



EIB World Trade Headlines

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CRITICAL NOTICE! AES & ACE

On June 12, 2015, the U.S. Census Bureau sent the notice below to all companies registered as filers in the Automated Export System (AES). BIS encourages companies, especially exporters and freight forwarders, to read this notice. The U.S. Government's deployment of making export reports available electronically through the Automated Commercial Environment (ACE) provides a great benefit to companies. In addition, this notice announces for the first time that Census' AESDirect filing portal will be re-engineered in ACE in the Fall of 2015. ACE Exporter Account Registration Form & Export Report Access Attention all exporters (U.S. Principal Parties in Interest), authorized agents, and freight forwarders... The Automated Commercial Environment (ACE) Exporter Account Registration Form and the ability to obtain access to Export Reports by Employer Identification Number (EIN) will be available online this summer!!! Establishing an export account will facilitate access to export reports. It will also position each account holder to access the NEW AESDirect filing portal that will be made available in ACE in Fall 2015. IF YOU ARE A CURRENT ACE IMPORT ACCOUNT HOLDER: The Trade Account Owner (TAO)—the highest level of access for your company account—can request export access for any or all of the EINs currently established in an existing import account. All established EINs on the import side will be granted export report access without further vetting. The TAO can also add new EINs to their export accounts however; the TAO must request access to Export Reports for each new EIN as noted in "Request Export Reports" section below. IF YOU ARE COMPLETELY NEW TO ACE AND DO NOT HAVE AN IMPORT ACCOUNT: The TAO must register your company or parent company.

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NEWSLETTER NOTES

***CRITICAL NOTICE! AES & ACE**

***Thync Creates a Wearable Device that can Change Your State of Mind**

***Defendants Charged with Conspiracy to Engage in Wire Fraud, Identity Theft, and Misuse of Automated Export System**

Commerce Control List: Addition of Items Determined to No Longer Warrant Control under United States Munitions List Category XIV (Toxicological Agents) or Category XVIII (Directed Energy Weapons).

***TRAINING SCHEDULE FOR AES FILINGS GET REGISTERED!!**

ACE has a hierarchical structure that will allow multiple EINs to be registered under one main account (referred to as the Top Account). It is imperative that the principal EIN is registered by the TAO and all subsequent EINs are added to that account after it is established. Companies operating under one EIN will be designated as the Top Account upon registration. Request Export Reports: Once an account is established, ability to request access to Export Reports is available. This will initiate the approval process and you will be prompted to visit a link that will provide additional information required to complete the request process. The vetting process will begin once all steps have been completed and requests will be handled in the order in which they are received. Note: Once available, we will send an update with a link to the application form. Be on the lookout for updates as they are made available!

Thync Creates a Wearable Device that can Change Your State of Mind

Thync's new wearable device claims can change your mood.

Would you use this wearable device to change your mood? I did and it was bizarre

For \$299, you can buy a device that attaches to your forehead and can change your mood.

At least that's what the maker of the wearable device, [Thync](#), has been claiming since [it revealed what it was working on late last year](#).

Plenty of companies that make wearables have received an influx of funding in the past few years (think [Fitbit](#) and [Jawbone](#), which have both released products that aim to collect health data). But Thync's device aims to tap into the brain and shift your state of mind — causing a person to become more calm, focused or energized, without taking drugs or drinking or downing a Red Bull.

The company, founded by engineering and neuroscience experts from Stanford, Harvard and MIT, has spent \$15 million on research and development. The investor group includes Khosla Ventures of Menlo Park, Calif. Thync, which has two Apple vets on its engineering team, has about 10 members of its team based out of Boston's Prudential Tower and focused on neuroscience.

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I had the opportunity to try on Thync's first product, a day before it officially launched on Tuesday. The device, using adhesive, sticks to a person's forehead and uses electrical currents to stimulate parts of the brain associated with arousal, according to [Jamie Tyler](#), a former Harvard postdoctoral fellow who is the company's co-founder and chief scientific officer.

Using an iPhone app, the user can tweak the settings in the device to either give them a sensation of drinking a shot of espresso or a glass of wine.

A Thync employee selected "rest" mode on the app — a perfect way to relax before going to bed, I was told — and the electrical impulses coursed through the device via Bluetooth and ended up in my head. I was told I would feel an itchiness sensation and even some pain at first. I felt a little like Frankenstein, except I was already alive.



The immediate effects of the "vibe" — as Thync calls the electrical stimulation — can last from 30 minutes to an hour, with the carry-over impacts lasting several hours. You can adjust the level of stimulation within the app.

"Turn it higher until you feel pain and then turn it down," the Thync employee told me, before leaving me in the room. I felt the itchiness, like a pressure building in my temple and then some sort of zing — a result of the zapping going on between my nerves and the device. I felt a little tired, but I also didn't sleep well the night before so I couldn't tell if the device was working. I started zoning out, focusing on the skyline outside the office's window.

And a few minutes later, Tyler came in to check on me. "I can tell you're relaxed because you're laughing more than when you came in here," he said. Maybe, I thought.

The device has been tested on 3,700 people and has been studied both in the lab and in the real world, said Tyler. Tyler said the device is exempt from the Food and Drug Administration because it is intended for lifestyle use, not intended to treat a disease.

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As I left, Tyler said I would feel noticeably different. And maybe I did. I couldn't tell, but I did know that Thync may be on to something so futuristic that it may not replace the morning ritual of a coffee or an occasional massage. It might be too ahead of its time. Or maybe I'm completely wrong and this is a new category of device that will trigger some people in the near future to say, "I just need to step outside and stimulate my brain." "We think of this as a new category of wearables that operates in synergy with your body," said Tyler. "Instead of reading what you're doing, we're acting in synergy ... it primes your body to be in a more relaxed state."

Defendants Charged with Conspiracy to Engage in Wire Fraud, Identity Theft, and Misuse of Automated Export System

First Assistant United States Attorney Gregory J. Haanstad of the Eastern District of Wisconsin announced that defendant Mao Peng (age 25) of Kenosha, Wisconsin has been charged in a three-count criminal information with conspiring to engage in wire fraud, identity theft, and misuse of the United States' Automated Export System to further criminal activity. Mr. Peng has also entered into a written plea agreement by which he has agreed to plead guilty to those charges.

According to the information and a plea agreement, Peng conspired to defraud the State of Wisconsin of state and local sales tax revenue in connection with the purchase of luxury vehicles, which Peng and his company Longen Trading intended to export to China, by fraudulently using Native American straw buyers to make those purchases in a tax-exempt manner. Specifically, Peng and Longen Trading used Native American straw buyers in connection with the purchase of approximately 154 luxury vehicle purchase transactions, having a total purchase price of approximately \$9,132,106.94, and thereby evaded Longen Trading's payment of a total of approximately \$515,964.04 in state and local sales taxes that Longen Trading was legally obligated to pay in connection with the purchase of those vehicles.

According to the information and a plea agreement, Peng and Longen Trading also conspired to cause luxury vehicles to be purchased for export, via identity theft, that is, by using means of identification that belonged to a past or prospective straw buyer, without that person's permission to purchase the vehicle using his or her identity. Specifically, between on or about June 2012 and June 2014, Peng and Longen Trading conspired with others to purchase approximately 71 luxury vehicles, having a total purchase price of approximately \$4,212,945.06, using a means of identification belonging to another person, without that person's knowledge or permission.

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According to the information and plea agreement, between approximately June 2012 and June 2014, Peng and Longen Trading also conspired with others to use the Department of Commerce's Automated Export System ("AES") to further these illegal activities, in violation of 13 U.S.C. § 305(a)(2).

Under the plea agreement, Mr. Peng has agreed to plead to all three counts of the information, to join the government in recommending that the sentencing court impose a sentence of 27 months' imprisonment, to pay restitution of \$515,964.04 to the Wisconsin Department of Revenue, and to stipulate to the civil forfeiture of approximately \$1.2 million in funds seized from various bank accounts he controlled as well as 29 new luxury vehicles, including new Porsche, Mercedes Benz, and BMW vehicles.

In announcing the filing of the information and plea agreement, First Assistant United States Attorney Gregory J. Haanstad stated: "As this case reflects, the United States Attorney's Office and the United States Department of Justice are committed to aggressively combatting both identity theft and tax evasion. We are also committed to taking the profit out of crime and to obtaining just financial outcomes in our criminal cases through the judicious use of both asset forfeiture and restitution remedies."

Haanstad commended the investigative work that the United States Secret Service and United States Department of Commerce, Bureau of Industry & Security, Office of Export Enforcement conducted in this matter, along with the investigative assistance provided by the following state and local law enforcement agencies: the Wisconsin Department of Criminal Investigations, the Wisconsin Department of Transportation Investigations, the Milwaukee Police Department, the Oneida Police Department, the Menomonee Police Department, the Stockbridge-Munsee Police Department, the Kenosha Police Department, the Wauwatosa Police Department, the Waukesha Police Department, the Glendale Police Department, the Green Bay Police Department, the Milwaukee Secret Service Financial Crimes Task Force, and the Native American Drug and Gun Initiative Task Force.

"The quality and overall success of this investigation is a direct reflection of the contributing agencies' efforts, resources, and teamwork," stated a spokesperson for the United States Secret Service's Milwaukee Office.

"OEE will continue to work diligently with our law enforcement partners to identify and disrupt criminal export activity," stated David R. Nardella, Acting Special Agent-in-Charge, U.S. Department of Commerce, Bureau of Industry & Security, Office of Export Enforcement, Chicago Field Office.

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This case is being prosecuted by Assistant United States Attorney Scott Campbell.

An information is only a charge and is not evidence of guilt. A defendant is presumed innocent and is entitled to a fair trial at which the government must prove guilty beyond a reasonable doubt.

Commerce Control List: Addition of Items Determined to No Longer Warrant Control under United States Munitions List Category XIV (Toxicological Agents) or Category XVIII (Directed Energy Weapons).

This proposed rule indicates how articles the President determines no longer warrant control under Category XIV (Toxicological Agents, Including Chemical Agents, Biological Agents, and Associated Equipment) or Category XVIII (Directed Energy Weapons) of the United States Munitions List (USML) would be controlled under the Commerce Control List (CCL). The affected Category XIV articles consist primarily of dissemination, detection and protection “equipment” and related articles and would be controlled under new Export Control Classification Numbers (ECCNs) 1A607, 1B607, 1C607, 1D607, and 1E607, as proposed by this rule. The affected Category XVIII articles consist primarily of tooling, production “equipment,” test and evaluation “equipment,” test models and related articles and would be controlled under new ECCNs 6B619, 6D619 and 6E619, as proposed by this rule. This proposed rule was published in conjunction with a proposed rule from the Department of State, Directorate of Defense Trade Controls, which would amend the list of articles controlled by USML Categories XIV and XVIII (see 80 FR 34572). The public comment period for each of these proposed rules closes on Monday, August 17, 2015.

TRAINING SCHEDULE FOR AES FILINGS GET REGISTERED!!

<http://www.census.gov/foreign-trade/aes/meetingsandpresentations/index.html#conferences>

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