

A member of the Board shall receive no compensation from the Foundation for the service as a member of the Board.

While away from home or regular place of business of a member of the Board, the member shall be allowed travel expenses paid by the Foundation, including per diem in lieu of subsistence, at the same rate as a person employed intermittently in the Government service is allowed under section 5703 of title 5, United States Code.

The Board may complete the organization of the Foundation by adopting the constitution and bylaws consistent with the purposes of the Foundation.

#### How To Submit Nominations

Nominations must be received by [insert Date 30 days from the date of publication].

Nominations should be typed and should include the following:

(1) A brief summary of no more than two pages explaining the nominee's suitability to serve on the National Natural Resources Conservation Foundation Board of Trustees including relevant experience, current employer or organizational affiliation.

(2) Resume.

Send nominations to the address listed earlier in this notice.

Paul Johnson,

Chief, *USDA Natural Resources Conservation Service*.

[FR Doc. 96-15185 Filed 6-13-96; 8:45 am]

BILLING CODE 3410-16-M

## COMMISSION ON CIVIL RIGHTS

### Agenda and Notice of Public Meeting of the South Carolina Advisory Committee

Notice is hereby given, pursuant to the provisions of the rules and regulations of the U.S. Commission on Civil Rights, that a meeting of the South Carolina Advisory Committee to the Commission will convene at 9:00 a.m. and adjourn at 5:00 p.m. on Tuesday, July 2, 1996, at County Square, County Council Chambers, 301 University Ridge, Greenville, South Carolina 29601. The purpose of the meeting is to discuss civil rights progress and problems in the State, discuss followup to the report, *Perceptions of Racial Tensions in South Carolina*; and hear from invited guests on the current status of race relations in Greenville.

Persons desiring additional information, or planning a presentation to the Committee, should contact Committee Chairperson Milton B.

Kimpson, 803-779-2597, or Bobby D. Doctor, Director of the Southern Regional Office, 404-730-2476 (TDD 404-730-2481). Hearing-impaired persons who will attend the meeting and require the services of a sign language interpreter should contact the Regional Office at least five (5) working days before the scheduled date of the meeting.

The meeting will be conducted pursuant to the provisions of the rules and regulations of the Commission.

Dated at Washington, DC, June 3, 1996.  
Carol-Lee Hurley,  
Chief, *Regional Programs Coordination Unit*.  
[FR Doc. 96-15085 Filed 6-13-96; 8:45 am]  
BILLING CODE 6335-01-P

## DEPARTMENT OF COMMERCE

### Bureau of Export Administration

[Docket Nos. AB3-95; AB2-95]

### Serfilco, Ltd. and Jack H. Berg, Respondents; Final Decision and Order

#### I. Summary

Before me for decision is the appeal of respondents, Serfilco Ltd. (Serfilco) and Jack H. Berg (Berg), from the decision and order of the Administrative Law Judge (ALJ). The ALJ found that Berg and Serfilco, a company wholly owned by Berg, each committed nine violations of § 769.2(d) of the Export Administration Regulations (15 C.F.R. § 769.2(d)). The charges were based on their responding to seven of the eight questions contained in a boycott questionnaire (the "Annex"), and providing two additional items of prohibited information in a cover letter transmitting the answers to the Annex. The ALJ imposed a civil penalty of \$10,000 for each of these violations, for a total of \$180,000. In addition, Serfilco was found to have committed seven violations of § 769.6 of the regulations for failure to report its receipt of seven boycott-related requests. The ALJ imposed a civil penalty of \$4,000 for each of these violations, for a total of \$28,000. The civil penalties totaled \$90,000 against Berg and \$118,000 against Serfilco or \$208,000 against the two. Finally, the ALJ imposed on respondents a one year denial of export privileges to Bahrain, Iraq, Kuwait, Lebanon, Libya, Oman, Qatar, Saudi Arabia, Syria, United Arab Emirates, and the Republic of Yemen.

I have affirmed the findings of the ALJ that the respondents committed the violations in question. I have, however,

reduced the amounts of some of the civil penalties. I have set the penalties at \$80,000 for Berg and \$38,000 for Serfilco. The total of the civil penalties against the two is now \$118,000. I have also affirmed the periods of denial of export privileges to the countries specified for each respondent.

#### II. Introduction

On August 24, 1995, the Office of Antiboycott Compliance, Bureau of Export Administration, United States Department of Commerce ("agency" herein) issued charging letters to the respondents, Serfilco, Ltd. and Jack H. Berg. The agency charged that Berg, the President of Serfilco, and Serfilco each committed nine violations of § 769.2(d) of the Export Administration Regulations and that Serfilco committed seven violations of § 769.6 of the Export Administration Regulations. (All references to regulations in this decision are to the Export Administration Regulations in 15 CFR) <sup>1</sup> The respondents and the agency jointly stipulated to, or the respondents requested and received, an extension of the due date for the respondents' answer to the charging letters on nine occasions. On March 27, 1995, the respondents answered the charging letters and requested a hearing. The hearing was held on August 23, 1995 in Washington, D.C. Post-hearing briefs and proposed findings and conclusions were filed by the parties on October 12, 1995; replies were filed on November 9, 1995. The Administrative Law Judge issued his Decision and Order on December 5, 1995. The respondents filed their appeal on January 4, 1996. The agency's reply brief was filed on February 16, 1996, pursuant to an extension of time I granted.

#### III. Findings of Fact

When the alleged violations occurred, Serfilco was a corporation located in Glenview, Illinois and incorporated in Illinois. All of the violations occurred during 1988, 1989, and 1990 when Berg resided in the United States. Berg wholly owned Serfilco; he was its president, treasurer, and chief executive officer. Serfilco was a United States person, as defined in § 769.1(d), during the time of the alleged violations. At the time of the alleged violations, Serfilco manufactured and exported commercial

<sup>1</sup> On March 25, 1996, the Bureau issued revised Export Administration Regulations (61 *Fed. Reg.* 12714). While those revisions made significant changes to export licensing procedures, they do not affect the result of this case. References in this Decision and Order are to the part numbers used in the Export Administration Regulations prior to March 25.

filtration and pumping equipment. Berg also owned independent operating companies, under the Serfilco name, in Canada and England. In 1989, Serfilco's export sales represented approximately 17 or 18 percent of its total sales. Its sales in the Middle East were a fraction of overall sales. Serfilco also filled Middle East orders for its products from its facility in England. The record does not reflect whether the sales estimates include sales from England. Serfilco has an international department at its Illinois headquarters.

On December 16, 1987, Berg wrote to the U.S. Chamber of Commerce, attaching correspondence, and inquired whether the Chamber of Commerce knew of any reason why his English company should not sell Serfilco pumps to Iran. During the period 1988-1990, Berg was trying to obtain business in Iraq. Between January 1989 and June 1989, Berg sought a distributor in Iraq for his commercial filtration equipment and industrial pumps. As part of that effort, on January 4, 1989, Berg wrote to the senior commercial officer at the U.S. Embassy in Baghdad at the suggestion of M. A. Al-Hantaway, a potential agent for Serfilco's products in Iraq. Berg explained in his letter to the embassy that the Al-Hantaway Bureau in Baghdad would represent Serfilco's products and he sought embassy approval. On January 29, 1989, Russell Y. Smith, the Commercial Attache at the American Embassy in Baghdad, sent Berg a facsimile explaining that "Iraqi agency law require[s] you to answer questions about your relations with a country boycotted by Iraq." The embassy advised Berg that "U.S. law prohibiting U.S. persons from answering such suggestions may apply." Smith told Berg to call 202-377-2381 or 4550, the Office of Antiboycott Compliance, to find out about the requirements of U.S. law.

Also on January 29, 1989, Smith wrote to Berg, reminding him that the United States had an antiboycott law and "that the Iraqi Agency Law of 1983 may require responses to a series of questions (contained on one sheet) concerning your relations with Israel." Smith told Berg that:

A U.S. person is prohibited from responding to these questions under American law. If you are not familiar with the antiboycott law \* \* \* please contact the Office of Antiboycott Compliance in Washington at (202) 377-4550 or (202) 377-2381. They will be happy to advise you how to comply with the law and also to suggest alternative actions you may take.

Smith also sent Berg the Office of Antiboycott Compliance publication "Restrictive Trade Practices or Boycotts

Including Enforcement and Administrative Proceedings," which included the antiboycott regulations. Berg filed Smith's correspondence in his "Iraqi folder."

Between May 14, 1989 and June 6, 1989, Berg received a May 14, 1989 letter from M. A. Al-Hantaway, Director of Al-Hantaway Bureau, Commissioning Agency, Baghdad, Iraq. The letter was a request to Berg that he "approve 6 copies of the (Sales Policy) each with its attached annex \* \* \* and then send them all to us for further process here in Iraq." The annex was a single page list of eight questions about respondents' relationships with Israel.

The annex questions were as follows:

1. We do not have now & ever have a branch or main company factory or assembly plant in Israel.
2. We do not have now or ever have general Agencies or offices in Israel for our middle eastern international operations.
3. We have never granted the right using name, trade-marks, royalty, patent, copyright or any of our subsidiaries to Israeli persons or firms.
4. We do not participate or own or ever participate or own shares in Israeli firm or business.
5. We do not render now or ever have rendered any consultancy servic[e] or technical assistance to any Israeli firm business.
6. We do not represent now or ever represented any Israeli firm or business in Israel or abroad.
7. (What companies in whose capital are you shareholders? [P]lease state the name and nationality of each company and the percent of share to their total capital.)
8. (What companies are shareholding in your capital, please state the name and nationality of each company and the percentage of share to your total capital.)

On June 6, 1989, Berg answered all of the questions except number five and sent those answers to Al-Hantaway. In his letter to Al-Hantaway accompanying his responses he volunteered:

Please note that we presently receive orders from Israel, and have also received orders in the past. We have sales dealers or representatives in Israel, same as you. We will continue the above sales.

Berg suggested to Al-Hantaway that he might prefer dealing with Serfilco's office in England. Berg stated that his statement to Al-Hantaway was meant to convey the company's policy to sell its products all over the world without prejudice. Berg maintains that he was not aware of any boycott of Israel when he responded.

Al-Hantaway responded to Berg's June 6, 1989 letter on June 27, 1989 and pointed out that since Berg could not "sign for all the eight items concerning Israel," it would be useless to continue negotiation. Al-Hantaway explained that it would be necessary for Serfilco to "stop relations with Israelian dealers and representatives and promise to avoid any relation with Israel in the future." If Serfilco were to do this, he said, he would then ask the Iraqi authorities to allow him to represent Serfilco. Al-Hantaway's refusal to represent Serfilco, resulted in Berg calling the Office of Antiboycott Compliance, as Commercial Attache Smith had suggested in January.

On July 20, 1989, Berg telephoned the Office of Antiboycott Compliance. Berg told Joyce Shephard of that office that he had received a letter from Commercial Attache Smith about selling to Iraq. he said that a company in Iraq wanted to represent Serfilco but that the company wanted him to sign an agreement about the boycott of Israel. According to a report of that conversation that Shephard wrote, Berg wanted to know if he could ship from his facility in England or Canada and avoid violating the antiboycott law. He also wanted to know whether he would have to agree to boycott Israel. Berg told Shephard that in his absence she should talk with Shirley Futterman, A Serfilco employee. On July 21, 1989, Berg sent Shephard the January 1989 letter from Commercial Attache Smith and his correspondence with Al-Hantaway. Berg told Shephard he wanted to know if there were alternative actions that Serfilco could take that would permit the company to continue its business in Israel and also trade with Iraq. Berg explained to Shephard that Smith had sent him a package containing materials which included a publication called "Restrictive Trade Practices or Boycotts Including Enforcement and Administrative Proceedings."

About November 13, 1988, Serfilco received a request for a quotation, with attachments, from Faisal A. Alarfaj, Managing Director, Grace Trading Est. Grace Trading requested that Serfilco include the manufacturer's name and address "for Israeli Boycott Office verification." Berg responded on December 2, 1988 and stated that the manufacturer of the pump offered was Serfilco's subsidiary, ASM Industries, Leola, Pennsylvania.

About May 14, 1989, Serfilco received an inquiry from Ahmad Jassim Heleyel, Commercial Director, State Enterprise for Mechanical Industries Republic of Iraq. The inquiry contained "General Terms and Conditions" which were

found in Serfilco's files. Among the conditions was the requirement that "commercial invoices indicat[e] the name of exporter, manufacturer & that he or his principal is not a branch, mother, sister or partner to establishment included in Israeli boycott" and the exporter would need to certify that Israeli labor, capital or raw materials were not used, that the ship is not blacklisted and that the ship will not call at any Israeli port. Shirley Futterman on behalf of William H. Smyth, a Serfilco Sales Application Engineer, responded to the letter from Heylel on June 27, 1989. Futterman sent Heylel a copy of Serfilco's catalogue and explained that Serfilco had reviewed the Heylel's requirements but that Serfilco did not have anything to offer.

About May 30, 1989, Serfilco received a request for a quotation from Al-Jubail Fertilizer Company (SAMAD) of Saudi Arabia which attached a document entitled "Instructions to Bidders." Those instructions stated that among the elements to be considered in the evaluating the quotation would be the "Manufacturer's name and address (for boycott verification)." The document entitled "Request for Quotation" which preceded the instructions also stated that all quotations must contain the manufacturer's name and address for boycott verification purposes. On June 13, 1989, Futterman responded to SAMAD with a quotation for the part sought. She signed on behalf of Serfilco's Export Department.

On or about March 5, 1990, Serfilco, Ltd. received a request for a quotation from Arthur Goveas, Thuwainy Trading Co., W.L.L. in Kuwait, with an attached document from the purchasing department of the Kuwait Oil Company. The Kuwait Oil Company document was called an "Enquiry" and provided the following specifications for bidders:

(K) A Boycott Certificate from the IBO Kuwait or Declaration letter from bidder, should be supplied with the bid confirming that the manufacturer is neither boycotted nor warned, otherwise bid will not be considered.

On or about March 21, 1990, Shirley Futterman on behalf of William H. Smyth, International Sales Application, Serfilco, Ltd. responded to the request from Thuwainy Trading Co.

About April 22, 1990, Serfilco, Ltd. received a request for quotation from Abdullatif Abdalla Almihi, President, Middle East Group—Trading & Contracting W.L.L., with an attached document entitled "SCHEDULE OF PRICES." The request for quotation required the bidder to comply with the following requirement:

Complete name & address of manufacturer/s must be stated on the offer sheet for clearance from the Israeli Boycott Office—Kuwait, without which your offer will be rejected by the authorities.

By letter dated May 10, 1990, Mark Glodoski, International Sales Appl., Serfilco, Ltd. responded to the request from the Middle East Group—Trading & Contracting W.L.L.

Serfilco did not institute an antiboycott compliance program until "right after 1992."

#### IV. Analysis<sup>2</sup>

##### A. Furnishing Prohibited Information (§ 769.2(d))

While it is beyond doubt that respondents furnished prohibited information, the 18 charges under § 769.2(d) (nine against Berg and nine against his corporation, Serfilco) and \$180,000 penalty pertain to two documents—the annex and the cover letter. Government counsel correctly argues that applicable agency law establishes that the "proper unit of prosecution" is each item of prohibited information within a transmission. The ALJ also correctly concluded that he did not have authority to reduce the number of charges. That authority is vested only in the Under Secretary.

Under the longstanding policy and practice of this agency, charges are initiated and penalties are imposed based upon items of information improperly furnished. Here, each charge under § 769.2(d) was based upon a separate piece of information whose transmission could assist in the administration of the boycott. It was appropriate to initiate charges and exact penalties on each of these. I will not exercise my discretion to reduce the number of these charges.

I also concur with the ALJ's finding that Berg and Serfilco are separate entities and are each legally responsible for the violations committed.

##### 1. The Annex

The record clearly demonstrates that respondent Berg was specifically warned that he would be receiving a boycott request and that responding to the request was prohibited.

Additionally, he was furnished a copy of the applicable regulations. Therefore, the imposition of the maximum \$10,000 penalty against Berg for completing each question in the Annex is appropriate. However, mindful that Serfilco is a

small, closely held company whose actions were under the control of respondent Berg, I have exercised my discretion and reduced the penalties against it to \$2,500 for each of the seven violations relating to the annex.

##### 2. The Cover Letter

Having completed the Annex, Berg apparently realized that it could create the false impression that he did not do business in Israel. In a misguided attempt to make it clear that he did such business in Israel and intended to continue to do so, Berg provided the additional items of information in his cover letter which form the basis for the second set of § 769.2(d) violations (two against him and two against Serfilco). The body of Berg's letter reads, in its entirety:

Thank you for your letter of May 16th. I have read the attached annex and indicated my answers.

Please not that we presently receive orders from Israel, and have received orders in the past. We have sales dealers and representatives in Israel, same as you.

We will continue the above sales, and will be pleased to work with you on the same arrangement. Please advise if this is agreeable. We'll then forward copies of the sales policy to your embassy.

As noted above, I believe that this cover letter constitutes two separate violations of § 769.2(d) for each respondent. I do not, however, believe that imposition of the maximum penalty is appropriate. As a mitigating factor in assessing a penalty for this violation, the record establishes that Berg's objective was to make clear his intention to continue to do business in Israel. Moreover, it should be noted that in his responses to the Annex and in this letter he furnished information only on his firm. Thus, the only furtherance of the boycott resulting from his response was the likely inclusion of his firm on the "blacklist," a result more harmful to himself than supportive of the boycott. Therefore, I have decided to impose two \$5,000 penalties against Berg and two \$1,000 penalties against Serfilco for furnishing the information contained in the cover letter.

##### B. Reporting Violations (§ 769.6)

##### 1. Grace Trading Co.

This request was dated November 13, 1988, before Serfilco received specific warnings about the antiboycott laws. Serfilco presented credible evidence that it did not read the "fine print" when it did not stock and product in question, but instead responded with a form letter. Since this apparently was Serfilco's first exposure to the Arab boycott of Israel, I give credence to this

<sup>2</sup> Arguments raised by Respondents not discussed below have been considered and rejected as being without merit or as being immaterial to the final decision. The conclusions reached are based on consideration of the record as a whole.

argument in mitigation and reduce the \$4,000 penalty imposed by the ALJ to \$2,000.

## 2. Al-Hantaway

The two reporting violations involving Al-Hantaway cover the same subject matter as the previously discussed § 769.2(d) violations. Specifically, Serfilco is charged with failing to report the request to complete the Annex and a subsequent letter from Al-Hantaway informing Serfilco that it must stop its "relations with Israelian dealers and representatives and promise to avoid any relation with Israel in future." While the record is subject to interpretation concerning Serfilco's motivation in contacting the Office of Antiboycott Compliance (OAC) concerning this matter, it does clearly establish that Serfilco provided the OAC, within the prescribed time period, copies of all relevant correspondence. However, Serfilco did not submit the required form. Under these circumstances, I must conclude that Serfilco committed two violations of § 769.6. In view of the mitigating factors noted above, I have decided that the penalty for each of these two violations should be \$250.

## 3. The Four Later Reporting Violations

The record clearly establishes that Serfilco received reportable requests from the State Enterprise for Mechanical Industries, Republic of Iraq; the Al-Jubail Fertilizer Company; the Thunwainy Trading Co.; and the Middle East Group; and failed to report any of them. These four violations all occurred after Serfilco received specific warning about the antiboycott laws, and I affirm the ALJ's imposition of a \$4,000 penalty for each.

## V. Order

A \$10,000 penalty is imposed against Berg for each of the seven § 769.2(d) violations related to the annex. A \$5,000 penalty is imposed against Berg for each of the two § 769.2(d) violations involving the cover letter. A \$2,500 penalty is imposed against Serfilco for each of the seven § 769.2(d) violations related to the annex. A \$1,000 penalty is imposed against Serfilco for each of the two § 769.2(d) violations involving the cover letter. A \$2,000 penalty is imposed against Serfilco for the § 769.6 violation regarding Grace Trading. A \$250 penalty is imposed against Serfilco for each of the two § 769.6 violations involving Al-Hantaway. A \$4,000 penalty is imposed against Serfilco for each of the remaining four § 769.6 violations. The total penalties imposed thus are \$80,000 against Berg and

\$38,000 against Serfilco. The ALJ's imposition, against each respondent, of a one year denial of export privileges to Bahrain, Iraq, Kuwait, Lebanon, Libya, Oman, Qatar, Saudi Arabia, Syria, United Arab Emirates, and the Republic of Yemen, is sustained. The period of denial shall begin on the date of this final decision and order. Respondents shall pay these civil penalties within 30 days of the date of this order in accordance with the attached instructions.

Dated: June 10, 1996.

William A. Reinsch,

*Under Secretary for Export Administration.*

## Instruction for Payment of Civil Penalty

1. The civil penalty check should be made payable to: U.S. Department of Commerce.

2. The check should be mailed to U.S. Department of Commerce, Bureau of Export Administration, Office of Budget and Financial Management, Room H-3889, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230. Attn: Victor Micit.

[FR Doc. 96-15074 Filed 6-13-96; 8:45 am]

BILLING CODE 3510-DT-M

## International Trade Administration

[A-475-703]

### Granular Polytetrafluoroethylene Resin From Italy; Extension of Time Limit of Antidumping Duty Administrative Review

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

**ACTION:** Notice of Extension of Time Limit of Antidumping Duty Administrative Review.

**SUMMARY:** The Department of Commerce (the Department) is extending the time limit for preliminary results in the administrative review of the antidumping duty order on granular polytetrafluoroethylene (PTFE) resin from Italy, covering the period August 1, 1994, through July 31, 1995, because it is not practicable to complete the reviews within the time limits mandated by the Tariff Act of 1930, as amended, 19 U.S.C. 1675(a)(the Act).

**EFFECTIVE DATE:** May 30, 1996.

**FOR FURTHER INFORMATION CONTACT:** Charles Riggle or Michael Rill, Office of Antidumping Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-4733.

## SUPPLEMENTARY INFORMATION:

### Background

The Department received a request to conduct an administrative review of the antidumping duty order on granular PTFE resin from Italy. On October 12, 1995, the Department published a notice of initiation (60 FR 53164) of this administrative review covering the period June 1, 1994, through May 31, 1995. The Department adjusted the time limits by 28 days due to the government shutdowns, which lasted from November 14, 1995, to November 20, 1995, and from December 15, 1995, to January 6, 1996. See Memorandum to the file from Susan G. Esserman, Assistant Secretary for Import Administration, January 11, 1996.

It is not practicable to complete this review within the time limits mandated by section 751(a)(3)(A) of the Act. Therefore, in accordance with that section, the Department is extending the time limit for the preliminary results to September 27, 1996.

Interested parties must submit applications for disclosure under administrative protective order in accordance with 19 CFR 353.34(b). These extensions are in accordance with section 751(a)(3)(A) of the Act.

Dated: May 30, 1996.

Joseph A. Spetrini,

*Deputy Assistant Secretary for Compliance.*

[FR Doc. 96-15096 Filed 6-13-96; 8:45 am]

BILLING CODE 3510-DS-M

[A-560-801, A-583-825, and A-570-844]

### Notice of Postponement of Preliminary Determinations: Melamine Institutional Dinnerware Products From Indonesia, Taiwan and the People's Republic of China (PRC)

**AGENCY:** Import Administration, International Trade Administration, Department of Commerce.

#### FOR FURTHER INFORMATION CONTACT:

Barbara Wojcik-Betancourt, Everett Kelly, or David J. Goldberger, Office of Antidumping Investigations, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington D.C. 20230; telephone (202) 482-0629, (202) 482-4194, or (202) 482-4136, respectively.

#### POSTPONEMENT OF PRELIMINARY DETERMINATION:

We have determined that respondent parties to these proceedings are cooperating, thus far, in these investigations. We also have determined that all cases are extraordinarily complicated because of the issues raised. The PRC investigation involves a legal issue of first impression