

What happens if I violate export controls in the USA? 20 June 2014

State Department Debars Carlos Dominguez Due to Export Violations

(Source: [Federal Register](#)) [Excerpts.]

79 FR 35210-35211: Bureau of Political-Military Affairs; Administrative Debarment of Carlos Dominguez, Elint, S.A., Spain Night Vision, S.A., and SNV, S.A. Under the Arms Export Control Act and the International Traffic in Arms Regulations

* ACTION: Notice.

* SUMMARY: Notice is hereby given that the Department of State has imposed administrative debarment pursuant to Section 127.7(a) of the International Traffic in Arms Regulations (ITAR) (22 CFR parts 120 to 130) on Carlos Dominguez (individually and in his capacity as principal of the following entities); Elint, S.A.; Spain Night Vision, S.A.; and SNV, S.A. (including successors, assignees, and aliases).

* DATES: Effective Date: June 4, 2014 (Date of signature of the Order).

* FOR FURTHER INFORMATION CONTACT: Sue Gainor, Director, Office of Defense Trade Controls Compliance, Bureau of Political-Military Affairs, Department of State, (202) 632-2798.

* SUPPLEMENTARY INFORMATION: The International Traffic in Arms Regulations ("ITAR"), the implementing regulations of Section 38 of the Arms Export Control Act, as amended, ("AECA") (22 U.S.C. 2778), regulate the export and temporary import of defense articles and defense services. Section 127.7(a) of the ITAR authorizes the Assistant Secretary of State for Political-Military Affairs to debar any person who has been found, pursuant to Part 128 of the ITAR, to have committed a violation of the AECA or the ITAR of such a character as to provide a reasonable basis for the Directorate of Defense Trade Controls to believe that the violator cannot be relied upon to comply with the AECA or ITAR in the future. Such debarment prohibits the subject from participating directly or indirectly in any activities that are subject to the ITAR.

Debarred persons are generally ineligible to participate in activity regulated under the ITAR (see e.g., sections 120.1(c) and (d), 126.7, 127.1(d), and 127.11(a)). The Department of State applies a presumption of denial for licenses or other approvals involving such persons as described in ITAR Section 127.11.

Pursuant to Section 38 of the AECA and Section 128.3 of the ITAR, on February 14, 2014, the Department of State initiated administrative proceedings, by means of a charging letter, against Carlos Dominguez (individually and in his capacity as principal of the following entities); Elint, S.A.; Spain Night Vision, S.A.; and SNV, S.A. (including successors, assignees, and aliases) (Respondents) to impose debarment in accordance with Section 127.7 of the ITAR. (The United States Department of State, Docket14-DOS-0001). Respondents were charged with 366 violations related to the unauthorized re-export and retransfer of night vision devices and related technical data, conspiracy to and causing of the re-export and retransfer of defense articles without authorization, the violation of terms and conditions of Department authorizations, the continued engagement in U.S. defense trade despite ineligibility, the knowing and willful causation and the commission of prohibited acts, and the falsification, misrepresentation and omission of material facts on an export control document, all in violation of Section 38 of the AECA and Section 127 of the ITAR.

Since at least 2008, Respondents have re-exported and retransferred hundreds of night vision devices in violation of Department authorizations and falsified export control documents. After multiple unfavorable responses to 'Blue Lantern' end-use inquiries and subsequent compliance reviews, DTCC notified Respondents Dominguez and Elint in September 2009 that they were ineligible to engage in defense trade. Shortly thereafter, Dominguez and Elint changed or established new business names and engaged third-party purchasers in order to conceal their activities and

evade detection. Further re-exports and retransfers of previously exported defense articles continued under these new business names, in violation of the AECA and ITAR.

Due to Respondents' failure to answer the charges as provided in Section 128.5(a) of the ITAR, the Department referred the case to an Administrative Law Judge for consideration, in accordance with Section 128.4 of the ITAR. Pursuant to Section 128.3 of the ITAR and the Default Order of the Administrative Law Judge, dated April 23, 2014, Respondents' failure to answer the charges constituted an admission of the truth of the charges. . . .

Dated: June 4, 2014.

Tom Kelly, Acting Assistant Secretary, Bureau of Political-Military Affairs, Department of State.