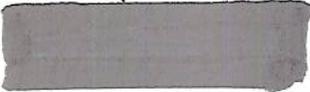




United States Department of State  
Bureau of Political-Military Affairs  
Washington, D.C. 20520-0112

## CHARGING LETTER

JUL 11 2013

Ms. LeAnne Lesmeister  


Re: Violations of the Arms Export Control Act and the International  
Traffic in Arms Regulations by LeAnne Lesmeister

Dear Ms. Lesmeister:

The United States Department of State (“Department”) charges Ms. LeAnne Lesmeister (“Respondent”), with violations of the Arms Export Control Act (the “AECA”) (22 U.S.C. §§ 2778-2780) and the International Traffic in Arms Regulations (“ITAR”) (22 C.F.R. Parts 120-130), which were carried out while Respondent was employed as a senior export compliance officer and empowered official by Honeywell International, Inc. (“Honeywell”). The violations charged are in connection with Respondent’s creation and use of export control documents containing false statements or omitting and misrepresenting material facts for the purpose of exporting, retransferring, or furnishing defense articles, technical data, or defense services, and causing the unauthorized export of technical data and provision of defense services; and with other matters as set forth herein concerning Respondent’s activities. Twenty-one (21) violations are alleged at this time.

The essential facts constituting the alleged violations are described herein. The Department reserves the right to amend this charging letter, including through a revision to incorporate additional charges stemming from the same misconduct of Respondent in these matters. Pursuant to 22 C.F.R. § 128.3, this letter provides notice of our intent to impose debarment or civil penalties or both in accordance with 22 C.F.R. §§ 127.7 and 127.10.

If you fail to answer this charging letter within 30 days after service, your failure to answer will be taken as an admission of the truth of the charges. In addition to your answer, you may submit a written demand for an oral hearing and any supporting evidence.

### JURISDICTION

The export of defense related articles, including technical data, and the provision of defense services deemed critical to the national security and foreign policy interests of the United States are regulated by the AECA. The Department implemented the statutory provisions of the AECA by adopting the ITAR.

The defense articles, including technical data, and defense services associated with the violations set forth herein are designated as controlled under various categories of the U.S. Munitions List (“USML”), § 121.1 of the ITAR. Some of the relevant defense articles, including technical data, are further defined as significant military equipment (“SME”).

Respondent is a U.S. person within the meaning of the AECA and § 120.15 of the ITAR, and is subject to the jurisdiction of the United States.

### NATURE OF THE CHARGES

The Department alleges that, during the period covered by the violations set forth herein, the Respondent, by and through her position of authority as Honeywell’s export compliance officer and empowered official, engaged in conduct prohibited by the ITAR.

Respondent created several export control documents, purporting to be authorized by the Department, which Respondent presented to Honeywell as valid Department authorizations. Such documents are fabrications that were never submitted to the Department for approval.

Respondent’s misconduct, and efforts to conceal her activities from Honeywell employees and others, caused Honeywell to export defense articles, including technical data, and provide defense services without authorization in violation of the AECA and ITAR.

## BACKGROUND

At all times relevant to this charging letter, unless otherwise indicated:

1. Honeywell International, Inc. (“Honeywell”) possessed a facility in Clearwater, Florida (“Clearwater Site”) as part of its aerospace business. The Clearwater Site designs, produces, and markets products for both U.S. and non-U.S. military and commercial applications. A significant portion of the business supported by the Clearwater Site is subject to the AECA and ITAR, including licensing requirements. In some instances, business representatives at the Clearwater Site who were in need of a license contacted Respondent, in her role as an export compliance officer, to initiate the process of obtaining Department authorizations.

2. Respondent worked in export compliance at Honeywell for twenty-seven years until, upon discovery of the violations described herein, Honeywell terminated her employment on June 15, 2012. At all times during which violations are charged, Respondent was an empowered official for Honeywell, as defined by § 120.25 of the ITAR, and the only senior export compliance officer at Honeywell’s Clearwater Site. Respondent’s responsibilities as an export compliance officer included, *inter alia*, drafting technical assistance agreements (TAA) and amendments, requests for hardware licenses, and correspondence with the Department; and providing general export compliance support at Honeywell. On June 5, 2012, Respondent prepared a handwritten statement acknowledging her involvement in the creation of two false export control documents.

3. Honeywell maintains an electronic database, called “Daptiv,” which consists of an access-restricted collaborative site for each program through which Honeywell carries out the transfer of ITAR-controlled technical data and defense services to foreign national customers and non-U.S. Honeywell entities. The Daptiv database maintains a list of individuals with access to the project and a list of documents for each project and is able to track the history of document downloads and uploads for each project.

4. Transfers of defense articles, including technical data, and defense services, made pursuant to the fabricated documents described below, related to defense and aerospace navigation products covered under the following Categories of the USML: VIII(i), XI(d), XII(d), and XII(f). Defense articles controlled under USML Category XII(d) are considered

Significant Military Equipment. Significant Military Equipment is defined in § 120.7 of the ITAR as articles for which special export controls are warranted because of their capacity for substantial military utility or capability.

### RELEVANT ITAR REQUIREMENTS

5. Section 120.22 of the ITAR defines a technical assistance agreement as an agreement for the performance of a defense service(s) or the disclosure of technical data.

6. Section 120.25 of the ITAR requires that an empowered official be a U.S. person who is directly employed by the applicant or a subsidiary in a position having authority for policy or management within the applicant organization, and is legally empowered in writing by the applicant to sign license applications or other requests for approval on behalf of the applicant, and understands the provisions and requirements of the various export control statutes and regulations, and the criminal liability, civil liability and administrative penalties for violating the AECA and the ITAR.

7. Part 121 of the ITAR identifies the items that are designated as defense articles, including technical data, and defense services pursuant to section 38 of the AECA.

8. Section 123.1(a) of the ITAR provides that any person who intends to export a defense article must obtain the approval of the Directorate of Defense Trade Controls (“DDTC”) prior to the export, unless the export qualifies for an exemption under the provisions of the ITAR.

9. Section 123.9 (a) of the ITAR provides, in part, that the written approval of the DDTC must be obtained before disposing of a defense article to any end use other than as stated on the export license.

10. Section 124.1(a) of the ITAR provides that the approval of the DDTC must be obtained before the defense services described in §120.9 (a) of the ITAR may be furnished.

11. Section 124.1(c) of the ITAR requires that changes to the scope of approved agreements, including modifications, upgrades, or extensions

must be submitted for approval and such amendments may not enter into force until approved by the DDTC.

12. Section 126.13 (a) of the ITAR requires that all applications for licenses, all requests for approval of agreements and amendments, and all requests for other written authorizations must include a letter signed by a responsible official empowered by the applicant.

13. Section 127.1 (a) (1) of the ITAR provides that it is unlawful to export or attempt to export from the United States any defense article or technical data or to furnish or attempt to furnish any defense service for which a license or written approval is required by the ITAR without first obtaining the required license or other written approval from the DDTC.

14. Section 127.1 (a) (4) of the ITAR provides, in part, that it is unlawful to furnish or cause to be exported, imported, reexported, retransferred, or furnished any defense article, technical data, or defense service for which a license or written approval is required by this subchapter.

15. Section 127.2 (a) of the ITAR provides that it is unlawful to use or attempt to use any export control document containing a false statement or misrepresenting or omitting a material fact for the purpose of exporting, transferring, reexporting, retransferring, obtaining, or furnishing any defense article, technical data, or defense service. Any false statement, misrepresentation, or omission of material fact in an export control document is considered as made in a matter within the jurisdiction of a department or agency of the United States for purposes of 18 U.S.C. 1001, 22 U.S.C. 2778, and 22 U.S.C. 2779.

16. Section 127.2(b) of the ITAR provides that export control documents include an application for a permanent export license and any other document used in the regulation or control of a defense article, defense service, or technical data for which a license or approval is required.

### SPECIFIC VIOLATIONS

17. The allegations contained in paragraphs 1 through 16, above, are hereby incorporated by reference.

TA 849-11 and DSP-5 050283582

18. On September 20, 2011, Respondent sent an e-mail to two Honeywell employees stating, “[a]lmost forgot to send it to you—terribly sorry ‘bout the delay.” The e-mail contained two attached documents, “Approval.pdf” and “Agreement.doc,” which had been fabricated by Respondent. The first attached document was a fabricated DSP-5 permanent export license, bearing the number 050283582, which purported to authorize the re-baseline of an existing, DDTC-approved technical assistance agreement (TAA) assigned DDTC agreement number TA 849-11. The falsified document had an issue date of September 9, 2011 and was a low-quality scan in which the date prepared, commodity, USML category, and specific purpose were altered. The fabricated license was an export control document that contained a statement by the Respondent, in her role as empowered official, warranting the truth of all statements made within the application and vowing to acknowledge, understand, and comply with the provisions of the ITAR. The second attached document was a fabricated re-baselined TAA, bearing the number TA 849-11. The falsified agreement was intended to authorize the export of USML Category XII(d) and XII(f) technical data, defense services, and hardware to end-users in Belgium, the Czech Republic, France, Germany, Italy, Luxembourg, the Netherlands, Spain, Sweden, and the United Kingdom. Respondent created the falsified export control documents and attempted to use them for the purpose of exporting and furnishing defense articles, including technical data, and defense services.

19. The license number that appeared on the approval fabricated by Respondent, 050283582, is the same number that appeared on a DDTC-approved license issued to Honeywell on September 9, 2011. The valid approval authorized instead a TAA (assigned DDTC agreement number TA 849-11) for an unrelated product and program.

TA 5813-11 and DSP-5 050315769

20. On May 14, 2012, Respondent sent an e-mail to a Honeywell employee with two attached documents, entitled “A1M\_Agreement.pdf” and “A1M\_Approval.pdf,” which had been fabricated by Respondent. The first attached document was a fabricated TAA, bearing the number TA 5813-11. The second attached document was a fabricated DSP-5 permanent export license, bearing the number 050315769, purporting to authorize a TAA (TA

5813-11) for the export of USML Category XI(d) and VIII(i) technical data and defense services to an end-user in Brazil. The fabricated license was an export control document that contained a statement by the Respondent, in her role as empowered official, warranting the truth of all statements made within the application and vowing to acknowledge, understand, and comply with the provisions of the ITAR. The falsified license approval has an issue date of September 24, 2011, and the name and address of foreign end-user and specific purpose have been altered. Respondent created the falsified export control documents and used them for the purpose of exporting and furnishing defense articles, including technical data, and defense services.

21. The license number that appeared on the approval fabricated by Respondent, 050315769, is the same number that appeared on a DDTC-approved license issued to a different applicant on August 16, 2011; Honeywell did not appear as a party to that valid license.

22. In reliance on the fabricated export control document, Honeywell exported without Department authorization ITAR-controlled technical data to an end-user in Brazil through the project's Daptiv site in April 2012 and, in June 2012, provided defense services through e-mail exchanges and teleconferences with the end-user in Brazil.

#### TA 1475-11

23. On June 13, 2011, Respondent sent an e-mail with the subject "Re: TA0159-10 – Executed Agreement. Italian CSAR EGI" to a Honeywell employee stating, "Amendment adding [company] is at State – probably be about 4 weeks still till approval – DTSA is running a little behind on reviews." On September 12, 2011, Respondent sent an e-mail with the subject "RE: EGI TAA" to three individuals that stated, "we are expecting to see approval within about a week at max, all staffed agencies have responded so it is just a matter of getting the licensing officer to finalize."

24. On September 26, 2011, Respondent sent an e-mail with an attachment, a document entitled "TA1475-11\_Agreement\_Approval.pdf, to a Honeywell employee stating, "[h]ere is your approved agreement." This document had been fabricated by Respondent. The attached document was a falsified TAA, bearing the number TA 1475-11, for the provision of ITAR-controlled technical data, defense services, and hardware to end-users in

Italy and the United Kingdom. The falsified agreement was intended to authorize an Italian end-user's receipt of technical data previously shared with another party under an existing, DDTC-approved TAA (TA 0159-10). Respondent created the falsified export control document and used or attempted to use it for the purpose of exporting and furnishing defense articles, including technical data, and defense services.

25. The agreement number that appeared on the TAA fabricated by Respondent, TA 1475-11, is the same number that appeared on a valid DDTC-approved license issued to a different applicant on March 31, 2011. This valid DDTC-approved agreement is related to a different product and program and did not include Honeywell as a party.

26. Between September 2011 and May 2012, in reliance on the fabricated TA 1475-11, Honeywell transferred without Department authorization ITAR-controlled technical data to an end-user in Italy via Honeywell's Daptiv project site.

#### TA 1425-11 and DSP-5 050306450

27. On October 27, 2011, Respondent sent an e-mail with the subject "approval on W6A" to two Honeywell employees stating, "[t]hey ended up sending it to me – it ain't pretty but it is official." The e-mail contained one attachment, "DOC001 (2).PDF," which had been fabricated by Respondent. This fabricated DSP-5 permanent export license, bearing the number 050306450, purported to approve an amendment to an existing, DDTC-approved TAA (TA 1425-11). The approved TAA authorized the export of USML Category XII(d) and XII(f) technical data, defense services, and hardware related to the installation, integration, test, operation, and use of Honeywell's Miniature Inertial Measurement Unit (MIMU) on the W6A program to end-users in Belgium, the Czech Republic, France, Italy, and Spain. The falsified DSP-5 amendment to the TAA had an issue date of October 17, 2011 and was a low-quality scan in which the Department signature, the license number, the TA number, the date prepared, the term of validity, the commodity, the value, and the specific purpose were altered. The fabricated license was an export control document that referenced TA 1425-11A and contained a statement by the Respondent, in her role as empowered official, warranting the truth of all statements made within the application and vowing to acknowledge, understand, and comply with the provisions of the ITAR. Respondent created the falsified export control

documents and used or attempted to use them for the purpose of exporting and furnishing defense articles, including technical data, and defense services.

28. The license number that appeared on the approval fabricated by Respondent, 050306450, is the same number that appeared on a DDTC-approved license issued to a different applicant on June 17, 2011, for the export of unrelated hardware. Honeywell appeared only as a source and manufacturer in the unrelated DDTC-approved license.

29. The parties to the unauthorized TAA amendment completed execution of the fabricated document entitled “TA 1425-11” between October and November of 2011. In reliance on the fabricated approval, between about November 20, 2011 and May 2012, Honeywell transferred without Department authorization USML Category XII(f) technical data pertaining to MIMUs for use on the W6A satellite platform to end-users in Belgium, the Czech Republic, France, Italy, and Spain via upload to the project’s Daptiv site.

#### TA 8253-10 and DSP-5 050299707

30. On November 14, 2011, Respondent sent an e-mail with the subject “ARSAT” to two Honeywell employees stating, “[here] is ARSAT.” The e-mail contained two attached documents, “TA8253-10A\_Approval.pdf” and “TA8253-10A\_Amendment.doc,” which had been fabricated by Respondent. The first attached document was a fabricated DSP-5 permanent export license, bearing the number 050299707, which purported to approve an amendment to an existing, DDTC-approved TAA (assigned DDTC agreement number TA 8253-10). The fabricated license approval had an issue date of October 28, 2011 and was a low-quality scan in which the license number, the TAA number, the date prepared, the commodity, and the specific purpose were altered and the page numbers were not sequential. Respondent admitted that she fabricated this license in a written statement provided to Honeywell. The second attached document was the fabricated amended TAA, TA 8253-10A, which referenced DSP-5 license number 050299707—the same number that appeared on the fabricated license approval. The falsified amendment purported to authorize the export of ITAR-controlled technical data, defense services, and hardware to end-users in Argentina, the Czech Republic, France, and Germany. Respondent created the falsified export control documents and used or

attempted to use them for the purpose of exporting and furnishing defense articles, including technical data, and defense services.

31. The license number that appeared on the approval fabricated by Respondent, 050299707, is also the same number that appeared on a DDTC-approved license issued to Honeywell on June 30, 2011. The valid license authorized an amendment to an unrelated, DDTC-approved TAA (assigned DDTC agreement number TA 8296-10A) for an unrelated program.

32. The parties to the falsified amended agreement completed execution of the agreement between November 2011 and January 2012. In reliance on the fabricated export control document, Honeywell exported without Department authorization ITAR-controlled technical data via the Daptiv site, between December 2011 and June 2012.

TA 247-11 and DSP-5 050287994

33. On November 14, 2011, Respondent sent an e-mail with the subject "Galileo" to two Honeywell employees stating, "[p]lease find enclosed the Galileo approval and amendment for signature." The e-mail contained two attached documents, "T247-11A\_Approval.pdf" and "TA247-11A\_Amendment.doc," which had been fabricated by Respondent. The first attached document was a fabricated DSP-5 permanent export license, bearing the number 050287994, which purported to authorize an amendment to an existing, DDTC-approved TAA (assigned DDTC agreement number TA 0247-11). The falsified TAA amendment was intended to authorize the export of USML Category XII(d) and XII(f) technical data, defense services, and hardware to end-users in Austria, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom, in support of the Galileo Satellite. The falsified license approval had an issue date of November 7, 2011 and was a low-quality scan in which the license number, period of validity, date prepared, and commodity are altered. The fabricated license was an export control document containing a statement by the Respondent, in her role as empowered official, warranting the truth of all statements made within the application and vowing to acknowledge, understand, and comply with the provisions of the ITAR. The second attached document was a fabricated amended agreement (TA 0247-11), which contained a reference to the falsified license number 050287994 in its footer. Respondent created the

falsified export control documents and attempted to use them for the purpose of exporting and furnishing defense articles, including technical data, and defense services.

34. The number that appeared on the approval and agreement fabricated by Respondent, 050287994, is the same number that appeared on a DDTC-approved license issued to a different applicant on March 16, 2011, which contained no reference to Honeywell or TA 247-11.

TA 1423-11 and DSP-5 050289938

35. On November 28, 2011, a Honeywell employee sent an e-mail with the subject “Thales Exomars MIMU TAA – 11aero0214” to Respondent asking, “[w]hat is the status of this TAA that was supposed to be approved end of October?” Respondent replied to that e-mail the same day stating, “[i]t was approved and I am getting ready to send it to you.”

36. On January 2, 2012, Respondent e-mailed a subsequent response stating, “[h]ere it is . . . it got stuck in my outbox!” The e-mail contained two attached documents, “TA 1423-11\_Approval1.pdf” and TA1423-11\_Agreement.doc,” which had been fabricated by Respondent. The first attached document was a fabricated DSP-5 permanent export license, bearing the number 050289938, which purported to authorize the export of USML Category XII(d) and XII(f) technical data, defense services, and defense articles to end-users in Austria, Belgium, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Slovenia, Spain, Sweden, Switzerland, the United Kingdom, and Canada. The fabricated license approval had an issue date of November 16, 2011 and referenced agreement number TA 1423-11. The fabricated license was an export control document that contained a statement by the Respondent, in her role as empowered official, warranting the truth of all statements made within the application and vowing to acknowledge, understand, and comply with the provisions of the ITAR. The agreement number, period of validity, name and address of foreign end-user, name and address of foreign consignee, and specific purpose on the document are altered. The second attached document was a fabricated TAA, bearing DDTC agreement number TA 1423-11, which contained references to the falsified license number 050289938 in its footer. Respondent created the falsified export control documents and used or attempted to use them for the purpose of exporting

and furnishing defense articles, including technical data, and defense services.

37. The license number that appeared on the approval and agreement fabricated by Respondent, 050289938, is the same number that appeared on a DDTC-approved license issued to a different applicant on April 5, 2011; Honeywell did not appear as a party to that valid license. The agreement number that appeared on the TAA fabricated by Respondent, TA 1423-11, also corresponds to a valid TAA authorized by the Department on May 13, 2011, in which Honeywell did not appear as a party.

38. In reliance on the fabricated export control document, the parties executed a TAA with the agreement number TA 1423-11 in or about January 2012. In reliance on the fabricated approval, Honeywell transferred without Department authorization USML Category XII(f) technical data to end-users in Austria, Belgium, Canada, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom via the Daptiv project site and in-person meetings between February 2012 and May 2012.

#### TA 3795-11 and DSP-5 050317863

39. On November 23, 2011, Respondent sent an e-mail with the subject "Aselsan" to a Honeywell employee stating, "[h]ere is the TAA and approval." The e-mail contained two attached documents, "TA3795-11\_Approval.pdf" and "TA3795-11\_Agreement.doc," which had been fabricated by Respondent. The first attached document was a fabricated DSP-5 permanent export license, bearing the number 050317863, which purported to authorize a TAA (assigned DDTC agreement number TA 3795-11) for the export of USML Category XII(d) and XII(f) technical data, defense services, and the defense articles to end-users in Turkey and the United Kingdom. The fabricated export control document had an issue date of November 21, 2011 and was a low-quality scan in which the commodity and foreign end-user are altered. The second attached document was a fabricated TAA, bearing the agreement number TA 3795-11. Respondent created the falsified export control documents and used them for the purpose of exporting and furnishing defense articles, including technical data, and defense services.

40. The license number that appeared on the approval fabricated by Respondent, 050317863, is the same number that appeared on a DDTC-approved license issued to a different applicant on August 5, 2011 for an unrelated program; a Honeywell subsidiary appeared only as a foreign consignee.

41. On November 24, 2011, in reliance on the fabricated approval, Honeywell sent the TAA to the member parties for execution. In reliance on the fabricated export control document, Honeywell provided without Department authorization ITAR-controlled defense services to a visiting Turkish end-user between January 26, 2012 and January 27, 2012. Honeywell, between about January 2012 and April 2012, provided additional ITAR-controlled defense services without Department authorization through e-mail correspondence, the Daptiv project site, and phone calls to parties to the falsified agreement. Through the Daptiv site, Honeywell also transferred without Department authorization technical data, including test plans, test procedures, electrical and mechanical interface control documents and information on specifications and performance capabilities to parties to the falsified agreement.

#### TA 1456-97

42. On November 18, 2011, Respondent sent an e-mail with the subject "1456-97," to three individuals stating, "TA1456-97 is still active, the validity period was extended to 5/31/2015 (please note that the rebaseline that is currently at State will replace this agreement in its entirety)."

43. On December 15, 2011, Respondent sent an e-mail with the subject "FW: Scan from a Xerox WorkCentre," to one individual. The e-mail contained two attached documents, "DOC001.PDF" and "F5\_ALX\_TAA.doc," which had been fabricated by Respondent. The first attached document was a fabricated letter referencing DDTC Case: AG 1456-97F and purporting to be from the DDTC. The falsified approval was an export control document that professes to authorize an amendment to DDTC-approved agreement number AG 1456-97, which covers the export of ITAR-controlled technical data and defense services to end-users in Brazil and Israel. The falsified amendment was intended to extend the validity of DDTC-approved agreement number AG 1456-97 until May 31, 2015. The

fabricated approval had irregular formatting and lacked a date stamp. Respondent created the falsified export control document and used it for the purpose of exporting and furnishing defense articles, including technical data, and defense services.

44. The DDTC-approved agreement, AG 1456-97, expired on December 31, 2008. The Department has no record of a case with the number AG 1456-97F.

45. In reliance on the fabricated export control document, between December 31, 2008 and May 2012, Honeywell exported without Department authorization ITAR-controlled technical data and defense services to end-users in Brazil and Israel.

#### DSP-5 050347246

46. On January 2, 2012, Respondent sent an e-mail with the subject "RE: ARSAT-2 MIMU DSP-5 HW EL status" to two Honeywell employees stating, "license is still in review at DoD, should be done this week or early next then we should have the license."

47. On March 21, 2012, in response to an e-mailed request from a Honeywell employee to send a copy of the DSP-5 license for the ARSAT-2 program, Respondent sent an e-mail stating, "[h]ere is the license." Attached to the e-mail was one document entitled, "ARSAT2.PDF," which had been fabricated by Respondent. This document was a falsified DSP-5 permanent export license, bearing the number 050347246, and it purported to authorize the export of two USML Category XII(d) defense articles to an end-user in Argentina. Respondent admitted to fabricating this approval in a written statement provided to Honeywell. The fabricated license approval had an issue date of January 26, 2012 and was a low quality scan in which the referenced agreement number and specific purpose were altered. Respondent created the falsified export control document and used or attempted to use it for the purpose of exporting defense articles.

48. The license number that appeared on the approval fabricated by Respondent, 050347246, is the same number that appeared on a DDTC-approved license issued to Honeywell on January 26, 2012. The valid license authorized a TAA (assigned DDTC agreement number TA 5847-11) for an unrelated product and program.

49. In reliance on the fabricated approval, Honeywell attempted an unauthorized export, on March 23, 2012, of one USML Category XII(d) defense article to an end-user in Argentina. U.S. Customs and Border Protection rejected the export on March 30, 2012 because the falsified license had not been lodged with the Automated Export System.

TA 718-12 and DSP-5 050302804

50. On April 20, 2012, Respondent sent an e-mail with the subject "SPIRIT TAA" to two Honeywell employees stating, "[p]lease find enclosed the SPIRIT TAA and approval." This e-mail contained two attached documents, "718-12\_Approval.pdf" and "718-12\_Agreement.doc," which had been fabricated by Respondent. The first attached document was a fabricated DSP-5 permanent export license, bearing the number 050302804, which purports to authorize a TAA (assigned DDTC agreement number TA 718-12) for the export of USML Category XII(d) and XII(f) technical data, defense services, and defense articles to end-users in Austria, Belgium, Canada, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom. The fabricated license approval had an issue date of April 5, 2012 and contained a statement by the Respondent, in her role as empowered official, warranting the truth of all statements made within the application and vowing to acknowledge, understand, and comply with the provisions of the ITAR. In the fabricated export control document, provisions seven through ten were removed and there were inconsistencies with the commodity and USML category number. The second attached document was a fabricated TAA bearing the number TA 0718-12. Respondent created the falsified export control documents and attempted to use them for the purpose of exporting and furnishing defense articles, including technical data, and defense services.

51. The license number that appeared on the approval fabricated by Respondent, 050302804, is the same number that appeared on a DDTC-approved license issued to Honeywell on May 20, 2011. The valid TAA (assigned DDTC agreement number TA 2558-11) was for an unrelated project and program.

TA 706-12 and DSP-5 050345584

52. On April 17, 2012, Respondent sent an e-mail with the subject “TAA” to a Honeywell employee stating, “I apologize for the delay, please find enclosed the TAA for your program. I will schedule a Post Approval Review Meeting with you next week to go over the approval.” This e-mail contained two attached documents, “706-12\_Approval.pdf” and “706-12.doc,” which had been fabricated by Respondent. The first document was a fabricated DSP-5 permanent export license, bearing the number 050345584, which purported to authorize a TAA for the export of USML Category VIII(i) defense services to end-users in the Czech Republic, France, Spain, the United Kingdom, and India. The fabricated license had an issue date of March 22, 2012 and referenced agreement number TA 706-12. The fabricated export control document also contained a statement by the Respondent, in her role as empowered official, warranting the truth of all statements made within the application and vowing to acknowledge, understand, and comply with the provisions of the ITAR. In the falsified license approval, the name and address of foreign end-user, specific purpose, and provisos were altered and the country of ultimate destination was inconsistent with the end-users listed. The second attached document was a fabricated TAA bearing the number TA 0706-12. Respondent created the falsified export control documents and attempted to use them for the purpose of furnishing defense services.

53. The license number that appeared on the approval fabricated by Respondent, 050345584, is the same number that appeared on a DDTC-approved license issued to Honeywell on February 7, 2012. That valid TAA, assigned DDTC agreement number TA 5602-11, was for an unrelated project and program.

54. In reliance on the fabricated approval, the parties to the agreement completed execution of the falsified agreement in May 2012.

GC 0917-12

55. On May 30, 2012, Respondent sent an e-mail with the subject “CDAS TDP Approval” to one recipient stating, “[m]y apologies, here is the approval.” Attached to this e-mail was a document entitled “DOC001 (7).PDF,” which was fabricated by Respondent and purported to be a letter of general correspondence supposedly issued by the Office of Defense Trade

Controls Licensing. The fabricated correspondence references case GC 0917-12 and purports to approve Honeywell's request for a temporary change in end-use of an ITAR-controlled defense article previously exported to an end-user in the United Kingdom. Respondent created the falsified export control document and attempted to use it for the purpose of retransferring defense articles.

56. The Department issued a valid letter of general correspondence under the same case number, GC 0917-12, on April 23, 2012 to a different party, which was unrelated to Honeywell.

### CHARGES

Charges 1-8 – Respondent caused to be exported and caused the attempted export of defense articles and defense services designated under United States Munitions List Categories XII(d) and XII(f) without having first obtained from the Department of State a license or written authorization for such exports in violation of 22 USC 2778 and 22 CFR 127.1 (a) (4).

Charge 1	From in or about April 2012 to in or about June 2012	Respondent caused the export of technical data and defense services to Brazil by Honeywell in reliance on falsified DDTC authorizations (DSP-5 050315769 and TA 5813-11), which were falsified by Respondent.
Charge 2	From in or about September 2011 to in or about May 2012	Respondent caused the export of technical data to Italy by Honeywell in reliance on a falsified DDTC authorization (TA 1475-11), which was falsified by Respondent.
Charge 3	Between on or about November 20, 2011 and in or about May 2012	Respondent caused the export of technical data to Belgium, the Czech Republic, France, Italy, and Spain by Honeywell in reliance on a falsified DDTC authorization (DSP-5 050306450), which was falsified by Respondent.
Charge 4	Between in or about December 2011 and in or about	Respondent caused the export of technical data to Argentina, the Czech Republic, France, and Germany by

	June 2012	Honeywell in reliance on falsified DDTC authorizations (DSP-5 050299707 and TA 8253-10A), which were falsified by Respondent.
Charge 5	Between in or about February 2012 and in or about May 2012	Respondent caused the export of technical data to Austria, Belgium, Canada, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom by Honeywell in reliance on falsified DDTC authorizations (DSP-5 050289938 and TA 1423-11), which were falsified by Respondent.
Charge 6	Between in or about January 2012 and in or about April 2012	Respondent caused the export of technical data and defense services to Turkey and the United Kingdom by Honeywell in reliance on falsified DDTC authorizations (DSP-5 050317863 and TA 3795-11), which were falsified by Respondent.
Charge 7	Between on or about December 31, 2008 and in or about May 2012	Respondent caused the export of technical data and defense services to Brazil and Israel by Honeywell in reliance on a falsified DDTC authorization (AG 1456-97F), which was falsified by Respondent.
Charge 8	On or about March 23, 2012	Respondent caused the attempted export of defense articles to Argentina by Honeywell in reliance on a falsified DDTC authorization (DSP-5 050347246), which was falsified by Respondent.

Charges 9-21 – Respondent made false statements and misrepresentations and omissions of material facts in export control documents, namely requests for authorization, for the purpose of causing exports or retransfers

of ITAR-controlled defense articles and defense services designated under United States Munitions List Categories VIII(i), XI(d), XII(d), and XII(f) in violation of 22 USC 2778 and 22 CFR 127.2 (a)

Charge 9	On or about September 20, 2011	Respondent used or attempted to use export control documents containing false statements or misrepresentations and omissions of material facts for the purpose of exporting defense articles, including technical data, and defense services to Belgium, the Czech Republic, France, Germany, Italy, Luxembourg, the Netherlands, Spain, Sweden, and the United Kingdom.
Charge 10	On or about May 14, 2012	Respondent used or attempted to use export control documents containing false statements or misrepresentations and omissions of material facts for the purpose of exporting technical data and defense services to Brazil.
Charge 11	On or about September 26, 2011	Respondent used or attempted to use an export control document containing false statements or misrepresentations and omissions of material facts for the purpose of exporting defense articles, including technical data, and defense services to Italy and the United Kingdom.
Charge 12	On or about October 27, 2011	Respondent used or attempted to use an export control document containing false statements or misrepresentations and omissions of material facts for the purpose of exporting defense articles, including technical data, and defense services to Belgium, the Czech Republic, France, Italy, and Spain.
Charge 13	On or about November 14, 2011	Respondent used or attempted to use export control documents containing false statements or misrepresentations and omissions of material facts for the

		purpose of exporting defense articles, including technical data, and defense services to Argentina, the Czech Republic, France, and Germany.
Charge 14	On or about November 14, 2011	Respondent used or attempted to use export control documents containing false statements or misrepresentations and omissions of material facts for the purpose of exporting defense articles, including technical data, and defense services to Austria, Belgium, Canada, the Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.
Charge 15	On or about January 2, 2012	Respondent used or attempted to use export control documents containing false statements or misrepresentations and omissions of material facts for the purpose of exporting defense articles, including technical data, and defense services to Austria, Belgium, Canada, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom.
Charge 16	On or about November 23, 2011	Respondent used or attempted to use export control documents containing false statements or misrepresentations and omissions of material facts for the purpose of exporting defense articles, including technical data, and defense services to Turkey and the United Kingdom.
Charge 17	On or about December 15, 2011	Respondent used or attempted to use export control documents containing

		false statements or misrepresentations and omissions of material facts for the purpose of exporting technical data and defense services to Brazil and Israel.
Charge 18	On or about March 21, 2012	Respondent used or attempted to use an export control document containing false statements or misrepresentations and omissions of material facts for the purpose of exporting defense articles to Argentina.
Charge 19	On or about April 20, 2012	Respondent used or attempted to use an export control document containing false statements or misrepresentations and omissions of material facts for the purpose of exporting defense articles, including technical data, and defense services to Austria, Belgium, Canada, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Luxembourg, the Netherlands, Norway, Poland, Portugal, Romania, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom.
Charge 20	On or about April 17, 2012	Respondent used or attempted to use an export control document containing false statements or misrepresentations and omissions of material facts for the purpose of exporting defense services to the Czech Republic, France, Spain, the United Kingdom, and India.
Charge 21	On or about May 30, 2012	Respondent used or attempted to use an export control document containing false statements or misrepresentations and omissions of material facts for the purpose of retransferring a defense article in the United Kingdom.

## ADMINISTRATIVE PROCEEDINGS

Pursuant to Part 128 of the ITAR, administrative proceedings are instituted by means of a charging letter against Respondent for the purpose of obtaining an Order imposing civil administrative sanctions. The Order issued may include an appropriate period of debarment, which shall generally be for a period of three years, but in any event will continue until an application for reinstatement is submitted and approved. Civil penalties, not to exceed \$500,000 per violation, may be imposed as well in accordance with § 38 (e) of the AECA and § 127.10 of the ITAR.

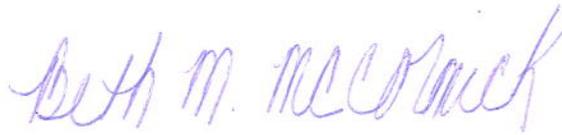
A Respondent has certain rights in such proceedings as described in Part 128 of the ITAR. You are required to answer the charging letter within 30 days after service. If you fail to answer the charging letter, your failure to answer will be taken as an admission of the truth of the charges. You are entitled to an oral hearing, if a written demand for one is filed with the answer, or within seven (7) days after service of the answer. You may, if so desired, be represented by counsel of your choosing.

Additionally, your answer, written demand for oral hearing (if any) and supporting evidence required by § 128.5 (b) of the ITAR, shall be in duplicate and mailed to the administrative law judge designated by the Department to hear the case. These documents should be mailed to the administrative law judge at the following address: USCG, Office of Administrative Law Judges G-CJ, 2100 Second Street, SW Room 6302, Washington, D.C. 20593. A copy shall be simultaneously mailed to the Deputy Assistant Secretary for Defense Trade Controls, Bureau of Political-Military Affairs, U.S. Department of State, PM/DDTC, SA-1, 12<sup>th</sup> Floor, Washington, D.C. 20522-0112. The Honorable Bruce Tucker Smith, U.S. Coast Guard, Hale Boggs Federal Building, 500 Poydras Street, Room 1211, New Orleans, Louisiana 70130, has been preliminarily assigned to this matter. If you do not demand an oral hearing, you must transmit within seven (7) days after the service of your answer, the original or photocopies of all correspondence, papers, records, affidavits, and other documentary or written evidence having any bearing upon or connection with the matters in issue.

Please be advised that charging letters may be amended from time to time, upon reasonable notice.

Be advised that the U.S. Government is free to pursue civil, administrative, and/or criminal enforcement for violations of the AECA and the ITAR. The Department's decision to pursue one type of enforcement action does not preclude it, or any other department or agency, from pursuing another type of enforcement action.

Sincerely,



Beth M. McCormick  
Deputy Assistant Secretary  
Defense Trade Controls