

*Sixth*, this Order is effective immediately and shall remain in effect until August 1, 2026.

Issued this 28th day of September, 2017.

**Karen H. Nies-Vogel,**

*Director, Office of Exporter Services.*

[FR Doc. 2017-21472 Filed 10-4-17; 8:45 am]

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## DEPARTMENT OF COMMERCE

### Bureau of Industry and Security

**In the Matter of: Tayabi Fazal Hussain,  
Lathifa Tower, Apt #1107, Al Nahda 1,  
Dubai, UAE**

#### Order Denying Export Privileges

On October 3, 2016, in the U.S. District Court for the Northern District of Illinois, Tayabi Fazal Hussain (“Hussain”) was convicted of violating the International Emergency Economic Powers Act (50 U.S.C. 1701, *et seq.* (2012)) (“IEEPA”). Specifically, Hussain knowingly and willfully conspired to export and caused the export of numerous types of goods, including, *inter alia*, optical and telescopic equipment and several sets of gas turbine mobile generators, from the United States to Iran, without having obtained the required U.S. Government authorization. Hussain was sentenced to 15 months in prison, with credit for time served, and a special assessment of \$100.

Section 766.25 of the Export Administration Regulations (“EAR” or “Regulations”)<sup>1</sup> provides, in pertinent part, that “[t]he Director of the Office of Exporter Services, in consultation with the Director of the Office of Export Enforcement, may deny the export privileges of any person who has been convicted of a violation of the EAA [Export Administration Act], the EAR, or any order, license or authorization issued thereunder; any regulation, license, or order issued under the International Emergency Economic Powers Act (50 U.S.C. 1701–1706); 18 U.S.C. 793, 794 or 798; section 4(b) of the Internal Security Act of 1950 (50

U.S.C. 783(b)), or section 38 of the Arms Export Control Act (22 U.S.C. 2778).” 15 CFR 766.25(a); *see also* Section 11(h) of the EAA, 50 U.S.C. 4610(h). The denial of export privileges under this provision may be for a period of up to 10 years from the date of the conviction. 15 CFR 766.25(d); *see also* 50 U.S.C. 4610(h). In addition, Section 750.8 of the Regulations states that the Bureau of Industry and Security’s Office of Exporter Services may revoke any Bureau of Industry and Security (“BIS”) licenses previously issued pursuant to the Export Administration Act (“EAA” or “the Act”), or pursuant to the Regulations, in which the person had an interest at the time of his/her conviction.

BIS has received notice of Hussain’s conviction for violating the IEEPA, and has provided notice and an opportunity for Hussain to make a written submission to BIS, as provided in Section 766.25 of the Regulations. BIS has not received a submission from Hussain.

Based upon my review and consultations with BIS’s Office of Export Enforcement, including its Director, and the facts available to BIS, I have decided to deny Hussain’s export privileges under the Regulations for a period of 10 years from the date of Hussain’s conviction. I have also decided to revoke all licenses issued pursuant to the Act or Regulations in which Hussain had an interest at the time of his conviction.

Accordingly, it is hereby *ordered*:

*First*, from the date of this Order until October 3, 2026, Tayabi Fazal Hussain, with a last known address of Lathifa Tower, Apt # 1107, Al Nahda 1, Dubai, UAE, and when acting for or on his behalf, his successors, assigns, employees, agents or representatives (“the Denied Person”), may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as “item”) exported or to be exported from the United States that is subject to the Regulations, including, but not limited to:

A. Applying for, obtaining, or using any license, license exception, or export control document;

B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or engaging

in any other activity subject to the Regulations; or

C. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or from any other activity subject to the Regulations.

*Second*, no person may, directly or indirectly, do any of the following:

A. Export or reexport to or on behalf of the Denied Person any item subject to the Regulations;

B. Take any action that facilitates the acquisition or attempted acquisition by the Denied Person of the ownership, possession, or control of any item subject to the Regulations that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby the Denied Person acquires or attempts to acquire such ownership, possession or control;

C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from the Denied Person of any item subject to the Regulations that has been exported from the United States;

D. Obtain from the Denied Person in the United States any item subject to the Regulations with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or

E. Engage in any transaction to service any item subject to the Regulations that has been or will be exported from the United States and which is owned, possessed or controlled by the Denied Person, or service any item, of whatever origin, that is owned, possessed or controlled by the Denied Person if such service involves the use of any item subject to the Regulations that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

*Third*, after notice and opportunity for comment as provided in Section 766.23 of the Regulations, any other person, firm, corporation, or business organization related to Hussain by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business may also be made subject to the provisions of this Order in order to prevent evasion of this Order.

*Fourth*, in accordance with Part 756 of the Regulations, Hussain may file an appeal of this Order with the Under Secretary of Commerce for Industry and Security. The appeal must be filed within 45 days from the date of this Order and must comply with the

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 CFR parts 730–774 (2017). The Regulations issued pursuant to the Export Administration Act (50 U.S.C. 4601–4623 (Supp. III 2015) (available at <http://uscode.house.gov>)) (“EAA” or “the Act”). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 CFR, 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 15, 2017 (82 FR 39005 (Aug. 16, 2017)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701, *et seq.* (2012)).

provisions of Part 756 of the Regulations.

*Fifth*, a copy of this Order shall be delivered to the Hussain, and shall be published in the **Federal Register**.

*Sixth*, this Order is effective immediately and shall remain in effect until October 3, 2026.

Issued this 28th day of September, 2017.

**Karen H. Nies-Vogel,**

*Director, Office of Exporter Services.*

[FR Doc. 2017–21476 Filed 10–4–17; 8:45 am]

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## DEPARTMENT OF COMMERCE

### Bureau of Industry and Security

**In the Matter of: Mark Henry (a/k/a Weida Zheng, a/k/a Scott Russel, a/k/a Bob Wilson, a/k/a Joanna Zhong), Inmate Number: 75602–053, FCI Schuylkill, Federal Correctional Institution, Satellite Camp, P.O. Box 670, Minersville, PA 17954; Respondent; Dahua Electronics Corporation (a/k/a Bao An Corporation), 134–12 59th Avenue, Flushing, NY 11355, Related Person Order Denying Privileges**

*A. Denial of Export Privileges of Mark Henry, a/k/a Weida Zheng, a/k/a Scott Russel, a/k/a Bob Wilson, a/k/a Joanna Zhong*

On November 19, 2015, in the U.S. District Court for the Eastern District of New York, Mark Henry, a/k/a Weida Zheng, a/k/a Scott Russel, a/k/a Bob Wilson, a/k/a Joanna Zhong (“Henry”), was convicted of violating Section 38 of the Arms Export Control Act (22 U.S.C. 2778 (2012)) (“AECA”). Specifically, Henry was convicted of willfully and knowingly exporting, causing to be exported, and attempting to export from the United States to Taiwan defense articles listed on the United States Munitions List, specifically, ablative materials for use, among other things, as a protective coating for rocket nozzles, without the required State Department license. Henry was sentenced to 78 months in prison for violating Sections 38(b)(2) and (c) of the AECA, along with three years of supervised release and a \$200 assessment.<sup>1</sup>

Section 766.25 of the Export Administration Regulations (“EAR” or

“Regulations”)<sup>1</sup> provides, in pertinent part, that “[t]he Director of the Office of Exporter Services, in consultation with the Director of the Office of Export Enforcement, may deny the export privileges of any person who has been convicted of a violation of the EAA [Export Administration Act of 1979], the EAR, or any order, license or authorization issued thereunder; any regulation, license, or order issued under the International Emergency Economic Powers Act (50 U.S.C. 1701–1706); 18 U.S.C. 793, 794 or 798; section 4(b) of the Internal Security Act of 1950 (50 U.S.C. 783(b)), or section 38 of the Arms Export Control Act (22 U.S.C. 2778).” 15 CFR 766.25(a); *see also* Section 11(h) of the EAA, 50 U.S.C. 4610(h). The denial of export privileges under this provision may be for a period of up to ten (10) years from the date of the conviction. 15 CFR 766.25(d); *see also* 50 U.S.C. 4610(h). In addition, Section 750.8 of the Regulations states that the Bureau of Industry and Security (“BIS”)’s Office of Exporter Services may revoke any BIS licenses previously issued pursuant to the EAA or the Regulations in which the person had an interest at the time of his/her conviction.

BIS received notice of Henry’s conviction for violating Section 38 of the AECA, and has provided notice and an opportunity for Henry to make a written submission to BIS, as provided in Section 766.25 of the Regulations. BIS has not received a submission from Henry. Based upon my review and consultations with BIS’s Office of Export Enforcement, including its Director, and the facts available to BIS, I have decided to deny Henry’s export privileges under the Regulations for a period of ten (10) years from the date of Henry’s conviction. I have also decided to revoke all licenses issued pursuant to the Act or Regulations in which Henry had an interest at the time of his conviction.

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 CFR parts 730–774 (2017). The Regulations issued pursuant to the Export Administration Act of 1979 (50 U.S.C. 4601–4623 (Supp. III 2015)) (available at <http://uscode.house.gov>) (“EAA” or “the Act”). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 CFR, 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 15, 2017 (82 FR 39005 (Aug. 16, 2017)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. 1701, *et seq.* (2012)).

*B. Denial of Export Privileges of Related Person Dahua Electronics Corporation, a/k/a Bao An Corporation*

Section 766.25(h) of the Regulations provides that the Director of BIS’s Office of Exporter Services, in consultation with the Director of BIS’s Office of Export Enforcement, may take action in accordance with Section 766.23 of the Regulations to make applicable to related persons a denial order that is being sought or has issued under Section 766.25. Section 766.23 provides, in turn, that in order to prevent evasion of a denial order issued pursuant to Part 766 of the Regulations, including pursuant to Section 766.25, the denial order made be made applicable not only to the respondent, but also to other persons related to the respondent by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business.

As provided in Section 766.23, BIS gave notice to Dahua Electronics Corporation a/k/a Bao An Corporation (“Dahua”) that it intended to deny Mark Henry’s export privileges pursuant to Section 766.25 for a period of up to ten (10) years from the date of his conviction and intended to make that denial order applicable to Dahua pursuant to Sections 766.25 and 766.23.<sup>2</sup> BIS also provided notice that it has reason to believe that Dahua is related to Henry as set forth in Section 766.23, that is, by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business, and reason to believe that naming Dahua as a person related to Henry would be necessary to prevent evasion of a denial order imposed against Henry. BIS gave Dahua an opportunity to oppose its addition as a related party by informing Dahua that it could make a written submission describing why Dahua is not related to Henry or why a denial order against Henry should not be applied to Dahua.

Having received no submission from or on behalf of Dahua, I have decided, following consultations with BIS’s Office of Export Enforcement, including its Director, to name Dahua as a Related Person and make this Denial Order applicable to Dahua, thereby denying its export privileges for ten (10) years from the date of Henry’s conviction, that is, until November 19, 2025. I have also decided to revoke all licenses issued pursuant to the Act or Regulations in which Dahua had an interest at the time of Henry’s conviction.

<sup>2</sup> BIS provided notice to Dahua via Henry.

<sup>1</sup> Henry also was convicted of a second count, specifically, conspiracy in violation of 18 U.S.C. Section 371. He was sentenced on this count to 60 months in prison and three years of supervision release. His sentence on this count runs concurrently with his sentence, disused in the text above, for violating Section 38 of the AECA.