

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

In the Matter of:)
)
Mohammad Reza Vaghari,)
a/k/a Mitch Vaghari)
currently incarcerated at:)
Inmate Number: 63541-066)
CI Moshannon Valley)
Correctional Institution)
555 Geo Drive)
Philipsburg, PA 16866)
)
and with an address at:)
)
116 Moore Road)
Downington, PA 19335-1831)
)
Respondent)
)
Saamen Company, LLC)
3405 West Chester Pike Ste B105)
Newtown Square, PA 19073-4250)
)

Related Person)

ORDER DENYING EXPORT PRIVILEGES

A. Denial of Export Privileges of Mohammad Reza Vaghari

On June 3, 2011, in the U.S. District Court, Eastern District of Pennsylvania, Mohammad Reza Vaghari, a/k/a Mitch Vaghari (“Vaghari”) was convicted of crimes relating to his participation in illegal business transactions with Iran between 2005 and 2008. Specifically, Vaghari was convicted of two counts of violating the International Emergency Economic Powers Act (50 U.S.C. § 1701 *et seq.* (2000)) (“IEEPA”) by willfully and knowingly aiding and abetting in the illegal export of ultrasonic liquid

processors, stimulus isolators and laboratory equipment to Iran via the United Arab Emirates without obtaining the required Office of Foreign Assets Control approval.

Vaghari was also convicted of one count of conspiracy to violate IEEPA (18 U.S.C. § 371) and one count of naturalization fraud stemming from his attempt to procure U.S. citizenship (18 U.S.C. § 1425). Vaghari was sentenced to 33 months in prison followed by three years supervised release and a special assessment of \$400.

Section 766.25 of the Export Administration Regulations (“EAR” or “Regulations”)¹ provides, in pertinent part, that “[t]he Director of the Office of Exporter Services, in consultation with the Director of the Office of Export Enforcement, may deny the export privileges of any person who has been convicted of a violation of the EAA, the EAR, of any order, license or authorization issued thereunder; any regulation, license, or order issued under the International Emergency Economic Powers Act (50 U.S.C. 1701-1706); 18 U.S.C. 793, 794 or 798; section 4(b) of the Internal Security Act of 1950 (50 U.S.C. 783(b)), or section 38 of the Arms Export Control Act (22 U.S.C. 2778).” 15 C.F.R. § 766.25(a); see also Section 11(h) of the EAA, 50 U.S.C. app. § 2410(h). The denial of export privileges under this provision may be for a period of up to 10 years from the date of the conviction. 15 C.F.R. § 766.25(d); see also 50 U.S.C. app. § 2410(h). In addition, Section 750.8 of the Regulations states that the Bureau of Industry and Security’s Office of Exporter Services may revoke any Bureau of Industry

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2012). The Regulations issued pursuant to the EAA (50 U.S.C. app. §§ 2401-2420 (2000)). Since August 21, 2001, the Export Administration Act (“EAA”) 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, 2011 (765 Fed. Reg. 50661, August 16, 2011), has continued the Regulations in effect under IEEPA.

and Security (“BIS”) licenses previously issued in which the person had an interest in at the time of his conviction.

I have received notice of Vaghari’s conviction for violating the IEEPA, and have provided notice and an opportunity for Vaghari to make a written submission to BIS, as provided in Section 766.25 of the Regulations. I have not received a submission from Vaghari. Based upon my review and consultations with BIS’s Office of Export Enforcement, including its Director, and the facts available to BIS, I have decided to deny Vaghari’s export privileges under the Regulations for a period of 10 years from the date of Vaghari’s conviction. I have also decided to revoke all licenses issued pursuant to the Act or Regulations in which Vaghari had an interest at the time of his conviction.

B. Denial of Export Privileges of Related Person

Pursuant to Sections 766.25(h) and 766.23 of the Regulations, the Director of BIS’s Office of Exporter Services, in consultation with the Director of BIS’s Office of Export Enforcement, may take action to name persons related to a Respondent by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business in order to prevent evasion of a denial order. Because Vaghari is the president of Saamen Company LLC (“Saamen”), Saamen is related to Vaghari by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business. BIS believes that naming Saamen as a related person to Vaghari is necessary to avoid evasion of the denial order against Vaghari.

As provided in Section 766.23 of the Regulations, I gave notice to Saamen that its export privileges under the Regulations could be denied for up to 10 years due to its relationship with Vaghari and that BIS believes naming it as a person related to Vaghari

would be necessary to prevent evasion of a denial order imposed against Vaghari. In providing such notice, I gave Saamen an opportunity to oppose its addition to the Vaghari Denial Order as a related party. Having received no submission, I have decided, following consultations with BIS's Office of Export Enforcement, including its Director, to name Saamen as a Related Person to the Vaghari Denial Order, thereby denying its export privileges for 10 years from the date of Vaghari's conviction.

I have also decided to revoke all licenses issued pursuant to the Act or Regulations in which the Related Person had an interest at the time of Vaghari's conviction. The 10-year denial period will end on June 3, 2021.

Accordingly, it is hereby

ORDERED

I. Until June 3, 2021 Mohammad Reza Vaghari, a/k/a Mitch Vaghari with last known addresses at: currently incarcerated at: Inmate Number: 63541-066, CI Moshannon Valley, Correctional Institution , 555 Geo Drive, Philipsburg, PA 16866 and 116 Moore Road, Downingtown, PA 19335-1831, and when acting for or on behalf of Vaghari, his representatives, assigns, agents or employees (collectively referred to hereinafter as the "Denied Person"), and the following person related to the Denied Person as defined by Section 766.23 of the Regulations: Saamen Company LLC, with a last known address at: 3405 West Chester Pike Ste B105, Newtown Square, PA 19073-4250, and when acting for or on behalf of Saamen, its successors or assigns, agents, or employees ("the Related Person") (together, the Denied Person and the Related Person are "Persons Subject to this Order"), 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 Regulations, or in any other activity subject to the Regulations, 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 Regulations, or in any other activity subject to the Regulations; 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, or in any other activity subject to the Regulations.
- II. No person may, directly or indirectly, do any of the following:
- A. Export or reexport to or on behalf of the Persons Subject to this Order any item subject to the Regulations;
 - B. Take any action that facilitates the acquisition or attempted acquisition by the Persons Subject to this Order of the ownership, possession, or control of any item subject to the Regulations that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby the Persons Subject to this Order acquire or attempt to acquire such ownership, possession or control;

- C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from the Persons Subject to this Order of any item subject to the Regulations that has been exported from the United States;
 - D. Obtain from the Persons Subject to this Order in the United States any item subject to the Regulations 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 that has been or will be exported from the United States and which is owned, possessed or controlled by the Persons Subject to this Order, or service any item, of whatever origin, that is owned, possessed or controlled by the Persons Subject to this Order if such service involves the use of any item subject to the Regulations that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.
- III. In addition to the Related Person named above, after notice and opportunity for comment as provided in section 766.23 of the Regulations, any other person, firm, corporation, or business organization related to the Denied Person 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 this Order if necessary to prevent evasion of the Order.
- IV. This Order does not prohibit any export, reexport, or other transaction subject to the Regulations where the only items involved that are subject

to the Regulations are the foreign-produced direct product of U.S.-origin technology.

- V. This Order is effective immediately and shall remain in effect until June 3, 2021.
- VI. In accordance with Part 756 of the Regulations, Vaghari may file an appeal of this Order with the Under Secretary of Commerce for Industry and Security. The appeal must be filed within 45 days from the date of this Order and must comply with the provisions of Part 756 of the Regulations.
- VII. In accordance with Part 756 of the Regulations, the Related Person may also file an appeal of this Order with the Under Secretary of Commerce for Industry and Security. The appeal must be filed within 45 days from the date of this Order and must comply with the provisions of Part 756 of the Regulations.
- VIII. A copy of this Order shall be delivered to the Denied Person and the Related Person. This Order shall be published in the Federal Register.

Issued this 6th day of June, 2012.


Bernard Kritzer
Director
Office of Exporter Services