



Bureau of Industry and Security
U.S. Department of Commerce
Where Industry and Security Intersect

FOR IMMEDIATE RELEASE
September 28, 2021
www.bis.doc.gov

BUREAU OF INDUSTRY AND SECURITY
Office of Congressional and Public Affairs
(202) 482-1069

**BIS IMPOSES ADMINISTRATIVE PENALTY OF \$497,000
TO RESOLVE ALLEGATIONS OF CONSPIRACY TO DIVERT
RADIATION-HARDENED SILICON WAFERS TO RUSSIA**

WASHINGTON – On September 28, 2021, Kevin J. Kurland, the Acting Assistant Secretary for Export Enforcement, Bureau of Industry and Security (BIS) of the U.S. Department of Commerce, announced an administrative settlement with Vorago Technologies (Vorago) of Austin, Texas, which includes a civil penalty payment of \$497,000 related to allegations that Vorago conspired to send radiation-hardened 16Mb SRAM silicon wafers to Russia without the required BIS export license via a Bulgarian front company. As part of the settlement, Vorago agreed to a stated penalty of \$497,000, of which \$247,000 will be suspended until September 2023, and a suspended denial of export privileges under the Export Administration Regulations (EAR) until September 2023. Previously, the U.S. Department of Justice, Western District of Texas, entered into a three-year Non-Prosecution Agreement with Vorago related to these illegal transactions and previously returned an indictment against three foreign nationals for related conduct (<https://www.justice.gov/opa/pr/international-trio-indicted-austin-illegal-exports-russia>).

“BIS vigorously pursues companies that conspire with foreign actors to subvert export licensing requirements,” said Mr. Kurland. “The use of a ‘front-company’ to conceal the actual illicit export of radiation-hardened electronic components to Russia cannot be tolerated and those responsible for serious violations will be held accountable.”

As set forth in the allegations in the related Proposed Charging Letter and as admitted by Vorago, from 2014 to 2019, Vorago conspired with Russian and Bulgarian businesspersons to ship radiation-hardened silicon (SRAM) wafers from Vorago to Russia through a Bulgarian company without a license. These wafers are enumerated on the Commerce Control List as ECCN 9A515.e.1 (Category: Spacecraft and related components) and require a U.S. export license to Russia.

“The Office of Export Enforcement will aggressively enforce our nation’s export control laws,” said Special Agent in Charge Trey McClish, Houston Field Office. “By utilizing the unique tools available to BIS as well as engaging our FBI partners, OEE was able to uncover the illicit shipments and support law enforcement efforts to impose this monetary penalty against Vorago.”

In connection with this investigation, in December 2020, the interagency End-User Review Committee (ERC), chaired by the U.S. Department of Commerce, determined to add Sovtest Comp; Cosmos Complect; Multi Technology Integration Group EOOD (MTIG) and four associated individuals: Dimitar Milanov Dimitrov; Milan Dimitrov; Ilias Kharesovich Sabirov;

and Mariana Marinova Gargova; to BIS's Entity List on the basis of their attempts to procure and re-export U.S.-origin items and for activities contrary to the national security and foreign policy interests of the United States. The ERC determined that there is reasonable cause to believe, based on specific and articulable facts, that Sovtest Comp and Cosmos Complect used Bulgarian-based MTIG as a front company to acquire both radiation-hardened parts and other sensitive electronic components and re-export those U.S.-origin components to Russia without required licenses. The ERC determined these entities are engaging in conduct that poses a risk of violating the EAR such that, pursuant to § 744.11(b)(5) of the EAR, prior review of exports and re-exports involving these parties, and the possible imposition of license conditions or license denial, enhances BIS's ability to prevent violations of the EAR.

BIS's mission is to advance 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. Among its enforcement efforts, BIS is committed to preventing U.S.-origin items from supporting Weapons of Mass Destruction (WMD) projects, terrorist activities, or destabilizing military modernization programs.

For more information, please visit www.bis.doc.gov.

###