

## Litigation, Business, International Trade, and Transportation Law Newsletter

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## New 5-steps for C-TPAT supply chain risk assessments

Companies applying for C-TPAT certification must complete a supply chain security risk assessment and report the findings to CBP, and companies enrolled in C-TPAT must complete and report risk assessments annually. The problem has always been that CBP never properly explained how to conduct these risk assessments.

Now it has.

US Customs and Border recently outlined a Five Step Risk Assessment Process. While not required to follow them blindly or at all (because "The C-TPAT program clearly understands there are a wide variety of business models"), companies applying to C-TPAT would be smart to hew as closely as possible to the five steps to increase their chances of getting certified, and companies already in C-TPAT should do the same to avoid putting their certification at risk.

CBP claims that the five steps are not new, but if not new, the information has never before been set out so clearly. In exchange for providing a "how to," it certainly appears that CBP is expecting a great deal more from C-TPAT members. C-TPAT is no longer for companies that treat supply chain security with armchair indifference.

For example, you are now supposed to grade the threat level of your sourcing country based on six indicia: (1) Terrorism (Political, Bio, Agro, Cyber), (2) Contraband Smuggling, (3) Human Smuggling, (4)

Organized Crime, (5) Conditions within a country which may foster any of the aforementioned threats (e.g. poverty, social unrest, political instability), and (6) Other: theft, pilferage, hijacking, piracy, and IPR. You must assign a grade, or at least find a way to measure, the threat level. CBP suggests the following grades:

- 1 – Low Risk – No recent incidents/intelligence/information.
- 2 – Medium Risk – No recent incidents/some intelligence/information on possible activity.
- 3 – High Risk – Recent incidents and intelligence/information.

While CBP offers a list of free resources to help you assess the threat level to your supply chain, it is clear that your company must expend a great deal of energy and resources collecting and analyzing intelligence on each country that you source from and on every entity in your supply chain. It is hard to imagine that companies will be able to do this on their own without the assistance of legal experts and consultants.

All C-TPAT members (brokers, consolidators, carriers, etc.), not just importers, are expected to abide by the five steps as much as possible. Small companies are not excused, and importers cannot rely on INCOTERMS to get around having to control and ensure supply chain security.

The five steps emphasize that subcontracting logistics and transportation increases your threat level and requires



# Commodity Jurisdiction Requests

## FAQs

(from the US Dept. of State,  
Directorate of Defense Trade  
Controls)

[http://www.pmdtdc.state.gov/  
commodity\\_jurisdiction/index.html](http://www.pmdtdc.state.gov/commodity_jurisdiction/index.html)  
09/2010

**1. Q. Purpose:** What is a CJ?

A: The purpose of a commodity jurisdiction request, or CJ, is to determine whether an item or service is covered by the U.S. Munitions List (USML) and therefore subject to export controls administered by the U.S. Department of State pursuant to the Arms Export Control Act (AECA) and the International Traffic in Arms Regulations (ITAR). If after reviewing the USML and other relevant parts of the ITAR, in particular ITAR §120.3 and §120.4, you are unsure of the export jurisdiction of an item or service, you should request a CJ determination.

**2. Q. Licensing Jurisdiction:** Is my item controlled on the U.S. Munitions List (Department of State) or the Commerce Control List (Department of Commerce)?

A: The Directorate of Defense Trade Controls (DDTC) cannot provide a definitive answer without undertaking a Commodity Jurisdiction (CJ) review of your item and making an official CJ determination. However, most manufacturers are able to self-classify their items by reviewing International Traffic in Arms Regulations (ITAR) §120.2, 120.3, and 120.4 (which relate to the CJ process) and ITAR §121.1 (the U.S. Munitions List or USML). It is important to review all of these sections since some items that could be

considered civil (e.g., hunting rifles and commercial satellites) are captured on the USML for export purposes. If, after reviewing the pertinent sections of the ITAR, you still are not sure if your item is controlled on the USML, then submit a CJ request. Guidelines for submitting the CJ request can be found online at [http://pmdtdc.state.gov/commodity\\_jurisdiction/index.html](http://pmdtdc.state.gov/commodity_jurisdiction/index.html)

**3. Q. Registration Requirements:** Does our company need to register prior to the submission of a CJ request?

A: Registration with DDTC is NOT required prior to submission of a CJ request.

**4. Q. Person Submitting CJ:** Who can submit a CJ request?

A: We prefer that the manufacturer submit the request because of the background and sales information required. However, a designated representative may submit a CJ request on the manufacturer's behalf. In such cases, the CJ request package must include a letter of authorization from the manufacturer on company letterhead signed by a company official, a mailing address, and phone number.

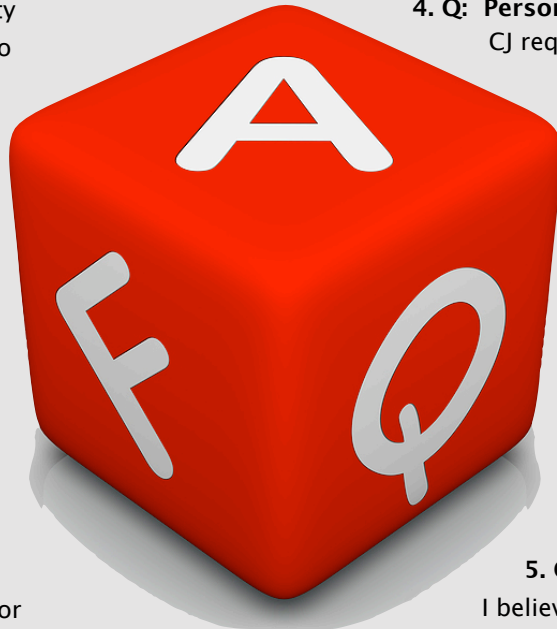
**5. Q. Reconsideration of USML Item:**

I believe the jurisdiction for my product has changed. Can I use the CJ process to potentially move it to the Commerce list?

A: A CJ request may be used for consideration of the re-designation of an item or service currently covered by the USML, which could result in the item or service being moved to the licensing jurisdiction of the Department of Commerce.

**6. Q. Reconsidering of USML Category:** I believe the USML category and/or sub category for my product has changed. Can I use the CJ process to obtain a new USML classification?

A: No, the CJ process will not be used for purpose of requesting clarification of existing USML category or subcategory. Such requests are submitted under a General Correspondence (GC) to the Directorate of



Continued on page 4

that you take additional due diligence steps to control your “business partners” (a C-TPAT term that does not have the same meaning as the legal term). Many international shipments are handled by third party logistics providers who, in turn, may further contract out transportation companies. The five steps do not describe how these companies would remedy the supply chain failing of “business partners,” but do suggest that education plays an important part. Some 3PLs also do not qualify for C-TPAT because they “double broker” and do not own any of the warehousing facilities or means of transportation.

The five steps provide wiggle room for companies that have not quite achieved all the C-TPAT criteria, but are committed to making improvements by “prescribing corrective actions with follow-up procedures to ensure weaknesses have been mitigated.”

CBP created an FAQ and a memo on how to do an a risk assessment. The publication offers five sample templates or checklists to help you make sure you are on target.

Here are the five steps:

1. **Mapping Cargo and Business Partners:** Identify Business Partners and how cargo moves throughout the supply chain to include modes of transportation (air, sea, rail, or truck) and nodes (country of origin, transit points).
2. **Conducting a Threat Assessment:** Identify such threats as Terrorism, Contraband / Human Smuggling, Organized Crime, or other Conditions which may increase the probability of a security breach.
3. **Conducting a Security Vulnerability Assessment:** Based on C-TPAT minimum security criteria, determine if Business Partners have gaps, vulnerabilities, or weaknesses which may lead to a security breach.
4. **Preparing an Action Plan to Address Vulnerabilities:** Developing a written strategy to address potential gaps, vulnerabilities, and weaknesses.
5. **Documenting How the Security Risk Assessment is Conducted:** Writing the policies / procedures on who will be responsible for conducting the assessment; what will be included in the assessment; why the assessment must be conducted; when (how often) the assessment will be conducted; where the assessments will be conducted; and how the assessment will be conducted.



## Aviation Import Compliance Webinar

September 13, 2010  
Monday  
11 am - 1 pm Central

### Topics:

- Importing Aviation Parts: Classification, Value, Procedures, and Focused Assessments
- Intro to Customs and the Customs Broker's Role
- Logistics, Warehouse, and Purchase/Inventory Controls for Aviation Companies
- Duty Savings under HTS 9801 and 9802: US goods returned, articles assembled abroad with US components and Repairs
- Fines, Penalties, and Forfeitures: Avoiding and Getting Out of Trouble with CBP

### Instructors:

**Jerry L. Coles:** Mr. Coles is a Supply Chain Specialist and is president of Coles Supply Chain Consulting, LLC. He served as the Managing Director of Customs, Logistics and Hazardous Materials with previous titles in Purchasing/Inventory Management for American Airlines.

**Marva E. Washburn:** Ms. Washburn is the Vice President of Mach1 Global Trade Services, LLC. She is a licensed customs broker with extensive experience in all facets of import compliance.

**Vincent A. Enea:** Mr. Enea is an import compliance consultant. He is the former Trade Compliance Manager for Texas Aero Engine Services LLC, a joint venture between American Airlines and Rolls-Royce, and has extensive experience in classifying aviation parts and performing the due diligence necessary under federal import law.

**Ruth R. Rodriguez:** Ms. Rodriguez is a founding member of GRVR Attorneys. She represents airlines and aerospace companies and assists them in complying with US import laws. She also gets them out of trouble with government agencies.

**Oscar Gonzalez:** Mr. Gonzalez is a founding member of Gonzalez Rolon Valdespino & Rodriguez. He practices all aspects of trade regulation and business litigation. He is an accomplished writer and speaker in many areas, including ethics in transnational trade and general export and customs compliance.

### Registration

\$49 (forty nine dollars). Free for clients (former, current, and future) and currently-enrolled students of our customs broker exam review course. Register at [www.exportimportlaw.com/calendar](http://www.exportimportlaw.com/calendar) or contact us at (214) 720-7720, extension 1 or at [info@exportimportlaw.com](mailto:info@exportimportlaw.com).

The NCBFAA NEI approved this event for 2.0 CSS credits.

(Continued from page 2)

Defense Trade Controls Licensing Directorate, not through the CJ process.

**7. Q: Licensing Requirements:** Can I export my item during the CJ review process?

A: A response from DDTC to a CJ request determines the proper licensing authority for an item or service. It is not a license or approval to export. If you want to export your item or perform service while the CJ determination is in the review process, you must be registered and obtain the appropriate approval from DDTC prior to export. Please check the DDTC website for information on registration and licensing.

**8. Q: Classified Information:** If my item contains classified information, may I use the CJ process?

A: Classified information must not be included, or referred to, in the form or attachments thereto. For issues that may pertain to classified information, contact the DDTC Response Team.

**9. Q. Submitting Request for Similar or Like Items:**

I have several items that are very similar. May I submit one CJ covering those items, or a catalog of like items?

A. The CJ form addresses single items, not a group, family or catalog of items.

**10. Q: Selling Civil Item to Foreign Military:** I am selling my civil item to a foreign military. Does this make it USML and do I need an export license from State?

A: You do not need an export license from DDTC if your item is not controlled on the USML. That remains true even if you are selling the item to a foreign military. The end-user does not determine export jurisdiction.

**11. Q: Timeline for CJ Completion:** How long does it take to get a CJ determination?

A: It varies depending on the complexity of the request and the recommendations of the reviewing agencies. Our goal is to complete CJ requests in 60 days. However, timelines have been significantly reduced in part due to the introduction of electronic submission capability.

**12. Q: L-100/C-130 Spares Parts Jurisdiction:**

Has there been a change regarding export jurisdiction for L-100/C-130 spare parts?

A: Please go to [http://pmdtcc.state.gov/licensing/aircraft\\_parts.html](http://pmdtcc.state.gov/licensing/aircraft_parts.html) for an announcement on this subject. Included on this page is the relevant Federal Register notice and common Q's and A's on the topic.

**13. Q. Uploading Supplemental Documents to the DS-4076 Submission Package:** Do I upload

supporting documents and other attachments onto the DS-4076 form the same way as done with a DSP form for DTrade?

A. No, supporting documents are not uploaded into the D-4076 like what is done for a DTrade export license application. Each attachment is a separate document that will be uploaded with the DS-4076 into a submission package. All additional documentation file formats must be in the following types: BMP, CSV, GIF, JPEG, JPG, PDF, PNG, RTF, TIF, TXT and XML.

**14. Q. Submitting Supplemental Information:** I have some additional information that may be helpful as a supplement to a CJ already submitted. The CJ was submitted electronically through EFS on the DDTC web portal. Is there a way to add to the supplements of an electronic CJ without retracting the CJ and starting over? Can I provide it directly to the agency that requested the information?

A. At this time, supplemental information in support of an electronically submitted CJ cannot be uploaded electronically. If additional information is provided, the information must be delivered to DDTC Policy as a PDF on a CD, properly marked to include CJ case number, CJ Block number to which the information corresponds, and reason/s for supplemental submission such as another USG agency requested the information. The information will be downloaded into the official electronic CJ file and distributed to the interagency working groups. Only information formally submitted to DDTC can be considered in the CJ review process.



# PRESS RELEASE

## Obama Administration Strengthens Enforcement of U.S. Trade Laws in Support of President's National Export Initiative

FOR IMMEDIATE RELEASE

Thursday, August 26, 2010

CONTACT OFFICE OF PUBLIC AFFAIRS

202-482-4883

**Obama Administration Strengthens Enforcement of U.S. Trade Laws in Support of President's National Export Initiative**

*New proposals would help ensure a level playing field for U.S. companies*

U.S. Commerce Secretary Gary Locke today announced proposed measures – especially focused on illegal import practices from non-market economies – that will strengthen trade enforcement and help keep U.S. companies competitive. These steps support President Obama's National Export Initiative (NEI), which aims to double exports in the next five years and support the creation of several million new jobs.

The National Export Initiative is focused on three key areas: a robust, administration-wide trade promotion strategy, improving access to credit and continuing the rigorous enforcement of U.S. trade laws.

As part of that effort, Locke directed Commerce's International Trade Administration (ITA) to survey the agency's current trade remedy practices in order to determine how the Department could improve the effectiveness of its existing enforcement tools through administrative and regulatory changes. Based on this review, Commerce has developed a list of 14 proposals that will help strengthen the administration of the nation's antidumping (AD)\* and countervailing duty (CVD)\* laws.

*"The Obama administration is committed to aggressively enforcing our trade laws to ensure a level playing field for U.S. companies and their workers – the engines of our economic growth," Locke said. "Today's announcement is another demonstration of our continuing efforts to sharpen our trade enforcement tools."*

Commerce's ITA directly supports this NEI priority by enforcing the U.S. AD/CVD laws, which provide U.S. industries and workers with a reliable and transparent mechanism to seek relief from unfair trade practices that hinder their competitiveness in the U.S. market and abroad.

Under the Obama administration, ITA continues to step up its enforcement of U.S. trade laws. In 2009, ITA's Import Administration initiated 34 antidumping and countervailing duty investigations compared to 19 the previous year, an increase of 79 percent. Cases against non-market economies comprise roughly one-third of the Import Administration's caseload. Among the proposed changes:

- Currently, individual companies from a foreign country were excused from AD/CVD duties by demonstrating that they were not dumping or receiving subsidies for a certain period of time. The new proposal would allow for companies to be removed from the process only upon the normal country-wide expiration of those duties.
- Starting as early as when Commerce makes a preliminary determination on an AD/CVD investigation, a new proposed measure will require importers to post cash deposits rather than bonds to facilitate entry of their goods and services into the United States. Currently, once an initial affirmative determination is made in an AD/CVD case, importers are able to post a bond in the amount of the estimated duties owed. However, experience has shown that in certain circumstances, the amount of the bond proved inadequate to cover the ultimate AD/CVD liability. Under this proposal, Commerce will ensure that importers will bear full responsibility for any future duties.
- Additionally, to address a range of methodological issues unique to antidumping (AD) proceedings involving non-market economy countries, Commerce is proposing updates to its practice that will more closely capture the realities of how entities function in a non-market economy. In this context, Commerce is proposing to adjust its antidumping calculation to account for export taxes or value added taxes included in the U.S. price that are not rebated upon export, just as in cases involving market economy countries. Where such taxes are present, this proposed change would result in an increase in antidumping margins.

The other proposed changes would include: improved methodology for determining the value of labor in non market economy cases (to ensure that all benefits and other costs associated with labor are captured); tightening the certification process for the information submitted to Commerce as part of the AD/CVD case process; and strengthening specific rules to ensure that parties are paying the full amount of their anti-dumping duties.

In the coming months, Locke said the Commerce Department will conduct a transparent review of these proposals and seek public comment through a comprehensive stakeholder process. The process for introducing these proposed changes will begin this fall.

President Obama announced the NEI during his State of the Union earlier this year. It will provide more funding, more focus and more cabinet-level coordination to grow U.S. exports, and it represents the first time the United States will have a government-wide export-promotion strategy with focused attention from the president and his cabinet.

Since the President announced the NEI, the Department of Commerce's Advocacy Center has assisted American companies competing for export opportunities, supporting \$11.7 billion in exports and an estimated 70,000 jobs. To date, the Commerce Department has coordinated 19 trade missions with over 195 companies to 25 countries.

Exports remain an integral part of the U.S. economy. In 2008, American exports accounted for nearly 7 percent of our total employment and one in three manufacturing jobs. In the first four months of 2010, exports grew almost 17 percent compared to the same period last year.

- Antidumping duties are levied on foreign firms who, on the basis of a detailed investigation, are found to sell their products in the United States at prices that are below their home market price or their cost of production and cause injury to domestic industry. Countervailing duties are imposed after a similar investigation determines that imports into the United States have been unfairly subsidized by foreign governments and are injuring domestic producers.

More information on the NEI can be viewed at [www.trade.gov/nei](http://www.trade.gov/nei). Below you'll find descriptions of the 14 proposed measures:

- Expanded use of random sampling to select companies as individual respondents in AD investigations and reviews rather than choosing the largest exporters;
- Strengthening Commerce's current practice regarding the issuance of company-specific AD rates in NME cases;
- Clarification of Commerce's current NME practice that when the Department uses import prices for valuing a production factor, such prices should include all applicable freight and handling costs;
- Clarification of Commerce's current NME practice to require companies to report production inputs for all products produced at each of their facilities – not just those facilities that produced merchandise destined for the United States – for use in the Department's NME dumping calculations;
- Clarification of Commerce's current CVD practice to reiterate that Commerce considers state-owned enterprises (SOEs) as constituting a "specific" group when they are alleged to be receiving countervailable subsidies from the government;
- Reconsidering the treatment of export taxes and value-added taxes (VAT) in Commerce's NME AD methodology; and
- Strengthening the treatment of resellers and other non-reviewed parties in NME cases to ensure that such parties pay the full amount of AD duties.
- Adoption of a new methodology for valuing wage (labor) rates in NME cases by using surrogate wage rates that fully capture all labor costs (including benefits and taxes paid to workers by their employers) in the NME country;
- Eliminating the practice of allowing individual companies to seek removal from an antidumping (AD) or countervailing duty (CVD) order based on their ability to show zero dumping margins or subsidy rates for three (AD) or five (CVD) consecutive years;
- Tightening the rules in non-market economy (NME) cases for determining when the price of production inputs purchased from market economy countries will be substituted for the Department's standard valuation for such inputs;
- Considering whether importers will be required to post cash deposits rather than bonds for imports that fall within the scope of an AD/CVD investigation starting with the issuance of Commerce's preliminary determination (rather than following the imposition of an AD/CVD order);
- Strengthening the certification process for the submission of factual information to the Department;
- Strengthening the accountability of attorneys and non-attorneys practicing before Commerce; and
- Tightening the deadlines for submitting new factual information in AD/CVD cases.





## Alumni Reunion & Homecoming Sept 19, 2010, Dallas, Texas



*We are hosting a wine and cheese event to celebrate our First Annual Broker Course Reunion. It is in Dallas on Sunday evening, September 19, the day before the Dallas Boot Camp starts! Do you want to see your fellow boot campers again? Do you want to meet people that you have only talked to on conference calls? Do you want to meet other licensed brokers to see what they are doing with their license? Find a job? Find lost loves? Then come to the First Annual Broker Course Reunion. The event is free, but we ask that you RSVP. For more information, click on this graphic, or go to [www.bestcustomsbrokercourse.com](http://www.bestcustomsbrokercourse.com), call (800) 256-2013, ext. 1 or email [info@bestcustomsbrokercourse.com](mailto:info@bestcustomsbrokercourse.com). Location and time will be announced shortly. The Second Annual Broker Course Reunion will be in C.A. this Spring.*



## Did you know?

Did you know that 18 year-olds can now sit for the customs broker exam? US Customs and Border Protection just amended its regulations and lowered the age requirement to eighteen from twenty-one. However, CBP will not give you a license until you're 21. Here is CBP's logic: "A less restrictive age requirement ensures that an individual will still be able to apply to obtain a license upon turning 21 years old while having the opportunity to work under the supervision and control of a licensed broker or brokerage for a greater time period after having taken the exam."



# Federal Government Gets Serious About Trade Enforcement

Ok, so a guillotine may be just slightly over the top, but it is undeniable that the federal government is enforcing trade with extreme rigor, as seen from our survey results of penalty cases just from the past month. You can see the results from the table below, which captures only a small percentage of recent penalty cases. The agencies involved are the US Department of Justice, Office of Foreign Assets Control, Securities and Exchange Commission, US Department of State, and the Bureau of Industry and Security. Not shown are the import penalty cases imposed by US Customs and Border Protection, the FDA, and other agencies. Adding import penalty cases (if federal authorities ever released that information) would stretch this table to several pages. The penalty amounts total about \$400 million, but do not and cannot reflect all the real costs that a violator company must shoulder to deal with compliance emergencies.



Company	Violation	Amount	Comment
Barclays Bank PLC The United Kingdom	Violated U.S. financial sanctions by knowingly aiding banks in Cuba, Iran, Libya, Sudan and Burma with \$500 million in transactions from 1995 to 2006.	\$298,000,000 Office of Foreign Assets Control	Barclay's voluntarily self-disclosed the violations. Although criminal violations, no indictments were sought against any individual bank official or against the bank.
Banco Colpatría, S.A., on behalf of the former Banco Colpatría S.A., Miami Agency	Processed 26 dollar-denominated wire transfers on behalf of a client whose owners were on the SDN List. Colpatría did screen against the SDL List when the account was opened, not as the SDL List was updated.	\$91,849 Office of Foreign Assets Control	Banco Colpatría voluntarily disclosed the violation, which OFAC claims reduced the penalty amount from \$229,623 to \$91,849
Alliance One International Morrisville, NC & its two subsidiaries: Alliance One International AG, a Swiss corporation and Alliance One Tobacco Osh LLC, a Kyrgyzstan corporation	Kickbacks and bribes to government officials in Thailand and Kyrgyzstan	The two subsidiaries pay \$9.45 million in fines to the SEC  The parent company disgorge \$10 million to the DOJ	Non-prosecution agreement in which Alliance One cooperates with the ongoing investigation and retains an independent compliance monitor for 3 years to oversee an anti-bribery and anti-corruption compliance program..
Universal Leaf Tabacos Ltda.(Universal Brazil), a subsidiary of Universal Corporation, which is a Virginia corporation	Conspiring to violate the anti-bribery provisions and books and records provisions of the FCPA, and with violating the anti-bribery provisions of the FCPA relating to bribes paid to Thailand Tobacco Monopoly employees for the sale of Brazilian tobacco.	\$4.4 million criminal fine  DOJ	Non-prosecution agreement in which Universal Brazil cooperates with the ongoing investigation and retains an independent compliance monitor for 3 years to oversee an anti-bribery and anti-corruption compliance program..
3M Imtec Corporation Ardmore, OK	Without first getting an export license, the company sold, forwarded, and serviced dental equipment bound for Iran via the U.A.E.	\$125,000 Bureau of Industry and Security	3M filed a voluntary self-disclosure.
Tyco Valves & Controls LP Houston, TX	On 26 occasions, exporting without a license butterfly valves and valve assemblies (controlled for biological weapons proliferation) to China, the UAE, Jordan, Brazil, Mexico, Chile, Israel, India, Singapore, and El Salvador	\$218,000 Bureau of Industry and Security	Tyco filed a voluntary self-disclosure.  Violations occurred before the BIS increased penalty amounts.
Xe Services LLC (formerly known as Blackwater Worldwide)	Unauthorized export of defense articles and provision of defense services to foreign end-users in multiple countries between 2003 and 2009	\$42 million US State Dept.	
Pulsafeeder, Inc. Rochester, NY	Exporting without a license industrial pumps (controlled for chemical and biological weapons reasons) to China, Brazil, and Russia	\$80,000 Bureau of Industry and Security	Pulsafeeder filed a voluntary self-disclosure.
Reliance Steel & Aluminum Company Los Angeles, CA	Exporting without a license three shipments of aluminum rods (controlled for nuclear nonproliferation reasons) to Malaysia, Taiwan, and Hong Kong	\$29,000 Bureau of Industry and Security	Violations occurred in 2005 before the BIS increased penalty amounts.
Security 20/20, Inc. d.b.a. Security Pro USA Beverly Hills, CA	Stored, sold, or transported an explosives detection device about to be exported to India knowing that an export license was first needed.	\$50,000 Bureau of Industry and Security	These is one of the few times a company gets caught and fined before the shipment is made. The company's president admitted to a federal agent that he knew a license was required.
Service Steel Aerospace Corporation Tacoma, WA	Exporting without a license three shipments of titanium rods (controlled for nuclear nonproliferation reasons) to Israel and Mexico	\$12,000 Bureau of Industry and Security	Violations occurred before the BIS increased penalty amounts.
Yarde Metals Southington, CT	Exporting without a license three shipments of aluminum rods and tools (controlled for nuclear nonproliferation reasons) to Israel and Singapore and Israel	\$12,000 Bureau of Industry and Security	Violations occurred before the BIS increased penalty amounts.



## It will be illegal to import Persian Rugs and Iranian foodstuffs after September 29, 2010

As promised, President Obama is using economic sanctions to pressure Iran into surrendering its nuclear ambitions. Imported Persian rugs and foods stuffs take the latest hit. On August 12, 2010, the Office of Foreign Assets Control issued this memo that explains the repeal of 31 CFR 560.534.

### OFFICE OF FOREIGN ASSETS CONTROL

Guidance Regarding Import Prohibitions Imposed by the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010

On July 1, 2010, the President signed into law the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (the "Act"), which, among other things, prohibits the importation of Iranian-origin goods and services into the United States, effective 90 days after the Act's date of enactment. No exception to this prohibition may be made for the commercial importation of Iranian-origin goods described in section 560.534(a) of the Iranian Transactions Regulations (31 C.F.R. Part 560). The Office of Foreign Assets Control cannot authorize by general or specific license the commercial importation of such Iranian-origin goods (which include certain foodstuffs and carpets) on or after September 29, 2010. Consequently, the general license in section 560.534 of the ITR will be eliminated by September 29, 2010, and any such goods for commercial importation into the United States must be entered for consumption before that date.



### Help Build the City of Joy: Turning Pain Into Power, Democratic Republic of Congo

<https://secure.vday.org/cityofjoy/>

V-Day and UNICEF, in partnership with Panzi Foundation, are currently building a special facility for the survivors of sexual violence in Bukavu, Democratic Republic of Congo (DRC). Conceived, created and developed by the women on the ground, the City of Joy in Bukavu, Democratic Republic of Congo will support women survivors of sexual violence to heal and provide them with opportunities to develop their leadership through

innovative programming. Through its groundbreaking model, the City of Joy will provide up to 180 women a year with an opportunity to benefit from: group therapy; storytelling; dance; theater; self-defense; comprehensive sexuality education (covering HIV/AIDS, family planning); ecology and horticulture; and economic empowerment.

V-Day invites you to be a part of the creation of the City of Joy through the City of Joy Gift Registry. By contributing just a few dollars, you can have far-reaching impact. By purchasing items on the registry you can provide much needed supplies that will make the City of Joy a comfortable, caring, and healthy place for women survivors of sexual violence to learn, lead, and inspire.



## Calendar

January	February	March
April	May	June
July	August	September
October	November	December

### Webinar

#### **Aviation Industry: Import and Logistics Compliance**

September 13, 2010

Cost: \$49

Register at

[www.exportimportlaw.com](http://www.exportimportlaw.com) or  
[info@exportimportlaw.com](mailto:info@exportimportlaw.com)

### **The Best Customs Broker Exam Review Course**

[www.bestcustomsbrokercourse.com](http://www.bestcustomsbrokercourse.com)

- books now included ( HTSUS, CFR)
- self-paced
- guarantee you will pass
- weekly conference calls
- 24/7 online study
- personalized homework
- 90% pass rate
- demo
- glowing testimonials
- 50% discount for switching from another broker exam prep course
- Dallas (Sept 20-23) and Los Angeles (March 14-17, 2011)
- Special prices for former, current, and future clients

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**For two decades, GRVR has delivered excellent legal representation to our clients. With offices in six cities, four countries, and three continents, we can fill your legal needs regardless of your location.**

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