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BUREAU OF INDUSTRY AND SECURITY

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**BIS IMPOSES PENALTY AGAINST PENNSYLVANIA COMPANY TO
RESOLVE ALLEGED VIOLATIONS OF THE ANTIBOYCOTT
REGULATIONS**

WASHINGTON, D.C-- Today, the Department of Commerce’s Bureau of Industry and Security (BIS) announced the imposition of a civil penalty of \$44,750 against Forta LLC (Forta), a manufacturer of synthetic reinforcement fibers, located in Grove City, Pennsylvania, to resolve three violations of the antiboycott provisions of the Export Administration Regulations (EAR, 15 C.F.R. parts 730-774) (antiboycott regulations), as alleged in BIS’s Proposed Charging Letter (PCL). Forta voluntarily disclosed the conduct to BIS, cooperated with the investigation by BIS’s Office of Antiboycott Compliance (OAC), and took remedial measures after discovering the conduct at issue, all of which resulted in a significant reduction in penalty.

“Today’s settlement reaffirms BIS’s commitment to vigorously enforcing the prohibitions and reporting requirements of the antiboycott regulations,” said Assistant Secretary for Export Enforcement Matthew S. Axelrod. “It is critically important for all companies, regardless of size, to implement antiboycott compliance programs so that they recognize boycott-related requests and take appropriate action, including by refusing to engage in prohibited boycott activity and reporting boycott-related requests.”

BIS Case Background:

As part of the settlement with BIS, Forta admitted to the conduct set forth in the PCL, which alleged violations involving the furnishing of information about business relationships with boycotted countries or blacklisted persons and the failure to report the receipt of a request to engage in a restrictive trade practice or foreign boycott against a country friendly to the United States. Specifically, Forta participated in a trade show in Abu Dhabi in 2019. In connection with the shipment of products and items for display at the trade show, the company furnished to its freight forwarder a commercial invoice/packing list certifying that the goods were not of Israeli origin and not manufactured by a company on the “Israeli Boycott Blacklist.” Furnishing such information is prohibited by Section 760.2(d) of the EAR. In addition, the company failed to report to BIS the receipt of the request to furnish this information as required by Section 760.5 of the EAR. The Order, Settlement Agreement and Proposed Charging Letter are available [here](#).

Additional Information:

These BIS actions were taken under the authority of the Anti-Boycott Act of 2018, a subpart of the Export Control Reform Act of 2018, and its implementing regulations, the EAR. The antiboycott provisions set forth in Part 760 of the EAR discourage, and in certain circumstances prohibit, U.S. persons from taking certain actions in furtherance or support of a boycott maintained by a foreign country against a country friendly to the United States (an unsanctioned foreign boycott).

In addition, U.S. persons must report to OAC their receipt of certain boycott-related requests, whether or not they intend to comply with them. Reports may be filed electronically or by mail on form BIS 621-P for single transactions or on form BIS 6051P for multiple transactions involving boycott requests received in the same calendar quarter. U.S. persons located in the U.S. must postmark or electronically date stamp their reports by the last day of the month following the calendar quarter in which the underlying request was received. For U.S. persons located outside the U.S., the postmark or date stamp deadline is the last day of the second month following the calendar quarter in which the request was received. Forms for both electronic transmission and mail submission may be accessed from the [forms request page](#).

Pursuant to Section 764.8 of the EAR, a party may submit a voluntary self-disclosure if it believes that it may have violated Part 760 or Part 762 of the EAR (recordkeeping requirements relating to Part 760).

For information regarding the application of the antiboycott regulations, please contact the OAC Advice Line at (202) 482-2381 or through the [online](#) portal.