

UNITED STATES DEPARTMENT OF STATE
BUREAU OF POLITICAL-MILITARY AFFAIRS
WASHINGTON, DC 20520

_____))
In the Matter of:))
Analytical Methods, Inc.))
Respondent))
_____)

ORDER

WHEREAS, the Directorate of Defense Trade Controls, Bureau of Political-Military Affairs, United States Department of State (“Department”), has notified Analytical Methods, Inc. (“Respondent”) of its intention to initiate an administrative proceeding against it pursuant to section 38(e) of the Arms Export Control Act, as amended, (“AECA”) (22 U.S.C. 2778(e)), and its implementing regulations, the International Traffic in Arms Regulations (22 C.F.R. Parts 120-130) (“ITAR”);

WHEREAS, the proposed charges are based on allegations that the Respondent violated section 38 of the AECA and section 127 of the ITAR as set forth in the Proposed Charging Letter, attached hereto and incorporated by reference herein in connection with the unauthorized export of defense articles and the unauthorized provision of defense services;

WHEREAS, pursuant to section 128.11 of the ITAR, the Department and the Respondent have entered into a Consent Agreement attached hereto and incorporated by reference herein, whereby the Department and the Respondent have agreed to settle this matter in accordance with the terms and conditions set forth therein;

IT IS THEREFOR ORDERED:

FIRST, that the Respondent shall pay in fines and in remedial compliance measures an aggregate civil penalty of five hundred thousand dollars (\$500,000) as stipulated below, in complete settlement of the civil violations set forth in the Department's Proposed Charging Letter;

SECOND, of the aforementioned aggregate civil penalty, one hundred thousand dollars (\$100,000) shall be paid to the Department within fifteen (15) days of the date of this Order. The payment is to be made by cashiers or certified check payable to the Department of State;

THIRD, the aforementioned aggregated civil penalty includes a penalty of four hundred thousand dollars (\$400,000) that is suspended in accordance with the following: Two hundred thousand dollars (\$200,000) will be suspended on the condition that Respondent has already applied this amount to self-initiated remedial compliance measures determined by DDTC and spent prior to the date of this Order; the remaining two hundred thousand dollars (\$200,000) will be suspended on the condition that Respondent applies this amount to Consent Agreement authorized remedial compliance measures over the three (3) year period commencing on the date of this Order;

FOURTH, the Department recognizes that the Respondent agrees to waive its rights to raise the defense of Statute of Limitations with regard to the collection of the civil penalty imposed by the Consent Agreement and this Order, and that the Statute of Limitations shall be tolled until the last payment is made and all terms of the Consent Agreement are satisfied;

FIFTH, that any failure by the Respondent to apply suspended penalty funds appropriately for remedial compliance measures or provide satisfactory accounting shall result in the Respondent being required to pay immediately to the Department the amount specified, less credit for amounts the Department deems to have been properly applied and accounted for as expenditures in compliance with the Consent Agreement;

SIXTH, that the Respondent shall comply with the compliance measures and its obligations under the provisions of the Consent Agreement and shall do so within the deadlines established therein;

SEVENTH, that the Proposed Charging Letter, the Consent Agreement and this Order shall be made available to the public.

This Order becomes effective on the day it is signed.



Frank J. Ruggiero
Acting Assistant Secretary for
Political-Military Affairs
Department of State

Entered this 18 day of February 2009