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*"Rummaging in the government's attic"*

Description of document:	Records related to applications for license to do business with North Korea released by the Office of Foreign Assets Control (OFAC), 1993, 2008-2012
Request dates:	31-July-2012 21-August-2012
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Source of document:	Disclosure Services FOIA Request Department of the Treasury Washington, DC 20220 Fax: 202-622-3895

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DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

FOIA No.: 2012-08-130  
OASIS No.: NK-636075

JUN 21 2013

*Re: North Korean Applications*

This is our final response to your Freedom of Information Act (FOIA), 5 U.S.C. § 552, requests dated July 31, 2012 and August 21, 2012 to the Department of the Treasury (Treasury). You requested a copy of the first 5 pages of each application for license to do business with North Korea. Treasury referred this matter to its Office of Foreign assets Control (OFAC) for processing.

Please be aware that OFAC is experiencing a substantial backlog of FOIA requests that has adversely affected its response time.

OFAC's search for documents responsive to your request produced a total of 74 pages. We have determined that 67 pages are releasable in part with redactions made pursuant to FOIA exemptions (b)(4), (b)(6), and (b)(7)(C); seven pages are releasable in their entirety.

Please note that OFAC has received a number of similar requests, all pertaining to business-related transactions in North Korea. We are releasing the same package of responsive documents to each requester in an effort to respond more efficiently to all. For this reason, you may find that you are receiving a broader range of records than you originally anticipated.

You may appeal our final decision, in writing, within 35 days after the date of this letter to the Freedom of Information Act Appeal, Disclosure Services (DO), Department of the Treasury, Washington, DC 20220. The deciding official for OFAC appeals is the Director, Office of Foreign Assets Control. Please include with your letter of appeal a copy of this response letter. Please reference FOIA case number 2012-08-130 in all future correspondence.

Copies of the FOIA and Treasury regulations are available at [www.treasury.gov/foia](http://www.treasury.gov/foia).

Provisions of the FOIA allow us to recover part of the cost of complying with your request. In this instance, no fees have been assessed.

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The Office of Government Information Services (OGIS) also mediates disputes between FOIA requesters and Federal agencies as a non-exclusive alternative to litigation. If you are requesting access to your own records (which is considered a Privacy Act request), you should know that OGIS does not have the authority to handle requests made under the Privacy Act of 1974. If you wish to contact OGIS, you may email them at [ogis@nara.gov](mailto:ogis@nara.gov) or call 877-684-6448.

Enclosed are information sheets pertaining to the FOIA exemptions and your right to an administrative appeal.

Your request has been assigned FOIA No. 2012-08-130. Please reference this number in any future correspondence. You may contact our FOIA Requester Service Center at (202) 622-2500, option 3.

Sincerely,

A handwritten signature in black ink, appearing to read "M. H. Fields, Jr.", written in a cursive style.

Marshall H. Fields, Jr.  
Assistant Director, Information Disclosure  
Office of Resource Management  
Office of Foreign Assets Control

Enclosures:

1. Responsive Documents (74) pages
2. FOIA Exemptions Sheet
3. Administrative Appeal Rights

# Barnabas Trading

*Bridging the world to North Korea.*

Barnabas Trading Ltd.  
16748 E. Smoky Hill Rd., #107  
Centennial, CO 80015

## CONTAINS CONFIDENTIAL AND PROPRIETARY BUSINESS INFORMATION

May 31, 2011

Ms. Jodi Kouts  
Assistant Director for Licensing  
Office of Foreign Assets Control  
U. S. Department of the Treasury  
1500 Pennsylvania Avenue, N.W. -- Annex  
Washington, D.C. 20220

Attn: North Korea Unit

Re: Request for Approval to Import North Korean Children's Footwear

Dear Ms. Kouts:

Barnabas Trading Ltd. ("BT"), a limited liability company organized under the laws of Colorado, is seeking approval from the Office of Foreign Assets Control ("OFAC") to import children's footwear that is manufactured in North Korea.

We seek authorization to make multiple importations (initially small parcel shipments from China).

As demonstrated by our responses to the information requests in 31 C.F.R. § 500.586(b)(2), we believe that the importation of these shoes would not be inconsistent with the policies underlying the regulation.

### Responses to Information Requests in 31 C.F.R. § 500.586(b)(2)

31 C.F.R. § 500.586(b)(2)(ii) THOSE SEEKING TO IMPORT PRODUCTS FROM NORTH KOREA INTO THE UNITED STATES MUST SUBMIT ALL AVAILABLE INFORMATION SATISFYING THE REQUIREMENTS OF PARAGRAPH (b)(2)(i) OF THIS SECTION; THE NAME, ADDRESS, TELEPHONE NUMBER, FACSIMILE NUMBER, AND E-MAIL ADDRESS OF THE IMPORTER;

2012-08-130:North Korea:MR:000001

Ms. Jodi Kouts  
May 31, 2011

***Importer Information:***

Response

Name of importer: Barnabas Trading Ltd.  
President: (b)(6) & (b)(7)(C)  
Address: 16748 E. Smoky Hill Rd., #107  
Centennial, CO 80015  
Telephone number: (b)(6)  
Fax number: None  
E-mail address: (b)(6) & (b)(7)(C)  
Web site: <http://barnabastrading.com>

***a description of the product to be imported, including quantity and cost;***

Response

The children's footwear shall vary in size, raw material construction, and design depending on the timing of OFAC's decision. Currently, a **four-season children's shoe** is in product development and targeted for production by Spring 2012.

We seek authorization to import **1000 pairs** of children's shoes.

The cost of the shoe is estimated at **\$3/shoe**.

***the name and address of the producer of the product;***

Response

Name: Rason Industrial Company ("RIC")  
Legal Representative: (b)(6) & (b)(7)(C)  
Address: Rason City  
Rason Free Economic Trade Zone  
North Korea  
(Democratic People's Republic of Korea of DPRK)

***the name of the location where the product was produced;***

Response

Rason City  
Rason Free Economic Trade Zone  
North Korea

The North Korean producer of the product, RIC, is under contract with Yanji Sun Yang Shoe Company (hereinafter "SYC" or "Sun Yang China") to manufacture the shoes. SYC

Ms. Jodi Kouts  
May 31, 2011

provides raw materials, equipment, expertise, and co-manages the facility RIC for the production of these children's shoes.

Name: Yanji Sun Yang Shoe Company  
Legal Representative: (b)(6) & (b)(7)(C) U.S. citizen).

*note:* SYC is in the midst of negotiations and by Spring 2012, the ownership of SYC may transfer to another U.S. corporation. If this event occurs, OFAC shall be promptly notified of any changes.

Address: Chang Bai Shan Street, # 2998B-1  
Yanji City, 133000,  
Jilin Province, PRC

***the name and address of the North Korean exporter.***

Response

Name: Yanji Sun Yang Shoe Company (DPRK branch office)  
중국 연길선량신발 유한공사 라선지사  
(hereinafter "SY-DPRK")

Legal Representative: (b)(6) & (b)(7)(C) U.S. citizen)

Address: Chung Kye Dong  
Rason City  
Rason Free Economic Trade Zone  
North Korea

For purposes of the informational request under § 500.586(b)(2)(ii), we believe that Yanji China Sun Yang Shoe Company (DPRK branch office) – hereinafter referred to as "SY-DPRK", would reasonably be considered the North Korean exporter. They shall make arrangements within North Korea for the export of the shoes out of DPRK.

SY-DPRK is a newly formed representative office (aka: branch office) in the DPRK of Yanji Sun Yang Shoe Company.

**31 C.F.R. § 500.586(b)(2)(i)** THE IMPORTATION OF PRODUCTS INTO THE UNITED STATES FROM NORTH KOREA REQUIRES APPROVAL FROM THE OFFICE OF FOREIGN ASSETS CONTROL. THE PERSON SEEKING TO IMPORT PRODUCTS INTO THE UNITED STATES MUST PROVIDE INFORMATION RELEVANT TO THE DETERMINATION WHETHER THE PRODUCT WAS PRODUCED BY

Ms. Jodi Kouts  
May 31, 2011

- (A) A FOREIGN PERSON WHOSE ACTIONS TRIGGERED IMPORT SANCTIONS UNDER SECTIONS 73 AND 74 OF THE ARMS EXPORT CONTROL ACT;
- (B) AN ACTIVITY OF THE GOVERNMENT OF NORTH KOREA RELATING TO THE DEVELOPMENT OR PRODUCTION OF ANY MISSILE EQUIPMENT OR TECHNOLOGY; OR
- (C) AN ACTIVITY OF THE GOVERNMENT OF NORTH KOREA AFFECTING THE DEVELOPMENT OR PRODUCTION OF ELECTRONICS, SPACE SYSTEMS OR EQUIPMENT, AND MILITARY AIRCRAFT.

Response

The children's shoes are produced in North Korea pursuant to a contract entered into between Rason Industrial Company and Yanji Sun Yang Shoe Company, an entity organized in China and owned by two U.S. citizens (b)(6) & (b)(7)(C) and (b)(6) & (b)(7)(C). When SYC approached the North Korean Industrial Department, or Gong Up Guk, in October of 2007 concerning its interest in manufacturing shoes within North Korea, it was told that it would need to work with Rason Industrial Company ("RIC"). It is the understanding of Sun Yang and Barnabas that RIC is controlled by local North Korean authorities, apparently with some degree of oversight from Pyongyang, and that, in addition to shoes, it also produces clothing and paper products such as boxes, notebooks, and toilet paper. As previously stated, RIC is located in the Rason Free Economic Trade Zone.

The official with whom SYC and SY-DPRK has dealt in connection with the manufacture of the shoes is (b)(6) & (b)(7)(C) the head of the North Korean Industrial Department and also the legal representative of RIC.

Name checks using commercially available software have been undertaken with respect to Rason Industrial Company, (b)(6) & (b)(7)(C) and (b)(6) & (b)(7)(C). None were found to appear on various lists of sanctioned individuals, including OFAC's list of specially designated nationals. Additionally, Mr. (b)(6) & (b)(7)(C) is an individual who BT has been working closely with since the beginning of this enterprise and is personally known to the board and officers of Barnabas Trading Ltd.

To the best knowledge of SYC, SY-DPRK and of Barnabas Trading Ltd., the children's shoes that are the subject of this importation request were not produced by:

- (1) A foreign person whose actions triggered import sanctions under sections 73 and 74 of the Arms Export Control Act;
- (2) An activity of the government of North Korea relating to the development or production of any missile equipment or technology; or
- (3) An activity of the government of North Korea affecting the development or production of electronics, space systems or equipment, and military aircraft.

Ms. Jodi Kouts  
May 31, 2011

**Conclusion**

As demonstrated by the information furnished above, the importation by Barnabas Trading of the described children's shoes produced in North Korea would not be inconsistent with the policy concerns underlying 31 C.F.R. § 500.568(b)(2). The children's shoes are simple, low-tech consumer goods that do not relate to missile equipment or technology or to the development or production of electronics, space systems or equipment, or military aircraft.

Barnabas respectfully requests that a decision on this request be taken promptly and that it be notified of OFAC's decision as soon as practicable.

Thank you for your attention to this matter.

Very truly yours,

(b)(6) & (b)(7)(C)

Counsel for Barnabas Trading Ltd.

(b)(6) & (b)(7)(C)

(b)(6)

Enclosures:

Tab A: Articles of incorporation of Barnabas Trading, as administratively filed with the Secretary of State of Colorado

This submission contains commercial and financial information regarding the business of the submitter that is confidential and is therefore exempt from the public access provisions of the Freedom of Information at 5 U.S.C. § 552. Such information, if disclosed, could adversely affect the submitter's financial and competitive position and the normal conduct of business operations. Accordingly, the submitter requests that this information be withheld in the event of a demand for disclosure and that, in the event of such a demand, OFAC give the submitter prompt notice and an opportunity to be heard prior to taking any action to disclose.





Colorado Secretary of State

Date and Time: 04/28/2011 11:12 AM

(b)(4)

\$50.00

(b)(4)

Amount Paid: \$50.00

Document must be filed electronically.  
Paper documents will not be accepted.

Document processing fee  
Fees & forms/cover sheets  
are subject to change.

To access other information or print  
copies of filed documents,  
visit [www.sos.state.co.us](http://www.sos.state.co.us) and  
select Business Center.

ABOVE SPACE FOR OFFICE USE ONLY

### Articles of Organization

filed pursuant to § 7-80-203 and § 7-80-204 of the Colorado Revised Statutes (C.R.S.)

1. The domestic entity name of the limited liability company is

**Barnabas Trading Ltd.**

*(The name of a limited liability company must contain the term or abbreviation  
limited liability company, "Ltd. liability company", "limited liability co.", "Ltd.  
liability co.", "limited", "l.l.c.", "llc", or "Ltd.". See §7-90-601, C.R.S.)*

*(Caution: The use of certain terms or abbreviations are restricted by law. Read instructions for more information.)*

2. The principal office address of the limited liability company's initial principal office is

Street address

**16748 E. Smoky Hill Rd., #107**

*(Street number and name)*

**Centennial**

*(City)*

**CO**

*(State)*

**80015**

*(ZIP/Postal Code)*

**United States**

*(Province - if applicable)*

*(Country)*

Mailing address

*(leave blank if same as street address)*

*(Street number and name or Post Office Box information)*

*(City)*

*(State)*

*(ZIP/Postal Code)*

*(Province - if applicable)*

*(Country)*

3. The registered agent name and registered agent address of the limited liability company's initial registered agent are

Name

*(if an individual)*

*(Last)*

*(First)*

*(Middle)*

*(Suffix)*

**OR**

*(if an entity)*

**Barnabas Trading Ltd.**

*(Caution: Do not provide both an individual and an entity name.)*

Street address

**16748 E Smoky Hill Rd., #107**

*(Street number and name)*

**Centennial**

*(City)*

**CO**

*(State)*

**80015**

*(ZIP Code)*

**Mailing address**

(leave blank if same as street address)

(Street number and name or Post Office Box information)

(City) CO (State) (ZIP Code)

(The following statement is adopted by marking the box.)

- ☒ The person appointed as registered agent has consented to being so appointed.

**4. The true name and mailing address of the person forming the limited liability company are**

Name

(if an individual)

(Last) (First) (Middle) (Suffix)

**OR**

(if an entity)

Barnabas Trading Ltd.

(Caution: Do not provide both an individual and an entity name.)

Mailing address

16748 E. Smoky Hill Rd., #107

(Street number and name or Post Office Box information)

Centennial CO 80015  
(City) (State) (ZIP/Postal Code)  
United States  
(Province - if applicable) (Country)

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- ☐ The limited liability company has one or more additional persons forming the limited liability company and the name and mailing address of each such person are stated in an attachment.

**5. The management of the limited liability company is vested in**

(Mark the applicable box.)

- ☐ one or more managers.

**OR**

- ☒ the members.

**6. (The following statement is adopted by marking the box.)**

- ☒ There is at least one member of the limited liability company.

**7. (If the following statement applies, adopt the statement by marking the box and include an attachment.)**

- ☐ This document contains additional information as provided by law.

**8. (Caution: Leave blank if the document does not have a delayed effective date. Stating a delayed effective date has significant legal consequences. Read instructions before entering a date.)**

(If the following statement applies, adopt the statement by entering a date and, if applicable, time using the required format.)

The delayed effective date and, if applicable, time of this document is/are

(mm/dd/yyyy hour:minute am/pm)

**Notice:**

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

9. The true name and mailing address of the individual causing the document to be delivered for filing are

(b)(6) & (b)(7)(C)			(b)(6) & (b)(7)(C)
	(Last)	(First)	(Middle) (Suffix)
16748 E. Smoky Hill Rd., #107			
(Street number and name or Post Office Box information)			
Centennial		CO	80015
	(City)	(State)	(ZIP/Postal Code)
United States			
(Province - if applicable)		(Country)	

(If the following statement applies, adopt the statement by marking the box and include an attachment.)

- ☐ This document contains the true name and mailing address of one or more additional individuals causing the document to be delivered for filing.

**Disclaimer:**

This form/cover sheet, and any related instructions, are not intended to provide legal, business or tax advice, and are furnished without representation or warranty. While this form/cover sheet is believed to satisfy minimum legal requirements as of its revision date, compliance with applicable law, as the same may be amended from time to time, remains the responsibility of the user of this form/cover sheet. Questions should be addressed to the user's legal, business or tax advisor(s).

# Carbon Development and Trading Ltd.

Kemp House, Suite 520  
152-160 City Road  
London, EC1V 2NX  
United Kingdom  
Tel. +44 207 125 0385  
Email: [info@carbon-development.com](mailto:info@carbon-development.com)

Office of Foreign Assets Control  
U S Department of the Treasury  
Treasury Annex  
1500 Pennsylvania Avenue, NW  
Washington , DC 20220  
Attn. Licensing Division

25 January 2012

## **General License Application for Trading of Certified Emission Reduction Credits originating from North Korea**

Dear Sir or Madam,

In accordance with the document issued by the Office of Foreign Assets Control (OFAC) titled "North Korea An overview of Sanctions With Respect to North Korea" dated May 6, 2011, a US Person pursuant to E.O 13570 is prohibited from importing goods, services and technology from North Korea into the United States, directly or indirectly, without a license from OFAC

In 1992, countries joined an international treaty, the United Nations Framework Convention on Climate Change (UNFCCC), to cooperatively consider how they could limit average global temperature increases and the resulting climate change, as well as to cope with the impacts of climate change. The United States of America is a signatory to this treaty.

On 11 December 1997, the Kyoto Protocol was adopted in Kyoto, Japan. The Kyoto Protocol is an international agreement linked to the United Nations Framework Convention on Climate Change, binding 37 industrialized countries and the European Community for reducing greenhouse gas emissions.

Under the Kyoto Mechanisms, the Clean Development Mechanism (CDM) was created in order to allow emission-reduction projects (CDM Projects) in developing countries to earn certified emission reduction (CER) credits, each equivalent to one tonne of CO<sub>2</sub>. These CERs can be traded and sold, and used by industrialized countries to meet a part of their emission reduction targets under the Kyoto Protocol.

Benefits of CDM Projects include investment in climate change mitigation projects in developing countries, transfer or diffusion of technology in the host countries, as well as improvement in the livelihood of communities through the creation of employment or increased economic activity.

More information about the Kyoto Protocol, CDM and CERs can be found on [www.unfccc.int](http://www.unfccc.int)

CERs are issued and traded in electronic format using the CDM Registry, which is operated by the UNFCCC.

Registered office: Kemp House, Suite 520, 152-160 City Road, London, EC1V 2NX, United Kingdom  
Registration Number: 07772243

**2012-08-130:North Korea:MR:000009**

# Carbon Development and Trading Ltd.

Kemp House, Suite 520  
152-160 City Road  
London, EC1V 2NX  
United Kingdom  
Tel. +44 207 125 0385  
Email [info@carbon-development.com](mailto:info@carbon-development.com)

I would like to point out that all CERs are issued by the CDM Executive Board and that CDM Projects are validated and CERs verified by independent Designated Operational Entities

As the United States of America has not ratified the Kyoto Protocol, it is not currently possible to transfer CERs into the United States physically, whether directly or indirectly. While it is not possible to transfer CERs to the United States, it is possible for US entities, such as banks or trading houses, to open a registry account (Carbon Account) in a country that is a Party to the Kyoto Protocol, such as Switzerland, the Netherlands or the United Kingdom. Consequently, it is possible for a US entity to receive CERs into such a Carbon Account.

As the Democratic People's Republic of Korea (DPRK) has signed and ratified the Kyoto Protocol, it is entitled to participate in the Kyoto Mechanisms, which allows them, as a developing country, to host CDM Projects that can earn CERs.

US entities having opened a Carbon Account have the possibility to purchase or sell CERs that originate from a CDM Project located in the DPRK. In order to ensure that US entities, including banks, trading houses, individuals, companies, and regulated exchanges, do not violate the sanctions currently in force in relation to the DPRK, I would be grateful if you could either

- a) confirm that the purchase and sale and clearing of CERs by US entities, including banks, trading houses, individuals, companies, and regulated exchanges, is not a violation of the sanctions currently in place, or
- b) issue a general license for US entities, including banks, trading houses, individuals, companies, and regulated exchanges, engaged in the trading and clearing of CERs to both purchase and sell, as well as clear, CERs from CDM Projects located in the DPRK.

I thank you for your efforts and look forward to receiving your response. Please do not hesitate to contact me should you require more information.

Kind regards,

For and on behalf of Carbon Trading and Development Ltd

(b)(6) & (b)(7)(C)

Director

Registered office: Kemp House, Suite 520, 152-160 City Road, London, EC1V 2NX, United Kingdom  
Registration Number: 07772243

**2012-08-130:North Korea:MR:000010**



**VIA OVERNIGHT MAIL**

Office of Foreign Asset Controls  
Licensing Division – North Korea Unit  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, N.W.  
Annex  
Washington, D.C. 20220

September 22, 2010

Re: Permission Request to Import (b)(4) from North Korea.

To Whom It May Concern:

In accordance with the Foreign Asset Controls Regulations against North Korea, CMC Cometals, a division of Commercial Metals Company ("CMC") is requesting permission to import (b)(4) from North Korea to the U.S. CMC's contact information is:

6565 N. MacArthur Blvd.  
Suite 800  
Irving, TX 75039

Tel.: (b)(6)  
Fax: 214-689-4326

E-mail: (b)(6) & (b)(7)(C)

We wish to import no more than (b)(4) for use in the manufacture of proppants used in the oil and gas industry. The price is between (b)(4) per metric ton CIF New Orleans. There are two producers and two exporters that we will use in this transaction. Their names and addresses are as follows:

1. Producer: (b)(4) Kaeson-shi,  
P'yongan-namdo, North Korea.

Exporter: (b)(4) Pyongyang wanjiang 2-dong Jiang, North  
Korea.

2. Producer: (b)(4)  
Taech'on-gun, Pyeongbuk, North Korea.

Letter to OFAC – Page 1 of 2  
September 22, 2010

P.O. Box 1046  
Dallas, TX 75221-1046

6565 N. MacArthur Blvd.  
Suite 800  
Irving, TX 75039

Phone 214.689.4300  
Fax 214.689.5886

[www.cmc.com](http://www.cmc.com)

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Exporter: (b)(4) Pyongyang Datongjiang dongmen 1-dong, North Korea.

There is a Chinese firm that has invested in both of the producers listed above. (b)(6) (b)(6) has invested in new equipment for the producers and is responsible for our business discussions. They are setting up a new company named (b)(4) (b)(4) who will be the contract party for future (b)(4) imports.

We will not use any firm, individual, or vessel that violates the U.S. sanctions against North Korea. We have no information relevant to the determination of whether the product was produced by any of the parties or activities described in 31 CFR 500.586(b)(2)(i). Please provide us with the necessary permission to import the (b)(4) If you have any questions, or if you need any additional information, do not hesitate to contact me. Thank you for your consideration.

Sincerely,

(b)(6) & (b)(7)(C)

Senior Counsel  
Corporate and Compliance

August 30, 2011

Via Federal Express and Facsimile

Office of Foreign Assets Control  
U.S. Department of the Treasury  
Treasury Annex  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

Attn: Licensing Division

Dear Assistant Director Gacki:

This firm represents the EugeneBell Foundation ("The Foundation")<sup>1</sup> and on its behalf we seek authorization to import non-commercial medical samples from North Korea as part of the Foundation's efforts to address Multiple-Drug Resistant Tuberculosis ("MDR-TB") among citizens in North Korea. The Foundation needs to have sputum samples imported for testing as part of the diagnosis and treatment process.

The Foundation seeks this authorization, and authorization for any transaction incident to this authorization (such as that for transportation, brokerage services, and other related transactions) pursuant to Executive Order ("E.O.") No. 13570. This Executive Order prohibits the "importation into the United States, directly or indirectly, of any goods, services, or technology from North Korea." Accordingly, to be sure that the Foundation can continue to provide MDR-TB medications in North Korea and can undertake the use of labs in the United States, it seeks either confirmation that its proposed activities are not prohibited by the Executive Order or authorization for such activities in the form of a license.

Background

The EugeneBell Foundation is the parent foundation for two humanitarian organizations. (b)(6) & (b)(7)(C) founded EugeneBell U.S., a U.S. 501(c)(3), in 1995 and EugeneBell-Korea, a sister organization serving as a medical not-for-profit and registered in the Republic of South Korea, in 2000. The Foundation is named after Rev. Eugene Bell, a Presbyterian missionary in Korea in the late 1800s and early 1900s.

Tuberculosis affects as much as 5 percent of the North Korean population and, aside from starvation, is one of the leading causes of death in the country. Since 1997, the Foundation has focused on providing tuberculosis treatment for the citizens of North Korea. Basic tuberculosis treatment using the Directly Observed Treatment System ("DOTS") usually takes between six

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<sup>1</sup> More information is available on the Foundation at <http://www.eugenebell.org/eng/>.

*This letter contains confidential business information voluntarily provided to  
the Office of Foreign Assets Control and protected from disclosure*

*under 18 U.S.C. § 1905 and 5 U.S.C. § 552(b)(4)*  
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**2012-08-130:North Korea:MR:000013**



and eight months and costs between \$20 and \$40 per person. The Foundation's work in this area was so successful, that in 2005, the North Korean Ministry of Public Health asked the Foundation to expand its work to provide some TB support for North Korea's public hospitals. By the end of that year, the Foundation was coordinating the delivery of TB medication to an area which included one third of the North Korean population and over forty North Korean hospitals and care centers. Since its establishment, the foundation has provided basic TB treatment to over 250,000 North Korean citizens.

(b)(6) & (b)(7)(C)  
↓  
In 2007, a group of North Korean doctors and care givers working at the long-term care centers approached [REDACTED] to complain that many of their patients were not responding to the DOTS treatment. They asked if [REDACTED] and EugeneBell would be willing to begin treating multiple-drug resistant tuberculosis ("MDR-TB"). The World Health Organization ("WHO") had also recently moved into North Korea to begin providing basic TB treatment. Realizing that North Koreans now had an option for basic TB treatment but still had no providers of MDR-TB medication, [REDACTED] shifted the Foundation's focus in late 2007 to providing MDR-TB medication.

MDR-TB is a rapidly expanding problem in North Korea. As basic TB medication becomes more widely available, the problem of MDR-TB comes increasingly to the fore. Patients who receive TB medication but who fail to rigorously abide by the regime further catalyze the natural development of drug-resistant TB strains.

No reliable data exists confirming the exact extent of the epidemic but North Korean health authorities list tuberculosis as North Korea's most serious health challenge. After decades of Soviet-style treatment, many patients have developed resistant strains of tuberculosis that cannot be treated with regular tuberculosis medications. To make matters worse, second-line drugs are now available through China and Russia outside the medical system. Because tuberculosis bacilli are quick to develop additional resistance when treated improperly, North Korea is now facing an explosion of multi-drug resistant tuberculosis. EugeneBell's MDR-TB program is the only one available in North Korea.<sup>2</sup>

(b)(6) & (b)(7)(C)  
The principal impediment to MDR-TB treatment is cost. According to the WHO, MDR-TB drugs cost an average of \$5,000 per treatment cycle, 250 times more than the average \$20 cost for first-line non-drug resistant TB medication.<sup>3</sup> Nevertheless, despite the extra expense, [REDACTED] established a pilot program of 19 patients in 2007.

MDR-TB treatment requires a multi-step process. First, doctors from the Foundation must travel to North Korea and take sputum tests from the patients. Those samples must then be exported (no lab in North Korea is capable of testing and analyzing the samples). Based on the results of those tests, the Foundation then tailors a course of treatment for the patient. The entire treatment process takes 2.5 years.

<sup>2</sup> See Exhibit A, Executive Summary of EugeneBell's MDR-TB Program.

<sup>3</sup> <http://www.cgdev.org/content/general/detail/1423993/>.

*This letter contains confidential business information voluntarily provided to  
the Office of Foreign Assets Control and protected from disclosure  
under 18 U.S.C. § 1905 and 5 U.S.C. § 552(b)(4).*

August 30, 2011

Page 3

Despite the cost and time constraints, the Foundation has seen its pilot grow from (b)(4) (b)(4) in the last three years. At the Foundation's suggestion, the Ministry of Public Health has converted six regular TB centers into MDR-TB treatment centers. These patients are objectively identified. (b)(4)

(b)(4) Those tests must be submitted to a laboratory for analysis, and only those patients who are confirmed by the laboratory as suffering from MDR-TB, begin to receive treatment.

Once the MDR-TB diagnosis has been confirmed by the laboratory, the patients receive an MDR-TB medication regimen. These medications are brought into the country by the Foundation's staff during their biannual visits. (b)(4)

(b)(4) The medication is then dispersed by local North Korean health officials directly to the identified patient at the MDR-TB center. The Foundation only operates through (b)(4)

(b)(4) and are scattered throughout the northwest part of North Korea.

The Foundation rigorously controls the medications it brings into the country. To control its medications in rural North Korea, the Foundation relies upon both its doctor who travels with the team and regular photographs it takes of its patients. (b)(4)

(b)(4)

(b)(4)

MDR-TB treatment is therefore solely reliant on the initial diagnostic tests which can not only identify whether an individual has MDR-TB, but to which drugs they are resistant. The Foundation staff therefore collects sputum samples from potential patients during the staff's biannual visits. Traditionally, the Foundation has had its sputum samples tested in South Korea. Sputum samples are only medically useful for a limited period. Relying on the proximity of the South Korean lab therefore ensured that the highest percentage of the sample remained viable for testing.

EugeneBell traditionally has good access to South Korean labs and plans to continue having samples tested and purchasing MDR-TB medications in South Korea.

As the program has grown, (b)(4)

(b)(4)

(b)(4)

However, the recent Executive Order's blanket import ban

<sup>4</sup> See Exhibit B, Email from (b)(6) & (b)(7)(C) Desk Officer for the U.S. State Department's Office of Korean Affairs – DPRK Unit, conveying the Treasury Department's Office of Foreign Assets Control's determination that a license was not necessary.

*This letter contains confidential business information voluntarily provided to the Office of Foreign Assets Control and protected from disclosure under 18 U.S.C. § 1905 and 5 U.S.C. § 552(b)(4).*

August 30, 2011

Page 4

would prevent this activity without a license. Therefore, the Foundation seeks authorization to similarly import sputum samples in the future, as needed.

In general, the Foundation needs authorization for the import of approximately (b)(4) sputum samples from North Korea.

Specific Request for Authorization

The Foundation seeks authorization to engage in the import and testing of up to (b)(4) sputum samples from MDR-TB patients as described above from North Korea to the United States, as well as all activities incident thereto, including the transfer back to medical professionals administering the course of treatment in North Korea of information generated by the laboratories in the United States. These samples would be imported, immediately following the Foundation's representatives return from their trips to North Korea. The Foundation's doctors (b)(4) minimizing any opportunity for tampering. Further, no payment is made to North Korea, or to any North Korean officials, for the taking or export of these samples. They are used solely for the development of individualized treatment regimens for each North Korean MDR-TB patient.

If you have any questions about this application, please contact (b)(6) at (b)(6) or at (b)(6) & (b)(7)(C)

Respectfully submitted,

(b)(6) & (b)(7)(C)

Crowell & Moring, LLP  
1001 Pennsylvania Ave, N.W.  
Washington, D.C. 20004

Counsel to Eugene Bell  
Foundation

cc: (b)(6) & (b)(7)(C) Chairman Eugene Bell

*This letter contains confidential business information voluntarily provided to the Office of Foreign Assets Control and protected from disclosure under 18 U.S.C. § 1905 and 5 U.S.C. § 552(b)(4).*



North Korea Unit  
Office of Foreign Assets Control  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW, Annex  
Washington, DC 20220  
Tel (202) 622-2500, (202) 622-2480  
Fax (202) 622-1657

Tuesday, September 7, 2010

Re: Urgent request for import review and letter regarding items of North Korean origin

The (b) (4) is the combination of two non-profit organizations, one located in the Republic of Korea (ROK or South Korea) and one in the United States.

For the past fifteen years, we have been working in the Democratic People's Republic of Korea (DPRK or North Korea) as a humanitarian aid organization, delivering vital medications to tuberculosis patients in North Korea.

This year, we would like to try to test our specimens using a lab in the United States, instead of in South Korea. We were told that this was an import that would require a letter from OFAC, so we are submitting our written answers to your questions on the following page.

As (b) (4) our request for a letter is urgent, (b) (4) (b) (4) and need to start shipping the specimens as soon as possible. We hope you will contact us if we can help you in any way. Our website is (b) (4) and you can find much information about our work there.

Thank you!

Best regards,

(b)(6) & (b)(7)(C)

(b) (4)

(b) (4)

The name and address of the location of where the product was produced: North Pyongan Province MDR Center, South Pyongan Province MDR Center, Nampo City MDR Center, Pyongyang City MDR Center

The name and address of the North Korean exporter: Same as above

Whether the products to be imported were produced by

- (a) A foreign person designated by the Secretary of State as having engaged in missile technology proliferation activities;
  - a. No, all the specimens are produced by MDR-TB tuberculosis patients, usually isolated from the population in TB sanatoria in North Korea.
- (b) an activity of the North Korean Government relating to the development or production of any missile equipment or technology, or
  - a. No, the specimens are produced by patients and supplied to us with the help of the North Korean Ministry of Public Health.
- (c) An activity of the North Korean Government affecting the development or production of electronics, space systems or equipment, and military aircraft
  - a. No, the specimens are produced by patients and supplied to us with the help of the North Korean Ministry of Health.

Answers provided in response to:

**❌ BUYING FROM NORTH KOREA** – Goods of North Korean origin may not be imported into the United States either directly or through third countries, without prior notification to and approval of the Office of Foreign Assets Control. Importers must provide OFAC with written information as to whether the products to be imported were produced by (a) a foreign person designated by the Secretary of State as having engaged in missile technology proliferation activities; (b) an activity of the North Korean Government relating to the development or production of any missile equipment or technology; or (c) an activity of the North Korean Government affecting the development or production of electronics, space systems or equipment, and military aircraft. In addition to the information just described, importers seeking an approval letter from OFAC must provide their name, address, telephone, fax, and e-mail addresses; a description of the product to be imported, including quantity and cost; the name and address of the producer of the product; the name of the location where the product was produced; and the name and address of the North Korean exporter. Requests for import review must be submitted by mail to North Korea Unit, Office of Foreign Assets Control, U.S. Department of the Treasury, 1500 Pennsylvania Ave., NW, Annex, Washington, DC 20220. After reviewing the information, OFAC will issue a letter indicating the results of the review to the person seeking to import the product. U.S. depository institutions handling letters of credit or documentary collections involving imports from North Korea must obtain a copy of OFAC's approval letter from the importer before proceeding with such transactions. The letter must also be provided to the U.S. Customs Service before imports from North Korea will be allowed into the United States.

(b) (4)

Hogan Lovells US LLP  
Columbia Square  
555 Thirteenth Street, NW  
Washington, DC 20004  
T +1 202 637 5600  
F +1 202 637 5910  
www.hoganlovells.com

July 25, 2011

**Confidential – FOIA Exempt**

*BY HAND DELIVERY*

Mr. Adam Szubin, Director  
Office of Foreign Assets Control  
U.S. Department of Treasury  
Treasury Annex  
1500 Pennsylvania Avenue, N.W.  
Washington, D.C. 20220  
**Attn: Licensing Division**

**Re: Request for License to Import Services from North Korea in Order to Protect  
Intellectual Property**

Dear Mr. Szubin:

Hogan Lovells requests that the Office of Foreign Assets Control ("OFAC") issue a license, to the extent required, in order to provide legal services to our clients in connection with protection of intellectual property in North Korea. We request that the license be issued to Hogan Lovells as described in Section I below.

**I. Description of Hogan Lovells**

"Hogan Lovells" refers to the international legal practice comprising Hogan Lovells International LLP, Hogan Lovells US LLP, Hogan Lovells Worldwide Group (a Swiss Verein), and their affiliated businesses, each of which is a separate legal entity. Hogan Lovells International LLP is a limited liability partnership registered in England and Wales with registered number OC323639. Registered office and principal place of business: Atlantic House, Holborn Viaduct, London EC1A 2FG. Hogan Lovells US LLP is a limited liability partnership registered in the District of Columbia. Their addresses are as follows:

**Hogan Lovell US LLP**  
Columbia Square  
555 Thirteenth Street, NW  
Washington, DC 20004

**Hogan Lovells International LLP**  
Atlantic House  
Holborn Viaduct  
London, EC1A 2FG  
United Kingdom

## **II. Description of Services to be Provided**

Protecting copyrights, patents, trademarks and domain names is a core business interest of global companies and clients of Hogan Lovells. The firm provides legal advice to clients on the full range of intellectual property issues.

In order to register, renew, maintain, and protect from infringement copyrights, patents, trademarks, and domain names of clients in North Korea, Hogan Lovells must, in some instances, retain local agents and/or counsel to provide services incidental to such activities. Examples of activities local agents and counsel would perform include the payment of filing fees and the preparation of certain required local documentation. Our U.S. and global clients wish to maintain their intellectual property protection in all countries including, as needed, sanctioned countries such as North Korea.

## **III. Legal Analysis**

Executive Order 13570 of April 18, 2011 states that, "the importation into the United States, directly or indirectly, of any ... services ... from North Korea is prohibited." Moreover, the NKSR do not currently address the protection of intellectual property in North Korea. In light of the breadth of the language in the executive order, we request authorization to the extent required to engage in legal matters involving the protection of intellectual property, including, but not limited to engaging and paying local agents and counsel in North Korea for services to register, renew, maintain, and protect from infringement copyrights, patents, trademarks, and domain names.

OFAC should issue a license to Hogan Lovells to engage local agents and counsel in North Korea to allow for the protection of clients' intellectual property in North Korea in line with the general licenses issued in other sanctions programs permitting transactions relating to intellectual property protection. See the Burmese Sanctions Regulations (BSR) (31 CFR § 537.522), the Iranian Transaction Regulations ("ITR") (31 CFR § 560.509), and the Sudanese Sanction Regulations ("SSR") (31 CFR § 538.514).

The general license in the ITR, 31 CFR § 560.509 "Certain transactions related to patents, trademarks and copyrights authorized," provides that:

- (a) All of the following transactions in connection with patent, trademark, copyright or other intellectual property protection in the United States or Iran are authorized:
  - (1) The filing and prosecution of any application to obtain a patent, trademark, copyright or other form of intellectual property protection, including importation of or dealing in Iranian-origin services, payment for such services, and payment to persons in Iran directly connected to such intellectual property protection;
  - (2) The receipt of a patent, trademark, copyright or other form of intellectual property protection;
  - (3) The renewal or maintenance of a patent, trademark, copyright or other form of intellectual property protection; and
  - (4) The filing and prosecution of opposition or infringement proceedings with respect to a patent, trademark, copyright or other form of intellectual property protection, or the entrance of a defense to any such proceedings.

With respect to domain names, OFAC clarified in the cover letter to License MUL-314 (see attached), issued to Hogan Lovells on April 30, 2010, that domain names composed of existing trademarks are "other forms of intellectual property" for purposes of the ITR and SSR. Specifically, OFAC stated that, "To the extent that domain names are composed of existing trademarks, such domain names are considered 'other intellectual property' pursuant to section 560.509 of the ITR and section 538.514 of the SSR. Accordingly, transactions in connection with the registration and renewal of such domain names are authorized pursuant to those general licenses." As such, OFAC should authorize transactions relating to the registration, renewal, maintenance, and protection from infringement of domain names to the same extent as copyrights, patents, and trademarks.

We are not aware of a policy reason to prohibit companies from fully protecting their intellectual property in North Korea while at the same time permitting them to protect their intellectual property in Iran and Sudan. As such, OFAC should take the view that the rationale for protecting intellectual property from infringement in Iran, Sudan, Burma, and Cuba applies equally in North Korea.

#### **IV. Request**

We respectfully request that OFAC grant authorization to Hogan Lovells to provide legal services to our clients in connection with the protection of intellectual property in North Korea akin to the general license in the ITR, as further clarified by OFAC:

Certain transactions related to patents, trademarks and copyrights authorized with respect to North Korea: All of the following transactions in connection with patent, trademark, copyright or other intellectual property protection in the United States or North Korea are authorized:

- (1) The filing and prosecution of any application to obtain a patent, trademark, copyright or other form of intellectual property protection, including importation of or dealing in North Korean-origin services, payment for such services, and payment to persons in North Korea directly connected to such intellectual property protection;
- (2) The receipt of a patent, trademark, copyright or other form of intellectual property protection;
- (3) The renewal or maintenance of a patent, trademark, copyright or other form of intellectual property protection; and
- (4) The filing and prosecution of opposition or infringement proceedings with respect to a patent, trademark, copyright or other form of intellectual property protection, or the entrance of a defense to any such proceedings.

Enclosed is the following:

1. Copies of the April 30, 2010 letter from OFAC and license MUL-314.

\* \* \*



Thank you in advance for your response to this request. Please contact the undersigned if there are any questions regarding this license application.

Respectfully submitted,

H. JUAN LOVELLS

(b)(6) & (b)(7)(C)

(b)(6) & (b)(7)(C) (202) 637-5740  
(202) 637-5837

ORIGINAL

UNITED STATES DEPARTMENT OF THE TREASURY  
OFFICE OF FOREIGN ASSETS CONTROL  
REPORT OF BLOCKED TRANSACTIONS

## INSTITUTION INFORMATION

INSTITUTION HSBC		TYPE OF INSTITUTION BANK	ADDRESS Network Service Centre, Payment Sw. 8F, Tower 1 HSBC Centre, 1 Sham Hong Road
CITY	STATE Kowloon	CONTACT PERSON (b)(6) & (b)(7)(C)	TELEPHONE NUMBER (b)(6)
POSTAL CODE 4310584	COUNTRY H.K.	E-MAIL ADDRESS	FAX NUMBER

## TRANSACTION INFORMATION

AMOUNT BLOCKED (b)(4)	DATE OF TRANSACTION 25. SEP. 2010	DATE OF BLOCKING 22. NOV. 2010	PROGRAM OR REASON FOR BLOCKING FUNDS OFAC licensing
ORIGINATOR NAME & ADDRESS CITICAMP INTERNATIONAL CO., LTD. UNIT 2205, 22/F, Causeway Bay Plaza 2, Lockhart Road Hong Kong		ORIGINATING FINANCIAL INSTITUTION NAME & ADDRESS (b)(6) & (b)(7)(C) Rm. 308 Hyeosung Intellian BLDG. 1594-1 Kwanyang-Dong, Anyang-shi, Kyunggi-Do, KOREA	
INTERMEDIARY FINANCIAL INSTITUTION(S) NAME & ADDRESS		BENEFICIARY FINANCIAL INSTITUTION NAME & ADDRESS (b)(6) & (b)(7)(C)	
BENEFICIARY NAME & ADDRESS (b)(6) & (b)(7)(C)		ADDITIONAL RELEVANT INFORMATION (USE PAGE 2 IF MORE SPACE IS NEEDED)	
ADDITIONAL DATA FOUND IN ORIGINATOR TO BENEFICIARY INFORMATION OR BANK TO BANK INFORMATION			

PLEASE ATTACH A COPY OF PAYMENT INSTRUCTIONS AS PAGE 3 OF THIS FORM

## PREPARER INFORMATION

SIGNATURE (b)(6) & (b)(7)(C)	NAME OF SIGNER (b)(6) & (b)(7)(C)	TITLE OF SIGNER CEO	DATE PREPARED 21 JAN. 2011
---------------------------------	--------------------------------------	------------------------	-------------------------------

ORIGINAL

ADDITIONAL INFORMATION

(PLEASE INCLUDE PAYMENT INSTRUCTIONS AS A SEPARATE ATTACHMENT TO THIS DOCUMENT)

Please contact (b)(6) & (b)(7)(C) at (b)(6) & (b)(7)(C)  
or (b)(6) if you need any further  
assistancess or have any problems. Thank you!

Advice sending date: 25 Sep 2010

Advice reference no: (b)(4)

Payment Advice

Page: 1/1

(b)(6) & (b)(7)(C)

ceo@citichamp.net

Transaction type: Remittance

(b)(6) & (b)(7)(C)

Beneficiary's name:

Beneficiary's bank: OVERSEA-CHINESE BANKING CORP LTD

SINGAPORE

SINGAPORE

SINGAPORE

Beneficiary's account:

(b)(4)

(Part of the account number is shown as \*\*\*\*\* for security reasons.)

TT reference number:

(b)(4)

Debit amount:

(b)(4)

Remittance amount:

Local and overseas

charges:

Remitting bank charges are collected from Remitter. Beneficiary pays Beneficiary bank charges

Value date:

25 Sep 2010

Remitter's name:

CITICAMP INTERNATIONAL COMPANY

Remitting bank:

The Hongkong and Shanghai Banking Corporation Limited

Instruction reference:

(b)(4)

Message from remitter:

<No details are provided>

**Important notes:**

This Advice is issued at the request of our customer. It purports to set out certain details of the transaction that our Bank was instructed to effect. This is NOT a confirmation that the transaction has been or will be effected. You should conduct your own verification and confirmation regarding the information set out in this Advice including, without limitation, the status of the transaction mentioned in it. This Advice is for your reference only and is not to be relied upon by you or any one for any purpose. We have not verified the content of this Advice and bear no responsibility therefor. Where this Advice is sent by facsimile or over the internet, you should take note that communication by facsimile or over the internet may be interrupted, delayed or fail. In particular, e-mail messages sent via the internet cannot be guaranteed to be secure, error or virus-free as information could be intercepted, corrupted, lost, arrive late or contain viruses. The Bank shall bear no liability whatsoever for any direct, indirect or consequential loss arising out of this Advice being sent by facsimile or over the internet whether caused by the Bank or other third parties. The information contained in this Advice is confidential. It may also be legally privileged. If you are not the addressee you may not copy, forward, disclose or use any part of it.

Issued by The Hongkong and Shanghai Banking Corporation Limited



## Email from HSBC

**Subject** Re: Case1076627 Payments

Dear (b)(6) & (b)(7)(C)

Thank you for your email of 17 November 2010 regarding our Payment services.

Please accept our sincere apology for this belated reply due to a huge volume of incoming emails received recently.

I understand your concern on the status of an effected payment under ref. (b)(4) in amount (b)(4) remitted on 25 September 2010 and would like to provide you with relevant information.

Having checked with the Payment Services Department, it is advised that we received cable from the beneficiary bank requesting for additional details. A notification letter was sent to you on 2 October 2010. Please find the details as follow

// quote//

PLEASE PROVIDE, IN COMPLETE DETAIL, THE FULL NAME AND ADDRESS OF THE INDIVIDUAL GENERATING THE HIT (INCLUDING CITY AND COUNTRY DOB, POB, CITIZENSHIP, FULL NAME AND ADDRESS OF THIS INDIVIDUALS EMPLOYER (INCLUDING CITY AND COUNTRY), A DETAILED PURPOSE OF PAYMENT, A COPY OF ALL RELATED INVOICES AND A COPY OF OFAC LICENSE

// unquote//

Although we have received your amendment request on 27 October 2010 and cabled the beneficiary bank on the same day, the beneficiary bank advised us on 30 October 2010 that they are unable to amend the beneficiary name unless remitter provide the requested information.

Regarding the above situation, notification letters were sent to the mailing address of the company on 1 November 2010 and 18 November 2010 asking for your further disposal instruction.

Please kindly provide your instruction duly signed by the authorised signatory (ies) and bearing company chop (if any), and send it to our Payment Services Department at 1/F, Tower Two HSBC Center, 1 Sham Mong Road, Kowloon, Hong Kong for action.

For further information on our business products and services, you are welcome to call our Customer Services Hotline at (852) 2748-8288 and press option #, 0, 1, 1 after language selection and input account number. All our Customer Services Officers are more than happy to offer help and other assistance.

I hope this information is useful and am pleased to be of service.

Yours sincerely

2012-08-130:North Korea:MR:000026



## Email from HSBC

Subject case (b)(4)

Dear Sir

RE OUR (b)(4) DATED 25SEP10 FOR (b)(4)  
F/O (b)(6) & (b)(7)(C)

Further to our E-mail of 22NOV10 concerning the above payment.

We confirm have today received cabled message from HSBC Bank USA NA, New York and we append below their message for your information.

/quote/

Be advise funds have been blocked by the Bank of New York pursuant to sanctions against Korea and they advised "placed the funds in a blocked entity account pursuant to U.S sanction regulations. We are unable to consider your payment order null and void and return the funds to yourselves unless you obtain a license from the U.S treasury department's office of foreign assets control (OFAC) to request a license contact OFAC licensing division 1500 PENNSYLVANIA AVE, WASHINGTON D.C. 20220, telephone 202-622-2500, fax number: 202-622-1657.

/unquote/

We are pleased to be of service.

Yours faithfully

(b)(6) & (b)(7)(C)

Assistant Manager

Back

Delete



## APPLICATION FOR THE RELEASE OF BLOCKED FUNDS

OMB No 1505-0170

*It is strongly recommended that you use the computer to complete this form*TYPE OF APPLICATION **New Application**

Previous Case Number (if applicable) \_\_\_\_\_

1 Blocked Amount **(b)(4)** 2 Currency Type **CHF** 3 Date Blocked (mm/dd/yyyy) **05/08/1993**

## APPLICANT/CONTACT INFORMATION

4 Business Name (if applicable) **IFS CAPITAL ASSETS PTE LTD**5 Last Name **(b)(6) & (b)(7)(C)** 6 First Name **(b)(6) & (b)(7)(C)**7 Middle Name \_\_\_\_\_ 8a Street Address 1 **7 TEMASEK BOULEVARD #10-01**8b Street Address 2 **SUNTEC TOWER ONE** 9 City **SINGAPORE**10 **Singapore** 11 Province \_\_\_\_\_ 12 Postal Code **038987**

Country	City	Number	Extension
<input checked="" type="checkbox"/> 13 Int'l 14 Phone	<b>065</b>	<b>000</b>	<b>63030955</b>

Country	City	Number
<input checked="" type="checkbox"/> 15 Int'l 16 Fax	<b>065</b>	<b>000 63391076</b>

17 E-mail Address **(b)(6) & (b)(7)(C)**18 Principal Place of Business **Singapore**19 State or Country Where Business is Incorporated **Singapore**20 Transfer Blocked Due to the Following OFAC Sanctions Program **Other**

IF BLOCKING OCCURRED BECAUSE THE NAME OF ANY PARTY TO THE TRANSACTION APPEARS TO MATCH A NAME ON THE SPECIALLY DESIGNATED NATIONALS (SDN) LIST, PLEASE PROVIDE INFORMATION RELATED TO THE NAME MATCH (e.g. copy of original payment or transfer instructions, invoices, bills of lading, passport, temporary/permanent resident card, birth certificate, Employer Identification Number, passport, national ID card, incorporation document or other government-issued identifying documentation)

## FINANCIAL INSTITUTION THAT BLOCKED FUNDS

21 Institution Name **CITIBANK N.A., SINGAPORE**22 Street Address **3 TEMASEK AVENUE #12-00 CENTENNIAL TOWER** 23 City **Singapore**24 **Singapore** 25 Province \_\_\_\_\_ 26 Postal Code **039190**

## REMITTER'S INFORMATION

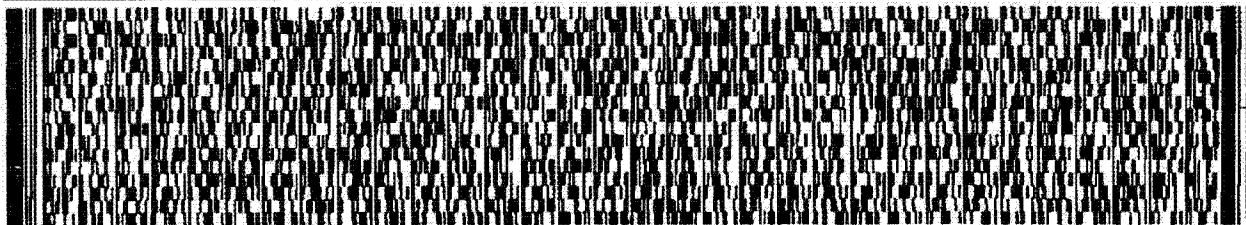
27 Business Name (if applicable) **COMMUNICATION COMPUTATION BUREAU PYONGYANG**

28 Last Name \_\_\_\_\_ 29 First Name \_\_\_\_\_ 30 Middle Name \_\_\_\_\_

31 Street Address \_\_\_\_\_ 32 City \_\_\_\_\_

33 **Korea, North** 34 Province \_\_\_\_\_ 35 Postal Code \_\_\_\_\_

## REMITTING FINANCIAL INSTITUTION

36 Institution Name **KUMGANG BANK**37 Street Address **P.O. BOX 726 PYONGYANG** 38 City **PYONGYANG**39 **Korea, North** 40 Province \_\_\_\_\_ 41 Postal Code \_\_\_\_\_

## APPLICATION FOR THE RELEASE OF BLOCKED FUNDS (cont'd)

OMB No 1505-0170

## INTERMEDIARY FINANCIAL INSTITUTION

42 Institution Name CITIBANK ZURICH  
43 Street Address BLEICHERWEG 10 ZURICH CH8002 44 City ZURICH  
45 Switzerland 46 Province \_\_\_\_\_ 47 Postal Code \_\_\_\_\_

## BENEFICIARY FINANCIAL INSTITUTION

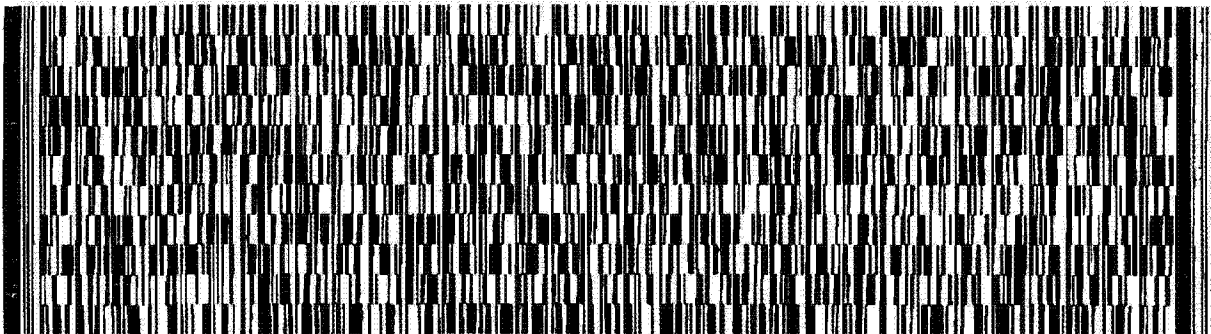
48 Institution Name CITIBANK N.A. SINGAPORE  
49 Street Address 3 TEMASEK AVENUE #12-00 CENTENNIAL TOWER 50 City Singapore  
51 Singapore 52 Province \_\_\_\_\_ 53. Postal Code 039190

## BENEFICIARY'S INFORMATION

54 Business Name (if applicable) IFS CAPITAL ASSETS PTE LTD(INTERNATIONAL FACTORS MARINE SPL)  
55 Last Name \_\_\_\_\_ 56 First Name \_\_\_\_\_ 57 Middle Name \_\_\_\_\_  
58 Street Address 7 TEMASEK BOULEVARD #10-01 SUNTEC TOWER ONE 59 City Singapore  
60 Singapore 61 Province \_\_\_\_\_ 62 Postal Code 038987

63 DETAILED EXPLANATION OF THE TRANSACTION, INCLUDING THE PURPOSE OF THE PAYMENT (Additional space provided on next page )

This is due to U.S. Regulations which prohibit U.S. persons from handling commercial transactions involving North Korea.





## APPLICATION FOR THE RELEASE OF BLOCKED FUNDS (cont'd)

64 DETAILED EXPLANATION OF THE TRANSACTION (cont'd)

65 APPLICANT CERTIFICATION: I, THE UNDERSIGNED, HEREBY DECLARE THAT, TO THE BEST OF MY KNOWLEDGE, THE INFORMATION PROVIDED ON THIS APPLICATION AND ANY ACCOMPANYING DOCUMENTATION IS TRUTHFUL AND COMPLETE

66 SIGNATURE

(b)(6) &amp; (b)(7)(C)

67 DATE

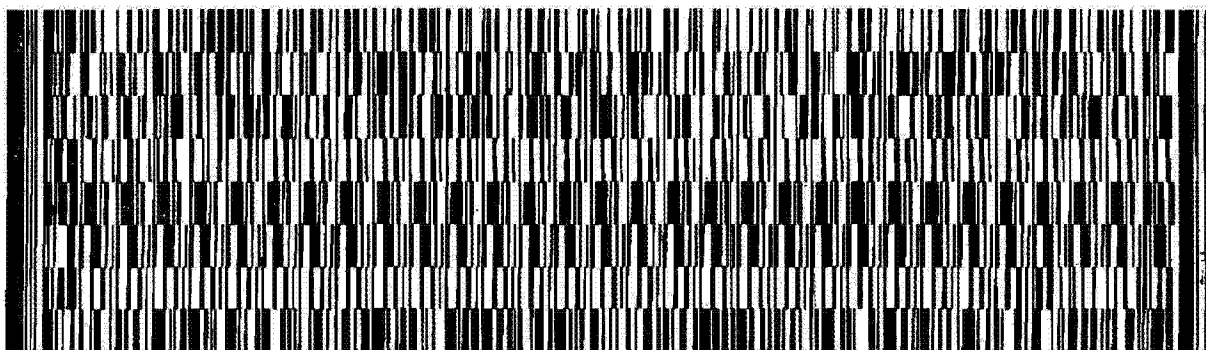
24/6/11

68 SIGNATORY NAME

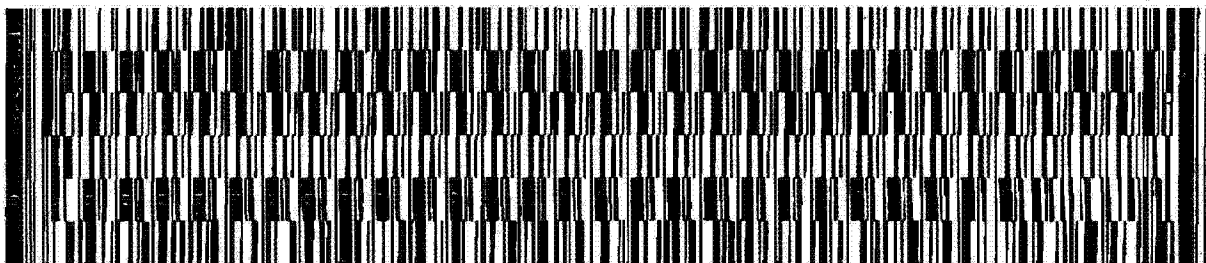
(b)(6) &amp; (b)(7)(C)

69 SIGNATORY TITLE

GENERAL MANAGER / GROUP CFO



Total Barcode Characters 146



Total Barcode Characters 27

Global  
Finance

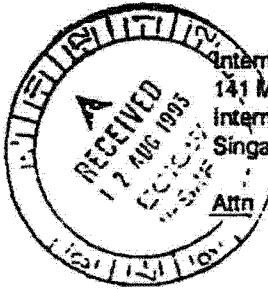
Corporate  
Marketing  
Group

5 Shenton Way  
#07-00 UIC Building  
Singapore 0106

Tel 224 2611  
Tlx RS 24584  
Tlx 225 1584

08/05/1993

**CITIBANK**



International Factors Leasing Pte Ltd  
141 Market Street #10-00  
International Factors Building  
Singapore 0104

Attn : (b)(6) & (b)(7)(C)

Dear (b)(6) & (b)(7)(C)

Further to my phone conversation, this is to advise that we are unable to process this transaction - the incoming payments of SF(b)(4) order of Communication Computation Bureau Pyongyang. This is due to U.S. Regulations which prohibit U.S. persons from handling commercial transactions involving North Korea.

We have, therefore, placed the funds in US\$ Asian Dollar Time Deposit as agreed with you.

Please call me at (b)(6) if you need further clarification.

Yours sincerely

(b)(6) & (b)(7)(C)

Account Manager

Enc : Asian Dollar Time Deposit Advice  
Copy of cable

/rt

FORM 13  
THE COMPANIES ACT  
(CHAPTER 50)  
SECTION 28(2)

Company No.  
198700828M

.....

CERTIFICATE OF INCORPORATION ON CHANGE OF  
NAME OF COMPANY

This is to certify that INTERNATIONAL FACTORS  
MARINE (SINGAPORE) PTE LTD incorporated under the  
Companies Act on 28 March 1987 did by a special  
resolution resolve to change its name to INTERNATIONAL  
FACTORS LEASING PTE LTD and that the company which is a  
private company limited by shares is now known by its  
new name with effect from 18 February 1993.

Given under my hand and seal on 18 February 1993.

(b)(6) & (b)(7)(C)

ASST REGISTRAR OF COMPANIES AND BUSINESSES  
SINGAPORE

/sg-d2

# JPMORGAN CHASE & CO.

(b)(6) & (b)(7)(C)

Executive Director  
Legal and Compliance OFAC

## Confidential Treatment Requested

July 24, 2012

Adam J. Szubin  
Director  
Office of Foreign Assets Control  
U.S. Department of the Treasury  
Treasury Annex  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

### Re: Request for a Specific License to Cover Commodities Trades on Futures Exchanges in China

JPMorgan Chase is making this submission on behalf of itself and its global subsidiaries, directors and employees of the foregoing, including JPMorgan Chase Bank N.A., J.P. Morgan Broking (Hong Kong) Limited and J.P. Morgan Futures Co., Ltd. ("F&O"), and all affiliated entities, agents and independent contractors who are persons subject to the jurisdiction of the U.S. (collectively "JPMC"). JPMC requests authorization pursuant to the Iranian Transactions Regulations, 31 CFR Part 560 (the "ITR") and the North Korean Sanctions Regulations, 31 CFR Part 510 (the "NTSR") to engage in or facilitate trading on three futures exchanges in China, the Dalian Commodity Exchange (DCE), the Zhengzhou Commodity Exchange (ZCE) and the Shanghai Futures Exchange (SHFE) (the "Exchanges") through F&O in commodity futures contracts which, without JPMC's knowledge or ability to know, can be settled through transactions in warrants representing physical delivery of commodities sourced from sanctioned jurisdictions. To the best of JPMC's knowledge, the commodities that could potentially be sourced from sanctioned jurisdictions are aluminum (Iran) and gold (North Korea) on the SHFE.<sup>1</sup> As of date, JPMC has not identified any involvement in any deliveries involving commodities sourced from OFAC-sanctioned jurisdictions.<sup>2</sup> Nevertheless, because the three Exchanges

<sup>1</sup> To the best of our knowledge, SHFE (gold, aluminum) is currently the only affected exchange. However, contract specifications on the other exchanges, including specifications as the type and quality of underlying commodity acceptable for delivery purposes, are subject to change.

<sup>2</sup> JPMC has not traded in, and therefore not settled, any gold contracts. The JV has traded approximately a total of 19,354 lots of aluminum, with a total of 1,070 being physically settled. JPMC does not have any knowledge of where

601 Pennsylvania Avenue NW, Floor 07-STE 700  
Washington, DC, 20004  
Telephone (b)(6)

(b)(6) & (b)(7)(C)

2012-08-130:North Korea:MR:000033

# JPMORGAN CHASE & CO.

pose a risk of transactions involving commodities sourced from sanctioned jurisdictions, JPMC seeks a license to cover trades and any incidental activities involving commodities sourced from sanctioned jurisdictions on these exchanges in the future.

## Background

F&O is a Sino-Foreign Joint Venture<sup>3</sup> futures commission merchant established in China with registered capital of RMB460,000,000. The shareholders in F&O are Shanghai Mai Lan De Enterprise Development Co Limited, a limited liability company incorporated in China with 50% ownership; JP Morgan Broking (Hong Kong) Limited, a limited liability company incorporated under the laws of Hong Kong with 49% ownership; and Jiangsu Weiwang Venture Capital Co . Ltd., a limited liability company incorporated in China with 1% ownership.<sup>4</sup>

F&O is a member of all four futures exchanges that exist in China.<sup>5</sup> All the exchanges are regulated by the China Securities Regulatory Commission. DCE offers futures contracts on corn, soybeans, soybean meal, soybean oil, palm olein, polyethylene, polyvinyl chloride and metallurgical coke; ZCE offers futures contracts on wheat, cotton, white sugar, pure terephthalic acid, rapeseed oil, methanol and long-grain rice; and SHFE offers futures contracts on gold, silver, copper, aluminum, lead, steel, wire rod, natural rubber, fuel oil and zinc.

Futures trading on the Exchanges involves the purchase and sale of standardized contracts that create a future obligation upon the seller of the contract to sell, and a future obligation upon the buyer of the contract to buy, at a specified future date a specified quantity of the underlying commodity at a specified price that is agreed upon at the time that the parties enter into the contract. Upon expiration of the contract, settlement between the parties is usually effected by way of cash settlement rather than physical delivery of the underlying commodity. However, to the extent that such physical delivery is requested, it will be effected by a transfer of warrants representing good delivery of the physical commodity. It is possible that certain of the physical commodities for which such warrants are issued may be sourced from a sanctioned jurisdiction. To the best of JPMC's knowledge, the commodities that could potentially be sourced from sanctioned jurisdictions are aluminum (Iran) and gold (North Korea). Under the current contract specifications, aluminum can be sourced from 29 countries and gold can be sourced from 24 countries, except for China.

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the physical was sourced and has no information which would cause it to suspect that any physically settled aluminum was sourced from Iran.

<sup>3</sup> A Sino-Foreign Cooperative Joint Venture refers to a joint venture between a Chinese and a foreign company within the territory of China.

<sup>4</sup> Due to China's Company laws governing foreign direct investment, foreign investors can only operate through Chinese limited liability companies.

<sup>5</sup> The 4th exchange, China Financial Futures Exchange (CFFE), only offers futures contracts over financial indices. CFFE does not offer futures contracts over commodities.

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Washington, DC, 20004

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As a member of each of the Exchanges, F&O acts solely in the capacity of a futures commission merchant effecting the execution and clearing of transactions in futures contracts over the underlying commodities for its Chinese clients. In this role, F&O and other brokers have no way of knowing, at the time of executing a transaction on behalf of a client, the origin or location of the particular underlying commodity that may be delivered in connection with a particular futures contract. F&O would not be able to determine prior to the receipt or delivery by its client of a warrant whether F&O had brokered rights to commodities sourced from an OFAC-sanctioned jurisdiction. In addition, in the event that a transaction in a commodity sourced from a sanctioned jurisdiction were effected, the rules of the Exchanges do not permit a purchaser or its broker to refuse acceptance of particular warrants.

Given the historically minimal trading in commodities sourced from Iran or North Korea in making or taking delivery pursuant to contracts transacted on the Exchanges, the chances of brokering commodities targeted by the ITR or NKSr is small. To the best of our knowledge, such commodities would not likely be directly sourced from a sanctioned jurisdiction and no sanctioned entity would be a party to a transaction on the Exchanges or benefit directly from such transactions. Only Chinese local residents and entities are permitted to trade on the Exchanges.

Section 560.526(a) of the ITR provides for the issuance of specific licenses for "certain commodities trading by a [U.S.] person in Iranian-origin goods, or transactions incidental to such trading, where: (1) [n]o party to the transaction with the [U.S.] person is a person in Iran or the Government of Iran, and (2) [i]t is impossible for the [U.S.] person to determine at the time of entry into the transaction . . . that the goods would be of Iranian origin or would be owned or controlled by the Government of Iran." We believe that both conditions are fully met by JPMC trades on the Exchanges. First, as noted previously, only Chinese local residents and entities are permitted to trade on the Exchanges. Second, Iranian-origin aluminum and North Korean-origin gold constitute only two among many interchangeable sources of aluminum or gold whose warrants would constitute "good delivery" in fulfilling a contract on the Exchanges, and it is not possible to determine what origin aluminum or gold will be allocated to an open contract. We understand that it has been OFAC's policy to issue specific licenses under the ITR and other sanctions programs to allow disposal of target-country goods or commodities where a commodities or other trading contract entered into by a U.S. person results or will result in the delivery of commodities or other goods of target-country origin, so long as the U.S. person has no ability to foresee or control the origin of the commodities goods and did not enter the contract with a sanctions target.

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(b)(6) & (b)(7)(C)

# JPMORGAN CHASE & Co.

## Request for Authorization

Because JPMC cannot predict whether its trading activity on any of the Exchanges will involve Iranian or North Korean commodities, JPMC seeks authorization, in the circumstances stated in Section 560.526(a)(1) and (2) of the ITR, to engage in transactions involving, including receipt and disposal of, warrants representing right to Iranian or North Korean commodities traded on the Exchanges.

This letter contains confidential proprietary commercial information of JPMC covered by applicable exemptions from public release under the Freedom of Information Act, 5 U.S.C. § 552 ("FOIA"), or otherwise, none of which information has been publicly released. We request that you provide notice to the undersigned, and an opportunity to contest disclosure, in accordance with 31 C.F.R. § 1.6(b)-(d), if any portion of this submission is or becomes the subject of a request for disclosure under FOIA or any other law or claim of right.

We would be glad to provide additional information upon request in support of this submission.

Respectfully submitted,

(b)(6) & (b)(7)(C)

cc: Andrea Gacki, Licensing  
(b)(6) & (b)(7)(C) Davis Polk

601 Pennsylvania Avenue NW, Floor 07-STE 700  
Washington, DC, 20004  
Telephone (b)(6)  
(b)(6) & (b)(7)(C)

2012-08-130:North Korea:MR:000036

KIRKLAND & ELLIS LLP  
AND AFFILIATED PARTNERSHIPS

655 Fifteenth Street, N.W.  
Washington, D.C. 20005

(b)(6) & (b)(7)(C)

To Call Writer Directly  
(b)(6)

(b)(6) & (b)(7)(C)

(202) 879-5000

www.kirkland.com

Facsimile  
(202) 879-5200

August 3, 2012

VIA FACSIMILE & HAND DELIVERY

CONFIDENTIAL

Adam J. Szubin  
Director  
Office of Foreign Assets Control  
U.S. Department of the Treasury  
Second Floor Annex  
1500 Pennsylvania Ave., NW  
Washington, D.C. 20220  
Attn: (b)(6) & (b)(7)(C) Licensing Division  
Fax 202-622-1657

Re *Request for Specific License to Effectuate Certain Transaction Related to  
Protection of Intellectual Property in North Korea Pursuant to 31 C.F.R.  
§501.801(b)*

Dear Mr. Szubin,

This is further to the (b)(4)

(b)(4)

Kilpatrick Townsend & Stockton LLP ("KTS") by and through its counsel, Kirkland & Ellis LLP ("Kirkland") hereby seeks authorization from the U.S. Department of the Treasury, Office of Foreign Assets Control ("OFAC"), to effectuate transactions related to protection of patents, trademarks and/or copyrights with respect to its client (b)(4). KTS understands that (b)(4) is simultaneously submitting an authorization request by and through its counsel (b)(4) with respect to similar transactions. Further to KTS's (b)(4) (b)(4)

(b)(4) KTS seeks authorization to conduct with respect to North Korea transactions on behalf of (b)(4) related to intellectual property ("IP") protection that are authorized under other of OFAC's economic sanctions regulations.<sup>1</sup> In view of these general licenses and the general favorable policy toward authorizing IP protection-related activities they indicate, as well as OFAC's general favorable policy toward authorizing many legal services and the fact that

<sup>1</sup> See e.g., 31 C.F.R. §560.509 (Iran Transactions regulations), 31 C.F.R. §538.514 (Sudan Sanctions Regulations), 31 C.F.R. §§515.527 & 515.528 (Cuban Asset Control Regulations), Syria General License No. 15



## KIRKLAND & ELLIS LLP

Director Szubin

8/3/2012

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protection of intellectual property rights of U S companies is consistent with important U S economic interests, KTS requests OFAC's expedited approval of this request. Undue delay in providing such authorization could result in loss of important IP protection and related negative consequences for (b)(4)

(b)(4)

(b)(4)

### 1. BACKGROUND – PAST AND PROPOSED TRANSACTIONS

#### a. GENERAL IP PROTECTION ACTIVITIES

KTS is one of the premier U S law firms in the area of intellectual property protection, representing many leading U S and overseas-based companies whose intellectual property needs span the globe. These companies not only manufacture, distribute and sell their products and services throughout much of the world, but also are the victim of predatory practices by counterfeiters and pirates seeking to misappropriate the value of such companies' intellectual property. Accordingly, KTS is charged with securing, maintaining and enforcing the intellectual property rights of its clients throughout many, if not most, of the countries of the world – including countries subject to U S economic sanctions administered by OFAC.

Protecting those rights requires KTS to interact, directly or indirectly, with private parties and relevant governmental entities in sanctioned countries. As OFAC is aware, many of its regulations contain specific authorizations for the transactions necessary to protect intellectual property rights in sanctioned countries.<sup>2</sup> Historically, KTS has conducted such transactions on behalf of clients, (b)(4) in many such countries with the understanding that this activity was explicitly authorized in OFAC's regulations. (b)(4)

(b)(4)

(b)(4)

#### b. NORTH KOREAN SANCTIONS DEVELOPMENTS

Until 2008, trade with North Korea was regulated under the Trading With the Enemy Act ("TWEA")<sup>3</sup>. This Act included a provision explicitly authorizing activities aimed at the

<sup>2</sup> 31 C.F.R. §560.509 (Iran Transactions regulations), 31 C.F.R. 538.514 (Sudan Sanctions Regulations), 31 C.F.R. §§515.527 & 515.528 (Cuban Asset Control Regulations), Syria General License No. 15.

<sup>3</sup> Act of October 6, 1917, ch. 106, 40 Stat. 411.

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protection of U S persons' intellectual property rights <sup>4</sup> On June 26, 2008, under Proclamation 8271, President George W Bush determined that sanctions against North Korea would no longer be regulated under TWEA On the same day, in issuing Executive Order 13466, the President declared a national emergency to deal with the threat of nuclear weapons proliferation in North Korea and issued new restrictions under the authority of the International Emergency Economic Powers Act (IEEPA) <sup>5</sup> The Order established a block against "all property and interests in property of North Korea or a North Korean national that under the TWEA were blocked as of June 16, 2000" On November 4, 2010, OFAC issued regulations implementing Executive Orders 13446 and 13551, which blocked property with respect to certain persons in North Korea <sup>6</sup>

On April 18, 2011, Executive Order 13570 was issued, prohibiting the importation of services from North Korea OFAC issued the North Korean Sanctions Regulations to implement this Executive Order, which were published in June 2011 <sup>7</sup> Concurrently, OFAC announced the removal of the prior sanctions targeting North Korea, i e, 31 C F R Parts 500 and 505, the Foreign Asset Control Regulations and Transaction Control Regulations, respectively, based on the 2008 Proclamation and Executive Order on North Korea <sup>8</sup>

c. (b)(4)

(b)(4)

<sup>4</sup> *Id* at Section 10(b)

<sup>5</sup> 50 U S C §1701-1706

<sup>6</sup> 75 Fed Reg 67912

<sup>7</sup> See 31 C F R 510, 76 Fed Reg 35740

<sup>8</sup> See 76 Fed Reg 35739

(b)(4)

(b)(4), (b)(6) & (b)(7)(C)

Korean-origin services

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Director Szubin

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(b)(4)

(b)(4)

i. (b)(4)

(b)(4)

(b)(4)

(b)(4)

(b)(4)

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Director Szubin

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### 2. PARTIES

#### a) KILPATRICK TOWNSEND & STOCKTON LLP

KTS is a major U S -based law firm located at 1100 Peachtree Street, Atlanta, Georgia 30309. One of the firm's core practice areas is international intellectual property protection, and it provides such services for a global array of leading companies, including (b) (4). The firm's tax identification number is (b)(4).

KTS is represented by Kirkland, an international law firm headquartered at 300 North LaSalle, Chicago, IL 60654.

b) (b)(4)

(b)(4)

(b)(4)

(b)(4)

(b)(4)

#### NORTH KOREA TRANSACTIONS

#### c) NORTH KOREA TRADEMARK, INDUSTRIAL DESIGN AND GEOGRAPHICAL INDICATION OFFICE

The North Korean Trademark Office is the governmental authority responsible for authorization of trademarks, patents and copyrights in North Korea. It is located at Inhung 1 Dong, Moranbong District, Pyongyang, DPR Korea.

d) (b)(4)

(b)(4)

(b)(4)

**(KIRKLAND & ELLIS LLP)**

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(c) (b)(4)

(b)(4)

**3. REQUEST FOR SPECIFIC AUTHORIZATION**

(b)(4) requests authorization to effectuate the intellectual property protection activities necessary to protect (b)(4) intellectual property in North Korea, including as described above. Specifically, (b)(4) requests that OFAC issue a specific license that authorizes the transactions that are authorized with respect to other countries subject to OFAC sanctions, as follows:

(b)(4) and (b)(4) are authorized to engage in the following transactions in connection with patent, trademark, copyright or other intellectual property protection in the United States or North Korea:

(1) the filing and prosecution of any application to obtain a patent, trademark, or copyright or other form of intellectual property protection, including importation of or dealing in North Korean-origin services, and payment to persons in North Korea directly connected to such intellectual property protection;

(2) the receipt of a patent, trademark, and copyright or other form of intellectual property protection;

(3) the renewal or maintenance of a patent, trademark, copyright, or other form of intellectual property protection;

(4) the filing and prosecution of opposition, cancellation or infringement proceedings with respect to a patent, trademark, copyright or other form of intellectual property protection, or the entrance of a defense to any such proceedings.

**4. IP PROTECTION AUTHORIZATION DOES NOT JEOPARDIZE U.S. SANCTIONS POLICY OBJECTIVES**

Specific authorization of the proposed transactions would not undermine the policy objectives underlying the North Korean sanctions, which in general target the illicit activities of the North Korean government and particular parties identified on OFAC's SDN List. None of the governmental entities or private parties involved in (b)(4) activities to protect (b)(4)

(KIRKLAND & ELLIS LLP)

Director Szubin

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intellectual property rights is an SDN. The only governmental agency believed to be involved in these transactions is the North Korean Trademark Office.

U.S. policy objectives are served by permitting U.S. companies, such as (b)(4) to protect their rights from counterfeiting and piracy in North Korea. Consistent with this rationale, we note that OFAC authorizes these intellectual property protection activities in other countries subject to U.S. economic sanctions.<sup>11</sup>

**5. NO ENFORCEMENT ACTION IS WARRANTED WITH REGARD TO ANY APPARENT VIOLATIONS OF OFAC'S NORTH KOREAN SANCTIONS REGULATIONS**

(b)(4)

(b)(4)

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(b)(4)

(b)(4)

<sup>11</sup> See e.g., 31 C.F.R. §560.509 (Iran Transactions regulations); 31 C.F.R. 538.514 (Sudan Sanctions Regulations); 31 C.F.R. §§515.527 & 515.528 (Cuban Asset Control Regulations); Syria General License No. 15.

(b)(4)

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(b)(4)  
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(b)(4)  
(b)(4)

**6. REQUEST FOR CONFIDENTIAL AND EXPEDITED TREATMENT OF THIS REQUEST**

This submission contains confidential and proprietary commercial and financial information of (b)(4) and (b)(4) the public release of which would cause harm to all parties, including those identified in Exhibit A. Pursuant to 31 C.F.R. § 501.805 and 5 U.S.C. § 552 (Freedom of Information Act), we request that the information submitted herein be treated as confidential business information and understand that, on behalf of (b)(4) we will be timely notified and afforded an opportunity to object if any request for this information is received by OFAC.

(b)(4)

(b)(4)

(b)(4)

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(b)(4)

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**KIRKLAND & ELLIS LLP**

Director Szubin

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The ability of KTS to protect important intellectual property rights may be impaired by delay in this authorization to conduct IP activities related to North Korea; we request that OFAC consider this request in an expedited manner. We are available to meet with OFAC personnel if such meeting would expedite this matter.

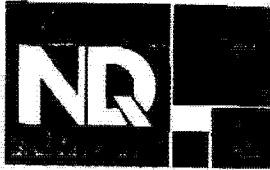
Thank you in advance for your consideration of this request. Should you have any questions or require any additional information, please contact (b)(6) & (b)(7)(C) at (b)(6) or (b)(6) & (b)(7)(C) at (b)(6)

(b)(6) & (b)(7)(C)

(b)(6) & (b)(7)(C)

*Counsel to Kilpatrick Townsend & Stockton  
LLP*





NOVAK DRUCE + QUIGG LLP

ATTORNEYS AT LAW

21771 Stevens Creek Blvd, Suite 100  
Cupertino, CA 95014  
[www.novakdruce.com](http://www.novakdruce.com)  
Phone 408 414 7330  
Fax 408 996 1145

(b)(6) & (b)(7)(C)

(b)(6)

Email (b)(6) & (b)(7)(C)

## EXPEDITED PROCESSING REQUESTED

August 15, 2012

Office of Foreign Assets Control  
U.S. Department of the Treasury  
Treasury Annex  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220  
Attention: Licensing Division

**RE. Intel Corporation's Request for Expedited Processing of an Application for a Specific License to Engage in Certain Transactions Related to Intellectual Property Rights in North Korea**

Dear Sir/Madam:

Our law firm, Novak Druce + Quigg LLP ("NDQ"), represents Applicant Intel Corporation ("Intel") with regard to the management of Intel's worldwide trademark portfolio. On behalf of Intel, and in our capacity as outside counsel, we are submitting this Application for a Specific License for Intel, pursuant to 31 CFR §501.801(b), in order to engage in transactions related to intellectual property rights in North Korea which otherwise may be prohibited under Executive Order 13570. We also request expedited review of this application in light of upcoming deadlines for trademark applications and registrations already existing in North Korea.

### Background

Intel is a well-known, global manufacturer and supplier of integrated circuits and other electronics products. Intel has implemented an extensive worldwide program of registering and protecting its trademarks from infringement and other unlawful uses around the world. As part of Intel's trademark filing and protection strategy, Intel regularly seeks protection for its trademarks worldwide.

President Obama signed Executive Order 13570 (EO 13570) on April 18, 2011. EO 13570 has an effective date of April 19, 2011. EO 13570 states in Section 1

Except to the extent provided in statutes or in licenses, regulations, orders, or directives that may be issued pursuant to this order, and notwithstanding any contract entered into or any license or permit granted to the date of this order, the **importation into the United States, directly or indirectly, of any goods, services or technology from North Korea is prohibited.**

21771 Stevens Creek Boulevard • Cupertino, CA 95014

Phone 408 414 7330 • Fax 408 996 1145

[www.novakdruce.com](http://www.novakdruce.com)

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It is our understanding that the bolded wording above may be interpreted by the Office of Foreign Assets Control ("OFAC") to prohibit actions associated with the engagement of a trademark agent or counsel in North Korea with regard to the ownership of intellectual property in North Korea, including the ability to file, prosecute, renew, assign, maintain, and enforce trademark rights and other intellectual property rights. Given this understanding, we request below, on behalf of and for Intel, a Specific License that will allow Intel to pursue, maintain and enforce trademark rights in North Korea, EO 13570 notwithstanding.

**Required Applicant Information**

Applicant.

Intel Corporation, a Delaware corporation  
(b)(4)  
2200 Mission College Boulevard  
Santa Clara, CA 95052

Additional Anticipated Parties Involved

Intel's U.S. Trademark Counsel

Novak Druce + Quigg LLP, headquartered at 1000 Louisiana Street, Fifty-Third Floor, Houston, Texas 77002, with additional offices in Washington DC, San Francisco, Cupertino (Silicon Valley) and West Palm Beach

North Korean Agents

- 1 (b)(6) & (b)(7)(C) and other agents of Moranbong Patent & Trademark Agency, located at P O Box 43, Ryugyong-dong No. 2, Pothonggang District, Pyongyang, DPR Korea, or other appropriately designated agents in North Korea as future needs arise.
- 2 The North Korea Trademark, Industrial Design and Geographical Indication Office, a government entity, located at Inhung 1 Dong, Moranbong District, Pyongyang, DPR Korea, and other such government agencies of North Korea responsible for and administering the filing, prosecution, maintenance, ownership, and enforcement of trademark matters in North Korea

Intel and NDQ will provide such additional information as OFAC deems necessary to afford a proper determination by OFAC.

Please kindly address all written correspondence to

Intel Corporation  
c/o Novak Druce + Quigg LLP  
21771 Stevens Creek Boulevard, Suite 100  
Cupertino, CA 95014  
Attention: (b)(6) & (b)(7)(C)

### **Request for Specific License and Authorization**

Protection of intellectual property rights is something regularly excluded from U.S. sanctions programs, or for which a General or Specific license is often granted. Evidence of this policy is reflected in the existing general licenses established by OFAC for the protection of trademarks and other intellectual property rights in sanctioned countries such as Cuba, Iran, Sudan and Syria, among others

Intel respectfully requests that pursuant to 31 CFR Parts 501 and 510, OFAC provide a Specific License to Executive Order 13570 Authorizing Intel Corporation and its appointed agents including Novak Druce + Quigg LLP, to engage in all transactions to pursue, obtain, and maintain protection for Intel's trademarks and trademark rights in North Korea, and to remit funds to the Government of North Korea and other persons in North Korea in connection therewith, so long as such persons are not on the Specially Designated Nationals List (SDN)

Such transactions could also be covered by granting authorization, similar to that granted in the existing general licenses established by OFAC, to Intel Corporation and its appointed outside counsel Novak Druce + Quigg LLP to carry out the following transactions and activities that might be otherwise prohibited by EO 13570, including engaging services of North Korean counsel, agents or other representatives, so long as such persons are not on the Special Designated Persons List (SDN), for and related to

- a) The filing and prosecution of applications for trademarks in North Korea or designating North Korea in an application for International Registration;
- b) The processing, receipt, acquisition and assignment of trademarks through North Korean agents;
- c) The renewal and maintenance of trademarks in North Korea,

- d) The enforcement, defense or establishment of trademark rights in North Korea, including filing and prosecution of opposition, cancellation and infringement proceedings in North Korea; and
- e) The importation of services from North Korea in connection with any of the foregoing, and payment of all official application filing and registration fees, renewal and maintenance fees, as well as ordinary and customary service fees to legal counsel and/or agents in connection with any of the foregoing in North Korea

### **Request for Expedited Consideration**

Intel respectfully requests that this Application for a Specific License be considered **on an expedited basis** because Intel has at least three non-extendible deadlines approaching in September, November, and December 2012 with regard to trademark matters in North Korea. The three matters with deadlines coming up in 2012 are

- 1 A pending application for International Registration filed via the United States Patent & Trademark Office (with a North Korea designation) using the Madrid Protocol system with a final September 30, 2012 deadline to respond to an office action issued by the North Korean trademark office, and
- 2 Two final renewal deadlines for existing trademark registrations in North Korea due on November 25, 2012 and December 25, 2012 respectively

Please note that the deadlines listed above are the final deadlines, and additional time will be needed to provide instructions to counsel in North Korea and to send any written materials. Should Intel fail to respond timely to the above deadlines, it will lose the pending trademark application and existing registrations. Because trademark rights in North Korea arise from trademark registrations, the loss of the pending application and registrations will be irreparable as Intel will lose the early filing dates along with the rights and protection afforded through these trademark filings. Such a permanent loss would result in undue and unfair harm to Intel. Thus, Intel respectfully requests that OFAC consider this Application for a Specific License on an expedited basis.



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(b)(6) &  
(b)(7)(C)

If OFAC has any questions or requires additional information, please contact (b)(6) & (b)(7)(C) by phone at (b)(6) by fax at (408) 996-1145; or by email at (b)(6) & (b)(7)(C). All written correspondence should be directed to (b)(6) & (b)(7)(C) at the address shown above.

Thank you very much for your attention to this matter.

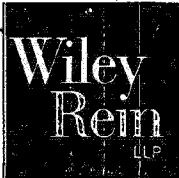
Sincerely yours,

(b)(6) & (b)(7)(C)

(b)(6) & (b)(7)(C)

cc Mr. Adam J. Szubin, Director, OFAC  
(b)(6) & (b)(7)(C)

*This letter contains Intel proprietary and confidential information which is exempt from public disclosure under the Freedom of Information Act (FOIA) 5 U.S.C. sec. 552(b)(4), and 31 C.F.R. sec. 501.805. Any disclosure of Intel's proprietary and confidential information could adversely affect Intel's financial or competitive position and the normal course of Intel's business. Accordingly, we respectfully request that this letter, and all information contained herein, be maintained in confidence, and withheld in the event of a demand or request for release or disclosure hereof. We further request that, in the event of any such demand or request for release or disclosure, the Office of Foreign Assets Control provide Intel with prompt notice of that demand or request, and an opportunity to be heard prior to any such release or disclosure.*



1776 K STREET NW  
WASHINGTON, DC 20006  
PHONE 202.719.7000  
FAX 202.719.7049

7925 JONES BRANCH DRIVE  
McLEAN, VA 22102  
PHONE 703.905.2800  
FAX 703.905.2820

www.wileyrein.com

June 30, 2009

(b)(6) & (b)(7)(C)

(b)(6)

(b)(6) & (b)(7)(C)

**VIA FAX AND MAIL**

Adam Szubin, Director  
Office of Foreign Assets Control  
North Korea Unit  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220  
ATTN: Licensing

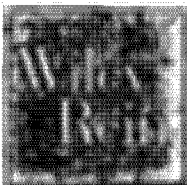
**Re: License Request to Import Printer Cartridges from South Korea that  
are Produced using Labor in North Korea**

Dear Mr. Szubin:

On behalf of Printer Essentials.com, Inc. ("Printer Essentials"),<sup>1</sup> and out of an abundance of caution, we respectfully request that the Office of Foreign Assets Control ("OFAC") grant a specific license pursuant to 31 C.F.R. § 500.586(b) allowing Printer Essentials to import printer cartridges from (b)(6) & (b)(7)(C) Ltd. (b)(6) & (b)(7)(C) a South Korean company that manufactures its cartridges, in part, by using labor from (b)(4) a North Korean company.

<sup>1</sup> Importer: Printer Essentials.com, Inc.  
Address: 5190 Neil Road, Suite 205  
Reno, NV 89502  
Telephone: 1-800-965-1180 ext. 1041  
Fax: 775-850-2630  
E-mail Address: (b)(6) & (b)(7)(C)  
Contact: (b)(6) & (b)(7)(C) (CEO/President)

<sup>2</sup> Exporter: (b)(4)  
Business Registration #: (b)(4)  
Address: (b)(4)  
South Korea  
Telephone: (b)(4)  
Fax: (b)(4)



Adam Szubin  
June 30, 2009  
Page 2

### Background

Printer Essentials is a U.S. importer and wholesaler of compatible imaging supplies and power products that seeks to import printer cartridges from (b)(6) & (b)(7)(C) a registered business in South Korea that operates a manufacturing facility in (b)(4) South Korea.

(b)(6) & (b)(7)(C) provides (b)(4) with the necessary materials for (b)(4) to manufacture the cartridges. Specifically, it provides (b)(4)

(b)(4), (b)(6) & (b)(7)(C)

(b)(4) plays no other role in (b)(6) & (b)(7)(C) exportation of cartridges other than (b)(4). The processes that (b)(4)

(b)(4)

(b)(4) (b)(6) & (b)(7)(C) pays (b)(4) approximately (b)(4) per finished cartridge and wire-transfers these funds to (b)(4) through the Industrial Bank of Korea, a South Korean bank.

After (b)(4)

(b)(4) (b)(6) & (b)(7)(C) Before exporting the cartridges, (b)(6) & (b)(7)(C) performs final tasks such as: (b)(4)

(b)(4)

(b)(4)

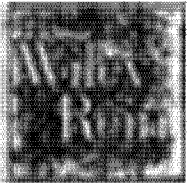
Provided that OFAC grants Printer Essentials the required authorization, Printer Essentials would import printer cartridges from (b)(6) & (b)(7)(C). It would import approximately (b)(4) printer cartridges per month at an average cost of (b)(4)

(b)(4)

Consistent with the licensing provisions of 31 C.F.R. § 500.586(b), the following information is hereby provided:

Producer's Name in North Korea:

(b)(4)



Adam Szubin  
June 30, 2009  
Page 3

Producer's Address in North Korea: (b)(4)  
(b)(4) North Korea  
Location Where Product Produced: (b)(4) South Korea (b)(6) & (b)(7)(C)  
(b)(4)

**Request for a Specific License**

To the extent that one is required, and out of an abundance of caution, Printer Essentials seeks a specific license that would authorize it to import toner cartridges from (b)(6) & (b)(7)(C) a South Korean company that manufactures its cartridges, in part, by (b)(4) a North Korean company.

\* \* \*

This letter contains business sensitive information, which, if disclosed, could damage Printer Essentials competitively. We request that it not be disclosed under the *Freedom of Information Act*, and further, that Printer Essentials be informed of and given an opportunity to object to any decision to release this letter or the information it contains.

Sincerely,

(b)(6) & (b)(7)(C)

Counsel to Printer Essentials.com, Inc.



# KOREA PYONGYANG TRADING USA, Inc.

98 THAYER STREET, #1B, NEW YORK, NY 10040

(b)(6) & (b)(7)(C)

Tel: (b)(6)

Fax: (b)(6)

September 21, 2011

North Korea Unit  
Licensing Division  
Office of Foreign Assets Control  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue N.W. Annex  
Washington, D.C. 20220

Re: Request for Review and Approval of Import  
Daedonggang Beer, Product of North Korea (D. P. R. of Korea)

Dear Sir or Madam:

My name is (b)(6) & (b)(7)(C) of Korea Pyongyang Trading USA Inc., doing business as Korea Pyongyang Trading USA (hereinafter referred as "KPTU"). KPTU is an importer and exporter like any other but we do business with North Korea.

Pursuant to the compliance with provisions of the Arms Export Control Act, 22 U.S.C. 2751, et seq. (the "AECA"), and under the authority of E.O. 13570, we are seeking for an authorization to import Daedonggang Beer (hereinafter, the Beer), produced in North Korea (D. P. R. of Korea), to U.S.

We respectfully request for an approval to import the Beer from North Korea. Following are the information about proposed import:

- Importer:

Name: (b)(6) & (b)(7)(C)  
Company Name: Korea Pyongyang Trading U.S.A. Inc  
Company Address: 98 Thayer Street, Suite 1B  
New York, NY, 10040  
e-mail: (b)(6) & (b)(7)(C)  
Tel: (b)(6)  
Fax:

- Description of the product to be imported (initial):

- o Chemical Composition of Ingredients:

(b)(4)

(b)(4)

Korea Pyongyang Trading USA, Inc.  
98 Thayer Street, Suite 1B

(b)(6)

(b)(6) & (b)(7)(C)

(b)(4)

(b)(4)

o List of Material(s) Product:

(b)(4)

(b)(4)

o Means Transportation:

Transportation: by Sea (40 ft. or 20 ft. Container)

Quantity:

(b)(4)

(b)(4)

(b)(4)

o Packing Style:

1 Carton Box/24 Bottles

o Import Unit Value:

(b)(4)

o Import of Total Amount:

(b)(4)

• Name and Address of the producer of the product:

Company name: Korea Daedonggang Brewery

Person in charge:

Company Address: Songsin 1-dong, Sadong District  
Pyongyang, D.P.R. of Korea

Tel:

Fax:

(b)(6)

E-mail addresses: none

• Name of the location where the product was produced.

Company name: Korea Daedonggang Brewery

Person in charge: (b)(6) & (b)(7)(C)

Company Address: Songsin 1-dong, Sadong District

Korea Pyongyang Trading USA, Inc.  
98 Thayer Street, Suite 1B

(b)(6)

(b)(6) & (b)(7)(C)

Pyongyang, D.P.R. of Korea

Tel:

Fax:

(b)(6)

E-mail addresses:

none

- Exporter:

Name:

Address:

(b)(4)

Pyongyang, D.P.R. of Korea

Tel:

Fax:

(b)(6) & (b)(7)(C)

+850-2-381-4427

E-mail addresses:

none

Products to be imported were not produced by

- (a) a foreign person designated by the Secretary of State as having engaged in missile technology proliferation activities;
- (b) an activity of the North Korean Government relating to the development or production of any missile equipment or technology; or
- (c) an activity of the North Korean Government affecting the development or production of electronics, space systems or equipment, and military aircraft.

We much appreciate your attention to this matter and look forward to your expedited processing of our request.

Very truly yours,

(b)(6) & (b)(7)(C)

President  
KPTU

# KOREA PYONGYANG TRADING USA, Inc.

98 THAYER STREET, #18, NEW YORK, NY 10040

(b)(6) & (b)(7)(C)

Tel: (b)(6)

Fax: (b)(6)

June 18, 2010

Via Facsimile

202-622-1657

Total: 3 Pages

Ms. Clara Y. David  
Chief, TWEA Licensing Section  
Office of Foreign Assets Control  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue N.W. Annex  
Washington, D.C. 20220

Re: Request for Amendment on an Approved Authorization (Case # NK-93089)  
Daedonggang Beer, Product of North Korea (D. P. R. of Korea)

Dear Ms. David:

First of all, on behalf of importer, Korea Pyongyang Trading USA Inc., and exporter, I thank you for your speedy approval of our request to import 1,250 cases (25,000 bottles) of Daedonggang Beer, a product of D. P. R. of Korea (D.P.R.K.).

Because of proper fitting of bottles per transporting container, cost effectiveness of transportation, and distribution strategies towards market, we would like to request for an instant amendment and approval for the approved authorization # NK-93089, as follow:

Period	Quantity			Unit cost (USD)	Total (USD)
	Bottles	Boxes (24 btls /box)	Total liquid (Unit: ml.)		
Initial Shipment	(b)(4)	(b)(4)	(b)(4)	(b)(4)	(b)(4)
First Quarter	(b)(4)	(b)(4)	(b)(4)	(b)(4)	(b)(4)
Second Quarter	(b)(4)	(b)(4)	(b)(4)	(b)(4)	(b)(4)
Third Quarter	(b)(4)	(b)(4)	(b)(4)	(b)(4)	(b)(4)

Korea Pyongyang Trading USA, Inc.  
98 Thayer Street, Suite 1B

(b)(6)

(b)(6) & (b)(7)(C)

◦ Description of the product to be imported:

◦ Chemical Composition of Ingredients:

(b)(4)

(b)(4)

◦ List of Material(s) Product:

(b)(4)

(b)(4)

◦ Packing Style:

- 1 Carton Box/20 Bottles

◦ Import Unit Value:

- (b)(4)

◦ Means Transportation:

- Transportation by Sea (40 ft. or 20 ft. Container)

◦ Name and Address of the Importer:

Name:

(b)(6) & (b)(7)(C)

Company Name:

Korea Pyongyang Trading U.S.A. Inc

Company Address:

98 Thayer Street, Suite 1B

New York, NY, 10040

e-mail:

(b)(6) & (b)(7)(C)

Tel:

(b)(6)

Fax:

◦ Name and Address of the Exporter:

Name:

(b)(6) & (b)(7)(C)

Address:

Pyongyang, D.P.R. of Korea

Korea Pyongyang Trading USA, Inc.  
98 Thayer Street, Suite 1B

(b)(6)

(b)(6) & (b)(7)(C)

Tel:

Fax:

(b)(6)

E-mail addresses: none

o Name and Address of the producer of the product:

Company name: Korea Daedonggang Brewery

Person in charge:

Company Address: Songsin 1-dong, Sadong District  
Pyongyang, D.P.R. of Korea

Tel:

Fax:

(b)(6)

E-mail addresses: none

o Name of the location where the product was produced.

Company name: Korea Daedonggang Brewery

Person in charge: (b)(6) & (b)(7)(C)

Company Address: Songsin 1-dong, Sadong District  
Pyongyang, D.P.R. of Korea

Tel:

Fax:

(b)(6)

E-mail addresses: none

Products to be imported were not produced by

(a) a foreign person designated by the Secretary of State as having engaged in missile technology proliferation activities;

(b) an activity of the North Korean Government relating to the development or production of any missile equipment or technology; or

(c) an activity of the North Korean Government affecting the development or production of electronics, space systems or equipment, and military aircraft.

We much appreciate your attention to this matter and look forward to your expedited processing of our request.

Very truly yours,

(b)(6) & (b)(7)(C)

President  
KPTU

# KOREA PYONGYANG TRADING USA, Inc.

98 THAYER STREET, #1B, NEW YORK, NY 10040

(b)(6) & (b)(7)(C)

Tel: (b)(6)

Fax: (b)(6)

January 29, 2010

Via Facsimile

202-622-1657

Total: 3 Pages

North Korea Unit  
Licensing Division  
Office of Foreign Assets Control  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue N.W. Annex  
Washington, D.C. 20220

Re: Request for Review and Approval of Import  
Daedonggang Beer, Product of North Korea (D. P. R. of Korea)

Dear Sir or Madam:

My name is (b)(6) & (b)(7)(C) of Korea Pyongyang Trading USA Inc., doing business as Korea Pyongyang Trading USA (hereinafter referred as "KPTU"). KPTU is an importer and exporter like any other but we do business with North Korea.

Pursuant to the compliance with provisions of the Arms Export Control Act, 22 U.S.C. 2751, et seq. (the "AECA"), we are seeking for an authorization to import Daedonggang Beer (hereinafter, the Beer), produced in North Korea (D. P. R. of Korea), to U.S.

We respectfully request for an approval to import the Beer from North Korea. Following are the information about proposed import:

- Importer:

Name:

(b)(6) & (b)(7)(C)

Company Name:

Korea Pyongyang Trading U.S.A. Inc

Company Address:

98 Thayer Street, Suite 1B  
New York, NY 10040

e-mail:

(b)(6) & (b)(7)(C)

Tel:

(b)(6)

Fax:

2012-08-130:North Korea:MR:000060

Korea Pyongyang Trading USA, Inc.  
98 Thayer Street, Suite 1B

(b)(6)

(b)(6) & (b)(7)(C)

- Description of the product to be imported (initial):

- Chemical Composition of Ingredients:

(b)(4)

(b)(4)

- List of Material(s) Product:

(b)(4)

(b)(4)

- Means Transportation:

Transportation: by Sea (40 ft. or 20 ft. Container)

Quantity: (b)(4)

(b)(4)

- Packing Style:

1 Carton Box/20 Bottles

- Import Unit Value:

(b)(4)

- Import of Total Amount:

(b)(4)

- Name and Address of the producer of the product:

Company name: Korea Daedonggang Brewery

Person in charge:

Company Address: Songsin 1-dong, Sadong District  
Pyongyang, D.P.R. of Korea



Korea Pyongyang Trading USA, Inc.  
98 Thayer Street, Suite 1B

(b)(6)

(b)(6) & (b)(7)(C)

Tel:

Fax:

(b)(6)

E-mail addresses: none

- Name of the location where the product was produced.

Company name: Korea Daedonggang Brewery

Person in charge: (b)(6) & (b)(7)(C)

Company Address: Songsin 1-dong, Sadong District  
Pyongyang, D.P.R. of Korea

Tel:

Fax:

(b)(6)

E-mail addresses: none

- Exporter:

Name:

Address:

(b)(6) & (b)(7)(C)

Pyongyang, D.P.R. of Korea

Tel:

Fax:

(b)(6)

E-mail addresses: none

Products to be imported were not produced by

(a) a foreign person designated by the Secretary of State as having engaged in missile technology proliferation activities;

(b) an activity of the North Korean Government relating to the development or production of any missile equipment or technology; or

(c) an activity of the North Korean Government affecting the development or production of electronics, space systems or equipment, and military aircraft.

We much appreciate your attention to this matter and look forward to your expedited processing of our request.

Very truly yours,

(b)(6) & (b)(7)(C)

President  
KPTU



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

Case No. NK-93078

(b)(6) & (b)(7)(C)

Akerman Senterfitt  
One Southeast Third Avenue  
25<sup>th</sup> Floor  
Miami, FL 33131-1714

Dear (b)(6) & (b)(7)(C)

(b)(6) &  
(b)(7)(C)

(b)(6) &  
(b)(7)(C)

This is in response to your letter dated December 8, 2008 (the "Application"), to the Office of Foreign Assets Control ("OFAC") requesting permission of behalf of (b)(6) & (b)(7)(C) to purchase not more than 100 grams of Columbite ore from Korea Undok Trading Company, Ltd., a North Korean entity. While the Application states that the purchase would be made by a third-party analytical laboratory not located in the United States, the Application does not state whether the intention is to import the ore into the United States.

The Application references Executive Order 13466 and 31 C.F.R. 500.586(b)(2) and (e)(3) as support for the request. Subsequent to the issuance of the Executive Order, on July 21, 2008, OFAC continues to conduct case-by-case authorization of North Korean imports in order to ensure compliance with provisions of the Arms Export Control Act, 22 U.S.C. § 2751 *et seq.* (the "AECA"). Persons wishing to import goods from North Korea must submit information and receive prior authorization to import North Korean-origin goods.

Pursuant to your Application, OFAC denies authorization to import the quantity of Columbite ore referenced in the application due to proliferation concerns with regard to the identified exporter. Should your client identify a new exporter, you may submit a revised request to OFAC for review.

If you have any additional questions about the U.S. economic sanctions programs administered by OFAC, you may refer to our website at [www.treas.gov/ofac](http://www.treas.gov/ofac) or call our office at (202) 622-2480.

Sincerely,

*Clara David* 4/16/12

Clara Y. David  
Chief, TWEA Licensing Section  
Office of Foreign Assets Control

Fort Lauderdale  
Jacksonville  
Los Angeles  
Madison  
Miami  
New York  
Orlando  
Tallahassee  
Tampa  
Tysons Corner  
Washington, DC  
West Palm Beach

One Southeast Third Avenue  
25th Floor  
Miami, Florida 33131-1714

www.akerman.com

305 374 5600 tel 305 274 5005 fax

(b)(6) & (b)(7)(C)

December 8, 2008

North Korea Unit, Office of Foreign Assets Control  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, N.W. Annex  
Washington, DC 20220

**Re: Proposed Purchase from North Korea**

Dear Sirs:

Pursuant to the proclamation of June 26, 2008, Executive Order 13466, and 31 C. F. R. 500. 586 (b) (2) and (e) (3), following is a request for authorization to purchase certain goods from North Korea.

The undersigned represents (b)(6) & (b)(7)(C) a U.S. citizen, who is regularly engaged in the business of trading in niobium (Nb) and tantalum (Ta) and their alloys. (b)(6) & (b)(7)(C) hereby requests authorization to purchase from a North Korean entity a small quantity (not more than 100 grams) of Columbite ore, for purposes of testing and determining whether commercial quantities of the product may be purchased at affordable prices. The proposed initial purchase would be made through a third party analytical laboratory not located in the U.S.

Columbite ore is a Ta and Nb bearing ore, with the major sources being Brazil and Nigeria. Typically, in the West, such ore runs 5 - 6% Ta<sub>2</sub>O<sub>5</sub> and 50 - 60% Nb<sub>2</sub>O<sub>5</sub> (e.g., 10:1 ratio after proper mineral dressing). In comparison, the ore from Pyongyang was said to run 5 - 6% Ta<sub>2</sub>O<sub>5</sub> and 40 - 45% Nb<sub>2</sub>O<sub>5</sub>, although the Koreans admitted they needed better technology for upgrading and wanted approximately \$3 million in investments to do so. To put North Korean production into perspective, the North Koreans claim a current monthly production of 20,000 metric tons of Columbite ore, which might yield approximately 25,000 pounds Ta<sub>2</sub>O<sub>5</sub>/per year and approximately 100 metric tons Nb<sub>2</sub>O<sub>5</sub>/per year. It is estimated that the total world supply of these metals this year will be in the vicinity of 6,000,000 pounds for Ta<sub>2</sub>O<sub>5</sub> and approximately 100,000 metric tons for Nb<sub>2</sub>O<sub>5</sub>.

Ta has a variety of uses, primarily in electronics, such as for capacitors and sputtering targets, with well under 5% being for military applications. Nb also has a wide range of applications

{M2756502;1}

2012-08-130:North Korea:MR:000064

North Korea Unit, Authors of Foreign Assets Control  
December 8, 2008  
Page 2

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primarily as a microalloying elements in steel, with probably less than 1% in military applications. Please note that a substantial amount of processing is required to convert the ore to a final military product, which, obviously, this purchaser would not intend to undertake. Prices for Columbite ore are currently approximately the US\$16 - \$18/lb. In comparison, prices for Ta and Nb metal can easily be well above \$100 per lb.

The North Korean entity from which the product would be purchased is:

Korea Undok trading Co, Ltd.  
Uiamdong, Taedonggang Dist.  
Pyongyang DPRK.

The Individual from North Korea, who made the contact with my client was:

(b)(6) & (b)(7)(C) who is based in Shenyang People's Republic of China.  
mobile telephone number: (b)(6)  
e-mail: (b)(6) & (b)(7)(C)

Please call the undersigned if you have any further questions.

Very truly yours,

**AKERMAN SENTERFITT**

(b)(6) & (b)(7)(C)

---

# Mystic Stamp Company, Inc.

9700 Mill Street, Camden, New York 13316  
*America's Leading Stamp Dealer*

June 25, 2012

North Korea Unit  
Office of Foreign Assets Control  
US Department of the Treasury  
1500 Pennsylvania Avenue  
NW Annex  
Washington, DC 20220

To Whom It May Concern;

We are currently on file with you for case #NK93107. We were previously granted a license to import postage stamps from the Korea Stamp Corporation in North Korea. Our last license expired as of June 4, 2011.

In July 2011 we attempted to acquire another license to import postage stamps from the Korea Stamp Corporation. On June 6<sup>th</sup>, 2012 our request for license was denied.

Can you please provide information on the following:

What process needs to take place in order to appeal this recent decision?

Are there any restrictions to reapplying for a license?

Can we import North Korean stamps from a country other than North Korea?

As America's Leading Stamp Provider providing these stamps are an integral part of our promise to customers. Our customer base is primarily postage stamp collectors. The purchase could benefit hundreds of stamp collectors across the United States. Stamps are a great source of informational material that we are looking forward to supplying to our valued customers.

We respectfully request permission for import.

Sincerely,

Mystic Stamp Company-Buying and Inventory Control

(b)(6) & (b)(7)(C)

9700 Mill Street

Camden, NY 13316

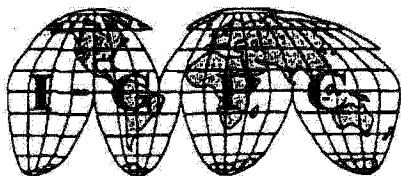
(b)(6)

(b)(6) & (b)(7)(C)

(b)(6)

• FAX 315-245-0036

2012-08-130:North Korea:MR:000066



**Inter-Governmental Philatelic Corp.**

460 WEST 34 STREET • NEW YORK, N.Y. 10001  
TEL: (212) 629-7979 • FAX: (212) 629-3350  
WWW.IGPC.NET • EMAIL: INFO@IGPC.NET

August 9, 2010

Ms. Clara Y. David  
Chief, TWEA Licensing Section  
Office of Foreign Assets Control  
Department of the Treasury  
Treasury Annex  
1500 Pennsylvania Avenue  
Washington, DC 21220

Dear Ms. David:

We have been contacted by Mystic Stamp Company with regard to purchasing stamps from North Korea.

We understand that they received a letter from you giving them permission. As we are regular suppliers to Mystic Stamp Company of foreign stamps from many countries, we would like to ask you to give us permission to purchase from the North Korean Post Office stamps from them for us to supply to Mystic Stamp Company. To date we have never imported anything from North Korea.

Looking forward to receiving your positive response.

Sincerely,

(b)(6) & (b)(7)(C)

Inter-Governmental Philatelic  
Corporation, New York

(b)(6) & (b)(7)(C)

Enclosure – Copy of letter to Mystic Stamp Company

cc: (b)(6) & (b)(7)(C)



DEPARTMENT OF THE TREASURY  
WASHINGTON, D.C. 20220

Case No. NK-93087

(b)(6) & (b)(7)(C)

Mystic Stamp Company  
9700 Mill Street  
Camden, NY 13316

Dear (b)(6) & (b)(7)(C)

This is in response to your letter dated June 2009 (the "Application"), to the Office of Foreign Assets Control ("OFAC") requesting permission to import unused postage stamps from the Korea Stamp Corporation in North Korea.

OFAC is required to conduct case-by-case authorization of North Korean imports in order to ensure compliance with provisions of the Arms Export Control Act, 22 U.S.C. § 2751 *et seq.* (the "AECA"). Persons wishing to import goods from North Korea must submit information and receive prior authorization to import North Korean-origin goods.

Pursuant to your Application, OFAC hereby authorizes Mystic Stamp Company to import unused postage stamps from the Korea Stamp Corporation in North Korea. This authorization to import North Korean-origin postage stamps is valid for a period of one year from the date of this letter and may be revoked or modified at any time at the discretion of the Secretary of the Treasury or his duly appointed agent.

If you have any additional questions about the economic sanctions programs administered by OFAC, you may refer to our website at [www.treas.gov/ofac](http://www.treas.gov/ofac) or call our office at (202) 622-2480.

Sincerely,

*Clara David 6/4/10*

Clara Y. David  
Chief, TWEA Licensing Section  
Office of Foreign Assets Control

North Korea Unit  
Office of Foreign Assets Control  
US Department of the Treasury  
1500 Pennsylvania Ave.  
NW Annex  
Washington, DC 20220

June 2009.

Dear Sirs;

We have noted on the United States Department of Treasury website that permission must be granted to have goods of North Korean Origin shipped to the United States.

We would like to request permission to import approximately 1000 sets of unused postage stamps issued from 2007-08 from the North Korean Post, which we will sell to stamp collectors. I estimate the cost of these stamps to be under \$75,000.

The stamps originate from the Korea Stamp Corporation. The Korea Stamp Corporation accepts and delivers mail within North Korea, in the same fashion as the United States Postal Service does here in the U.S.


To the best of our knowledge, the Korea Stamp Corporation is not engaged in missile technology proliferation activities, or any activity relating to developing or production of any missile equipment or technology. The Korea Stamp Corporation is not engaged in any North Korean Government activity affecting the development or production of electronics, space systems, or equipment of military aircraft.

This purchase could benefit hundreds of stamp collectors across the United States. We respectfully request permission for import. Please send the permission documentation to my attention.

Thank you,

Mystic Stamp Co.

(b)(6) & (b)(7)(C)





12/23/2009

(b)(6) & (b)(7)(C)

PO Box 572

Harrogate, TN 37752

Phone: (b)(6)

Fax: (b)(6)

Email: (b)(6) & (b)(7)(C)

Office of Foreign Assets Control  
U.S. Department of the Treasury  
Treasury Annex  
1500 Pennsylvania Avenue  
Washington, DC 20220  
Attention: Licensing Division

TREASURY DEPARTMENT  
RECEIVED  
JAN 06 2010  
FOREIGN ASSETS CONTROL

Re: Proposed Transaction

Dear Sir or Madam,

I am writing to request a license for a single transaction to purchase an item which is produced in North Korea. The item in question is a pair of jeans manufactured by Noko Jeans in conjunction with a Pyongyang manufacturing facility. Noko Jeans is a Swedish company and I believe the product ships from Sweden. The cost is approximately U.S. \$220.00. I hope to purchase this pair of jeans for my wife whose father is originally from North Korea and escaped to the South just before the Korean War.

More information is available at [www.nokojeans.com](http://www.nokojeans.com)

Thank you in advance for your help in this matter.

Sincerely,

(b)(6) & (b)(7)(C)



**H. D. HUDSON MANUFACTURING COMPANY**  
500 North Michigan Avenue • Chicago, IL 60611-3769 • USA  
Phone: (312) 644-2830 • Fax: (312) 644-7989 • [www.hdHUDSON.com](http://www.hdHUDSON.com)

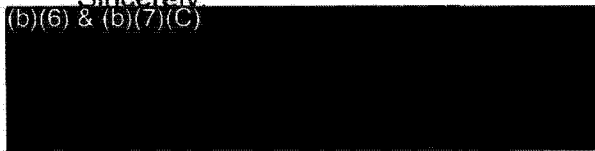
March 30, 2010

Jodi Kouts  
Office of Foreign Assets Control  
Department of the Treasury  
1500 Pennsylvania Avenue N.W.  
Washington, D.C. 20220

Attn: Licensing Division  
Jodi L. Kouts, Assistant  
Director for Licensing

Please let me know if we are permitted to sell Hudson® X-Pert® Sprayers into North Korea for humanitarian purposes.

Sincerely,  
(b)(6) & (b)(7)(C)



/ Senior Vice President and  
Corporate Secretary



(b)(6) & (b)(7)(C)

304 E University Ave  
Georgetown, TX 78626

19 June 2008

Office of Foreign Assets Control  
U S Department of the Treasury  
Treasury Annex  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

Sirs.

Per your instructions on your website, I am writing to obtain permission from OFAC to import items for resale from North Korea (DPRK)

I wish to import purely consumer items such as paintings, ceramics and beer for resale to people around the world, including US citizens, via a website.

Could you please advise me on the necessary steps to seek OFAC approval for this

Cordially

(b)(6) & (b)(7)(C)

To Whom it may Concern,

I was told I needed to apply for a general license in order to purchase a pair of jeans produced in North Korea. These are the details of the transaction that I would like to complete.

I would like to purchase one pair of sized 32/32 jeans from <http://nokojeans.com> for 1500 SEK.

The Company is NOKO Jeans. The contact information listed is: [info@nokojeans.com](mailto:info@nokojeans.com), and [press@nokojeans.com](mailto:press@nokojeans.com). The company shipping the jeans would be based out of Sweden, with contact information provided as:

Vartoftagatan 47 118 27 Stockholm, Sverige

Thank you for your time,

(b)(6) & (b)(7)(C)



To Whom It May Concern,

I will be traveling to the Democratic People's Republic of Korea at the end of September 2008 on a tourist visa. I was put in contact with one of the OFAC representatives who instructed me to submit a request for an import review. I have read the North Korea summary of sanctions from the OFAC website. However, since my visit will consist solely of tourism, I do not at this present time know what items I will be bringing into the United States. I am planning on bringing back small-scale tourist items such as t-shirts, postcards, books, and other stationery articles. However, I do not expect my trip will incur more than 10-15 of these small items, not totaling more than \$40-\$50 USD. I want to formally submit this request for an import review from North Korea, and thank you in advance for considering my request. I patiently await your response.

Sincerely,

(b)(6) & (b)(7)(C)

Baptist University  
713  
3000 Mt. Creek Parkway  
Dallas TX, 75211

Fax: (918) 341-2769  
ATTN: (b)(6) & (b)(7)(C)

Daytime Phone: (b)(6)