

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

Eric Cohen	)	10-BIS-0005
1631 East 10 <sup>th</sup> Street	)	
Brooklyn, NY 11223	)	
	)	
<u>Respondent</u>	)	

ORDER RELATING TO ERIC COHEN

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), has initiated an administrative proceeding against Eric Cohen (“Cohen”) pursuant to Section 766.3 of the Export Administration Regulations (the “Regulations”)<sup>1</sup> and Section 13(c) of the Export Administration Act of 1979, as amended (the “Act”),<sup>2</sup> through the issuance of a Charging Letter to Cohen that alleges, as amended, that Cohen committed two violations of the Regulations.

Specifically, these charges are:

**Charge 1 15 C.F.R. § 764.2(h) – Evasion**

Between on or about May 1, 2005, and continuing through and including on or about June 6, 2005, Cohen engaged in a transaction or took actions with the intent to evade the Regulations in connection with the export of thermal imaging cameras, items subject to the Regulations, classified under Export Control Classification Number (“ECCN”) 6A003.b.4, and controlled for reasons of Regional Stability, from the United States to Komeco Co., Ltd., in South Korea, without the required Department of Commerce license. At all pertinent times, Cohen was employed as an employee and/or manager of SZY Holdings LLC, of Brooklyn, New York, also known as (“a/k/a”) Ever Dixie USA EMS Supply Company, a/k/a Ever Dixie EMS, a/k/a Everready First Aid & Medical Supplies, and a/k/a Everready First Aid and Medical

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2011). The charged violations occurred in 2005. The Regulations governing the violations at issue are found in the 2005 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2005)). The 2011 Regulations set forth the procedures that apply to this matter.

<sup>2</sup> 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)), as extended most recently by the Notice of August 17, 2010 (75 Fed. Reg. 50,681 (Aug. 16, 2010)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, *et seq.*).

Supply Corp (“Ever Dixie”). In negotiating and/or arranging Ever Dix[i]e’s acquisition of these controlled items from a U.S. company, Cohen was questioned about the ultimate destination of the items and concealed the intended export and destination of the items by falsely informing the U.S. company that it was selling the items domestically to fire departments in New York State and providing names and addresses for two fire departments in New York State, when, in fact, the items were intended for export to South Korea. Cohen facilitated Ever Dixie’s sale of the items, valued at approximately \$99,000, to the South Korean company and then arranged for a freight forwarder to ship the items from the United States to South Korea, without the export license required by Section 742.6 of the Regulations. In so doing, Cohen committed one violation of Section 764.2(h) of the Regulations.

**Charge 3 15 C.F.R. § 764.2(b) – Causing, Aiding or Abetting a Violation**

Between on or about May 1, 2005 through and including on or about June 6, 2005, Cohen engaged in conduct prohibited by the Regulations by causing, aiding and/or abetting the export of thermal imaging cameras, items subject to the Regulations, classified under ECCN 6A003.b.4 and controlled for reasons of Regional Stability, and valued at approximately \$99,000, from the United States to Komeco Co., Ltd., in South Korea, without the Department of Commerce license required by Section and 742.6 of the Regulations. Cohen, at all pertinent times, was employed as an employee and/or manager of SZY Holdings LLC, of Brooklyn, New York, also known as (“a/k/a”) Ever Dixie USA EMS Supply Company, a/k/a Ever Dixie EMS, a/k/a Everready First Aid & Medical Supplies, and a/k/a Everready First Aid and Medical Supply Corp (“Ever Dixie”). Cohen negotiated and/or arranged Ever Dix[i]e’s acquisition of these controlled items from a U.S. company by giving the U.S. company false information regarding the ultimate destination and purchasers or end users of the items. In so doing, Cohen committed one violation of Section 764.2(b) of the Regulations.<sup>3</sup>

WHEREAS, BIS and Cohen have entered into a Settlement Agreement pursuant to Section 766.18(b) 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 \$15,000 is assessed against Cohen. Cohen shall pay \$5,000 to the U.S. Department of Commerce not later than August 15, 2011. Thereafter, Cohen shall pay \$5,000 to the U.S. Department of Commerce not later than October 15, 2011; and \$5,000 not

---

<sup>3</sup> On May 5, 2011, BIS unilaterally withdrew Charge 2 (Conspiracy).

later than December 15, 2011. Payment shall be made in the manner specified in the attached instructions.

SECOND, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C. §§ 3701-3720E (2000)), the civil penalty owed under this Order accrues interest as more fully described in the attached Notice, and, if payment is not made by the due dates specified herein, Cohen will be assessed, in addition to the full amount of the civil penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, that the full and timely payment of the civil penalty in accordance with the payment schedule set forth above is hereby made a condition to the granting, restoration, or continuing validity of any export license, license exception, permission, or privilege granted, or to be granted, to Cohen.

FOURTH, Cohen agrees not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any allegations in the Charging Letter, this Settlement Agreement or the Order. Nothing in this paragraph affects Cohen's testimonial obligations, or right to take legal or factual positions in litigation or other legal proceedings in which the U.S. Department of Commerce is not a party.

FIFTH for a period of five years from the date of this Order, Eric Cohen, 1631 East 10<sup>th</sup> Street, Brooklyn, NY 11223, and when acting on his behalf, his assigns, representatives, or agents (hereinafter collectively referred to as "Denied Person") may not participate, directly or indirectly, 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 and listed on the Commerce Control List, set forth in Supplement No. 1 to 15 C.F.R. part 774, or in any other activity subject to the Regulations involving an item listed on the Commerce Control List, including, but not limited to:

- A. Applying for, obtaining, or using any license, License Exception, or export control document that involves and item that is subject to the Regulations and listed on the Commerce Control List;
- 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 and listed on the Commerce Control List, or in any other activity subject to the Regulations that involves an item listed on the Commerce Control List; 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 and listed on the Commerce Control List, or in any other activity subject to the Regulations that involves an item listed on the Commerce Control List.

SIXTH, that 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 and listed on the Commerce Control List;
- 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 and listed on the Commerce Control List 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 and

listed on the Commerce Control List that has been exported from the United States;

- D. Obtain from the Denied Person in the United States any item subject to the Regulations and listed on the Commerce Control List 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 and listed on the Commerce Control List 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 and listed on the Commerce Control List that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

SEVENTH, that, after notice and opportunity for comment as provided in Section 766.23 of the Regulations, any person, firm, corporation, or business organization related to Cohen by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be made subject to the provisions of the Order.

EIGHTH, that the Charging Letter, the Settlement Agreement, and this Order shall be made available to the public.

NINTH, that this Order shall be served on Cohen and on BIS, and shall be published in the Federal Register.

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



David W. Mills  
Assistant Secretary of Commerce  
for Export Enforcement

Issued this 30 day of June, 2011.

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

Eric Cohen	)	10-BIS-0005
1631 East 10 <sup>th</sup> Street	)	
Brooklyn, NY 11223	)	
	)	
Respondent	)	

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Eric Cohen (hereinafter referred to as “Cohen”) and the Bureau of Industry and Security, U. S. Department of Commerce (“BIS”) (collectively referred to as the “Parties”), pursuant to Section 766.18(b) of the Export Administration Regulations (“Regulations”),<sup>1</sup> issued pursuant to the Export Administration Act of 1979, as amended (“Act”).<sup>2</sup>

WHEREAS, BIS has initiated an administrative proceeding against Cohen pursuant to the Act and the Regulations;

WHEREAS, BIS issued a Charging Letter to Cohen that, as amended, alleges that Cohen committed the following two violations of the Regulations:

---

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2011). The charged violations occurred in 2005. The Regulations governing the violations at issue are found in the 2005 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2005)). The 2011 Regulations govern the procedural aspects of this case.

<sup>2</sup> 50 U.S.C. app. §§ 2401-2420 (2000). 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)), which has been extended by successive Presidential Notices, the most recent being that of August 12, 2010 (75 Fed. Reg. 50,681 (Aug. 16, 2010)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, *et seq.*).

**Charge 1 15 C.F.R. § 764.2(h) – Evasion**

Between on or about May 1, 2005, and continuing through and including on or about June 6, 2005, Cohen engaged in a transaction or took actions with the intent to evade the Regulations in connection with the export of thermal imaging cameras, items subject to the Regulations, classified under Export Control Classification Number (“ECCN”) 6A003.b.4, and controlled for reasons of Regional Stability, from the United States to Komeco Co., Ltd., in South Korea, without the required Department of Commerce license. At all pertinent times, Cohen was employed as an employee and/or manager of SZY Holdings LLC, of Brooklyn, New York, also known as (“a/k/a”) Ever Dixie USA EMS Supply Company, a/k/a Ever Dixie EMS, a/k/a Everready First Aid & Medical Supplies, and a/k/a Everready First Aid and Medical Supply Corp (“Ever Dixie”). In negotiating and/or arranging Ever Dixie’s acquisition of these controlled items from a U.S. company, Cohen was questioned about the ultimate destination of the items and concealed the intended export and destination of the items by falsely informing the U.S. company that it was selling the items domestically to fire departments in New York State and providing names and addresses for two fire departments in New York State, when, in fact, the items were intended for export to South Korea. Cohen facilitated Ever Dixie’s sale of the items, valued at approximately \$99,000, to the South Korean company and then arranged for a freight forwarder to ship the items from the United States to South Korea, without the export license required by Section 742.6 of the Regulations. In so doing, Cohen committed one violation of Section 764.2(h) of the Regulations.

**Charge 3 15 C.F.R. § 764.2(b) – Causing, Aiding or Abetting a Violation**

Between on or about May 1, 2005 through and including on or about June 6, 2005, Cohen engaged in conduct prohibited by the Regulations by causing, aiding and/or abetting the export of thermal imaging cameras, items subject to the Regulations, classified under ECCN 6A003.b.4 and controlled for reasons of Regional Stability, and valued at approximately \$99,000, from the United States to Komeco Co., Ltd., in South Korea, without the Department of Commerce license required by Section and 742.6 of the Regulations. Cohen, at all pertinent times, was employed as an employee and/or manager of SZY Holdings LLC, of Brooklyn, New York, also known as (“a/k/a”) Ever Dixie USA EMS Supply Company, a/k/a Ever Dixie EMS, a/k/a Everready First Aid & Medical Supplies, and a/k/a Everready First Aid and Medical Supply Corp (“Ever Dixie”). Cohen negotiated and/or arranged Ever Dixie’s acquisition of these controlled items from a U.S. company by giving the U.S. company false information regarding the ultimate destination and purchasers or end users of the items. In so doing, Cohen committed one violation of Section 764.2(b) of the Regulations.<sup>3</sup>

---

<sup>3</sup> On May 5, 2011, BIS unilaterally withdrew Charge 2 (Conspiracy).



WHEREAS, Cohen has reviewed the 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, Cohen 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;

WHEREAS, after consultation with counsel, Cohen enters into this Agreement voluntarily and with full knowledge of his rights;

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

WHEREAS, Cohen neither admits nor denies the allegations contained in the Charging Letter;

WHEREAS, Cohen wishes to settle and dispose of all matters alleged in the Charging Letter by entering into this Agreement; and

WHEREAS, Cohen agrees to be bound by the Order, if issued;

NOW THEREFORE, the Parties hereby agree as follows:

1. BIS has jurisdiction over Cohen, under the Regulations, in connection with the matters alleged in the Charging Letter.
2. The following sanctions shall be imposed against Cohen in complete settlement of the alleged violations of the Regulations relating to the transaction specifically detailed in the Charging Letter:
  - a. Cohen shall be assessed a civil penalty in the amount of \$15,000. Cohen shall pay \$5,000 to the U.S. Department of Commerce not later than

August 15, 2011. Thereafter, Cohen shall pay \$5,000 to the U.S. Department of Commerce not later than October 15, 2011; and \$5,000 not later than December 15, 2011.

- b. The timely payment of the civil penalty agreed to in paragraph 2.a is hereby made a condition to the granting, restoration, or continuing validity of any export license, permission, or privilege granted, or to be granted, to Cohen. Failure to make timely payment of the civil penalty set forth above may result in the denial of all of Cohen's export privileges for a period of one year from the date of imposition of the penalty.
  
- c. For a period of five (5) years from the date of entry of the Order, Cohen, and when acting for or on behalf of Cohen, his assigns, representatives, or agents ("Denied Person") may not participate, directly or indirectly, 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 and listed on the Commerce Control List, set forth in Supplement No. 1 to 15 C.F.R. part 774, or in any other activity subject to the Regulations that involves an item listed on the Commerce Control List, including, but not limited to:
  - i. Applying for, obtaining, or using any license, License Exception, or export control document that involves an item subject to the Regulations and listed on the Commerce Control List;
  - ii. 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 and listed on the Commerce Control List, or in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations and listed on the Commerce Control List, or in any other activity subject to the Regulations that involves an item listed on the Commerce Control List; or

iii. Benefiting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations and listed on the Commerce Control List, or in any other activity subject to the Regulations that involves an item listed on the Commerce Control List.

3. Subject to the approval of this Agreement pursuant to paragraph 9 hereof, Cohen hereby waives any claims whether asserted or unasserted, against BIS, the U.S. Department of Commerce, and/or their officials and employees arising out of the facts and circumstances giving rise to the matters that resulted in this Agreement, including, but not limited to, BIS's investigation of the facts and circumstances giving rise to the issuance of the Charging Letter and the violations alleged therein. Cohen also hereby waives any possible legal objections to this Agreement at any future date and all rights to further procedural steps in this matter (except with respect to any alleged violations of this Agreement or the

Order, if issued), including, but not limited to, any right to: (a) an administrative hearing regarding the allegations in any Proposed Charging Letter or Charging Letter; (b) request a refund of any civil penalty paid pursuant to this Agreement and the Order, if issued; and (c) seek judicial review or otherwise contest the validity of this Agreement or the Order, if issued. Cohen also waives and will not assert any Statute of Limitations defense, and the Statute of Limitations will be tolled, for the time period from the date of the Order, if issued, until the date Cohen pays in full the civil penalty agreed to in Paragraph 2.a of this Agreement in connection with any violation of the Act or the Regulations arising out of the transactions identified in the Charging Letter, or in connection with collection of the civil penalty or enforcement of the Agreement and Order, if issued.

4. Cohen agrees not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any allegations in the Charging Letter, this Settlement Agreement or the Order. Nothing in this paragraph affects Cohen's testimonial obligations, or right to take legal or factual positions in litigation or other legal proceedings in which the U.S. Department of Commerce is not a party.
5. BIS agrees that upon full and timely payment of the civil penalty as set forth in Paragraph 2.a above, BIS will not initiate any further administrative proceeding against Cohen in connection with any violation of the Act or the Regulations arising out of the transactions specifically detailed in the Charging Letter. BIS will not initiate any further administrative proceedings against Cohen in

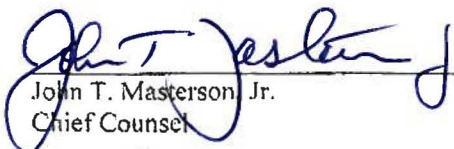
connection with any violation of the Act or the Regulations arising out of the transaction specifically detailed in the Charging Letter.

6. BIS will make the Charging Letter, this Agreement, and the Order, if issued, available to the public.
7. 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(b) 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.
8. No oral 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 issued, 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.
9. This Agreement shall become binding on the Parties only if the Assistant Secretary of Commerce for Export Enforcement approves it by issuing the Order, which will have the same force and effect as a decision and order issued after a full administrative hearing on the record.

Settlement Agreement  
Eric Cohen  
Page 8 of 8


10. 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

  
John T. Masterson Jr.  
Chief Counsel

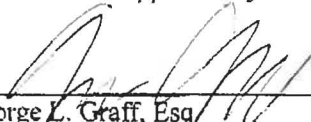
Date: June 23, 2011

ERIC COHEN

  
Eric Cohen

Date: 6/22/11

Reviewed and approved by:

  
George L. Graff, Esq.  
Counsel for Eric Cohen

Date: June 27, 2011

JUK - 4 2010



**UNITED STATES DEPARTMENT OF COMMERCE**  
**Bureau of Industry and Security**  
Washington, D.C. 20230

CHARGING LETTER  
CERTIFIED MAIL - RETURN RECEIPT REQUESTED

Eric Cohen  
1631 East 10th Street  
Brooklyn, NY 11238

Dear Mr. Cohen:

The Bureau of Industry and Security, U. S. Department of Commerce ("BIS"), has reason to believe that you have committed three violations of the Export Administration Regulations (the "Regulations"),<sup>1</sup> which issued under the authority of the Export Administration Act of 1979, as amended (the "Act").<sup>2</sup> Specifically, BIS charges that you committed the following violations:

**Charge 1 15 C.F.R. § 764.2(h) – Evasion**

Between on or about May 1, 2005, and continuing through and including on or about June 6, 2005, Cohen engaged in a transaction or took actions with the intent to evade the Regulations in connection with the export of thermal imaging cameras, items subject to the Regulations, classified under Export Control Classification Number ("ECCN") 6A003.b.4, and controlled for reasons of Regional Stability, from the United States to Komeco Co., Ltd., in South Korea, without the required Department of Commerce license. At all pertinent times, Cohen was employed as an employee and/or manager of SZY Holdings LLC, of Brooklyn, New York, also known as ("a/k/a") Ever Dixie USA EMS Supply Company, a/k/a Ever Dixie EMS, a/k/a Everready First Aid & Medical Supplies, and a/k/a Everready First Aid and Medical Supply Corp ("Ever Dixie"). In negotiating and/or arranging Ever Dixie's acquisition of these controlled items from a U.S. company, Cohen was questioned about the ultimate destination of the items and concealed the intended export and destination of the items by falsely informing the U.S. company that it was selling the items domestically to fire departments in New York State and providing

---

<sup>1</sup> The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2008). The violation charged occurred in 2005. The Regulations governing the violation at issue are found in the 2005 version of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (2005)). The 2008 Regulations govern the procedural aspects of this case.

<sup>2</sup> 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 13, 2010 (74 Fed. Reg. 41,325, Aug. 14, 2010), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, *et seq.*). The Act and the Regulations are available on the Government Printing Office website at: <http://www.access.gpo.gov/bis/>.



names and addresses for two fire departments in New York State, when, in fact, the items were intended for export to South Korea. Cohen facilitated Ever Dixie's sale of the items, valued at approximately \$99,000, to the South Korean company and then arranged for a freight forwarder to ship the items from the United States to South Korea, without the export license required by Section 742.6 of the Regulations. In so doing, Cohen committed one violation of Section 764.2(h) of the Regulations.

**Charge 2 15 C.F.R. §764.2(d) – Conspiracy**

Between on or about May 1, 2005, and continuing through on or about June 6, 2005, Cohen conspired or acted in concert with others, known and unknown, to violate the Regulations and to bring about or do an act or acts that constitute a violation of the Regulations. The purpose of the conspiracy was to export thermal imaging cameras, items subject to the Regulations, classified under ECCN 6A003.b.4, and controlled for reasons of Regional Stability, from the United States to Komeco Co., Ltd., in South Korea, without the Department of Commerce export license required by Section 742.6 of the Regulations. In furtherance of the conspiracy, Cohen and his co-conspirators devised and employed a scheme to acquire these items from a U.S. company for export to South Korea, by giving the U.S. company false information regarding the ultimate destination and purchasers or end users of the items. Specifically, Cohen falsely claimed the items were for domestic sale to fire departments in New York State and provided names and contact information for two fire departments in New York State as the alleged domestic purchasers or end-users of the items. Additionally, no Shipper's Export Declaration or Automated Export System record was filed with the U.S. Government disclosing, *inter alia*, the destination and end-user of the items, as required regarding the export of all items subject to the Regulations that require an export license, regardless of valuation or destination. These acts were taken to facilitate the export of U.S.-origin thermal imaging cameras to South Korea without the required Department of Commerce authorization and to avoid detection by law enforcement. In so doing, Cohen committed one violation of Section 764.2(d) of the Regulations.

**Charge 3 15 C.F.R. § 764.2(b) – Causing, Aiding or Abetting a Violation**

Between on or about May 1, 2005 through and including on or about June 6, 2005, Cohen engaged in conduct prohibited by the Regulations by causing, aiding and/or abetting the export of thermal imaging cameras, items subject to the Regulations, classified under ECCN 6A003.b.4 and controlled for reasons of Regional Stability, and valued at approximately \$99,000, from the United States to Komeco Co., Ltd., in South Korea, without the Department of Commerce license required by Section and 742.6 of the Regulations. Cohen, at all pertinent times, was employed as an employee and/or manager of SZY Holdings LLC, of Brooklyn, New York, also known as ("a/k/a") Ever Dixie USA EMS Supply Company, a/k/a Ever Dixie EMS, a/k/a Everready First Aid & Medical Supplies, and a/k/a Everready First Aid and Medical Supply Corp ("Ever Dixie"). Cohen negotiated and/or arranged Ever Dixie's acquisition of these controlled



items from a U.S. company by giving the U.S. company false information regarding the ultimate destination and purchasers or end users of the items. In so doing, Cohen committed one violation of Section 764.2(a) of the Regulations.

\* \* \* \* \*

Accordingly, Cohen 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 the greater of \$250,000 per violation, or twice the value of the transaction that is the basis of the violation.<sup>3</sup>
- Denial of export privileges; and/or
- Exclusion from practice before BIS.

If you fail 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 (2010). If you default, the Administrative Law Judge may find the charges alleged in this letter are true without a hearing or further notice to you. 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.

You are further notified that you are entitled to an agency hearing on the record if you file a written demand for one with your answer. *See* 15 C.F.R. § 766.6 (2008). You are also entitled to be represented by counsel or other authorized representative who has power of attorney to represent you. 15 C.F.R. §§ 766.3(a) and 766.4 (2010).

You are additionally notified that under the Small Business Regulatory Enforcement Flexibility Act, you may be eligible for assistance from the Office of the National Ombudsman of the Small Business Administration in this matter. To determine eligibility and get more information, please see: <http://www.sba.gov/ombudsman/>.

The Regulations provide for settlement without a hearing. *See* 15 C.F.R. § 766.18 (2010). Should you have a proposal to settle this case, you or your 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, your answer must be filed in accordance with the

---

<sup>3</sup>*See* International Emergency Economic Powers Enhancement Act, Pub. L. No. 110-96 (2008).

Eric Cohen  
Proposed Charging Letter  
Page 4

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 your answer must be served on BIS at the following address:

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

Gregory Michelsen is the attorney representing BIS in this case. Any communications that you may wish to have concerning this matter should occur through him. He may be contacted by telephone at (202) 482-5301.

Sincerely,



Craig Verkerke  
Acting Director  
Office of Export Enforcement

Enclosure