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

In the Matter of:

Shai Gear LLC d/b/a Spider Camera Holster, d/b/a Spider Camera 1939 East Shore Drive, Suite 4 Lansing, NY 14852

Respondent

# ORDER RELATING TO SHAI GEAR LLC, D/B/A SPIDER CAMERA HOLSTER, D/B/A SPIDER CAMERA

The Bureau of Industry and Security, U.S. Department of Commerce ("BIS"), has

notified Shai Gear LLC, d/b/a/ Spider Camera Holster, d/b/a Spider Camera, of Lansing,

New York ("Spider Camera"), of its intention to initiate an administrative proceeding

against Spider Camera pursuant to Section 766.3 of the Export Administration

Regulations (the "Regulations"),<sup>1</sup> through the issuance of a Proposed Charging Letter to

<sup>&</sup>lt;sup>1</sup> The Regulations originally issued under the Export Administration Act of 1979, as amended, 50 U.S.C. §§ 4601-4623 (Supp. III 2015) ("the EAA"), which lapsed on August 21, 2001. 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 8, 2018 (83 Fed. Reg. 39,871 (Aug. 13, 2018)), continued the Regulations in full force and effect under the International Emergency Economic Powers Act, 50 U.S.C. § 1701, et seq. (2012) ("IEEPA"). On August 13, 2018, the President signed into law the John S. McCain National Defense Authorization Act for Fiscal Year 2019, which includes the Export Control Reform Act of 2018, Title XVII, Subtitle B of Pub. L. 115-232, 132 Stat. 2208 ("ECRA"). While Section 1766 of ECRA repeals the provisions of the EAA (except for three sections which are inapplicable here), Section 1768 of ECRA provides, in pertinent part, that all rules and regulations that were made or issued under the EAA, including as continued in effect pursuant to IEEPA, and were in effect as of ECRA's date of enactment (August 13, 2018), shall continue in effect until modified, superseded, set aside, or revoked through action undertaken pursuant to the authority provided under ECRA.

Spider Camera Order Page 2 of 4

Spider Camera that alleges that Spider Camera committed one violation of the

Regulations.<sup>2</sup> Specifically, the charge is:

# Charge 1 15 C.F.R. § 764.2(a): Engaging in Prohibited Conduct

On or about July 5, 2017, Spider Camera engaged in conduct prohibited by the Regulations when it exported camera accessories to Iran via the United Arab Emirates ("UAE"), without the required U.S. Government authorization.

The camera accessories are subject to the Regulations, designated EAR99, and valued in total at approximately \$6,058.<sup>3</sup> The items are subject to the Iranian Transactions and Sanctions Regulations ("ITSR"),<sup>4</sup> administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"). Absent prior authorization by OFAC, the ITSR prohibit, as they did at all times pertinent hereto, the exportation, reexportation, sale, or supply, directly or indirectly, from the United States of any goods, technology, or services to Iran, including the exportation, reexportation, sale, or supply of such items to a third country undertaken with knowledge or reason to know that the items were intended for supply, transshipment, or reexportation, directly or indirectly, to Iran. *See* 31 C.F.R. § 560.204 (2017, 2018). Pursuant to Section 746.7 of the Regulations, no person may export or reexport any item that is subject to the Regulations if such transaction is prohibited by the ITSR and has not been authorized by OFAC. *See* 15 C.F.R. § 746.7(e) (2018).

Spider Camera exported the camera accessories to an Iranian customer. Citing "the governmental problems between our countries," the Iranian customer stated to Spider Camera that because "we cannot ship our orders directly to Iran, . . . we have to ship the orders from New York to Dubai and from there to Tehran."

As the Iranian freight forwarder initially hired by the customer attempted to compile the necessary paperwork for the export, the customer contacted Spider Camera to request that Spider Camera provide a letter verifying that no license was required to export the camera accessories. Spider Camera sent the customer and the freight forwarder a letter stating, erroneously, that the accessories could ship "no license required."

After delays in the shipment caused by the Iranian forwarder's hesitance to participate in the transaction without a license, Spider Camera's Iranian customer ultimately directed Spider Camera to designate a UAE general trading company as the consignee of the

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<sup>4</sup> 31 C.F.R. Part 560.
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<sup>&</sup>lt;sup>2</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2018). The charged violation occurred in 2017. The Regulations governing the violation at issue are found in the 2017 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774). The 2018 Regulations set forth the procedures that apply to this matter.

<sup>&</sup>lt;sup>3</sup> EAR99 is a designation for items subject to the Regulations but not listed on the Commerce Control List. *See* 15 C.F.R. §§ 734.2(a) and 772.1.

Spider Camera Order Page 3 of 4

export. Having initially addressed its invoices and packing lists to the Iranian customer, Spider Camera changed its invoices and packing lists to list the UAE company as the consignee. It then exported the items from the United States to Iran on or about July 5, 2017, via transshipment through the UAE, without having obtained authorization from OFAC.

On July 18, 2017, BIS Special Agents interviewed Spider Camera about the export. During the interview, Spider Camera indicated that the items had been transshipped on to Iran after they had arrived in the UAE, and provided confirming photographs of Spider Camera products on display at a trade show in Iran.

By engaging in the above-described conduct, Spider Camera violated Section 764.2(a) of the Regulations.

WHEREAS, BIS and Spider Camera 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, Spider Camera shall be assessed a civil penalty in the amount of \$8,500,

the payment of which shall be made to the U.S. Department of Commerce within 30 days of the date of this Order.

SECOND, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C.

§§ 3701-3720E (2012)), 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, Spider Camera 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, the full and timely payment of the civil penalty 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 Spider Camera. Accordingly, if Spider Camera should fail to pay the civil penalty in a full and timely manner, the undersigned may issue an order denying all of Spider Camera's export privileges under the Regulations for a period of one year from the date of failure to make such payment.

FOURTH, Spider Camera 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 Spider Camera's testimonial obligations in any proceeding, nor does it affect its 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, 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.

Douglas R. Hassebrock Director, Office of Export Enforcement, performing the non-exclusive functions and duties of the Assistant Secretary of Commerce for Export Enforcement

Issued this 10 day of 2c, 2018.

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

In the Matter of:

Shai Gear LLC d/b/a Spider Camera Holster d/b/a Spider Camera 1939 East Shore Drive, Suite 4 Lansing, NY 14852

Respondent

#### SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made by and between Shai Gear

LLC d/b/a Spider Camera Holster, d/b/a Spider Camera, of Lansing, New York ("Spider

Camera"), 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>

<sup>&</sup>lt;sup>1</sup> The Regulations originally issued under the Export Administration Act of 1979, as amended, 50 U.S.C. §§ 4601-4623 (Supp. III 2015) ("the EAA"), which lapsed on August 21, 2001. 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 8, 2018 (83 Fed. Reg. 39,871 (Aug. 13, 2018)), continued the Regulations in full force and effect under the International Emergency Economic Powers Act, 50 U.S.C. § 1701, et seq. (2012) ("IEEPA"). On August 13, 2018, the President signed into law the John S. McCain National Defense Authorization Act for Fiscal Year 2019, which includes the Export Control Reform Act of 2018, Title XVII, Subtitle B of Pub. L. 115-232, 132 Stat. 2208 ("ECRA"). While Section 1766 of ECRA repeals the provisions of the EAA (except for three sections which are inapplicable here), Section 1768 of ECRA provides, in pertinent part, that all rules and regulations that were made or issued under the EAA, including as continued in effect pursuant to IEEPA, and were in effect as of ECRA's date of enactment (August 13, 2018), shall continue in effect until modified, superseded, set aside, or revoked through action undertaken pursuant to the authority provided under ECRA.

WHEREAS, BIS has notified Spider Camera of its intentions to initiate an

administrative proceeding against Spider Camera, pursuant the Regulations;<sup>2</sup>

WHEREAS, BIS has issued a Proposed Charging Letter to Spider Camera that

alleges that Spider Camera committed one violation of the Regulations, specifically:

# Charge 1 15 C.F.R. § 764.2(a): Engaging in Prohibited Conduct

On or about July 5, 2017, Spider Camera engaged in conduct prohibited by the Regulations when it exported camera accessories to Iran via the United Arab Emirates ("UAE"), without the required U.S. Government authorization.

The camera accessories are subject to the Regulations, designated EAR99, and valued in total at approximately \$6,058.<sup>3</sup> The items are subject to the Iranian Transactions and Sanctions Regulations ("ITSR"),<sup>4</sup> administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"). Absent prior authorization by OFAC, the ITSR prohibit, as they did at all times pertinent hereto, the exportation, reexportation, sale, or supply, directly or indirectly, from the United States of any goods, technology, or services to Iran, including the exportation, reexportation, sale, or supply of such items to a third country undertaken with knowledge or reason to know that the items were intended for supply, transshipment, or reexportation, directly or indirectly, to Iran. *See* 31 C.F.R. § 560.204 (2017, 2018). Pursuant to Section 746.7 of the Regulations, no person may export or reexport any item that is subject to the Regulations if such transaction is prohibited by the ITSR and has not been authorized by OFAC. *See* 15 C.F.R. § 746.7(e) (2018).

Spider Camera exported the camera accessories to an Iranian customer. Citing "the governmental problems between our countries," the Iranian customer stated to Spider Camera that because "we cannot ship our orders directly to Iran, . . . we have to ship the orders from New York to Dubai and from there to Tehran."

As the Iranian freight forwarder initially hired by the customer attempted to compile the necessary paperwork for the export, the customer contacted Spider Camera to request that Spider Camera provide a letter verifying that no license was required to export the

<sup>&</sup>lt;sup>2</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2018). The charged violation occurred in 2017. The Regulations governing the violation at issue are found in the 2017 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774). The 2018 Regulations set forth the procedures that apply to this matter.

<sup>&</sup>lt;sup>3</sup> EAR99 is a designation for items subject to the Regulations but not listed on the Commerce Control List. *See* 15 C.F.R. §§ 734.2(a) and 772.1.

<sup>&</sup>lt;sup>4</sup> 31 C.F.R. Part 560.

Spider Camera Settlement Agreement Page 3 of 7

camera accessories. Spider Camera sent the customer and the freight forwarder a letter stating, erroneously, that the accessories could ship "no license required."

After delays in the shipment caused by the Iranian forwarder's hesitance to participate in the transaction without a license, Spider Camera's Iranian customer ultimately directed Spider Camera to designate a UAE general trading company as the consignee of the export. Having initially addressed its invoices and packing lists to the Iranian customer, Spider Camera changed its invoices and packing lists to list the UAE company as the consignee. It then exported the items from the United States to Iran on or about July 5, 2017, via transshipment through the UAE, without having obtained authorization from OFAC.

On July 18, 2017, BIS Special Agents interviewed Spider Camera about the export. During the interview, Spider Camera indicated that the items had been transshipped on to Iran after they had arrived in the UAE, and provided confirming photographs of Spider Camera products on display at a trade show in Iran.

By engaging in the above-described conduct, Spider Camera violated Section 764.2(a) of the Regulations.

WHEREAS, Spider Camera has reviewed the Proposed Charging Letter and is

aware of the allegations made against it and the administrative sanctions that could be

imposed against it if the allegations are found to be true;

WHEREAS, Spider Camera 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, Spider Camera enters into this Agreement voluntarily and with full

knowledge of its rights, after having consulted with counsel;

WHEREAS, Spider Camera states that no promises or representations have been

made to it other than the agreements and considerations herein expressed;

WHEREAS, Spider Camera neither admits nor denies the allegations contained in

the Proposed Charging Letter; and

WHEREAS, Spider Camera 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 Spider Camera, under the Regulations, in connection with the matters alleged in the Proposed Charging Letter.

2. The following sanction shall be imposed against Spider Camera:

a. Spider Camera shall be assessed a civil penalty in the amount of
\$8,500, the payment of which shall be made to the U.S. Department of Commerce
within 30 days of the date of the Order. Payment shall be made in the manner
specified in the attached instructions.

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 Spider Camera. Failure to make full and timely payment of the civil penalty as set forth above may result in the denial of all of Spider Camera's export privileges under the Regulations for one year from the date of the failure to fully and timely make such payment.

3. Subject to the approval of this Agreement pursuant to Paragraph 8 hereof, Spider Camera 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) receive 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. Spider Camera Spider Camera Settlement Agreement Page 5 of 7

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 Regulations arising out of the transactions 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 Spider Camera pays in full the civil penalty agreed to in Paragraph 2.a of this Agreement.

4. Spider Camera 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 Spider Camera's testimonial obligations in any proceeding, nor does it affect its 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 Spider Camera in connection with any violation of the Regulations arising out of the transactions 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. If the Order issues, BIS will make the Proposed Charging Letter, this Agreement, and the Order, available to the public.

Spider Camera Settlement Agreement Page 7 of 7

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

John Sonderman Deputy Director Office of Export Enforcement

Date: 12/7 , 2018

SHAI EYNA Owner Shai Gear LLC d/b/a Spider Camera Holster d/b/a Spider Camera

SHAI GEAR LLC

Date: 11/28/18, 2018

Reviewed and approved by:

10

Darren Barreiro, Esq. Greenbaum Rowe Smith & Davis LLP Counsel for Spider Camera Holster

Date: 1/30/2018, 2018

## PROPOSED CHARGING LETTER

## CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Shai Gear, LLC d/b/a Spider Camera Holster d/b/a Spider Camera 1939 East Shore Drive Suite 4 Lansing, NY 14882

Attention: Shai Eynav, Owner

Dear Mr. Eynav,

The Bureau of Industry and Security, U.S. Department of Commerce ("BIS"), has reason to believe that Shai Gear, LLC d/b/a Spider Camera Holster d/b/a Spider Camera ("Spider Camera") of Lansing, New York, has committed one violation of 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 Spider Camera committed the following violation:

## Charge 1 15 C.F.R. § 764.2(a) – Engaging in Prohibited Conduct

On or about July 5, 2017, Spider Camera engaged in conduct prohibited by the Regulations when it exported camera accessories to Iran via the United Arab Emirates ("UAE"), without the required U.S. Government authorization.

The camera accessories are subject to the Regulations, designated EAR99, and valued in total at approximately \$6,058.<sup>3</sup> The items are subject to the Iranian Transactions and Sanctions Regulations ("ITSR"),<sup>4</sup> administered by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC"). Absent prior authorization by OFAC, the ITSR prohibit, as they did at all times pertinent hereto, the exportation, reexportation, sale, or supply, directly or indirectly,

<sup>&</sup>lt;sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2018). The violation alleged occurred in 2017. The Regulations governing the violation at issue are found in the 2017 version of the Code of Federal Regulations, 15 C.F.R. Parts 730-774 (2017). The 2018 Regulations currently govern the procedural aspects of this case.

<sup>&</sup>lt;sup>2</sup> 50 U.S.C. §§ 4601-4623 (Supp. III 2015). 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 16, 2017 (82 Fed. Reg. 39,005 (Aug. 15, 2017)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701, *et seq.* (2012)).

<sup>&</sup>lt;sup>3</sup> EAR99 is a designation for items subject to the Regulations but not listed on the Commerce Control List. *See* 15 C.F.R. §§ 734.2(a) and 772.1.

<sup>&</sup>lt;sup>4</sup> 31 C.F.R. Part 560.

Spider Camera Holster Proposed Charging Letter Page 2 of 4

from the United States of any goods, technology, or services to Iran, including the exportation, reexportation, sale, or supply of such items to a third country undertaken with knowledge or reason to know that the items were intended for supply, transshipment, or reexportation, directly or indirectly, to Iran. *See* 31 C.F.R. § 560.204 (2017, 2018). Pursuant to Section 746.7 of the Regulations, no person may export or reexport any item that is subject to the Regulations if such transaction is prohibited by the ITSR and has not been authorized by OFAC. *See* 15 C.F.R. § 746.7(e) (2018).

Spider Camera exported the camera accessories to an Iranian customer. Citing "the governmental problems between our countries," the Iranian customer stated to Spider Camera that because "we cannot ship our orders directly to Iran, . . . we have to ship the orders from New York to Dubai and from there to Tehran."

As the Iranian freight forwarder initially hired by the customer attempted to compile the necessary paperwork for the export, the customer contacted Spider Camera to request that Spider Camera provide a letter verifying that no license was required to export the camera accessories. Spider Camera sent the customer and the freight forwarder a letter stating, erroneously, that the accessories could ship "no license required."

After delays in the shipment caused by the Iranian forwarder's hesitance to participate in the transaction without a license, Spider Camera's Iranian customer ultimately directed Spider Camera to designate a UAE general trading company as the consignee of the export. Having initially addressed its invoices and packing lists to the Iranian customer, Spider Camera changed its invoices and packing lists to list the UAE company as the consignee. It then exported the items from the United States to Iran on or about July 5, 2017, via transshipment through the UAE, without having obtained authorization from OFAC.

On July 18, 2017, BIS Special Agents interviewed Spider Camera about the export. During the interview, Spider Camera indicated that the items had been transshipped on to Iran after they had arrived in the UAE, and provided confirming photographs of Spider Camera products on display at a trade show in Iran.

By engaging in the above-described conduct, Spider Camera violated Section 764.2(a) of the Regulations.

\* \* \* \* \*

Accordingly, Spider Camera is hereby notified that an administrative proceeding is instituted against it pursuant to Section 13(c) of the Act and Part 766 of the Regulations for the purpose of obtaining an order imposing administrative sanctions including, but not limited to, any or all of the following:

Spider Camera Holster Proposed Charging Letter Page 3 of 4

- The maximum civil penalty allowed by law of up to the greater of \$295,141 per violation,<sup>5</sup> or twice the value of the transaction that is the basis of the violation;<sup>6</sup>
- Denial of export privileges;
- Exclusion from practice before BIS; and/or
- Any other liability, sanction, or penalty available under law.

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

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

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

Spider Camera is further notified that under the Small Business Regulatory Enforcement Flexibility Act, Spider Camera 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, Spider Camera's answer must be filed in accordance with the instructions in Section 766.5(a) of the Regulations with:

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

<sup>&</sup>lt;sup>5</sup> See 15 C.F.R. §§ 6.3(b)(4), 6.4. This amount is subject to annual increases pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Sec. 701 of Pub. L. No. 114-74, enacted on November 2, 2015. See 83 Fed. Reg. 706, 707 (adjusting for inflation the maximum civil monetary penalty under IEEPA from \$289,238 to \$295,141 effective January 15, 2018).

<sup>&</sup>lt;sup>6</sup> See International Emergency Economic Powers Enhancement Act of 2007, Pub. L. No. 110-96, 121 Stat.1011 (2007).

Spider Camera Holster Proposed Charging Letter Page 4 of 4

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

Chief Counsel for Industry and Security Attention: Charles Wall, Esq., and Kimberly Hsu, Esq. Room H-3839 14th Street and Constitution Avenue, N.W. Washington, D.C. 20230

Charles Wall and Kimberly Hsu are the attorneys representing BIS in this case; any communications that Spider Camera may wish to have concerning this matter should occur through them. Mr. Wall and Ms. Hsu may be contacted by telephone at (202) 482-5301.

Sincerely,

John Sonderman Deputy Director Office of Export Enforcement