



Billing Code 4710-25

DEPARTMENT OF STATE

[Public Notice: 11002]

Bureau of Political-Military Affairs; Rescission of Statutory Debarment of Jami Siraj Choudhury, David Michael Janowski II, Netria Corporation, Jonathan Robert Reynolds, and State Metal Industries, Inc. Under the International Traffic in Arms Regulations

SUMMARY: Notice is hereby given that the Department of State has rescinded the statutory debarments of Jami Siraj Choudhury included in *Federal Register* notice of April 2, 2004, David Michael Janowski II included in *Federal Register* notice of August 25, 2009, Netria Corporation included in *Federal Register* notice of April 25, 2018, Jonathan Robert Reynolds included in *Federal Register* notice of September 3, 2003, and State Metal Industries, Inc. included in *Federal Register* notice of June 20, 2007. The aforementioned parties are hereinafter individually and collectively referred to as “the Parties.”

DATES: This rescission is effective on [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Jae Shin, Director, Office of Defense Trade Controls Compliance, Bureau of Political-Military Affairs, Department of State (202) 632-2107.

SUPPLEMENTARY INFORMATION: Section 38(g)(4) of the Arms Export Control Act (AECA), 22 U.S.C. 2778(g)(4), prohibits the issuance of licenses or other approvals for the export of defense articles or defense services where the applicant, or any party to

the export, has been convicted of violating the AECA and certain other U.S. criminal statutes enumerated in § 38(g)(1) of the AECA. In addition, § 127.7(b) of the International Traffic in Arms Regulations (ITAR) provides for the statutory debarment of any person who has been convicted of violating or conspiring to violate the AECA. As stated in this provision, it is the policy of the Department not to consider applications for licenses or requests for approvals involving any person who has been statutorily debarred. Persons subject to statutory debarment are prohibited from participating directly or indirectly in any activities that are subject to the ITAR.

Each of the Parties pleaded guilty to violating the AECA, and the Department notified the public of the respective Parties' statutory debarments imposed pursuant to ITAR § 127.7(c) via notices in the *Federal Register*. The notices provided that the Parties were "prohibited from participating directly or indirectly in the export of defense articles, including technical data, or in the furnishing of defense services for which a license or other approval is required."

In accordance with ITAR § 127.7(b), reinstatement may only be approved after submission of a request by the debarred party. In response to such a request from the Parties for reinstatement, the Department has conducted a thorough review of the circumstances surrounding each of the Parties' convictions, and has determined that the Parties have individually taken appropriate steps to address the causes of the violations sufficient to warrant rescission of their respective notice of statutory debarment. Therefore, pursuant to ITAR § 127.7(b), the Department determines it is no longer in the national security and foreign policy interests of the United States to maintain the policy

as applied to the Parties, and the Department hereby rescinds the notice of the Parties' statutory debarment.

The Department notes that the *Federal Register* notice of debarment for each of the Parties stated that “export privileges may be reinstated only at the request of the debarred person followed by the necessary interagency consultations, after a thorough review of the circumstances surrounding the conviction, and a finding that appropriate steps have been taken to mitigate any law enforcement concerns, as required by § 38(g)(4) of the AECA. Unless export privileges are reinstated, however, the person remains debarred.” (See respective FRN). The Department is no longer requiring that export privileges be reinstated pursuant to ITAR § 127.11 and § 38(g)(4) of the AECA prior to the rescission of statutory debarment. This change in policy recognizes that the circumstances warranting statutory debarment may be different from those warranting the revocation of export privileges. The Department may find, as it does with regard to each of the Parties, that the national security and foreign policy interests of the United States are not advanced by maintaining the Department-imposed ITAR § 127.7(b) prohibition on persons convicted of violating or conspiring to violate the AECA from “participating directly or indirectly in any activities that are subject to [the ITAR]” and where the debarred person may not meet the requirements of ITAR § 127.11(b) (implementing the restrictions of § 38(g)(4) of the AECA).

This notice rescinds the statutory debarment of each of the Parties but does not provide notice of reinstatement of export privileges for each of the Parties pursuant to the statutory requirements of § 38(g)(4) of the AECA and ITAR § 127.11. As required by the statute, the Department may not issue a license directly to any of the Parties except as

may be determined on a case-by-case basis after interagency consultations, a thorough review of the circumstances surrounding the conviction, and a finding that appropriate steps have been taken to mitigate any law enforcement concerns. Any determination by the Department regarding the reinstatement of export privileges for each of the Parties will be made in accordance with these statutory and regulatory requirements and will be the subject of a separate notice. All otherwise eligible persons may engage in exports of any of the Parties' manufactured defense articles, incorporate any of the Parties' manufactured items into defense articles for export, or otherwise engage in transactions subject to the ITAR without providing prior written notification of the Parties' involvement as otherwise required by ITAR § 127.1(d) and the transaction exception requirements of the *Federal Register* notice of statutory debarment.

Dated: December 16, 2019.

R. Clarke Cooper,

Assistant Secretary,

Bureau of Political-Military Affairs,

Department of State.

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