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September 7, 2023

**BUREAU OF INDUSTRY AND SECURITY**

Office of Congressional and Public

Affairs

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**BIS IMPOSES PENALTY AGAINST PRATT & WHITNEY COMPONENT SOLUTIONS TO RESOLVE 13 ALLEGED VIOLATIONS OF THE ANTIBOYCOTT REGULATIONS**

**WASHINGTON, D.C.**—Today, the Department of Commerce’s Bureau of Industry and Security (BIS) imposed a civil penalty of \$48,750 against Pratt & Whitney Component Solutions, Inc (PWCS), located in Muskegon, Michigan, to resolve 13 violations of the antiboycott provisions of the Export Administration Regulations (EAR) (antiboycott regulations), as alleged in BIS’s Proposed Charging Letter. PWCS voluntarily disclosed the conduct to BIS, cooperated with the investigation by BIS’s Office of Antiboycott Compliance (OAC), and took remedial measures after discovering the conduct at issue, all of which resulted in a significant reduction in penalty.

“Today’s enforcement action highlights the need for robust antiboycott training and compliance procedures,” said Assistant Secretary for Export Enforcement Matthew S. Axelrod. “Those who do business with boycotting countries need to train employees to recognize problematic boycott language and to report it to BIS, even when they do not take the requested action.”

**BIS Case Background:**

As part of the settlement with BIS, PWCS admitted to the conduct set forth in the Proposed Charging Letter, which alleged 13 violations of Section 760.5 of the EAR (Failing to Report the Receipt of a Request to Engage in a Restrictive Trade Practice or Foreign Boycott Against a Country Friendly to the United States). Specifically, between May 2019 and March 2020, on thirteen occasions, PWCS received a request from Qatar Airways, a customer in Qatar, to refrain from importing Israeli-origin goods into Qatar in fulfillment of purchase orders from Qatar Airways. PWCS failed to report to BIS the receipt of these requests, as required by Section 760.5 of the Regulations.

The Order, Settlement Agreement and Proposed Charging Letter are available [here](#).

**Additional Information:**

These BIS actions were taken under the authority of the Anti-Boycott Act of 2018, a subpart of the Export Control Reform Act of 2018, and its implementing regulations, the EAR. The antiboycott provisions set forth in Part 760 of the EAR discourage, and in certain circumstances prohibit, U.S. persons from taking certain actions in furtherance or support of a boycott maintained by a foreign country against a country friendly to the United States (an unsanctioned foreign boycott).

In addition, U.S. persons must report to OAC their receipt of certain boycott-related requests. Reports may be filed electronically or by mail on form BIS 621-P for single transactions or on form BIS 6051P for multiple transactions involving boycott requests received in the same calendar quarter. U.S. persons located in the U.S. must postmark or electronically date stamp their reports by the last day of the month following the calendar quarter in which the underlying request was received. For U.S. persons located outside the U.S., the postmark or date stamp deadline is the last day of the second month following the calendar quarter in which the request was received. Forms for both electronic transmission and mail submission may be accessed from the [forms request page](#).

Pursuant to Section 764.8 of the EAR, a party may submit a voluntary self-disclosure if it believes that it may have violated Parts 760 or Part 762 of the EAR (recordkeeping requirements relating to Part 760).

For information regarding the application of the antiboycott regulations, please contact the OAC Advice Line at (202) 482-2381 or through the [online](#) portal.