

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

In the Matter of:)
)
Mazen Ghashim)
3334 Walnut Bend Lane)
Houston, TX 77042)
)
Respondent)

ORDER RELATING TO MAZEN GHASHIM

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) has notified Mazen Ghashim (“Ghashim”), of its intention to initiate an administrative proceeding against him pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2006)) (the “Regulations”),¹ and Section 13(c) of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (the “Act”),² through the issuance of a proposed charging letter to Ghashim that alleged that Ghashim committed two violations of the Regulations. Specifically, the charges are:

¹ The charged violations occurred during 2003 and 2004. The Regulations governing the violations at issue are found in the 2003 and 2004 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2003-2004)). The 2006 Regulations establish the procedures that apply to this matter.

² 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)), as extended by successive Presidential Notices, the most recent being that of August 3, 2006 (71 Fed. Reg. 44,551 (Aug. 7, 2006)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706 (2000)) (“IEEPA”). The Act and the Regulations are available on the Government Printing Office website at: <http://www.access.gpo.gov/bis/>.

Charge 1 15 C.F.R. § 764.2(c) – Attempting to Export Garment Samples to Syria without the Required License

On one occasion, on or about November 16, 2004, Ghashim attempted a violation of the Regulations by attempting to export garment samples to Syria without the Department of Commerce license required by General Order No. 2 of Supplement No. 1 to Part 736 of the Regulations. Garment samples are items subject to the Regulations and are designated as EAR99 items.³ In so doing, Ghashim committed one violation of Section 764.2(c) of the Regulations.

Charge 2 15 C.F.R. § 764.2(e) – Acting with Knowledge of a Violation

On one occasion, on or about November 16, 2004, in connection with the transaction described in Charge 1, above, Ghashim transferred, transported or forwarded garment samples with knowledge that a violation of the Regulations was about to occur or was intended to occur in connection with the items. Specifically, Ghashim transferred, transported or forwarded the items, which he planned to export to Syria without a Department of Commerce license. Ghashim had knowledge that a violation was about to occur or was intended to occur because on or about June 24, 2004 he was informed by a BIS official that any item sent to Syria would require a Department of Commerce license, with certain exceptions for food and medicine. In so doing, Ghashim committed one violation of Section 764.2(e) of the Regulations.

WHEREAS, BIS and Ghashim 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;

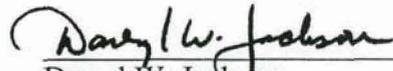
IT IS THEREFORE ORDERED:

FIRST, that a civil penalty of \$22,000 is assessed against Ghashim. Payment of this penalty shall be suspended for a period of five years from the date of entry of this Order and thereafter shall be waived, provided that during the period of suspension, Ghashim has committed no violation of the Act, or any regulation, order, or license issued thereunder.

³ EAR99 is a designation for items subject to the Regulations but not listed on the Commerce Control List.

FOURTH, that the proposed charging letter, the Settlement Agreement, and this Order shall be made available to the public.

This Order, which constitutes the final agency action in this matter, is effective immediately.



Darryl W. Jackson
Assistant Secretary of Commerce
for Export Enforcement

Entered this 12th day of September, 2006.

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

In the Matter of:)
)
Mazen Ghashim)
3334 Walnut Bend Lane)
Houston, TX 77042)
)
Respondent)

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Mazen Ghashim (“Ghashim”) 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 (currently codified at 15 C.F.R. Parts 730-774 (2006)) (the “Regulations”),¹ issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (the “Act”),²

WHEREAS, BIS has notified Ghashim of its intention to initiate an administrative proceeding against him as President of MNC Group International, Inc. doing business as

¹ The charged violations occurred during 2004. The Regulations governing the violations at issue are found in the 2004 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2004)). The 2006 Regulations establish the procedures that apply to this matter.

² 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)), as extended by successive Presidential Notices, the most recent being that of August 3, 2006 (71 Fed. Reg. 44,551 (Aug. 7, 2006)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701-1706 (2000)) (“IEEPA”). The Act and the Regulations are available on the Government Printing Office website at: <http://www.access.gpo.gov/bis/>.

Wearform, doing business as Sports Zone, doing business as Soccer Zone of Houston, Texas ("MNC"), pursuant to the Act and the Regulations;

WHEREAS, BIS has issued a proposed charging letter to Ghashim that alleged that Ghashim committed two violations of the Regulations, specifically:

Charge 1 15 C.F.R. § 764.2(c) – Attempting to Export Garment Samples to Syria without the Required License

On one occasion, on or about November 16, 2004, Ghashim attempted a violation of the Regulations by attempting to export garment samples to Syria without the Department of Commerce license required by General Order No. 2 of Supplement No. 1 to Part 736 of the Regulations. Garment samples are items subject to the Regulations and are designated as EAR99 items.³ In so doing, Ghashim committed one violation of Section 764.2(c) of the Regulations.

Charge 2 15 C.F.R. § 764.2(e) – Acting with Knowledge of a Violation

On one occasion, on or about November 16, 2004, in connection with the transaction described in Charge 1, above, Ghashim transferred, transported or forwarded garment samples with knowledge that a violation of the Regulations was about to occur or was intended to occur in connection with the items. Specifically, Ghashim transferred, transported or forwarded the items, which he planned to export to Syria without a Department of Commerce license. Ghashim had knowledge that a violation was about to occur or was intended to occur because on or about June 24, 2004 he was informed by a BIS official that any item sent to Syria would require a Department of Commerce license, with certain exceptions for food and medicine. In so doing, Ghashim committed one violation of Section 764.2(e) of the Regulations.

WHEREAS, Ghashim has reviewed the proposed charging letter and is aware of the allegations made against him and the administrative sanctions which could be imposed against him if the allegations are found to be true;

WHEREAS, Ghashim 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;

³ EAR99 is a designation for items subject to the Regulations but not listed on the Commerce Control List.

WHEREAS, Ghashim enters into this Agreement voluntarily and with full knowledge of its rights;

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

WHEREAS, Ghashim neither admits nor denies the allegations contained in the proposed charging letter;

WHEREAS, Ghashim wishes to settle and dispose of all matters alleged in the proposed charging letter by entering into this Agreement; and

WHEREAS, Ghashim agrees to be bound by the Order, if entered;

NOW THEREFORE, the Parties hereby agree as follows:

1. BIS has jurisdiction over Ghashim, under the Regulations, in connection with the matters alleged in the proposed charging letter.

2. The following sanction shall be imposed against Ghashim in complete settlement of the alleged violations of the Regulations relating to the transactions specifically detailed in the proposed charging letter:

a. Ghashim shall be assessed a civil penalty in the amount of \$22,000.

Payment of this penalty shall be suspended for a period of five years from the date of entry of the Order and thereafter shall be waived, provided that during the period of suspension, Ghashim has committed no violation of the Act, or any regulation, order, or license issued thereunder.

3. Subject to the approval of this Agreement pursuant to paragraph 8 hereof, Ghashim 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 entered), including,

without limitation, any right to: (a) an administrative hearing regarding the allegations in any charging letter; (b) request a refund of any civil penalty paid pursuant to this Agreement and the Order, if entered; (c) request any relief from the Order, if entered, including without limitation relief from the terms of a denial order under 15 C.F.R. § 764.3(a)(2); and (d) seek judicial review or otherwise contest the validity of this Agreement or the Order, if entered.

4. Upon entry of the Order, BIS will not initiate any further administrative proceeding against Ghashim in connection with any violation of the Act or the Regulations arising out of the transactions identified in the proposed charging letter.

5. BIS will make the proposed charging letter, this Agreement, and the Order, if entered, available to the public.

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.

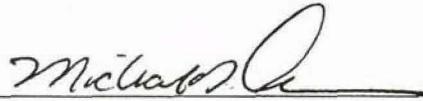
7. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise affect the terms of this Agreement or the Order, if entered, nor shall this Agreement serve to bind, constrain, or otherwise limit any action by any other agency or department 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 entering the Order, which will have the same force and effect as a decision and order issued after a full administrative hearing on the record.

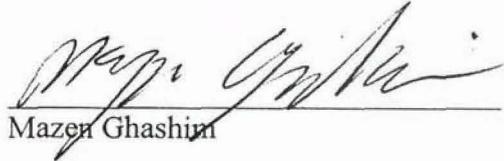
9. Each signatory affirms that he has authority to enter into this Settlement Agreement and to bind his respective party to the terms and conditions set forth herein.

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

MAZEN GHASHIM



Michael D. Turner
Director
Office of Export Enforcement



Mazen Ghashim

Date: 9/7/06

Date: 08-31-06

PROPOSED CHARGING LETTER

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Mazen Ghashim
President
MNC Group International, Inc.
d.b.a. Wearform
d.b.a. Sports Zone
d.b.a. Soccer Zone
10734 Overbrook Lane
Houston, TX 77042

Dear Mr. Ghashim:

The Bureau of Industry and Security, U.S. Department of Commerce ("BIS"), has reason to believe that you, Mazen Ghashim ("Ghashim"), acting as the President of MNC Group International, Inc. d.b.a. Wearform, d.b.a. Sports Zone, d.b.a. Soccer Zone ("MNC"), in your individual capacity, have committed two violations of the Export Administration Regulations (the "Regulations"),¹ which are issued under the authority of the Export Administration Act of 1979, as amended (the "Act").² Specifically, BIS charges that Ghashim committed the following violations:

Charge 1 15 C.F.R. § 764.2(c) – Attempting to Export Garment Samples to Syria without the Required License

On one occasion, on or about November 16, 2004, Ghashim attempted a violation of the Regulations by attempting to export garment samples to Syria without the Department of Commerce license required by General Order No. 2 of Supplement No. 1 to Part 736 of the Regulations. Garment samples are items subject to the Regulations and are

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2006). The violations charged occurred during 2004. The Regulations governing the violations at issue are found in the 2004 version of the Code of Federal Regulations. See 15 C.F.R. Parts 730-774 (2004). The 2006 Regulations govern the procedural aspects of this case.

² 50 U.S.C. app. §§ 2401- 2420 (2000). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13,222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 3, 2006 (71 Fed. Reg. 44,551, Aug. 7, 2006), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) ("IEEPA"). The Act and the Regulations are available on the Government Printing Office website at: <http://www.access.gpo.gov/bis/>.

designated as EAR99 items.³ In so doing, Ghashim committed one violation of Section 764.2(c) of the Regulations.

Charge 2 15 C.F.R. § 764.2(e) – Acting with Knowledge of a Violation

On one occasion, on or about November 16, 2004, in connection with the transaction described in Charge 1, above, Ghashim transferred, transported or forwarded garment samples with knowledge that a violation of the Regulations was about to occur or was intended to occur in connection with the items. Specifically, Ghashim transferred, transported or forwarded the items, which he planned to export to Syria without a Department of Commerce license. Ghashim had knowledge that a violation was about to occur or was intended to occur because on or about June 24, 2004 he was informed by a BIS official that any item sent to Syria would require a Department of Commerce license, with certain exceptions for food and medicine. In so doing, Ghashim committed one violation of Section 764.2(e) of the Regulations.

* * * * *

Accordingly, Ghashim is hereby notified that an administrative proceeding is instituted against him pursuant to Section 13(c) of the Act and Part 766 of the Regulations for the purpose of obtaining an order imposing administrative sanctions, including any or all of the following:

- The maximum civil penalty allowed by law of up to \$11,000 per violation;⁴
- Denial of export privileges; and/or
- Exclusion from practice before BIS.

If Ghashim 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 (2006). If Ghashim defaults, the Administrative Law Judge may find the charges alleged in this letter are true without a hearing or further notice to Ghashim. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty on each of the charges in this letter.

Ghashim is further notified that he is entitled to an agency hearing on the record if Ghashim files a written demand for one with his answer. *See* 15 C.F.R. § 766.6 (2006). Ghashim is also entitled to be represented by counsel or other authorized representative who has power of attorney to represent him. 15 C.F.R. §§ 766.3(a) and 766.4 (2006).

³ EAR99 is a designation for items subject to the Regulations but not listed on the Commerce Control List.

⁴ *See* 15 C.F.R. § 6.4(a)(1) (2004).

The Regulations provide for settlement without a hearing. *See* 15 C.F.R. § 766.18 (2006). Should Ghashim have a proposal to settle this case, Ghashim or his representative should transmit it through the attorney representing BIS, who is named below.

The U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, Ghashim's answer must be filed in accordance with the instructions in Section 766.5(a) of the Regulations with:

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

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

Chief Counsel for Industry and Security
Attention: Thea D. R. Kendler
Room H-3839
United States Department of Commerce
14th Street and Constitution Avenue, N.W.
Washington, D.C. 20230

Thea D. R. Kendler is the attorney representing BIS in this case; any communications that Ghashim may wish to have concerning this matter should occur through her. Ms. Kendler may be contacted by telephone at (202) 482-5301.

Sincerely,

Michael D. Turner
Director
Office of Export Enforcement