



Homeland Security Investigations
Counter-Proliferation Investigations Group
Seattle, Washington



Homeland Security Investigations

Nation's first line of defense against smuggling at the international borders.

- Narcotics
- Currency / Money Laundering
- Child Exploitation
- Human Smuggling / Trafficking
- Intellectual Property Rights
- Other Border Nexus Crimes

Primary law enforcement agency authorized to investigate all actual, attempted and deemed export violations of:

- International Traffic in Arms Regulations - **22 CFR 127.4**
- Export Administration Regulations (Concurrent w/ BIS) - **EAR Sec 12(a)(2)**
 - International Emergency Economic Powers Act
 - Trading with the Enemy Act



It is a Violation to . . .

- Export or attempt to export from the U.S., or to re-export:
 - Any defense article or technical data, or to furnish any defense service without first obtaining the required licenses from the Department of State
 - Any dual-use item without first obtaining the required licenses from the Department of Commerce
- Sell or transfer any export-controlled commodity to a person or business within the U.S., knowing it will be illegally exported by that person or business
- Without a license, provide a foreign national access to information or data within the U.S. if the transfer of the same technology to the foreign national's home country would require an export license (Deemed Export)
- Violate any of the terms or conditions of licenses or authorization granted by the DOS, DOC or OFAC



Counter-Proliferation Investigations

- Enforce U.S. export laws
- Prevent enemies and sanctioned entities illegally obtaining
 - U.S. military products
 - Sensitive dual-use technology
 - Weapons of mass destruction
 - Chemical, biological, radiological, and nuclear materials
- Work with other law enforcement and intelligence agencies
 - Detect, disrupt, and dismantle criminal organizations
 - Intelligence data



Recent HSI Seattle Cases

Parviz Khaki

- Chinese co-conspirator contacted U.S. companies
- Obtaining items for Iranian uranium enrichment
- Arrested in the Philippines on May 24, 2012

See Kee “Alfred” Chin

- Chinese citizen traveled to Seattle to illegally procure 10 accelerometers
- Arrested February 2014 after handing an \$85k payment to an undercover agent (UCA) for the items
- Planned to smuggle the parts out of the country in his suitcase
- Sentenced October 2014 to two years in prison for violating the AECA





Industry Cooperation

- Would not have been successful without industry cooperation
- You are the first line of national defense
- HSI looks forward to a continued partnership to make sure your product does not fall into the wrong hands



What We Can Provide You

- A partner for customs related issues, specifically export enforcement
- Educational briefings and materials
- Pre-travel briefings



Iran Sanctions

- Joint Comprehensive Plan of Action (JCPOA)
 - Limits Iran's nuclear program
 - Sanctions relief
- “Adoption Day” – October 19, 2015
 - POTUS issues sanctions waivers to take effect on “Implementation Day”
 - Current Iranian sanctions basically unaffected
 - Temporary suspended sanctions include the industries of gold and precious metals, petrochemical products, automotive, civil aviation safety, and crude oil
- “Implementation Day” occurs when IAEA verifies Iran implements key nuclear-related measures under JCPOA



Cuba Sanctions

- Support for the Cuban People (SCP)
- Amendments to Cuban Assets Control Regulations / EAR
- Effective January 16, 2015
- Embargo still in force, but regulations grant more flexibility
- Travel (General License for certain categories)
- Insurance
- Educational Activities
- Commercial Professional Research
- Financial Correspondent Accounts
- Small Business Growth
- Environment/Energy
- Telecommunications
 - Service Establishment
 - Exports to Improve
 - Sales/Donation of Devices
 - Internet-Based Comm Services



Russia Sanctions

- Ukraine Freedom Support Act (UFSA)
 - Related to Russian actions in Ukraine in March 2014
 - Targeted specific individuals, firms, and sectors
- Examples of current sanctions
 - Freezing of assets for specific individuals / entities
 - Restricted financial transactions with Russian firms operating in key sectors (finance, energy, defense)
 - Restricted oil-related exports
 - Restricted dual-use exports
- Specific lists can be found on the U.S. Treasury website



2016 Export Controls Conference: Evolving Controls for a Changing World

Seattle University School of Law
July 27-28, 2016

\$295 Early Bird (Until May 29, 2016)
\$355 Regular Rate (After May 29, 2016)

<http://www.law.seattleu.edu/continuing-legal-education/upcoming-programs/2016-export-controls-conference>



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