

US company must pay penalty for unauthorized exports to Russia

On 28 September 2021, the Bureau of Industry and Security (BIS) of the U.S. Department of Commerce announced an administrative settlement with Vorago Technologies (Vorago), a Texas-based company. The matter regarded allegations that Vorago conspired to send radiation-hardened 16Mb SRAM silicon wafers to Russia via a Bulgarian front company, without the required BIS export license. These wafers are listed in the U.S. Commerce Control List as ECCN 9A515.e.1 (Category: Spacecraft and related components) and require a U.S. export license to Russia.

The settlement followed an investigation into the company, and Vorago's admission that from 2014 to 2019, it conspired with Russian and Bulgarian businesspersons to ship radiation-hardened silicon (SRAM) wafers from Vorago to Russia through a Bulgarian company without a license. Under the settlement, Vorago must pay a penalty of US\$497,000. Vorago also received a suspended denial of export privileges under the Export Administration Regulations (EAR) until September 2023; which allows Vorago to keep export privileges, so long as the company complies with the terms of the settlement.

In addition to advancing U.S. national security and foreign policy objectives by ensuring an effective export control and treaty compliance system and promoting continued U.S. strategic technology leadership, the BIS seeks to prevent U.S.-origin items from supporting Weapons of Mass Destruction (WMD) projects, terrorist activities, or destabilizing military modernization programs.



Source: <u>BUREAU OF INDUSTRY AND SECURITY, U.S. Department of Commerce</u>