMATION CONTACT: Sean Carey at (202) 482-3964 (India);

Shane Subler at (202) 482-0189 (Turkey), AD/CVD Operations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230.

SUPPLEMENTARY INFORMATION

The Petitions

On July 2, 2013, the Department of Commerce (“the Department”) received countervailing duty (“CVD”) petitions concerning imports of certain oil country tubular goods (“OCTG”) from India and the Republic of Turkey (“Turkey”), filed in proper form on behalf of United States Steel Corporation, Vallourec Star L.P., TMK IPSCO, Energex (division of JMC Steel Group), Northwest Pipe Company, Tejas Tubular Products, Welded Tube Company, Boomerang Tube LLC, and Maverick Tube Corporation (collectively, “the petitioners”). The CVD petitions were accompanied by nine antidumping duty (AD) petitions.¹ The petitioners are domestic producers of OCTG. On July 8, 2013, the Department requested information and clarification for certain areas of the Petitions.² The petitioners filed responses to these requests on July 12, 2013,³ July 15, 2013,⁴ and July 16, 2013.⁵

In accordance with section 702(b)(1) of the Tariff Act of 1930, as amended (“the Act”), the petitioners allege that the Governments of India and Turkey are providing countervailable subsidies (within the meaning of sections 701 and 771(5) of the Act) to imports of certain OCTG from India and Turkey, and that such imports are materially injuring, and threaten to further cause material injury to, the domestic industry

¹ See Petitions for the Imposition of Antidumping Duties on Imports of Certain Oil Country Tubular Goods from India, the Republic of Korea, the Republic of the Philippines, Saudi Arabia, Taiwan, Thailand, the Republic of Turkey, Ukraine, and the Socialist Republic of Vietnam and Countervailing Duties on Imports of Certain Oil Country Tubular Goods from India and the Republic of Turkey, dated July 2, 2013 (Petitions). Neither Maverick Tube Corporation nor Vallourec Star L.P. is participating in the petition against Saudi Arabia.

² See Petitions for the Imposition of Antidumping and Countervailing Duties on Imports of Certain Oil Country Tubular Goods from India and the Republic of Turkey and Antidumping Duties on Imports of Certain Oil Country Tubular Goods from the Republic of Korea, the Republic of the Philippines, Saudi Arabia, Taiwan, Thailand, Ukraine, and the Socialist Republic of Vietnam: Supplemental Questions, dated July 8, 2013.

³ See General Issues Supplement to the Petitions, dated July 12, 2013 (General Issues Supplement) and Turkey Supplement to the CVD Petition, dated July 12, 2013.

⁴ See Turkey Supplement to the CVD Petition, dated July 15, 2013.

⁵ See India Supplement to the CVD Petition, dated July 16, 2013.

producing OCTG in the United States pursuant to section 701 of the Act. The Department finds that the petitioners filed the Petitions on behalf of the domestic industry because the petitioners are interested parties as defined in section 771(9)(C) of the Act, and that the petitioners have demonstrated sufficient industry support with respect to the initiation of the investigations the petitioners are requesting.⁶

Period of Investigations

The period of the investigations is January 1, 2012, through December 31, 2012.

Scope of Investigations

The product covered by these CVD investigations is certain OCTG from India and Turkey. For a full description of the scope of these investigations, see the “Scope of Investigations” in Appendix I to this notice.

Comments on Scope of Investigations

During our review of the petitions, the Department issued questions to, and received responses from, the petitioners pertaining to the proposed scope to ensure that the scope language in the Petitions would be an accurate reflection of the products for which the domestic industry is seeking relief. As discussed in the preamble to the regulations,⁷ we are setting aside a period for interested parties to raise issues regarding product coverage. The Department encourages interested parties to submit such comments by 5:00 p.m. EST on August 12, 2013.⁸ All comments must be filed on the records of the India and Turkey CVD investigations, as well as the concurrent India, Korea, Philippines, Saudi Arabia, Taiwan, Thailand, Turkey, Ukraine, and Vietnam AD investigations.

Filing Requirements

All submissions to the Department must be filed electronically using Import Administration’s Antidumping and Countervailing Duty Centralized Electronic Service System (“IA ACCESS”). An electronically filed document must be received successfully in its entirety by the time and date noted above. Documents excepted from the electronic submission requirements must be filed manually (*i.e.*, in paper

⁶ See “Determination of Industry Support for the Petitions” below.

⁷ See *Antidumping Duties; Countervailing Duties*, 62 FR 27296, 27323 (May 19, 1997).

⁸ Twenty calendar days from the signature date of this notice is August 11, 2013, which is a Sunday. Accordingly, we are setting the deadline on the next business day.