



UNITED STATES DEPARTMENT OF COMMERCE
Bureau of Industry and Security
Office of Export Enforcement
1401 Constitution Avenue, Suite 4508
Washington, DC 20230

CHARGING LETTER

VIA EXPRESS COURIER

Mohammad Alhamra
2A St Al Khabaisi, Store No. 2
Deira, Dubai, United Arab Emirates

November 4, 2022

WEBS Electronics Trading Company LLC
2A St Al Khabaisi, Store No. 2
Deira, Dubai, United Arab Emirates

Attention: Mohammad Alhamra and WEBS Electronics Trading Company LLC

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”), has reason to believe that Mohammad Alhamra (“Alhamra”) and WEBS Electronics Trading Company LLC (“WEBS”) of the United Arab Emirates (“UAE”) have violated the Export Administration Regulations (“the Regulations” or “the EAR”).¹ Specifically, BIS charges that Alhamra and WEBS committed the following violations:

General Allegations

1. WEBS is a UAE-based trading company that specializes in the purchase of U.S.-origin telecommunications equipment and related commodities. This equipment includes, but is not limited to, routers, services gateways, serial device servers, networkable door controllers, server racks, interface cards, and IP phones. WEBS purchases the equipment directly from U.S. sellers, including from sellers via eBay.

¹ The Regulations were originally issued under the Export Administration Act of 1979, as amended, 50 U.S.C. §§ 4601-4623 (Supp. III 2015) (“the EAA”), which lapsed on August 21, 2001. 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, continued the Regulations in full force and effect under the International Emergency Economic Powers Act, 50 U.S.C. § 1701, et seq. (2012) (“IEEPA”). On August 13, 2018, the President signed into law the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. 115-232, which includes the Export Control Reform Act of 2018, 50 U.S.C. §§ 4801-4852 (“ECRA”). Section 1768 of ECRA provides, in pertinent part, that all rules and regulations that were made or issued under the EAA, including as continued in effect pursuant to IEEPA, and were in effect as of ECRA’s date of enactment (August 13, 2018), shall continue in effect according to their terms until modified, superseded, set aside, or revoked through action undertaken pursuant to the authority provided under ECRA.

The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2021). The charged violations alleged occurred in 2017-2019. The Regulations governing the violations at issue are found in the 2017-2019 versions of the Code of Federal Regulations, 15 C.F.R. Parts 730-774. The 2022 Regulations govern the procedural aspects of this case.



2. In or about April 2018, a U.S. Department of Commerce Export Control Officer (“ECO”) learned that WEBS was attempting to reexport a U.S.-origin switch and transceiver from the UAE to Syria. The transceiver was controlled under Export Control Classification Number (“ECCN”) 5A002.a for Anti-Terrorism and National Security reasons and required a license for export or reexport to Syria. The shipment was detained and returned to WEBS.
3. In June 2018, the ECO conducted a post-shipment verification (“PSV”) with WEBS. During the PSV, the ECO met with Alhamra, the owner and general manager of WEBS. Alhamra advised the ECO that WEBS is a trading company that specializes in the online resale of IT equipment sourced from the U.S. and that he purchases refurbished and surplus computer equipment from the U.S. and resells it online. Alhamra denied selling products to Syria. Because WEBS could not provide sufficient documentation during the PSV, it was deemed an unreliable recipient of U.S. commodities.
4. In July 2018, one month after the PSV, the ECO learned that WEBS was again attempting to reexport a shipment of U.S. origin items to Syria. The shipment, which was detained, contained a Blade System SP transceiver. The transceiver was controlled under ECCN 5A991.b for Anti-Terrorism reasons and required a license for reexport to Syria. After the detention, Alhamra contacted the ECO and requested approval to ship the items to Syria. Alhamra also provided an invoice confirming that the shipment was destined for a trading company located in Syria (“Company-1”). When asked about his prior statement denying that he exported to Syria, Alhamra admitted that up to 80% of his previous business had been to Syria but stated that it had declined to approximately 5% in recent years.
5. In or about February 2019, the ECO again met with Alhamra at WEBS to conduct a PSV related to two shipments of computer equipment classified as EAR99.² Although Alhamra provided documentation indicating that some of the equipment was sold to a trading company in the UAE, he could not provide documentation related to the sale of the remaining equipment. As a result, WEBS was again deemed an unreliable recipient of U.S. commodities.
6. Further investigation by BIS’s Office of Export Enforcement revealed that Alhamra, who was at all relevant times the owner of WEBS, had been exporting both U.S. origin and non-U.S. origin commodities to Company-1 in Syria for years, as well as a customer in Iran. In addition to the two attempted reexports detailed above, the investigation identified a total of ten reexports to Syria and one reexport to Iran of U.S. origin items without the requisite U.S. government authorization.
7. BIS incorporates and alleges paragraphs 1-6 of the General Allegations into the below:

² EAR99 is a designation for items subject to the Regulations but not listed on the Commerce Control List. *See* 15 C.F.R. § 734.3(c).

Charges 1-2 15 C.F.R. § 764.2(c) – Solicitation and Attempt

8. As set forth in the attached schedule of violations, which is incorporated herein by reference, on two occasions between in or about April 2018 and July 2018, Alhamra and WEBS violated the Regulations by attempting to reexport U.S. origin items from the United Arab Emirates to Syria without the BIS authorization required pursuant to Section 746.9 of the Regulations.
9. Specifically, on or about April 4, 2018, Alhamra attempted to reexport one (1) U.S. origin Brocade 6510 Switch from the UAE to Syria. The item, valued at approximately \$2,550, was subject to the Regulations and classified under ECCN 5A002.a and controlled for Anti-Terrorism and National Security reasons. Although the item required a license for reexport to Syria, no BIS license was applied for or obtained.
10. Additionally, on or about July 17, 2018, Alhamra and WEBS attempted to reexport four (4) U.S. origin HPE Blade System Transceivers from the UAE to Syria. The items, valued at approximately \$600, were subject to the Regulations, and classified under ECCN 5A991.b and controlled for Anti-Terrorism reasons. Although the items required a license for reexport to Syria, no BIS license was applied for or obtained.
11. By engaging in the conduct detailed above, Alhamra and WEBS committed two violations of Section 764.2(c) of the Regulations.

Charges 3-12 15 C.F.R. § 764.2(a) – Engaging in Prohibited Conduct by Reexporting Controlled Items to Syria without BIS Authorization

12. On ten occasions from in or about November 2017 through in or about September 2019, as described in additional detail in the attached schedule of violations, which is incorporated herein by reference, Alhamra and WEBS engaged in conduct prohibited by the Regulations by reexporting from the UAE to Syria of the following items: one (1) enterprise shock rack; 38 riser cards; one (1) dat tape drive; (1) host bus adapter; one (1) mini SAS cable; one (1) interface card; one (1) router; one (1) wireless controller; three (3) firewalls; (24) IP phones; five (5) KT-300; and (37) serial adapters, without the BIS authorization required pursuant to Section 746.9 of the Regulations.
13. These items, valued in total at approximately \$38,114, were subject to the Regulations and classified under Export Control Classification Numbers (ECCNs) 5A992.c, 5A991.b, 5A002.a and controlled for National Security and/or Anti-Terrorism reasons, or designated as EAR99. Although the items required a license for reexport to Syria, no BIS license was applied for or obtained.

14. By engaging in the above-described conduct, Alhamra and WEBS committed ten violations of Section 764.2(a) of the Regulation.

Charge 13 **15 C.F.R. § 764.2(a) – Engaging in Prohibited Conduct by Reexporting Controlled Items to Iran without BIS Authorization**

15. On one occasion in or about April 2018, as described in additional detail in the attached schedule of violations, Alhamra and WEBS engaged in conduct prohibited by the Regulations by reexporting from the UAE to Iran of the following items: four (4) wireless access points and one (1) WS-C6509 Switch. These items, valued in total at approximately \$16,065, were subject to the Regulations and classified under Export Control Classification Numbers (ECCNs) 5A992.c, 5A991.b, 5A002.a and controlled for National Security and/or Anti-Terrorism reasons.
16. At all times pertinent hereto, Section 742.8 of the Regulations imposed a BIS license requirement for the export or reexport of the items to Iran. Additionally, Section 746.7 of the Regulations prohibits the export or reexport to Iran of any item subject to both the Regulations and the Iranian Transactions and Sanctions Regulations (“ITSR”), if the transaction is prohibited by the ITSR and has not been authorized by the Treasury Department’s Office of Foreign Assets Control (“OFAC”). At all times pertinent hereto, the ITSR prohibited, *inter alia*, the unauthorized export or reexport, either directly or indirectly, of the items to Iran. *See* 31 C.F.R. §§ 560.204-205.
17. No U.S. government authorization was sought or obtained in connection with the transaction. By engaging in the above-described conduct, Alhamra and WEBS committed one violation of Section 764.2(a) of the Regulations.

Charge 14 **15 C.F.R. § 764.2(g) – Misrepresenting and Concealing Facts to an Official of a United States Agency**

18. On at least one occasion in or about June 2018, Alhamra and WEBS made a false or misleading representation, statement, certification, or falsified or concealed a material fact, to a U.S. Government Official.
19. Specifically, in or about June 2018, during a PSV, the ECO met with Alhamra and asked him questions regarding WEBS’s history of shipping to Syria. During the PSV, Alhamra denied exporting to Syria. In or about July 2018, approximately one month after the PSV, a WEBS shipment intended for Syria was detained. Alhamra contacted the ECO to request approval to ship the items to Syria and provided documentation that the shipment was intended for Syria. When asked about his prior statement denying that he exported to Syria, Alhamra admitted that up to 80% of his previous business had been to Syria but stated that it had declined in recent years.

20. By engaging in the above-described conduct, Alhamra and WEBS committed one violation of Section 764.2(g) of the Regulations.

* * * * *

Accordingly, Mohammad Alhamra and WEBS Electronics Trading Company LLC are hereby notified that an administrative proceeding is instituted against them pursuant to Part 766 of the Regulations for the purpose of obtaining an order imposing administrative sanctions, including, but not limited to any or all of the following:

- The maximum civil penalty allowed by law of up to the greater of \$330,947 per violation,³ or twice the value of the transaction that is the basis of the violation;
- Denial of export privileges;
- Exclusion from practice before BIS; and/or
- Any other liability, sanction, or penalty available under law.⁴

If Mohammad Alhamra and WEBS Electronics Trading Company LLC 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. If Mohammad Alhamra and WEBS Electronics Trading Company LLC default, the Administrative Law Judge may find the charges alleged in this letter are true without a hearing or further notice. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty for the charges in this letter.

Mohammad Alhamra and WEBS Electronics Trading Company LLC are further notified that they are entitled to an agency hearing on the record if they file a written demand for one with their answer. *See* 15 C.F.R. § 766.6. Mohammad Alhamra and WEBS Electronics Trading Company LLC are also entitled to be represented by counsel or other authorized representative who has power of attorney to represent them. *See* 15 C.F.R. §§ 766.3(a) and 766.4.

³ *See* 15 C.F.R. §§ 6.3(c)(4), 6.3(c)(6), 6.4. This amount is subject to annual increases pursuant to the Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015, Sec. 701 of Public Law 114-74, enacted on November 2, 2015. *See* 87 Fed. Reg. 157 (Jan. 4, 2022) (Adjusting for inflation the maximum civil monetary penalty under IEEPA from \$311,562 to \$330,947, effective Jan. 15, 2022); note 1, *supra*. For violations occurring on or after the enactment of ECRA on August 13, 2018, the maximum civil penalty is \$328,121. *See* 50 U.S.C. § 4819 (prescribing civil monetary penalty amount for ECRA violation); 15 C.F.R. §§ 6.3(c)(4), 6.4 (adjusting civil monetary penalty amount for inflation).

⁴ For alleged violations that occurred prior to August 13, 2018, the date of enactment of ECRA, the applicable potential sanctions are provided for under IEEPA, rather than ECRA. *See* note 1, *supra*. For violations that occurred on or after the effective date of ECRA, the applicable potential sanctions are provided for under ECRA. *See id.*

The Regulations provide for settlement without a hearing. *See* 15 C.F.R. § 766.18. Should Mohammad Alhamra and WEBS Electronics Trading Company LLC have a proposal to settle this case, they should transmit it to the attorney representing BIS named below.

Mohammad Alhamra and WEBS Electronics Trading Company LLC are further notified that under the Small Business Regulatory Enforcement Flexibility Act, they 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 U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, any answer filed by Mohammad Alhamra and WEBS Electronics Trading Company LLC must be filed in accordance with the instructions in Section 766.5(a) of the Regulations with:

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

In addition, a copy of Mohammad Alhamra and WEBS Electronics Trading Company LLC's answer must be served on BIS at the following address:

Chief Counsel for Industry and Security
Attention: Andrea Duvall
Room H-3839
14th Street and Constitution Avenue, N.W.
Washington, D.C. 20230

Andrea Duvall is the attorney representing BIS in this case; any communications that Mohammad Alhamra and WEBS Electronics Trading Company LLC may wish to have concerning this matter should occur through her. Ms. Duvall may be contacted by email at aduvall@doc.gov.

Sincerely,



John Sonderman
Director
Office of Export Enforcement

Schedule of Violations

	Violation	Date	Item(s) Description	Item Classification(s)	Value	Destination
1	§ 764.2(c)	4/4/2018	Brocade 6510 Switch	5A002.a	\$2,550.00	Syria
2	§ 764.2(c)	7/17/2018	(4) 453154-B21 Transceivers	5A991.b	\$600.00	Syria
3	§ 764.2(a)	11/5/2017	HP BW904A Enterprise Shock Rack	EAR99	\$2,800.00	Syria
4	§ 764.2(a)	2/17/2018	(38) IBM EM01 Riser Cards	EAR99	\$11,020.00	Syria
5	§ 764.2(a)	Approx. 7/27/2018	AJ825A HP Dat Tape Drive	5A992.c	\$572.00	Syria
6	§ 764.2(a)	Approx. 8/17/2018	726911-B21 CN781604B4 Host Bus Adapter; 716191-B21 Mini SAS Cable	EAR99	\$368.00	Syria
7	§ 764.2(a)	Approx. 12/14/2018	Cisco EHWIC-3G-HSPA+7 WAN Interface Card; CISCO1941-SEC/K9 Router	5A991.b; 5A002.a	\$1,170.00	Syria
8	§ 764.2(a)	2/13/2019	AIR-CT2504-K9 Wireless Controller; Juniper SRX340 Firewall	5A991.b; 5A002.a	Approx. \$3,380.00	Syria
9	§ 764.2(a)	6/10/2019	(10) CP-7811-K9 IP Phones	5A992.c	\$1,125.00	Syria
10	§ 764.2(a)	7/8/2019	(5) KT-300; (37) Lantronix	EAR99	\$6,579.00	Syria

			UDS 1100 Serial Adapters			
11	§ 764.2(a)	8/7/2019	(14) IP Phones	5A992.c	\$3,100.00	Syria
12	§ 764.2(a)	Approx. 9/7/2019	(2) Sophos XG 210 Firewall	5A002.a	\$8,000.00	Syria
13	§ 764.2(a)	April 2018	(2) AIR- AP2802I-BK- 9 Wireless Access Points; (2) AIR- AP1562E Wireless Access Point; (1) WS- C6509 Switch	5A992.c; 5A002.a; 5A991.b	\$16,065.00	Iran