

Red Notice

A monthly update on global investigations and prosecutions

Akin Gump
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ANTICORRUPTION DEVELOPMENTS

New Acting Chief Announced for DOJ's FCPA Unit

On July 29, 2019, Christopher Cestaro was named the Acting Chief of the Foreign Corrupt Practices Act (FCPA) unit within the Fraud Section of the Department of Justice (DOJ). Cestaro, who previously served as an assistant chief of the FCPA unit, takes over the position for Daniel Kahn, who had served as the Chief of the FCPA unit since 2016. Kahn has been named a Senior Deputy Chief in the Fraud Section.

More information

- [The Wall Street Journal](#)

Micronesian Official Sentenced to Prison for Money Laundering Scheme

On July 29, 2019, Master Halbert, a former Micronesian government official, was sentenced to 18 months imprisonment and three years of supervised release after previously pleading guilty to conspiracy to commit money laundering. As [previously covered](#) by [Red Notice](#), Halbert participated in a decade-long scheme to make corrupt payments to secure engineering and project management contracts worth \$8 million from the government of the Federated States of Micronesia (FSM). Halbert, the former Assistant Secretary of Civil Aviation in the FSM Department of Transportation, Communications and Infrastructure, admitted that the scheme took place between 2006 and 2016, and that he accepted corrupt payments in violation of the Foreign Corrupt Practice Act (FCPA). His coconspirator in the scheme, Frank James Lyon, previously pleaded guilty to conspiracy to violate the antibribery provisions of the FCPA and was sentenced to 30 months imprisonment.

More information

- [DOJ Press Release](#)
 - [The Wall Street Journal](#)
-

No Prison Sentence for Former NBA Player in Corruption Scheme

On July 17, 2019, Chuck Connors Person, a former NBA player and assistant coach at Auburn University, was sentenced to time served and two years of supervised release after he pleaded guilty to accepting improper payments as part of a college basketball corruption probe. Person admitted that he solicited \$91,500 in corrupt payments from a financial advisor—who unbeknownst to Person was serving as a cooperating witness with the FBI—in exchange for directing university basketball players to the financial advisor. Person arranged meetings between the players and the financial advisor, made false statements to the players regarding the advisor's qualifications and arranged for improper payments to be made to the players and their families in order to encourage them to retain the advisor. As part of his sentence, Person must forfeit the \$91,500 in corrupt payments and perform 200 hours of community service.

More information

- [Law360 - Sentencing](#)
 - [DOJ Press Release - Arrest](#)
-

UK Technology Firm Executives Acquitted at Corruption Trial

On July 16, 2019, a jury in London found three former executives of Sarclad Ltd., a UK technology supply business focused on the metals industry, not guilty of charges of conspiracy to corrupt and conspiracy to bribe. The three former Sarclad employees, Michael Sorby, Adrian Leek and David Justice, were accused of approving and making corrupt payments through third-party agents concerning more than 25 overseas contracts.

Prior to the trial, Sarclad entered into a deferred prosecution agreement (DPA) with the UK Serious Fraud Office (SFO) on July 6, 2016, in which the company admitted that it had failed to prevent corrupt payments from being made, and agreed to pay almost \$8 million in disgorgement and penalty fees. Sarclad's U.S.-based parent company, Heico Companies LLC, paid a portion of this penalty. Sarclad's DPA was the second ever such agreement brokered by the SFO.

More information

- [SFO Press Release](#)
 - [Sarclad Deferred Prosecution Agreement](#), [Judgment](#) and [Statement of Facts](#)
 - [The Wall Street Journal](#)
 - [Law360](#)
 - [Reuters](#)
-

SFO Secures Guilty Plea in Unaoil Corruption Case

On July 15, 2019, Basil al Jarah, a UK-based former executive of Unaoil, a Monaco- oil services company, pleaded guilty to five counts of conspiracy to give corrupt payments related to Unaoil contracts to supply and install pipelines in Iraq. The plea is part of an ongoing investigation into Unaoil by the UK SFO that was opened in March 2016. As [previously covered](#) by [Red Notice](#), the investigation has been widespread, and several individuals and companies associated with Unaoil in the Netherlands and the UK have been investigated alongside the company. Al Jarah is the first of the individual defendants to enter a guilty plea. The other three accused individuals, Paul Bond, Stephen Whiteley and Ziad Akle, are scheduled for trial on January 13, 2020.

More information

- [SFO Unaoii Case Page](#)
 - [SFO Press Release](#)
 - [The Wall Street Journal](#)
-

Former Credit Union CEO and New York Businessman Charged In Corruption Scheme

On July 11, 2019, DOJ announced that it had charged Alan Kaufman, the former CEO and treasurer of New York-based Melrose Credit Union, as well as Tony Georgiton, a former client of the company, with conspiracy and bribery. Georgiton allegedly improperly provided Kaufman with free housing and funds to purchase a personal residence in exchange for Kaufman's approval of millions of dollars in new loans and the favorable refinancing of \$60 million in existing loans to Georgiton and his companies.

According to DOJ, the corrupt scheme involved lucrative favors exchanged between the two men, including Georgiton's 2010 purchase of a home in Jericho, New York, where he permitted Kaufman to live rent free for over two years. In addition, Kaufman sought and secured approval from the Melrose board to purchase naming rights to a property owned by Georgiton's company, paying approximately \$2 million to Georgiton's company over a period of four years for rights deemed to be worth only \$50,000 a year by Melrose's marketing director.

Kaufman is further alleged to have accepted gifts and vacations to Paris, Hawaii and the Super Bowl for himself and his girlfriend from a New York media company in exchange for Melrose purchasing increased advertising with that company. DOJ is seeking forfeiture of the proceeds of the scheme from both Kaufman and Georgiton.

More information

- [DOJ Press Release](#)
 - [Law360](#)
 - [The New York Times](#)
-

Texas Judge Convicted of Accepting Improper Payments for Favorable Rulings

On July 11, 2019, Rodolfo Delgado, a Texas state judge, was convicted by a federal jury of multiple counts of conspiracy, accepting improper payments, and obstruction of justice. Following an FBI investigation that involved a defense attorney wearing a wire, Delgado was arrested in 2018 after accepting at least three improper payments amounting to more than \$6,000 in exchange for making three favorable court rulings for the attorney's clients. Delgado unsuccessfully contended that the improper payments were campaign contributions. Delgado was suspended from the bench following his indictment and will be sentenced on September 25, 2019.

More information

- [DOJ Press Release](#)
 - [Law360](#)
 - [Associated Press](#)
-

Former Puerto Rico Officials Accused of Corruption

On July 9, 2019, six individuals, including Julia Keleher, the former Education Secretary of the Puerto Rico Department of Education (PR DOE), and Angela Avila-Marrero, the former acting Executive Director of the Puerto Rico Health Insurance Administration, were indicted by a grand jury in Puerto Rico on charges of conspiracy, money laundering and wire fraud related to claims that they improperly steered government contracts to businesses.

The 44 page indictment alleges that Keleher pressured the PR DOE to award contracts to

potential contractor Colon & Ponce, despite the fact that the PR DOE had not requested services such as those offered by the contractor. Colon & Ponce obtained a \$43,500 contract that was later increased to \$95,000, a portion of which was used to pay the salary of Keleher's special assistant. The indictment further alleges that Avila-Marrero improperly disclosed internal government information to nongovernmental individuals associated with an accounting firm in Puerto Rico, steered contracts totaling \$2.5 million to the firm and paid secret commissions to individuals who helped secure the contracts.

More information

- [DOJ Press Release](#)
 - [Indictment](#)
 - [The Wall Street Journal](#)
-

Additional Charges in PetroEcuador FCPA Conspiracy Case

On July 1, 2019, a U.S. federal magistrate judge for the U.S. District Court of the Southern District of Florida ordered Ecuadorian national Armengol Alfonso Cevallos Diaz to be detained without bond pending his trial on multiple corruption charges. Diaz and his co-defendant Jose Melquiades Cisneros Alarcon, both Florida residents, were charged in May 2019, with conspiracy to violate the FCPA, conspiracy to commit money laundering, and nine counts of money laundering. The men allegedly helped to make \$4.4 million in corrupt payments to officials at PetroEcuador, Ecuador's state-owned energy company. According to DOJ, the individuals created a Miami-based company called O&G International Supplies Inc. to conceal their illegal payments to PetroEcuador officials.

To date, four individuals have pleaded guilty in connection to the investigation into PetroEcuador. Last year, Marcelo Reyez Lopez, a former PetroEcuador lawyer, was sentenced to 53 months in prison for a money laundering conspiracy. As previously covered by [Red Notice](#), in September 2018, U.S.-based financial advisor, Jose Larrea, received a 27 month prison sentence after pleading guilty to one count of conspiracy to launder money. One defendant, Frank Roberto Chatburn Ripalda, has pleaded not guilty; his case is pending.

More information

- [Indictment](#)
- [The FCPA Blog](#)

ANTICORRUPTION SPOTLIGHT: WHISTLEBLOWER AWARDS

Dodd-Frank Whistleblower Awards

Whistleblower awards—provided for under the Dodd-Frank Act—can range from ten to 30 percent of the money collected from monetary sanctions in an eligible enforcement action exceeding \$1 million. Notices of Covered Actions—enforcement actions with sanctions greater than \$1 million—are posted on the [SEC](#) and [CFTC](#) websites, and claims must be submitted within 90 days of such posting.

The Securities and Exchange Commission (SEC) has made 65 whistleblower awards totaling approximately \$385 million since it first began the practice in 2012. Similarly, since issuing its first award in 2015, the Commodity Futures Trading Commission (CFTC) has awarded more than \$90 million to whistleblowers. Neither agency discloses the identities of whistleblowers nor details regarding the covered actions in which they assisted.

SEC Whistleblower Awarded \$500,000

On July 23, 2019, the SEC announced it was issuing a \$500,000 whistleblower award to a foreign resident who provided the SEC with original information pertaining to misconduct that occurred overseas. The award was announced despite the fact that the whistleblower

was “not in a position” to provide continuing assistance for the duration of the agency’s investigation.

More information

- [SEC Order](#)
- [SEC Press Release](#)

CFTC Whistleblowers Awarded \$2 Million

On July 1, 2019, the CFTC announced that two whistleblowers would receive awards for providing “significant information” to the CFTC that led to a successful enforcement action. The “model” whistleblowers, who submitted their information together, each received \$1 million for their assistance.

More information

- [CFTC Order](#)
- [CFTC Press Release](#)

FCPA RESOURCES

For a complete record of all FCPA-related enforcement actions, please visit the following websites maintained by U.S. Regulators:

- [DOJ Enforcement Actions \(2019\)](#)
- [DOJ Declinations](#)
- [SEC Enforcement Actions](#)

EXPORTS, SANCTIONS AND CUSTOMS ENFORCEMENTS

Chinese Company, its President, and Three Managers Indicted for Conspiracy to Defraud the United States and Evade Sanctions

On July 23, 2019, a federal grand jury indicted four Chinese nationals and a Chinese company for violations of the International Emergency Economic Powers Act (IEEPA), conspiracy to violate IEEPA and defraud the United States, conspiracy to violate, evade and avoid restrictions imposed under the Weapons of Mass Destruction Proliferators Sanctions Regulations (WMDPSR) and conspiracy to launder monetary instruments.

The indictment accuses Dadong Hongxiang Industrial Development Co. Ltd. (DHID), as well as DHID’s President Ma Xiaohong, general manager Zhou Jianshu, deputy general manager Hong Jinhua, and financial manager Luo Chuanxu of using more than 22 front companies to conduct illicit financial dealings on behalf of sanctioned North Korean entities allegedly involved in the proliferation of weapons of mass destruction.

According to the indictment, DHID’s core business involves trading with North Korea, including North Korea-based Kwangson Banking Corporation (KKBC), an entity listed on the Department of the Treasury’s Office of Foreign Assets Control (OFAC) Specially Designated Nationals List (“SDN List”). KKBC was designated for providing U.S. dollar financial services to the Tanchon Commercial Bank and Korea Hyoksin Trading Corporation, which both have close ties to Korea Mining Development Trading Company, an entity that OFAC alleges to be North Korea’s premier arms dealer. The indictment states that, after KKBC was designated, Ma and her employees conspired to create or acquire a number of front companies in the British Virgin Islands, the Seychelles and Hong Kong, among other jurisdictions, to complete U.S. dollar transactions and evade sanctions. Ma and her employees would allegedly open accounts in the companies’ names at Chinese banks that maintained correspondent accounts in the United States, then use those accounts to conduct illegal transactions in U.S. dollars which were financed or

guaranteed by KKBC.

Ma, Zhou, Hong and Luo face a maximum sentence of 20 years in prison and a \$1 million fine for violating the IEEPA, a maximum sentence of five years in prison and a \$250,000 fine for conspiracy to violate the IEEPA and defraud the United States, and a maximum of 20 years in prison and a \$500,000 fine for conspiracy to launder monetary instruments.

More information

- [DOJ Press Release](#)
 - [Indictment](#)
-

Electrical Engineer Convicted of Conspiring to Illegally Export Semiconductor Chips with Missile Guidance Applications to China

On July 2, 2019, a jury convicted former UCLA adjunct professor Yi-Chi Shih in connection with a scheme to illegally export high-powered semiconductor chips to China without the required license from the Department of Commerce's Bureau of Industry and Security (BIS). Shih was found guilty of 18 counts of conspiracy to violate IEEPA, mail fraud, wire fraud, subscribing to a false tax return, making false statements to a government agency and conspiracy to gain unauthorized access to a protected computer to obtain information. Shih faces a maximum sentence of 219 years in federal prison.

According to the DOJ press release, Shih and co-conspirator Kiet Ahn Mai conspired to defraud a U.S. company by purchasing custom-designed monolithic microwave integrated circuits (MMICs) under the pretense they would only be used in the United States. Shih and Mai concealed the fact that they planned to send the MMICs, which have numerous military applications, to China without obtaining the required licenses. The MMICs were shipped to Chengdu GaStone Technology Company, a Chinese company of which Shih was President and that is on the Commerce Department's Entity List.

DOJ connected this case to its "China Initiative," which aims to combat hacking, intellectual property theft, and other security threats presented by Chinese state actions contrary to U.S. interests.

More information

- [DOJ Press Release](#)
 - [Second Superseding Indictment](#)
 - [Law360](#)
-

Export Company Executive Pleads Guilty to Violating U.S. Sanctions Against Iran

On July 19, 2019, the Department of Justice (DOJ) announced that an Iranian citizen, Mahin Mojtahdzadeh, pleaded guilty to conspiring to violate IEEPA by unlawfully exporting gas turbine parts from the United States to Iran. Mojtahdzadeh was the President and Managing Director of ETCO-FZC (ETCO), an export company that supplies replacement turbine parts for Middle Eastern power generation companies. In the pleading, Mojtahdzadeh admitted that she worked with Canadian and German companies to violate U.S. sanctions and supply more than \$3 million of U.S.-manufactured gas turbine parts to Iran. Mojtahdzadeh allegedly instructed the Canadian and German-based companies to purchase the parts from the United States then reroute them to customers in Iran.

Mojtahdzadeh faces up to 20 years in prison and a fine of up to \$1 million. She will be sentenced on November 12, 2019. Two of Mojtahdzadeh's co-conspirators, Olaf Tepper and Majtaba Biria, have already pleaded guilty. Tepper was sentenced to 24 months in prison, and Biria is scheduled for sentencing on August 14, 2019.

More information

- [DOJ Press Release](#)

- [Plea Agreement](#)
-

DOJ Announces Extradition of Iranian National and Unsealing of Charges against Two Other Iranian Nationals for Exporting Carbon Fiber from the United States to Iran

On July 16, 2019, the DOJ announced a three-count indictment charging three Iranian nationals—Behzad Pourghannad, Ali Reza Shokri and Farzin Faridmanesh—with IEEPA violations related to exporting and conspiring to export carbon fiber from the United States to Iran. Carbon fiber has applications in uranium enrichment, missiles and aerospace engineering. Pourghannad was arrested in Germany and extradited to the United States, arriving on July 15, 2019. Shokri and Faridmanesh remain at large.

According to the indictment, between 2008 and 2013, Pourghannad, Shokri and Faridmanesh conspired to export carbon fiber from the United States to Iran on three occasions. On the only successful occasion, Shokri worked with a Turkish co-conspirator to arrange for the shipment of carbon fiber from the United States and routed the shipment through Europe, Dubai and the United Arab Emirates to reach Iran. Third-country authorities intercepted the other two shipments en route from the United States to Iran.

Pourghannad, Shokri and Faridmanesh are charged with conspiracy to violate IEEPA and two counts of violation and attempted violation of IEEPA. Each charge carries a maximum sentence of 20 years in prison.

More information

- [DOJ Press Release](#)
 - [Indictment](#)
 - [Law360](#)
-

Virginia Seafood Executive Pleads Guilty to Selling Foreign Crab Meat Falsely Labeled as “Product of USA”

On July 18, 2019, Michael P. Casey pleaded guilty in federal court to falsely labeling millions of dollars of foreign crab meat as “Product of USA.” Michael Casey is Vice President for Marketing and Operations of Casey’s Seafood Inc. (“Casey’s Seafood”), which purchases, processes, packages, transports and sells seafood and seafood products, including Atlantic blue crab.

According to the indictment, from at least 2010 through 2015 and together with James Casey, the owner and President of Casey’s Seafood, Michael Casey conspired to falsely label as U.S.-origin at least 367,765 pounds of crab meat imported from China, Indonesia, Thailand, Vietnam and Central and South America. According to the DOJ press release, Michael Casey admitted to knowing that Casey’s Seafood employees were directed to repackage foreign crab meat into containers labeled “Product of the USA” or place “Product of USA” labels over labels marked as “Product of China” and “Product of Brazil.” Additionally, Michael Casey admitted that part of the conspiracy was to purchase discounted foreign crab meat referred to as “distressed” because it was approaching or beyond its posted “best used by” dates, “re-condition” the meat by re-pasteurizing it then sell it as blue crab labelled “Product of USA.” The wholesale value of the falsely labelled crab meat was \$4,324,916.

This case is part of an ongoing effort by the Department of Commerce’s National Oceanic and Atmospheric Administration Office of Law Enforcement, together with the Food and Drug Administration, Department of Homeland Security (DHS) Office of Investigations, Virginia Marine Police and the DOJ, to crack down on false labeling of crab meat. The maximum sentence for conspiracy to falsely label crab meat is five years in prison and a fine of up to half the gross gain of the offense.

More information

- [DOJ Press Release](#)
 - [Indictment](#)
-

Tire Company Sued to Recover \$5.7 Million in Unpaid Duties for Underreported China Shipments

On June 15, 2019, the DHS and U.S. Customs and Border Protection (CBP) filed a lawsuit in the U.S. Court of International Trade seeking over \$5.7 million from Katana Racing Inc. ("Katana") for underreporting the prices paid on Chinese-origin tire imports. The complaint alleges that Katana submitted inaccurate invoices that listed prices lower than the actual purchase price for 386 tire shipments between 2009 and 2012, resulting in underpayment of safeguard duties, regular customs duties, Harbor Maintenance Fees and Merchandise Processing Fees. The imported tires were intended for passenger vehicles and light trucks and were therefore subject to regular 3.4 percent or 4 percent *ad valorem* customs duties as well as global safeguard duties under Presidential Proclamation 8414 issued in September 2009.

According to the complaint, while under audit by CBP, Katana filed a prior disclosure regarding the underpaid duties but, upon learning from CBP that it owed over \$5.7 million in unpaid duties, asserted a lack of financial ability to pay. After submitting financial statements, balance sheets and tax returns to CBP in May 2019, Katana ceased communication with CBP and did not respond to several requests for a renewed statute of limitations waiver.

More information

- [Complaint](#)
- [Law360](#)

EXPORTS, SANCTIONS AND CUSTOMS DEVELOPMENTS

DDTC Seeks Public Comments on Consolidation of ITAR Exemptions

On July 26, 2019, the Department of State Directorate of Defense Trade Controls (DDTC) announced that, as part of ongoing efforts to organize the International Traffic in Arms Regulations (ITAR), it is seeking public comment on how to streamline and clarify the ITAR exemptions. DDTC aims to consolidate the various exemptions into a single regulatory subchapter and does not intend to broaden or eliminate specific exemptions unless redundant.

Specifically, DDTC seeks comments regarding: (i) which exemptions, if any, are redundant or could be consolidated; and (ii) which exemptions, if any, contain language that introduces significant ambiguity or hinders the exemption's intended use? Comments are due on August 26, 2019.

More information

- [Federal Register notice](#)
-

President Trump Issues New Executive Order Imposing Sanctions on Persons Threatening Peace, Security and Stability in Mali

On July 26, 2019, President Trump issued a new Executive Order (E.O.) "Blocking Property and Suspending Entry of Certain Persons Contributing to the Situation in Mali," which targets individuals or entities threatening Mali's democratic process and general peace, security and stability. The E.O. declared a national emergency on account of repeated violations of ceasefire arrangements pursuant to the 2015 Agreement on Peace and Reconciliation, expanded terrorist activities and intensified drug and human trafficking, human rights abuses, hostage-taking and attacks against civilians, the Malian defense and security forces and other international security presences.

The E.O. authorizes the imposition of sanctions on persons determined to be responsible for or complicit in, or having directly or indirectly engaged in, actions or policies contributing to ceasefire violations, terrorist activities, trafficking, human rights abuses, attacks against civilians or defense forces, obstructed humanitarian assistance, recruitment of child soldiers or bribery or corrupt transactions. It also authorizes sanctions against individuals or entities owned, controlled by or acting on behalf of such sanctioned persons.

More information

- [OFAC Web Notice](#)
 - [Executive Order](#)
-

Treasury Sanctions Global Iranian Nuclear Enrichment Network

On July 18, 2019, the OFAC added seven entities and five individuals to the SDN List for participating in a global network which procures sensitive materials for Iran's nuclear program. The individuals and entities that formed the network used front-companies based in Belgium and China to purchase materials for Iran's Centrifuge Technology Company (TESA), which produces the centrifuges used by the Atomic Energy Organization of Iran (AEOI).

According to OFAC's press release, Sohayl Talebi and Afsaneh Karimi-Adegani of the Iranian firm Bakhtar Raad Sepahan established a network of companies to purchase aluminum required for use in Iranian centrifuges from China. Adegani and Talebi brokered deals for the aluminum through Bakhtar's Belgium office, known as TAWU Mechanical Engineering and Trading Company ("TAWU BVBA"). Talebi then established a Chinese-based company, Sanming Sino-Euro Import and Export Co. ("Sanming Sino-Euro"), to facilitate aluminum transactions worth more than \$2.5 million with China-based Henan Jiayuan Aluminum Industry Company, Limited ("Henan Jiayuan"). Sanming Sino-Euro then arranged for the shipments of aluminum to Iran. Talebi, Adegani, Bakhtar, TAWU BVBA, Sanming Sino-Euro and Henan Jiayuan have all been designated pursuant to E.O. 13382 for providing support to TESA. Mohammed Fakhrzadeh, the commercial director for TESA, has also been designated pursuant to E.O. 13382.

Additionally, Iran-based Sabz Co., along with its managing director, Salim Borji, and representative, Mehdi Najafi, have been designated pursuant to E.O. 13382 for contracting with Chinese companies to purchase metal materials for use in Iranian gas centrifuge machines. China-based Suzhou Zhongsheng Magnetic Company Limited and Suzhou A-One Special Alloy Co., Ltd have also been listed for contracting with Sabz Co. to provide the metal materials.

More information

- [OFAC Web Notice](#)
 - [OFAC Press Release](#)
-

Client Alert: Commerce Announces Plan to Eliminate License Exception CIV

The Department of Commerce announced in early July that it plans to eliminate License Exception CIV from the Export Administration Regulations (EAR). The announcement was made in the administration's "Unified Agenda of Regulatory and Deregulatory Actions" report and no other significant details or an anticipated date for the removal have been released.

License Exception CIV is not a widely applicable exception in the EAR's Commerce Control List (CCL). It does, however, authorize the unlicensed export of a number of items controlled for "national security" (NS) reasons "provided the items are destined to civil end-users for civil end-uses in Country Group D:1," which is a country group that includes China. Examples of items that may currently be exported under CIV include specific types of bearings, semiconductors, semiconductor production equipment, materials for

semiconductor production, computers, telecommunication equipment, acoustic systems, optical equipment and materials, radar equipment, marine systems and civil aircraft engine production equipment. The exception also authorizes release to Chinese and other foreign nationals of a small number of technologies and software related to several of these items.

Although the notice did not articulate the Commerce Department's basis for its plan to eliminate the exception, the action is likely in response to a requirement in the Export Control Reform Act (ECRA) that Commerce review the EAR's licensing policies with respect to exports involving countries subject to arms embargoes, such as China.

At present, License Exception CIV is still valid. Those who use this exception to export items or release technology or software may want to prepare and eventually submit license applications to BIS that, if approved, would allow for operational continuity.

Removal of this license exception is unlikely to be the only EAR amendment that affects licensing and other obligations pertaining to exports and reexports to, and transfers within, China and other countries. Accordingly, companies involved in the trade or transfer of commodities, software, or technology subject to the EAR should follow developments in this area closely to ensure compliance and business continuity.

More information

- [Akin Gump Client Alert](#)
- [Final Rule Stage Notice](#)
- [Conclusion of EO 12866 Regulatory Review](#)

GLOBAL INVESTIGATIONS RESOURCES

- [United Arab Emirates Allows 100 Percent Foreign Ownership in Various Sectors](#)
- [Commerce Announces Plan to Eliminate License Exception CIV](#)
- [OFAC Issues Interim Final Rule Extending Reporting Requirements for Rejected Transactions to Companies Outside the Financial Services Sector: Comment Period Expires July 22, 2019](#)
- [Effective Corporate Compliance Programs Now Even More Important in Criminal Antitrust Investigations](#)

WRITING AND SPEAKING ENGAGEMENTS

If you would like to invite Akin Gump lawyers to speak at your company or to your group about anticorruption law, compliance, cybersecurity, enforcement and policy or other international investigation and compliance topics, please contact Jaime Sheldon at +1 202.407.3026 or [email](#).

[More information](#) for lawyers in the global investigations and compliance practice.

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