Printrak, A Motorola Company
 1250 North Tustin Street
Anaheim, California 92807

Attn: Darrin Reilly, Vice President & General Manager

Dear Mr. Reilly:

The Bureau of Industry and Security, United States Department of Commerce ("BIS"), has reason to believe that Printrak, a Motorola Company, of Anaheim, California, formerly known as Printrak International, Inc. ("Printrak") has violated the Export Administration Regulations ("Regulations"),* which are issued under the authority of the Export Administration Act of 1979 ("Act"),[2] on 45 occasions. Specifically, BIS charges that Printrak committed the following violations:

**Charges 1-37   15 C.F.R. § 764.2(a) - Conduct Prohibited by the Regulations -
                        Exporting or Reexporting Items Without the Required Department of
                        Commerce Licenses**

As described in greater detail in Schedule A, which is enclosed herewith and incorporated herein by reference, on 37 occasions between on or about January 14, 1997, and on or about October 24, 2000, Printrak exported or reexported automated fingerprint identification systems and associated

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[1] The Regulations are currently codified in the Code of Federal Regulations at
15 C.F.R. Parts 730-774 (2002). The violations charged occurred in 1997, 1998, and 2000. The Regulations governing the violation at issue are found in the 1997, 1998 and 2000 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (1997, 1998, and 2000)). The Regulations define the violations that BIS alleges occurred and establish the procedures that apply to this matter.

[2] 50 U.S.C. app. §§ 2401-2420 (1994 & Supp. V 1999). From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was August 3, **2000 (3** C.F.R., 2000 Comp. 397 (2001)), continued the Regulations then in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (1994 & Supp. V 1999)) ("IEEPA"). On November 13, 2000, the Act was reauthorized by Pub. L. No. 106-508 and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (66 *Fed. Reg.* 44025, August 22, 2001), has continued the Regulations in effect under the IEEPA. The Act and Regulations are available on the Government Printing Office website at: http://w3.access.gpo.gov/bis/.

software, or encryption software, which were subject to the Regulations (ECCNs 3A981, 3D980, 4A980, 4D980 and 5D002), to each destination specified without obtaining the Department of Commerce licenses required by Sections 742.4, 742.7, and 742.15 of the Regulations. In doing so, Printrak committed 37 violations of Section 764.2(a) of the Regulations.

Charges 38-45   **15 C.F.R. § 764.2(g) - False or Misleading Statements - False or Misleading Statements on Shipper's Export Declarations Concerning Authority to Export**

As described in greater detail in Schedule A, which is enclosed herewith and incorporated herein by reference, on eight occasions between on or about March 5, 1997, and on or about May 10, 2000, Printrak filed or caused to be filed Shipper's Export Declarations[3] that stated the incorrect Export Control Classification Number or certified that the export was authorized under an export license or license exception that did not, in fact, authorize the export. These representations were false. In doing so, Printrak committed eight violations of Section 764.2(g) of the Regulations.

Accordingly, Printrak is hereby notified that an administrative proceeding is instituted against it pursuant to Part 766 of the Regulations for the purpose of obtaining an order imposing administrative sanctions, including any or all of the following:

The maximum civil penalty allowed by law of $11,000 per violation;[4]

Denial of export privileges; and/or

Exclusion from practice before BIS.

If Printrak fails to answer the charge contained in this letter within 30 days after being served with notice of issuance of this letter, that failure will be treated as a default. See 15 C.F.R. §§ 766.6 and 766.7. If Printrak defaults, the Administrative Law Judge may find the charge alleged in this letter are true without a hearing or further notice to Printrak. The Under Secretary for Export Administration may then impose up to the maximum penalty on the charges in this letter.

Printrak is further notified that it is entitled to an agency hearing on the record if Printrak files a written demand for one with its answer. See 15 C.F.R. § 766.6. Printrak is also entitled to be represented by

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[3] Shipper's Export Declarations are export control documents, as defined in Part 772 of the Regulations.

[4] Pursuant to the Federal Civil Penalties Adjustment Act of 1990 (28 U.S.C. § 2461, note (1994 & Supp. V 1999)), and 15 C.F.R. § 6.4(a)(2), the maximum penalty for each violation committed after October 23, 1996 and before November 1, 2000 is $11,000.

counsel or other authorized representative who has power of attorney to represent it. See 15 C.F.R. §§ 766.3(a) and 766.4.

The Regulations provide for settlement without a hearing. See 15 C.F.R. § 766.18. Should you have a proposal to settle this case, your or your representative should transmit it to me through the attorney representing BIS named below.

The U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, Printrak's answer must be filed in accordance with the instructions set forth in Section 766.5(a) of the Regulations with:

> U.S. Coast Guard ALJ Docketing Center
> 40 S. Gay Street
> Baltimore, Maryland 2 1202-4022

In addition, a copy of Printrak's answer must be served on BIS at the following address:

> Chief Counsel for Industry and Security
> Attention: David C. Recker, Esq.
> Room H-3839
> United States Department of Commerce
> 1 4th Street and Constitution Avenue, N. W.
> Washington, D.C. 20230

David C. Recker is the attorney representing BIS in this case. Any communications that you may wish to have concerning this matter should occur through him. He may be contacted by telephone at (202) 482-5301.

Sincerely,

Mark D. Menefee
Director
Office of Export Enforcement

SCHEDULE A
SCHEDULE OF VIOLATIONS
PRINTRAK, A MOTOROLA COMPANY

CHARGE	DATE (on or about)	COMMODITIES	DESTINATION	BILL OF LADING/ AIR WAYBILL
1	01/14/97	AFIS Printrak Software	Macau	400-7128-8186 (Fedex)
2	02/05/97	AFIS Printrak Software	Venezuela	400-71-28-9094 (Fedex)
3	02/24/97	AFIS (6) Printrak Software	Switzerland	400-7126-9691 (Fedex)
4, 38	03/05/97	# TV 555 Identix Scanner s/n #4401 System	Singapore	016-51909060 (Ariana Air Freight)
5	03/10/97	AFIS Printrak Software	Ireland	400-7129-0122 (Fedex)
6	03/19/97	AFIS Printrak Software	Switzerland	400-7129-0564 (Fedex)
7	04/07/97	AFIS Printrak Software	Ireland	400-7129-1356 (Fedex)
8	04/11/97	AFIS Printrak Software	Singapore	400-7129-1603 (Fedex)
9	04/28/97	AFIS Printrak Software	Switzerland	400-7129-2045 (Fedex)
10	05/02/97	#0217-00001 Capture Product Software	Ireland	400-7129-2292 (Fedex)
11	05/22/97	AFIS Printrak Software	Czech Republic	400-7129-2841 (Fedex)
12, 39	05/23/97	(2) Tunnel Software	Macau	512-7287546 (Ariana Air Freight)
13	06/06/97	AFIS Printrak Software	Switzerland	400-7129-3250 (Fedex)
14	06/17/97	AFIS Printrak Software	Switzerland	400-0435-0050 (Fedex)

CHARGE	DATE (on or about)	COMMODITIES	DESTINATION	BILL OF LADING/ AIR WAYBILL
15	06/27/97	AFIS Printrak Software	Switzerland	422-0435-02152 (Fedex)
16, 40	06/28/97	AFIS system s/n N171505YH OMNI Workstation	South Africa	074-69481613 (Ariana Air Freight)
17	07/03/97	Capture Product Software	Ireland	422-0435-02987 (FedEx)
18	07/03/97	AFIS Printrak Software	Oman	400-6754-0465 (Fedex)
19, 41	07/04/97	Automated Fingerprint Identification System (AFIS) including a single finger scanner	Brunei	217-22559423 (Ariana Air Freight)
20, 42	07/16/97	Tunnel Software	Macau	3551013082 (Ariana Air Freight)
21	07/17/97	(2) AFIS Printrak Software	Switzerland	422-0435-05048 (Fedex)
22	07/17/97	(2) AFIS Printrak Software	Ireland	422-0435-0509 (Fedex)
23	07/17/97	(2)AFIS Printrak Software	Ireland	422-0435-05070 (Fedex)
24	09/26/97	AFIS Printrak Software	Czech Republic	422-0435-1737 (Fedex)
25	04/15/98	AFIS Printrak Software	Ireland	422-0435-48408 (Fedex)
26	05/18/98	(7) AFIS Printrak Software	South Africa	422-0435-3727 (Fedex)
27	05/21/98	AFIS Printrak Software	Ireland	422-0435-54344 (Fedex)
28, 43	05/30/98	Printrak Capture Software	Colombia	330-00499634 (Ariana Air Freight)

CHARGE	DATE (on or about)	COMMODITIES	DESTINATION	BILL OF LADING/ AIR WAYBILL
29	05/28/98	(9) AFIS Printrak Software	Sweden	422-0435-55476 (Fedex)
30	06/02/98	AFIS Printrak Software	Sweden	422-0435-56461 (Fedex)
31	06/26/98	(5) Printrak Capture Software	Colombia	422-0435-61162 (Fedex)
32	06/30/98	AFIS Printrak Software	Sweden	422-0435-61563 (Fedex)
33	07/01/98	(4) AFIS Printrak Software	Columbia	422-0435-61861 (Fedex)
34, 44	07/10/98	AFIS #0204-00019 LSS 2000	Taiwan	023-85676382 (Ariana Air Freight)
35	09/16/98	AFIS Printrak Software	Ireland	422-0435-75802 (Fedex)
36	09/17/98	AFIS Printrak Software	Ireland	422-0435-76360 (Fedex)
37, 45	10/24/00	LSS 3000N	Re-export from UK to Czech Republic	MAWB 064-08093190 (Connexion World Cargo)

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

In the Matter of:)
)
Printrak, A Motorola Company)
1250 N. Tustin Ave.)
Anaheim, California 92807)
)
   Respondent.)

SETTLEMENT AGREEMENT

This Settlement Agreement (Agreement) is made by and between Printrak, A Motorola

Company ("Printrak") and the Bureau of Industry and Security, United States Department of

Commerce ("BIS"), pursuant to Section 766.18(a) of the Export Administration Regulations (15

C.F.R. Parts 730-774 (2002)) ("Regulations"),' issued pursuant to the Export Administration Act

of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (1994 & Supp. V 1999)) ("Act"),' and which

are currently maintained in force under the International Emergency Economic Powers Act (50

U.S.C. §§ 1701 - 1706 (1994 & Supp. V 1999)).

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[1] The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2002). The violations alleged occurred from 1997 through 2000. The Regulations governing the violations at issue are found in the 1997 through 2000 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (1997-2000)). The 1997 through 2000 Regulations that define the various violations that BIS alleges occurred are substantially the same as the 2002 Regulations that establish the procedures that apply to this matter.

[2] From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was issued on August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (1994 & Supp. V 1999)) ("IEEPA"). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (66 *Fed. Reg.* 44025 (August 22, 2001)), has continued the Regulations in effect under IEEPA.

WHEREAS, BIS has notified Printrak of its intention to initiate an administrative proceeding against Printrak pursuant to the Act and the Regulations;

WHEREAS, BIS has issued a proposed charging letter to Printrak that alleged that Printrak committed 45 violations of the Regulations, specifically:

I. 3 7 Violations of 15 C. F. R. § 764.2(a) - Exports or Reexports Without the Required Department of Commerce Licenses: On 37 separate occasions from January 1997 through October 2000, Printrak engaged in conduct prohibited by the Regulations by exporting or reexporting automated fingerprint identification (AFI) systems and associated software, or encryption software, to numerous destinations without obtaining the Department of Commerce licenses required by the Regulations.

2. 8 Violations of 1.5 C. F. R. § 764.2(g) - False or Misleading Statements on Shipper's Export Declarations Concerning Authority to Export: On eight separate occasions, from March 1997 through May 2000, Printrak filed or caused to be filed Shipper's Export Declarations[3] that contained false or misleading statements concerning the authority to export AFI systems and software, or encryption software.

WHEREAS, Printrak has reviewed the proposed charging letter and is aware of the allegations made against it and the administrative sanctions which could be imposed against it if the allegations are found to be true;

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[3] Shipper's Export Declarations are export control documents, as defined in Part 772 of the Regulations.

WHEREAS, Printrak fully understands the terms of this Agreement and the Order that will be issued to give effect to this Settlement Agreement (Order);

WHEREAS, Printrak enters into this Agreement voluntarily and with full knowledge of its rights;

WHEREAS, Printrak states that no promises or representations have been made to it other than the agreements and considerations herein expressed;

WHEREAS, Printrak neither admits nor denies the allegations contained in the proposed charging letter;

WHEREAS, Printrak wishes to settle and dispose of all matters alleged in the proposed charging letter by entering into this Agreement; and

WHEREAS, Printrak agrees to be bound by the Order, when entered;

NOW THEREFORE, Printrak and BIS agree as follows:

1. BIS has jurisdiction over Printrak, under the Regulations, in connection with the matters alleged in the proposed charging letter.

2. BIS and Printrak agree that the following sanction shall be imposed against Printrak in complete settlement of the alleged violations of the Regulations set forth in the proposed charging letter:

    a.   Printrak shall be assessed a civil penalty in the amount of $135,000 which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of this Order.

b.   The timely payment of the civil penalty agreed to in paragraph 2a. is hereby made

a condition to the granting, restoration, or continuing validity of any export

license, permission, or privilege granted, or to be granted, to Printrak. Failure to

make timely payment of the civil penalty set forth above shall result in the denial

of all of Printrak's export privileges for a period of one year from the date of entry

of the Order imposing the civil penalty.

3. Printrak agrees that, subject to the approval of this Agreement pursuant to paragraph 8

hereof, it hereby waives all rights to further procedural steps in this matter (except with respect to

any alleged violations of this Agreement or the Order, when entered), including, without

limitation, any right to: (a) an administrative hearing regarding the allegations in the proposed

charging letter; (b) request a refund of any civil penalty paid pursuant to this Agreement and the

Order, when entered; and (c) seek judicial review or otherwise contest the validity of this

Agreement or the Order, when entered.

4. BIS agrees that, upon entry of the Order, it will not initiate any administrative

proceeding against Printrak in connection with any violation of the Act or the Regulations arising

out the transactions identified in the proposed charging letter.

5. Printrak understands that BIS will make the proposed charging letter, this Agreement,

and the Order, when entered, available to the public.

6. BIS and Printrak agree that this Agreement is for settlement purposes only. Therefore,

if this Agreement is not accepted and the Order is not issued by the Assistant Secretary of

Commerce for Export Enforcement pursuant to Section 766.18(a) of the Regulations, BIS and

Printrak agree that they may not use this Agreement in any administrative or judicial proceeding

and that the parties shall not be bound by the terms contained in this Agreement in any

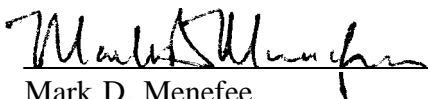subsequent administrative or judicial proceeding.

7. No agreement, understanding, representation or interpretation not contained in this

Agreement may be used to vary or otherwise affect the terms of this Agreement or the Order,

when entered, nor shall this Agreement serve to' bind, constrain, or otherwise limit any action by

any other agency or department of the United States Government with respect to the facts and
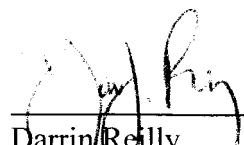
circumstances addressed herein.

8. This Agreement shall become binding on BIS only when the Assistant Secretary of

Commerce for Export Enforcement approves it by entering the Order, which will have the same

force and effect as a decision and order issued after a full administrative hearing on the record.

9. Each signatory affirms that he has authority to enter into this Settlement Agreement

and to bind his respective party to the terms and conditions set forth herein.

BUREAU OF INDUSTRY AND SECURITY   PRINTRAK, A MOTOROLA COMPANY
U.S. DEPARTMENT OF COMMERCE

_____   _____
Mark D. Menefee   Darrin Reilly
Director   Vice President and General Manager
Office of Export Enforcement

Date: 7/16/02   Date: 7/11/02

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

In the Matter of:)
)
Printrak, A Motorola Company   )
1250 N. Tustin Ave.   )
Anaheim, California 92807,   )
)
____Respondent._____)

ORDER

The Bureau of Industry and Security, United States Department of Commerce (BIS), having

notified Printrak, A Motorola Company ("Printrak"), of its intention to initiate an administrative

proceeding against it pursuant to Section 13(c) of the Export Administration Act of 1979, as amended

(50 U.S.C. app. §§ 2401-2420 (1994 & Supp. V 1999)) ("Act"),' and the Export Administration

Regulations (currently codified at 15 C.F.R. Parts 730-774 (2001)) ("Regulations"),[2] based on

allegations in a proposed charging letter issued to Printrak that alleged that Printrak committed 45

violations of the Regulations. Specifically, the charges are:

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[1] From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was issued on August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations then in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (1994 & Supp. V 1999)) ("IEEPA"). On November 13, 2000, the Act was reauthorized by Pub. L. No. 106-508 and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (66 *Fed. Reg. 44025* (August 22, 2001)), has continued the Regulations in effect under IEEPA.

[2] The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2002). The violations alleged occurred from 1997 through 2000. The Regulations governing the violations at issue are found in the 1997 through 2000 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (1997-2000)). The 1997 through 2000 Regulations that define the various violations that BIS alleges occurred are substantially the same as the 2002 Regulations that establish the procedures that apply to this matter.

1. 37 Violations of 15 C.F.R. § 764.2(a) - Exports or Reexports Without the Required Department of Commerce Licenses: On 37 separate occasions from January 1997 through October 2000, Printrak engaged in conduct prohibited by the Regulations by exporting or reexporting automated fingerprint identification (AFI) systems and associated software, or encryption software, to numerous destinations without obtaining the Department of Commerce licenses required by the Regulations.

2. 8 Violations of 15 C.F.R. § 764.2(g) - False or Misleading Statements on Shipper's Export Declarations Concerning Authority to Export: On eight separate occasions, from March 1997 through May 2000, Printrak filed or caused to be filed Shipper's Export Declarations[3] that contained false or misleading statements concerning the authority to export AFI systems and associated software, or encryption software.

BIS and Printrak having entered into a Settlement Agreement pursuant to Section 766.18(a) of the Regulations whereby they agreed to settle this matter in accordance with the terms and conditions set forth therein, and the terms of the Settlement Agreement having been approved by me;

IT IS THEREFORE ORDERED:

FIRST, that a civil penalty of $135,000 is assessed against Printrak which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of this Order. Payment shall be made in the manner specified in the attached instructions.
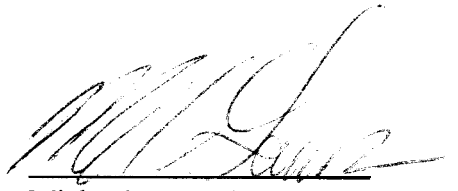
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[3] Shipper's Export Declarations are export control documents, as defined in Part 772 of the Regulations.

SECOND, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C.

§§ 3701-3720E (1983 and Supp. 2000)), the civil penalty owed under this Order accrues interest as

more fully described in the attached Notice, and, if payment is not made by the due date specified

herein, Printrak will be assessed, in addition to the full amount of the civil penalty and interest, a penalty

charge and an administrative charge, as more fully described in the attached Notice.

THIRD, that the timely payment of the civil penalty set forth above is hereby made a condition

to the granting, restoration, or continuing validity of any export license, license exception, permission, or

privilege granted, or to be granted, to Printrak. Accordingly, if Printrak should fail to pay the civil

penalty in a timely manner, the undersigned may enter an Order denying all of Printrak's export

privileges for a period of one year from the date of entry of this Order.

FOURTH, that the proposed charging letter, the Settlement Agreement, and this Order shall be

made available to the public.

This Order, which constitutes the final agency action in this matter, is effective

immediately.

Michael J. Garcia
Assistant Secretary of Commerce
for Export Enforcement

Entered this _____ day of _____ July _____ 2002.