

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

Flider Electronics, LLC
a/k/a Flider Electronics
d/b/a Trident International Corporation
d/b/a Trident International
d/b/a Trident International Corporation, LLC
837 Turk Street
San Francisco, California 94102

and

Pavel Semenovich Flider
a/k/a Pavel Flider
21 Eye Street
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and

Gennadiy Semenovich Flider
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699 36th Avenue #203
San Francisco, California 94121

RENEWAL OF ORDER TEMPORARILY DENYING EXPORT PRIVILEGES

Pursuant to Section 766.24 of the Export Administration Regulations (the “Regulations” or “EAR”),¹ I hereby grant the request of the Office of Export Enforcement (“OEE”) to renew

¹ The Regulations are currently codified at 15 C.F.R. Parts 730-774 (2015). The EAR issued under the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“EAA”). 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 7, 2015 (80 Fed. Reg. 48233 (Aug. 11, 2015)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, *et seq.*) (2006 & Supp. IV 2010).

the March 23, 2015 Amended Order Temporarily Denying the Export Privileges of Flider Electronics, LLC, a/k/a Flider Electronics, d/b/a Trident International Corporation, d/b/a Trident International, d/b/a Trident International Corporation, LLC (“Trident” or “Flider Electronics, LLC, d/b/a Trident International Corporation”); Pavel Semenovich Flider a/k/a Pavel Flider (“Pavel Flider”); and Gennadiy Semenovich Flider a/k/a Gennadiy Flider (“Gennadiy Flider”). I find that renewal of the Temporary Denial Order (“TDO”) is necessary in the public interest to prevent imminent violation of the EAR.

I. Procedural History and Background

On March 19, 2015, I signed the TDO, which denied for 180 days the export privileges of Trident, as well as Pavel Flider, the president and owner of Trident, and Gennadiy Flider, also a Trident office manager, with responsibilities relating directly to the procurement and export activities referenced in the TDO. As discussed in detail in the TDO, OEE presented evidence of a pattern of exports by Trident from the United States to Russia, via transshipment through Estonia or Finland, involving false statements and other evasive actions or schemes designed to camouflage the actual destination, end uses, and/or end users of the U.S.-origin items that Trident was exporting on an ongoing basis. These U.S.-origin items included items listed on the Commerce Control List (“CCL”) and subject to national security-based license requirements. Accordingly, pursuant to Section 766.24 of the Regulations, I found that the TDO was necessary to prevent further and imminent violation of the EAR by Trident, and pursuant to Section 766.23, found that it was necessary, in order to prevent evasion of the TDO, to add Pavel Flider and Gennadiy Flider to the TDO as related persons to Trident.

The TDO was issued *ex parte* pursuant to Section 766.24(a), and went into effect upon issuance on March 19, 2015. I subsequently amended the TDO on March 23, 2015 making limited revision to page 6 of the March 19, 2015 order, without changing my findings or the terms of the order issued on March 19, 2015. The March 23, 2015 amended order did not change the denial period, which continued to run for 180 days from March 19, 2015, that is, through and including September 14, 2015, subject to potential renewal upon timely application by OEE, as clearly set forth in the TDO. Copies of both the original and amended TDO were sent to each party named in the relevant order in accordance with Section 766.5 and 766.24(d) of the Regulations, and the original and amended TDOs were published in the *Federal Register* on March 26, 2015, and March 30, 2015, respectively. *See* 80 FR 15979 (March 26, 2015); 80 FR 16632 (March 30, 2015).

On August 21, 2015, OEE submitted a written request for renewal of the TDO. This request was timely made under Section 766.24(d) (BIS may request renewal of a temporary denial order no later than 20 days before the expiration date of the order).

Notice of the renewal request was provided to Trident, the respondent, in accordance with Sections 766.5 and 766.24(d) of the Regulations, via both service upon Trident and its president and owner, Pavel Flider. No opposition has been received from Trident.²

² Parties named as related persons may appeal whether their addition as related persons accords with Section 766.23 of the Regulations, but may not challenge the issuance or oppose the renewal of the underlying TDO. *See* Section 766.24(d)(3)(ii). Neither Pavel Flider nor Gennadiy Flider has ever appealed or otherwise responded to their inclusion as related persons.

II. TDO Renewal

A. Legal Standard

Pursuant to Section 766.24, BIS may issue or renew an order temporarily denying a respondent's export privileges upon a showing that the order is necessary in the public interest to prevent an "imminent violation" of the Regulations. 15 C.F.R. §§ 766.24(b)(1) and 776.24(d).

"A violation may be 'imminent' either in time or degree of likelihood." 15 C.F.R.

§ 766.24(b)(3). BIS may show "either that a violation is about to occur, or that the general circumstances of the matter under investigation or case under criminal or administrative charges demonstrate a likelihood of future violations." *Id.* As to the likelihood of future violations, BIS may show that the violation under investigation or charge "is significant, deliberate, covert and/or likely to occur again, rather than technical or negligent [.]" *Id.* A "lack of information establishing the precise time a violation may occur does not preclude a finding that a violation is imminent, so long as there is sufficient reason to believe the likelihood of a violation." *Id.*

B. Request for Renewal

OEE's request for renewal is based upon the facts underlying the issuance of the TDO and the evidence developed over the course of this investigation, including evidence discussed in the TDO and summarized in Section I., *supra*. OEE's ongoing investigation of Trident, in conjunction with the United States Attorney's Office for the Northern District of California, included the execution of a search warrant at Trident's place of business and Pavel Flider's residence on or about March 18, 2015, and at two storage lockers on or about April 10, 2015.

Despite the issuance of the TDO and the execution of the search warrants, Trident repeatedly sought to order or buy items subject to the EAR from a U.S.-based electronics distributor from whom Trident had previously purchased items for export. Beginning on or

about July 10, 2015, through on or about July 21, 2015, while the TDO by its plain terms remained in effect, Pavel Flider contacted employees of this electronics distributor requesting to reestablish Trident's account and make additional purchases of electronic components, including for computer chips. Several of the distributor's employees were solicited in an effort to place additional purchase orders for more computer chips for Trident. The computer chips, which OEE has reason to believe were intended for export based upon the respondents' conduct both prior to and after issuance of the TDO,³ are subject to the EAR.

The distributor declined to accept or fill the orders following each attempt or solicitation by Trident. Finally, on or about July 21, 2015, a senior official of the distributor contacted Pavel Flider by phone to inform him that it was the distributor's corporate policy not to conduct additional business with a company such as Trident. Nonetheless, both during and shortly after this call, Pavel Flider again attempted to solicit purchases for more electronic components, stating that Trident would resume exporting in September 2015, following expiration of the TDO.

The TDO at all times over the last 180 days broadly prohibited the denied parties from participating in any way in any transaction involving any item subject to the EAR that is to be exported from the United States, including, but not limited to, carrying on negotiations concerning, ordering, or buying any such item. Similarly, it prohibited any of the denied parties from benefitting in any way from any transaction involving any such item. Likewise, both prior to issuance of the TDO and during the denial period, the EAR prohibited, inter alia, acting

³ In addition, during an interview on March 18, 2015, with BIS Special Agents, along with agents from the Department of Homeland Security, Pavel Flider stated that Trident had a single customer in Estonia named Adimir OU ("Adimir") between 2000-2013, and that all items sent to Adimir were transshipped to Russia, including large volumes of items classified as Export Control Classification Number ("ECCN") 3A001.a.2.c. Beginning in 2014, however, Trident began exporting directly to Russia. Pavel Flider confirmed that Trident did not apply for or obtain an export license from BIS for any of the items exported from the United States.

contrary to the terms of a temporary denial order or other type or form of denial order (see Section 764.2(k)), attempting to violate or soliciting a violation of the EAR or any order issued thereunder (see Section 764.2(c)), or engaging in any transaction or taking any other action with intent to evade the EAR or any order issued thereunder (see Section 764.2(h)). In addition, as referenced above, the TDO plainly stated that it was subject to renewal.

C. Findings

I find that the overall record here, as discussed above and in the TDO as issued and amended in March 2015, demonstrates that renewal of the TDO is necessary to avoid imminent violation of the EAR, based upon the evidence presented by OEE of deliberate and evasive conduct both pre- and post-issuance of the TDO. Accordingly, renewal of the TDO is needed to provide continued notice to persons in the United States and abroad that they should not deal with respondent Trident, or with related and denied persons Pavel Flider and Gennadiy Flider, in connection with any exports, reexports, or other transactions involving any items subject to the EAR or any other activities subject to the EAR. Doing so is consistent with the public interest to preclude future violations of the EAR.

IT IS THEREFORE ORDERED:

FIRST, that FLIDER ELECTRONICS, LLC, a/k/a FLIDER ELECTRONICS, d/b/a TRIDENT INTERNATIONAL CORPORATION, d/b/a TRIDENT INTERNATIONAL d/b/a TRIDENT INTERNATIONAL CORPORATION, LLC, 837 Turk Street, San Francisco, California 94102; PAVEL SEMENOVICH FLIDER, a/k/a PAVEL FLIDER, 21 Eye Street, San Rafael, California 94901; and GENNADIY SEMENOVICH FLIDER, a/k/a GENNADIY FLIDER, 699 36th Avenue #203, San Francisco, California 94121, and when acting for or on their behalf, any successors or assigns, agents, or employees (each a “Denied Person” and collectively the

“Denied Persons”) 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 Export Administration Regulations (“EAR”), or in any other activity subject to the EAR 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 EAR, or in any other activity subject to the EAR; 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 EAR, or in any other activity subject to the EAR.

SECOND, that no person may, directly or indirectly, do any of the following:

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

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

D. Obtain from a Denied Person in the United States any item subject to the EAR 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 EAR that has been or will be exported from the United States and which is owned, possessed or controlled by a Denied Person, or service any item, of whatever origin, that is owned, possessed or controlled by a Denied Person if such service involves the use of any item subject to the EAR 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, that, after notice and opportunity for comment as provided in Section 766.23 of the EAR, any other person, firm, corporation, or business organization related to a Denied Person 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 accordance with the provisions of Section 766.24(e) of the EAR, Flider Electronics, LLC, d/b/a Trident International Corporation, may, at any time, appeal this Order by filing a full written statement in support of the appeal with the Office of the Administrative Law Judge, U.S. Coast Guard ALJ Docketing Center, 40 South Gay Street, Baltimore, Maryland 21202-4022. In accordance with the provisions of Sections 766.23(c)(2) and 766.24(e)(3) of the EAR, Pavel Semenovich Flider and Gennadiy Semenovich Flider may, at any time, appeal his inclusion as a related person by filing a full written statement in support of the appeal with the Office of the Administrative Law Judge, U.S. Coast Guard ALJ Docketing Center, 40 South Gay Street, Baltimore, Maryland 21202-4022.

In accordance with the provisions of Section 766.24(d) of the EAR, BIS may seek renewal of this Order by filing a written request not later than 20 days before the expiration date. Flider Electronics, LLC d/b/a Trident International Corporation may oppose a request to renew this Order by filing a written submission with the Assistant Secretary for Export Enforcement, which must be received not later than seven days before the expiration date of the Order.

A copy of this Order shall be sent to Flider Electronics LLC d/b/a Trident International Corporation and each related person, and shall be published in the *Federal Register*.

This Order is effective upon issuance and shall remain in effect for 180 days.



DAVID W. MILLS
Assistant Secretary of Commerce
for Export Enforcement

Dated: September 14th 2015