



DEPARTMENT OF COMMERCE
Bureau of Industry and Security
Washington, D.C. 20230

Gulnihal Yegane

Merkez Mah. Hasat Sok. No: 52/6
Sisli, Istanbul, Turkey

and

Yanibosna Merkez Mah.
Degirmenbahçe Cad. No. 11
Airport Hill Sitesi Blok D.6
Bahçelievler, Istanbul, Turkey

and

Egs Bloklari B-1 Blok K.1 No: 114,
Yesilkoy Bakirkoy,
Istanbul, Turkey;

and

Huzur mah, Ayazaga Oyak sitesi,
9. Blok, No: 19,
Sisli, Istanbul, Turkey;

and

Turgut Reis Mh. Glyimkent Kath Is Merk.
K:4 D:4412
Esenler/Istanbul, Turkey;

and

Onucreis Mah. Giyimkent Sitesi
3. Sokak No:118
Esenler/Istanbul, Turkey

Trigron Lojistik Kargo Limited Sirketi

Yanibosna Merkez Mah.
Degirmenbahçe Cad. No. 11
Airport Hill Sitesi Blok D.6
Bahçelievler, Istanbul, Turkey

Ufuk Avia Lojistik Limited Sirketi)
Merkez Mah. Hasat Sok.)
No: 52/6)
Sisli, Istanbul, Turkey)
RA Havacilik Lojistik Ve Tasimacilik)
Ticaret Limited Sirketi)
Yesilce Mah. Dalgic SK.)
3/101 Kagithane, Istanbul, Turkey 34000)
Respondents.)
_____)

ORDER TEMPORARILY DENYING EXPORT PRIVILEGES

Pursuant to Section 766.24 of the Export Administration Regulations (the “Regulations” or “EAR”),¹ the Bureau of Industry and Security (“BIS”), U.S. Department of Commerce, through its Office of Export Enforcement (“OEE”), has requested the issuance of an Order temporarily denying, for a period of 180 days, the export privileges under the Regulations of: Gulnihal Yegane, Trigron Lojistik Kargo Limited Sirketi (“Trigron Lojistik Kargo” or “Trigron”), Ufuk Avia Lojistik Limited Sirketi (“Ufuk Avia Lojistik”), and RA Havacilik Lojistik Ve Tasimacilik Ticaret Limited Sirketi (“RA Havacilik”). OEE’s request and related information indicates that these parties are located in Turkey, at the respective addresses listed on the caption page of this order and on page 8, *infra*, and that Ms. Yegane owns or controls or is otherwise affiliated with Trigron Lojistik Kargo and the other companies at issue.

¹ The EAR are currently codified at 15 C.F.R. Parts 730-774 (2017). The EAR issued under the Export Administration Act of 1979, as amended 50 U.S.C. §§ 4601-4623 (Supp. III 2015) (available at <http://uscode.house.gov>)(“EAA” or the “Act”). Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 15, 2017 (82 Fed. Reg. 39,005 (Aug. 16, 2017)), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § 1701, *et seq.* (2006 & Supp. IV 2010)).

Pursuant to Section 766.24, BIS may issue an order temporarily denying a respondent's export privileges upon a showing that the order is necessary in the public interest to prevent an "imminent violation" of the Regulations. 15 C.F.R. §§ 766.24(b)(1) and 766.24(d). "A violation may be 'imminent' either in time or degree of likelihood." 15 C.F.R. § 766.24(b)(3). BIS may show "either that a violation is about to occur, or that the general circumstances of the matter under investigation or case under criminal or administrative charges demonstrate a likelihood of future violations." *Id.* As to the likelihood of future violations, BIS may show that the violation under investigation or charge "is significant, deliberate, covert and/or likely to occur again, rather than technical or negligent[.]" *Id.* A "[l]ack of information establishing the precise time a violation may occur does not preclude a finding that a violation is imminent, so long as there is sufficient reason to believe the likelihood of a violation." *Id.*

As referenced in OEE's request, Gulnihal Yegane was placed on BIS's Entity List, Supplement No. 4 to Part 744 of the Regulations, on December 12, 2013 (*see* 78 Fed. Reg. 75,463), for engaging in activities contrary to the national security or foreign policy interests of the United States. *See* 15 C.F.R. § 744.11. Ms. Yegane was, namely, one of 19 persons engaged in the development and operation of a procurement scheme that directly supported the operation of Iranian airline Mahan Airways. *See* 78 Fed. Reg. 75,463 (Dec. 12, 2013). Mahan Airways has been on BIS's Denied Persons List since March 2008, due to numerous significant, continuing, deliberate, and covert violations of the Regulations.² In addition, since October 2011, it has been designated as a Specially Designated Global Terrorist ("SDGT") by the Treasury

² Mahan Airways' status as a denied person was most recently renewed by BIS through a temporary denial order issued on December 20, 2017. *See* 82 Fed. Reg. 61,745 (Dec. 29, 2017). The December 20, 2017 renewal order summarizes the initial TDO issued against Mahan in March 2008, and the other renewal orders prior to December 20, 2017. *See id.*

Department's Office of Foreign Assets Control ("OFAC") pursuant to Executive Order 13224 for providing financial, material and technological support to Iran's Islamic Revolutionary Guard Corps-Qods Force (IRGC-QF). *See* 77 Fed. Reg. 64,427 (October 18, 2011).

As discussed in the temporary denial renewal orders issued by BIS against Mahan Airways in July 2013, and February 2014, OEE obtained evidence during 2013 indicating that Mahan Airways had been involved in efforts to unlawfully obtain a U.S.-origin GE CF6-50C2 aircraft engine via transshipment through Turkey. The evidence indicated that Mahan sought to obtain this U.S.-origin engine through Pioneer Logistics Havacilik Turizm Yonetim Danismanlik ("Pioneer Logistics"), a Turkish company involved in procuring and supplying aircraft parts, and its director/operator, Gulnihal Yegane. *See* Mahan Airways, et al., TDO Renewal Order dated January 24, 2014, (79 Fed. Reg. 4871 (Jan. 30, 2014)); Mahan Airways, et al., TDO Renewal Order dated July 31, 2013 (78 Fed. Reg. 48,138 (Aug. 72013)).³

Ms. Yegane remains on the Entity List, and as a result of that listing, no item subject to the Regulations may be exported, reexported, or transferred (in-country) to her without prior license authorization from BIS. *See* 15 C.F.R. § 744.11; Supp No. 4 to 15 C.F.R. Part 744. Moreover, BIS's review policy regarding such applications involving Ms. Yegane is a presumption of denial. *Id.*

In its request, OEE has presented evidence indicating that Ms. Yegane and the other respondents are engaged in procurement activities relating to U.S.-origin aircraft engines and

³ OFAC subsequently designated Pioneer Logistics as a SDGT, in doing so describing Pioneer Logistics as a key Mahan Airways front company that served as an intermediary for Mahan Airways, acting for or on behalf of Mahan by purchasing and receiving aviation-related materials. OFAC also stated that in an effort to help Mahan evade U.S. Government sanctions, Pioneer Logistics shipped aircraft parts to another U.S.-designated Mahan front company for onward delivery to Mahan, and that Mahan used Pioneer Logistics as a cutout for the repair and overhaul of aircraft parts and as a cutout to evade sanctions in order to purchase aircraft tires for its aircraft. *See* OFAC Press Release dated Aug. 29, 2014, copy at <https://www.treasury.gov/press-center/press-releases/Pages/jl2618.aspx>; 79 Fed. Reg. 55072 (Sept. 15, 2014).

parts for or on behalf of one or more Iranian airlines, operating as transaction parties and/or facilitating transactions that are structured to evade the Regulations (as well as the Iranian Transactions and Sanctions Regulations (“ITSR”), 31 C.F.R. Part 560, administered by OFAC)⁴ by routing unlicensed exports or reexports through Turkey to Iran.

The evidence presented relates to transactions that occurred between at least September 2016, through at least December 2017. Specifically, in September 2016, Ufuk Avia Lojistik, with Ms. Yegane listed as its contact person, was identified in the consignee field on an air waybill for an unlicensed shipment of a CFM56-3C1 jet aircraft engine, engine serial number (“ESN”) 857203, from the United States to Turkey.⁵ The engine is used on Boeing 737 aircraft, and is subject to the Regulations and controlled for anti-terrorism reasons when exported to Iran, as described in Export Control Classification Number (“ECCN”) 9A991.d and pursuant to Section 742.8 of the EAR.

Documentation and correspondence relating to the transaction indicate that the engine was destined for sale or lease to an Iranian airline, contrary to what appeared on export paperwork. The U.S. Government was able to prevent this engine from being transshipped from Turkey on to Iran by returning the engine to the United States pursuant to a redelivery order issued by OEE under Section 758.8 of the Regulations on September 23, 2016.

OEE’s investigation also shows that, having been prevented from obtaining ESN 857203 for transshipment to Iran, Ms. Yegane was involved in efforts to obtain other CFM56-3C1

⁴ Pursuant to Section 746.7(e) of the EAR, 15 C.F.R. §746.7(e), no person may export or reexport any item that is subject to the EAR if such transaction is prohibited by the ITSR and has not been authorized by OFAC. The prohibition found in Section 746.7(e) applies whether or not the EAR require a license for the export or reexport in question. *Id.*

⁵ Yegane’s full or precise role at Ufuk Avia Lojistik is not entirely clear from the evidence, but there is some information indicating that she served as its general manager.

engines (ESNs 856772 and 857999) from the United States for that purpose between September 2016 and November 2016, with the transactions being re-structured and re-routed so that neither Ufuk Avia Lojistik nor Ms. Yegane would be listed in the transaction documents and another company listed as the consignee. The U.S. Government was able to thwart one of these intended transshipments to Iran, with BIS issuing a redelivery order on November 4, 2016, as to ESN 857999. Moreover, in January 2017, Ms. Yegane, Trigron Lojistik Kargo, and RA Havacilik were involved in the transshipment of a CFM56-3C1 jet aircraft engine of unknown serial number, but believed to be subject to the EAR, to Iran.

BIS's investigation has also showed that Trigron Lojistik Kargo is owned and operated by Ms. Yegane and has more recently been used, in conjunction with RA Havacilik, in the routing and attempted routing of shipments from the United States destined for transshipment to Iran via Turkey. The evidence presented by OEE indicates that RA Havacilik was formed on September 26, 2016, three days after BIS ordered the redelivery of ESN 857023. The evidence also suggests that Yegane and/or Trigron may own or control RA Havacilik; at the very least, the evidence indicates that they have been acting in concert to procure aircraft parts from the United States, items subject to the EAR (and the ITSR), for transshipment to Iran. BIS has uncovered several intended exports of such aircraft parts from the United States to RA Havacilik in December 2017, including, for example, gaskets and isolators used on Boeing aircraft. The evidence presented by OEE indicated that at least one of these December 2017 shipments from the United States was, in fact, transshipped on to Iran, contrary to the consignee and buyer information listed on the transaction paperwork. BIS detained other shipments.

In sum, the facts and circumstances here and related evidence indicate a high likelihood of future violations of the Regulations and U.S. export control laws, including Ms. Yegane's

previously-identified involvement in an aviation procurement network facilitating trade to Iran for or on behalf of Mahan Airways, a denied person (and SDGT); the repeated attempts to evade the long-standing and well-known U.S. embargo against Iran by obtaining and facilitating the acquisition of controlled jet aircraft engines and other aircraft parts from the United States for transshipment to Iran from at least September 2016, through at least December 2017; and the deliberate, covert, and determined nature of the misconduct and clear disregard for complying with U.S. export control laws.

Accordingly, I find that the evidence presented by BIS demonstrates that a violation of the Regulations is imminent. As such, a temporary denial order (“TDO”) is needed to give notice to persons and companies in the United States and abroad that they should cease dealing with Gulnihal Yegane, Trigron Lojistik Kargo Limited Sirketi, Ufuk Avia Lojistik Limited Sirketi, and RA Havacilik Lojistik Ve Tasimacilik Ticaret Limited Sirketi in export or reexport transactions involving items subject to the EAR. Such a TDO is consistent with the public interest to preclude future violations of the Regulations.

Accordingly, I find that an Order denying the export privileges of Gulnihal Yegane, Trigron Lojistik Kargo Limited Sirketi, Ufuk Avia Lojistik Limited Sirketi, and RA Havacilik Lojistik Ve Tasimacilik Ticaret Limited Sirketi is necessary, in the public interest, to prevent imminent violation of the Regulations.

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

IT IS THEREFORE ORDERED:

FIRST, that GULNIHAL YEGANE, with an address at Merkez Mah. Hasat Sok., No: 52/6, Sisli, Istanbul, Turkey, and at Yanibosna Merkez Mah., Degirmenbahçe Cad.No. 11, Airport Hill

Sitesi Blok D.6, Bahçelievler, Istanbul, Turkey, and at Egs Bloklari B-1 Blok K.1 No: 114, Yesilkoy Bakirkoy, Istanbul, Turkey, and at Huzur mah, Ayazaga Oyak sitesi, 9. Blok, No: 19, Sisli, Istanbul, Turkey, and at Turgut Reis Mh. Glyimkent Kath Is Merk. K:4 D:4412 Esenler/Istanbul, Turkey, and at Onuceis Mah. Giyimkent Sitesi 3. Sokak No:118 Esenler/Istanbul, Turkey; TRIGRON LOJISTIK KARGO LIMITED SIRKETI, with an address at Yanibosna Merkez Mah., Degirmenbahçe Cad. No. 11, Airport Hill Sitesi Blok D.6, Bahçelievler, Istanbul, Turkey; UFUK AVIA LOJISTIK LIMITED SIRKETI, with an address at Merkez Mah. Hasat Sok., No: 52/6, Sisli, Istanbul, Turkey; and RA HAVACILIK LOJISTIK VE TASIMACILIK TICARET LIMITED SIRKETI, with an address at Yesilce Mah. Dalgic SK., 3/101 Kagithane, Istanbul, Turkey 34000, and when acting for or on their behalf, any successors or assigns, agents, or employees (each a "Denied Person" and collectively the "Denied Persons") may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as "item") exported or to be exported from the United States that is subject to the Export Administration Regulations ("EAR"), or in any other activity subject to the EAR including, but not limited to:

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

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

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

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

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

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

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

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

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

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

In accordance with the provisions of Section 766.24(e) of the EAR, Respondents Gulnihal Yegane, Trigron Lojistik Kargo Limited Sirketi, Ufuk Avia Lojistik Limited Sirketi, or RA Havacilik Lojistik Ve Tasimacilik Ticaret Limited Sirketi may, at any time, appeal this Order by filing a full written statement in support of the appeal with the Office of the Administrative Law Judge, U.S. Coast Guard ALJ Docketing Center, 40 South Gay Street, Baltimore, Maryland 21202-4022.

In accordance with the provisions of Section 766.24(d) of the EAR, BIS may seek renewal of this Order by filing a written request not later than 20 days before the expiration date. Respondents Gulnihal Yegane, Trigron Lojistik Kargo Limited Sirketi, Ufuk Avia Lojistik Limited Sirketi, and RA Havacilik Lojistik Ve Tasimacilik Ticaret Limited Sirketi may oppose a request to renew this Order by filing a written submission with the Assistant Secretary for Export Enforcement, which must be received not later than seven days before the expiration date of the Order.

A copy of this Order shall be served on Respondents and shall be published in the Federal Register.

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

KEVIN J. KURLAND
Acting Deputy Assistant Secretary of Commerce
for Export Enforcement

Dated: January 26, 2018.

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