

DRAFT

REGISTERED MAIL - RETURN RECEIPT REQUESTED

Mobil International Petroleum Corporation
5959 Las Colinas Blvd.
Irving, TX 75039

*Attn: Hal R. Cramer
Vice President*

Dear Mr. Cramer:

The Bureau of Industry and Security, United States Department of Commerce ("BIS"), has reason to believe that Mobil International Petroleum Corporation, of Irving, Texas ("Mobil International"), as the former parent company to Mobil Oil Sudan, Ltd. of Khartoum, Sudan ("Mobil Sudan"), is liable for three violations committed by Mobil Sudan¹ of the Export Administration Regulations (the "Regulations"),² which are issued under the authority of the Export Administration Act of 1979 (the "Act")³. Specifically, BIS charges that Mobil Sudan committed the following violations:

Charges 1 - 3 15 C.F.R. § 764.2(b) - Causing the Reexport of Items Without the Required Department of Commerce Licenses

On three occasions from in or about June 1999 to in or about February 2000, Mobil Sudan caused acts prohibited by the Regulations by ordering Dell servers and Dell laptop computers

¹ Since the time of the transactions in question, Mobil Sudan has been divested by Mobil International.

² The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2004). The violations charged occurred in 1999 and 2000. The Regulations governing the violations at issue are found in the 1999 and 2000 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (1999-2000)). The 2004 Regulations establish the procedures that apply to this matter.

³ 50 U.S.C. app. §§ 2401- 2420 (2000). 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 in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) ("IEEPA"). On November 13, 2000, the Act was reauthorized by Pub. L. No. 106-508 (114 Stat. 2360 (2000)) and it remained in effect through August 20, 2001. Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp., p. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 6, 2004 (69 Fed. Reg. 48763 (August 10, 2004)), continues the Regulations in effect under the IEEPA.

(laptops and servers), items subject to the Regulations and classified under Export Control Classification Number ("ECCN") 4A994. The laptops and servers were reexported from England to Sudan, through Egypt, without the Department of Commerce licenses required for such reexports by Section 742.10 of the Regulations. These reexports are further described in the attached Schedule A, which is incorporated by reference herein. By causing these unauthorized reexports, Mobil Sudan committed three violations of Section 764.2(b) of the Regulations.

Accordingly, Mobil International is hereby notified that an administrative proceeding is instituted against it pursuant to Section 13(c) of the Act and 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 Mobil International fails to answer the charges 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 Mobil International defaults, the Administrative Law Judge may find the charges alleged in this letter are true without hearing or further notice to Mobil International. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty on each of the charges in this letter.

Mobil International is further notified that it is entitled to an agency hearing on the record if it files a written demand for one with its answer. *See* 15 C.F.R. § 766.6. Mobil International is also entitled to be represented by 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 Mobil International have a proposal to settle this case, Mobil International or its representative should transmit it to 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, Mobil International's answer must be filed in accordance with the instructions in Section 766.5(a) of the Regulations with:

U.S. Coast Guard ALJ Docketing Center

⁴ *See* 15 C.F.R. § 6.4(a)(2).

Mobil International
Proposed Charging Letter
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40 S. Gay Street
Baltimore, Maryland 21202-4022

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

Chief Counsel for Industry and Security
Attention: Philip Ankel
Room H-3839
United States Department of Commerce
14th Street and Constitution Avenue, N.W.
Washington, D.C. 20230

Philip Ankel is the attorney representing BIS in this case; any communications that Mobil International may wish to have concerning this matter should occur through him. Mr. Ankel may be contacted by telephone at (202) 482-5301.

Sincerely,

Michael D. Turner
Director
Office of Export Enforcement

MOBIL INTERNATIONAL

SCHEDULE A

Charges	Approximate Date of Order:	Items Involved and Applicable ECCN	Approximate value of items (U.S. dollars)	Destination
1	6/1999	Dell Model 4300 Server (ECCN 4A994)	\$11,000	Sudan
2	10/1999	Dell Latitude 366 XT laptop computers with accessories (ECCN 4A994)	\$21,000	Sudan
3	2/2000	Dell Model 2300 Server (ECCN 4A994)	\$6,000	Sudan

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

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In the Matter of:)
)
Mobil International Petroleum Corporation)
5959 Las Colinas Blvd.)
Irving, TX 75039)
)
Respondent.)
.....

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made by and between Respondent, Mobil International Petroleum Corporation ("Mobil International"), as the former parent company to Mobil Oil Sudan, Ltd. ("Mobil Sudan")¹ and the Bureau of Industry and Security, U.S. Department of Commerce ("BIS") (collectively referred to as "Parties"), pursuant to Section 766.18(a) of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2004)) ("Regulations"),² issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) ("Act"),³

¹ Since the time of the transactions in question, Mobil Sudan has been divested by Mobil International.

² The violations charged occurred in 1999 and 2000. The Regulations governing the violations at issue are found in the 1999 and 2000 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (1999-2000)). The 2004 Regulations establish the procedures that apply to this matter.

³ 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 in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) ("IEEPA"). On November 13, 2000, the Act was reauthorized by Pub. L. No. 106-508 (114 Stat. 2360 (2000)) and it remained in effect through August 20, 2001. Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been

WHEREAS, Exxon Mobil Corporation, on behalf of its subsidiary, Mobil International, filed a voluntary self-disclosure with BIS's Office of Export Enforcement in accordance with Section 764.5 of the Regulations concerning the transactions at issue herein;

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

WHEREAS, BIS has issued a proposed charging letter to Mobil International that alleged that Mobil International is liable for three violations of the Regulations committed by Mobil Sudan, specifically:

1. *Three Violations of 15 C.F.R. § 764.2(b) - Causing the Reexport of Items Without the Required Department of Commerce Licenses:* On three occasions from in or about June 1999 to in or about February 2000, Mobil Sudan caused acts prohibited by the Regulations by ordering Dell servers and Dell laptop computers (laptops and servers), items subject to the Regulations and classified under Export Control Classification Number ("ECCN") 4A994. The laptops and servers were reexported from England to Sudan, through Egypt, without the Department of Commerce licenses required for such reexports by Section 742.10 of the Regulations.

WHEREAS, Mobil International 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;

extended by successive Presidential Notices, the most recent being that of August 6, 2004 (69 *Fed. Reg.* 48763, August 10, 2004), continues the Regulations in effect under IEEPA.

WHEREAS, Mobil International fully understands the terms of this Agreement and the Order ("Order") that the Assistant Secretary of Commerce for Export Enforcement will issue if she approves this Agreement as the final resolution of this matter;

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

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

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

WHEREAS, Mobil International agrees to be bound by the Order, if entered;

NOW THEREFORE, the Parties hereby agree as follows:

1. BIS has jurisdiction over Mobil International, under the Regulations, in connection with the matters alleged in the proposed charging letter.
2. The following sanction shall be imposed against Mobil International in complete settlement of the violations of the Regulations committed by Mobil Sudan relating to the transactions specifically detailed in the voluntary self-disclosure and the proposed charging letter:
 - a. Mobil International shall be assessed a civil penalty in the amount of \$12,000 which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of the Order.
 - b. The timely payment of the civil penalty agreed to in paragraph 2.a. 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 Mobil International. Failure to make timely payment of the civil penalty set forth above may result in the denial of all of Mobil International's export privileges for a period of one year from the date of imposition of the penalty.

3. Subject to the approval of this Agreement pursuant to paragraph 8 hereof, Mobil International hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violations of this Agreement or the Order, if 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, if entered; (c) request any relief from the Order, if entered, including without limitation relief from the terms of a denial order under 15 C.F.R. § 764.3(a)(2); and (d) seek judicial review or otherwise contest the validity of this Agreement or the Order, if entered.

4. Upon entry of the Order and timely payment of the \$12,000 civil penalty, BIS will not initiate any further administrative proceeding against Mobil International in connection with any violation of the Act or the Regulations arising out of the transactions specifically detailed in the voluntary self-disclosure or the proposed charging letter.

5. BIS will make the proposed charging letter, this Agreement, and the Order, if entered, available to the public.

6. 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, no Party may use this Agreement in any

administrative or judicial proceeding and the Parties shall not be bound by the terms contained in this Agreement in any subsequent administrative or judicial proceeding.

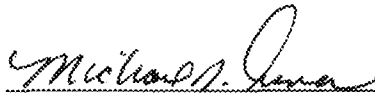
7. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise affect the terms of this Agreement or the Order, if entered, nor shall this Agreement serve to bind, constrain, or otherwise limit any action by any other agency or department of the U.S. Government with respect to the facts and circumstances addressed herein.

8. This Agreement shall become binding on the Parties only if 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,
U.S. DEPARTMENT OF COMMERCE

MOBIL INTERNATIONAL PETROLEUM
CORPORATION



Michael D. Turner
Director
Office of Export Enforcement



Hal R. Cramer
Vice President

Date: 5/25/2005

Date: 4/22/05

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

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In the Matter of:)
)
Mobil International Petroleum Corporation)
5959 Las Colinas Blvd.)
Irving, TX 75039)
)
Respondent.)
.....

ORDER RELATING TO MOBIL INTERNATIONAL PETROLEUM CORPORATION.

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) has notified Mobil International Petroleum Corporation (“Mobil International”), as the former parent company to Mobil Oil Sudan, Ltd., (“Mobil Sudan”)¹ of its intention to initiate an administrative proceeding against Mobil International pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2004)) (“Regulations”),² and Section 13(c) of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“Act”),³

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² The violations charged occurred in 1999 and 2000. The Regulations governing the violations at issue are found in the 1999 and 2000 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (1999-2000)). The 2004 Regulations establish the procedures that apply to this matter.

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by issuing a proposed charging letter to Mobil International that alleged that Mobil International is liable for three violations of the Regulations committed by Mobil Sudan. Specifically, the charges are:

1. *Three Violations of 15 C.F.R. § 764.2(b) - Causing the Reexport of Items Without the Required Department of Commerce Licenses:* On three occasions from in or about June 1999 to in or about February 2000, Mobil Sudan caused acts prohibited by the Regulations by ordering Dell servers and Dell laptop computers (laptops and servers), items subject to the Regulations and classified under Export Control Classification Number ("ECCN") 4A994. The laptops and servers were reexported from England to Sudan, through Egypt, without the Department of Commerce licenses required for such reexports by Section 742.10 of the Regulations.

WHEREAS, BIS and Mobil International have 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

WHEREAS, I have approved of the terms of such Settlement Agreement;

IT IS THEREFORE ORDERED:

FIRST, that a civil penalty of \$12,000 is assessed against Mobil International, 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.

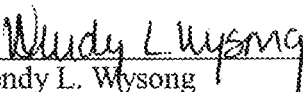
SECOND, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C.

§§ 3701-3720E (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, Mobil International 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 Mobil International. Accordingly, if Mobil International should fail to pay the civil penalty in a timely manner, the undersigned may enter an Order denying all of Mobil International'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.


Wendy L. Wysong
Acting Assistant Secretary of
Commerce for Export Enforcement

Entered this 1st day of June 2005.