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

Flider Electronics, LLC
a/k/a Flider Electronics
d/b/a Trident International Corporation
d/b/a Trident International
d/b/a Trident International Corporation, LLC
837 Turk Street
San Francisco, California 94102

and

Pavel Semenovich Flider
a/k/a Pavel Flider
21 Eye Street
San Rafael, California 94901

and

Gennadiy Semenovich Flider
a/k/a Gennadiy Flider
699 36th Avenue #203
San Francisco, California 94121

ORDER TEMPORARILY DENYING EXPORT PRIVILEGES

Pursuant to Section 766.24 of the Export Administration Regulations (the "Regulations" or "EAR"),[1] the Bureau of Industry and Security ("BIS"), U.S. Department of Commerce,

[1] The Regulations are currently codified at 15 C.F.R. Parts 730-774 (2014). The EAR issued under the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) ("EAA"). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 7, 2014 (79 Fed. Reg. 46959 (Aug. 11, 2014)), has

through its Office of Export Enforcement ("OEE"), has requested that I issue an Order temporarily denying, for a period of 180 days, the export privileges of Flider Electronics, LLC, also known as Flider Electronics, and doing business as Trident International Corporation, Trident International, and Trident International Corporation, LLC. Flider Electronics, LLC is a California limited liability company based in San Francisco, California. It is operated, at least in substantial part, for the purpose of procuring and exporting U.S.-origin electronic components. California State Corporation Number C1908339 has been used in connection with the doing business names of Trident International Corporation, Trident International, and Trident International Corporation, LLC, but that number is associated with Flider Electronics, LLC and the address used in connection with those doing business as names is the same address as Flider Electronics, LLC. Pavel Semenovich Flider, also known as Pavel Flider, is the president and owner of Flider Electronics/Trident International ("Trident"). His brother Gennadiy Semenovich Flider, also known as Gennadiy Flider, has identified himself as Trident's office manager, since 2003, and his duties include the purchase of items from U.S. distributors, the shipment of those items abroad, and related filings with U.S. Government agencies.

Pursuant to Section 766.24, BIS may issue an order temporarily denying a respondent's export privileges upon a showing that the order is necessary in the public interest to prevent an "imminent violation" of the Regulations. 15 C.F.R. §§ 766.24(b)(1) and 776.24(d). "A violation may be 'imminent' either in time or degree of likelihood." 15 C.F.R. § 766.24(b)(3). BIS may show "either that a violation is about to occur, or that the general circumstances of the matter under investigation or case under criminal or administrative charges demonstrate a likelihood of

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continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, *et seq.*) (2006 & Supp. IV 2010).

future violations." Id. As to the likelihood of future violations, BIS may show that the violation under investigation or charge "is significant, deliberate, covert and/or likely to occur again, rather than technical or negligent [.]" Id. A "lack of information establishing the precise time a violation may occur does not preclude a finding that a violation is imminent, so long as there is sufficient reason to believe the likelihood of a violation." Id.

In its request, OEE has presented evidence that it has reason to believe that Trident engaged in conduct prohibited by the Regulations by exporting items subject to the EAR to Russia via transshipment through third countries. In Automated Export System ("AES") filings it made, Trident identified as "ultimate consignees" companies in Estonia and Finland that BIS has reason to believe were operating as freight forwarders and not end users of the U.S.-origin items. OEE's presentation also indicates that at least two of these transactions are known to have involved items that are listed on the Commerce Control List and that a search of BIS's licensing database reveals no licensing history of controlled U.S.-origin electronics to Russia for the company and individuals captioned in this case. Based on, inter alia, the transshipment of the items, the misrepresentations made on the AES filings, and information obtained pursuant to a Mutual Legal Assistance Treaty ("MLAT") request, OEE indicates that it has reason to believe that these exports required a license.

A. Detained Shipments on April 6, 2013

On or about April 6, 2013, the U.S. Customs and Border Protection ("CBP") detained two outbound shipments at San Francisco International Airport. CBP ultimately allowed one of these exports to proceed, but the other attempted export was not and the items were ultimately seized. The manifest and the AES filing for the seized shipment described the items as "power

supplies," but the shipment actually contained, among other items, 15 Xilinx field programmable gate array (FPGA) circuits that were controlled under Export Control Classification Number (ECCN) 3A001.a.2.c for national security reasons and generally required a license for Russia. The shipping documentation also listed Logilane Oy Ltd. in Finland ("Logilane") as the ultimate consignee. Open source information confirmed that Logilane was a freight forwarder and thus unlikely to be the end user for the items contained in the shipment. When questioned about the shipment, Pavel Flider requested that the ultimate consignee be changed to Adimir OU ("Adimir") in Estonia, which itself also proved to be a freight forwarder as discussed further below.

B. Interviews of Pavel Flider and Gennadiy Flider

On or about April 19, 2013, OEE interviewed Trident office manager Gennadiy Flider, who identified his responsibilities as handling the procurement and shipment of items, including for export. He stated Trident had been doing business with Adimir for many years and that it was the only customer that his company had. He also indicated that Trident at times shipped items intended for its Estonian customer to Finland, claiming this was because it was cheaper.

Similarly, in an August 5, 2013 interview, Trident's president and owner Pavel Flider stated that Adimir was Trident's one and only customer and that at times Adimir requested that items be shipped to a freight forwarder in Finland. Both Gennadiy Flider and Pavel Flider denied shipping to Russia.

C. July 2013 Detention and Subsequent Seizure

On or about July 20, 2013, the U.S. Government detained a Trident shipment bound for Adimir in Estonia. In addition to Adimir being identified as the ultimate consignee on the AES

filing, the items were identified as "Electronic Equipment." A review of the invoice showed six Xilinx FPGAs, items which were controlled under ECCN 3A001.a.2.c for national security reasons and generally required a license for Russia. Moreover, an inspection of the shipment uncovered 51 controlled Xilinx chips, rather than just the six that had been declared. CBP ultimately seized the shipment on or about October 18, 2013.

D. Information Concerning Purported Estonian End User Obtained via an MLAT Request

Based on information obtained in 2014 via a late 2013 MLAT request sent to Estonia relating to Adimir, BIS has reason to believe that Adimir was not an end user. During an interview, an Adimir corporate officer admitted to transshipping Trident shipments to Russia at the request of Pavel Flider. Adimir subsequently ceased operating.

E. Changes in the Scheme

Following the detention and seizures, the MLAT request, and the Adimir interview, Trident began exporting directly to Russia, claiming that the controlled circuits were for use in railroads. This assertion sought to track a note to ECCN 3A001.a.2, which indicates that the ECCN does not apply to integrated circuits for civil automotive or railway train applications. Pavel Flider reported to the U.S. distributor that Trident had been "referred" Russian customers by Adimir, which was going out of business. After being made aware that the items actually were intended for export to Russia, the U.S. distributor requested that Trident sign a Form BIS-711 "Statement by Ultimate Consignee and Purchaser," which includes an end use statement and must be signed by the purchaser and the ultimate consignee.

From on or about January 23, 2014, to on or about April 16, 2014, Trident began listing in its AES filings OOO Elkomtex ("Elkomtex") in St. Petersburg, Russia, as the ultimate consignee. On or about July 17, 2014, the Elkomtex employees admitted that the company was not an end user but a distributor of electronics, acting as a broker between an exporter and an end use company.

Beginning with an export on or about May 6, 2014, Trident again changed its export route and began exporting to a purported ultimate consignee named Logimix Ltd., in Vantaa, Finland ("Logimix"). Between on or about May 6, 2014, to on or about March 12, 2015, AES filings indicate that Trident has made 33 exports with Logimix listed as the ultimate consignee. Based on Logimix's website and other open source Internet information, however, OEE's presentation indicates that it has reason to believe that Logimix is a freight forwarder and not an end user. Moreover, given the violations, deceptive actions, and other evidence involving Trident, including those admitted by the Fliders, OEE also indicates that it has reason to believe that Trident have been making transshipments to Russia.

OEE has further indicated that in February 2014, Trident ordered an additional 195 integrated circuits controlled under ECCN 3A001.a.2.c from a U.S. distributor and that those items would be available by in or around April 2015. In addition, Trident and Pavel and Gennadiy Flider have been indicted for smuggling and money laundering, including in connection with some of the transactions discussed above.

F. FINDINGS

I find that the evidence presented by BIS demonstrates that a violation of the Regulations is imminent in both time and degree of likelihood. Trident has engaged in some known

violations of the Regulations and its actions, including changes in how it structures its export transactions and routes its shipments, appear designed to camouflage the actual destinations, end uses, and/or end users of the U.S.-origin items it has been and continues to export, including items on the Commerce Control List that are subject to national security-based license requirements. Moreover, when interviewed in 2013, the Fliders could not provide a reasonable explanation for the purported exports to Estonia and Finland. When for a time Trident began direct exports to Russia, the entity listed as the ultimate consignee admitted that it was not an end user and instead acting as a broker.

In sum, the fact and circumstances taken as a whole provide strong indicators that future violations are likely absent the issuance of a TDO. As such, a TDO is needed to give notice to persons and companies in the United States and abroad that they should cease dealing with Trident in export transactions involving items subject to the EAR. Such a TDO is consistent with the public interest to preclude future violations of the EAR.

Additionally, Section 766.23 of the Regulations provides that "[i]n order to prevent evasion, certain types of orders under this part may be made applicable not only to the respondent, but also to other persons then or thereafter related to the respondent by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business. Orders that may be made applicable to related persons include those that deny or affect export privileges, including temporary denial orders…." 15 C.F.R. § 766.23(a). As stated above, Pavel Flider is the president and owner of Trident. Gennadiy Flider also is a Trident office manager, with responsibilities relating directly to the procurement and export activities at issue. As such, I find that Pavel Semenovich Flider and Gennadiy Semenovich Flider are related

persons to Trident based on their positions of responsibility and that their additions to the order is necessary to prevent evasion.

Accordingly, I find that an order denying the export privileges of Trident, Pavel Flider, and Gennadiy Flider is necessary, in the public interest, to prevent an imminent violation of the EAR.

This Order is being issued on an ex parte basis without a hearing based upon BIS's showing of an imminent violation in accordance with Section 766.24 of the Regulations.

IT IS THEREFORE ORDERED:

FIRST, that FLIDER ELECTRONICS, LLC, a/k/a FLIDER ELECTRONICS, d/b/a TRIDENT INTERNATIONAL CORPORATION, d/b/a TRIDENT INTERNATIONAL d/b/a TRIDENT INTERNATIONAL CORPORATION, LLC, 837 Turk Street, San Francisco, California 94102; PAVEL SEMENOVICH FLIDER, a/k/a PAVEL FLIDER, 21 Eye Street, San Rafael, California 94901; and GENNADIY SEMENOVICH FLIDER, a/k/a GENNADIY FLIDER, 699 36th Avenue #203, San Francisco, California 94121, and when acting for or on their behalf, any successors or assigns, agents, or employees (each a "Denied Person" and collectively the "Denied Persons") may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as "item") exported or to be exported from the United States that is subject to the Export Administration Regulations ("EAR"), or in any other activity subject to the EAR including, but not limited to:

A. Applying for, obtaining, or using any license, License Exception, or export control document;

B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the EAR, or in any other activity subject to the EAR; or

C. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the EAR, or in any other activity subject to the EAR.

SECOND, that no person may, directly or indirectly, do any of the following:

A. Export or reexport to or on behalf of a Denied Person any item subject to the EAR;

B. Take any action that facilitates the acquisition or attempted acquisition by a Denied Person of the ownership, possession, or control of any item subject to the EAR that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby a Denied Person acquires or attempts to acquire such ownership, possession or control;

C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from a Denied Person of any item subject to the EAR that has been exported from the United States;

D. Obtain from a Denied Person in the United States any item subject to the EAR with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or

E. Engage in any transaction to service any item subject to the EAR that has been or will be exported from the United States and which is owned, possessed or controlled by a Denied

Person, or service any item, of whatever origin, that is owned, possessed or controlled by a Denied Person if such service involves the use of any item subject to the EAR that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

THIRD, that, after notice and opportunity for comment as provided in Section 766.23 of the EAR, any other person, firm, corporation, or business organization related to a Denied Person by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business may also be made subject to the provisions of this Order.

In accordance with the provisions of Section 766.24(e) of the EAR, Flider Electronics, LLC d/b/a Trident International Corporation, may, at any time, appeal this Order by filing a full written statement in support of the appeal with the Office of the Administrative Law Judge, U.S. Coast Guard ALJ Docketing Center, 40 South Gay Street, Baltimore, Maryland 21202-4022. In accordance with the provisions of Sections 766.23(c)(2) and 766.24(e)(3) of the EAR, Pavel Semenovich Flider and Gennadiy Semenovich Flider may, at any time, appeal their inclusion as a related person by filing a full written statement in support of the appeal with the Office of the Administrative Law Judge, U.S. Coast Guard ALJ Docketing Center, 40 South Gay Street, Baltimore, Maryland 21202-4022.

In accordance with the provisions of Section 766.24(d) of the EAR, BIS may seek renewal of this Order by filing a written request not later than 20 days before the expiration date. Flider Electronics, LLC d/b/a Trident International Corporation may oppose a request to renew this Order by filing a written submission with the Assistant Secretary for Export Enforcement, which must be received not later than seven days before the expiration date of the Order.

A copy of this Order shall be sent to Flider Electronics LLC d/b/a Trident International Corporation and each related person, and shall be published in the *Federal Register.*

This Order is effective upon issuance and shall remain in effect for 180 days.

DAVID W. MILLS
Assistant Secretary of Commerce
for Export Enforcement

Dated: March 19, 2015