

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT NEW YORK

THE ASSOCIATION OF AMERICAN
UNIVERSITY PRESSES, INC.; THE
PROFESSIONAL/SCHOLARLY PUBLISHING
DIVISION OF THE ASSOCIATION OF
AMERICAN PUBLISHERS, INC.; PEN
AMERICAN CENTER, INC.; and ARCADE
PUBLISHING, INC.,

Plaintiff,

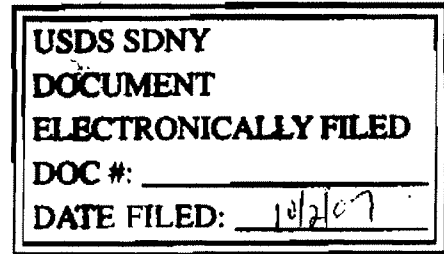
- against -

THE OFFICE OF FOREIGN ASSETS
CONTROL OF THE DEPARTMENT OF THE
TREASURY; JOHN W. SNOW, SECRETARY
OF THE TREASURY, in his official capacity;
and R. RICHARD NEWCOMB, DIRECTOR,
OFFICE OF FOREIGN ASSETS CONTROL, in
his official capacity,

Defendant.

Civil Action No.

04 Civ. 7604 (CM)



STIPULATION OF DISMISSAL PURSUANT TO FED. R. CIV. P. 41

WHEREAS, on September 27, 2004, the Plaintiffs filed their Complaint and Motion for Preliminary and Permanent Injunction in the above-referenced action, alleging that certain regulations promulgated and enforced by the Office of Foreign Assets Control ("OFAC") of the Department of the Treasury (the "Department") violated the Trading With the Enemy Act ("TWEA"), the International Emergency Economic Powers Act ("IEEPA"), and the First Amendment to the United States Constitution, by regulating and prohibiting activities necessary for the publication in the United States of written works by authors in Cuba, Iran and Sudan; and

WHEREAS, on December 17, 2004, OFAC published new regulations, codified at 31 CFR §§ 515.577, 538.529 and 560.538, concerning the status of certain transactions relating to the publication of written works involving persons in Cuba, Iran or Sudan; and

WHEREAS, upon the issuance of amended sanctions regulations related to Burma on August 16, 2005, OFAC added a new regulation, codified at 31 CFR § 537.526 (collectively with 31 CFR §§ 515.577, 538.529 and 560.538, the "General Licenses"), to authorize certain transactions relating to the publication of written works involving persons in Burma; and

WHEREAS, following its initial issuance of the General Licenses, OFAC, on August 30, 2007, further revised the General Licenses with respect to software; and

WHEREAS, Defendants have no present intent to revoke or rescind the General Licenses (as recently amended as set forth above) or to materially narrow the General Licenses by forbidding any of the activities enumerated in them as ordinary and incident to the publishing and marketing of written publications, nor does the Government presently foresee circumstances occurring that might require the relevant regulations to be revoked, rescinded or materially narrowed as described above in the future; and

WHEREAS, OFAC has determined that, even if such General Licenses were to be revoked, rescinded or materially narrowed as described above, unless U.S. foreign policy, economic, or national security interests require otherwise, a revocation, rescission or material narrowing as described above of these General Licenses would be accompanied by a delay in effect of at least 30 days with respect to pre-existing transactions, and that, should such U.S. foreign policy, economic or national security interests arise, OFAC will articulate, to the extent possible, how those interests require that the revocation, rescission or material narrowing as described above be effective immediately with respect to all transactions, including pre-existing transactions; and

WHEREAS, OFAC acknowledges that many of the same or similar policy considerations that contributed to the issuance of the General Licenses are likely to apply with respect to any

additional countries subject to trading sanctions and that OFAC will take such policy considerations into account in the event that it issues regulations pertaining to additional countries under trading sanction; and

WHEREAS, Plaintiffs contend that the General Licenses, while permitting many important publishing activities, are in violation of TWEA, IEEPA, and the First Amendment to the United States Constitution because the government does not have the authority to grant or deny licenses for publishing activities, among other reasons; and

WHEREAS, the Government contends that all aspects of the regulations at issue, including the General Licenses, are fully authorized by law; and

WHEREAS, in reliance on the declarations of the Department described above, the Plaintiffs have agreed to the dismissal of the Complaint without prejudice;

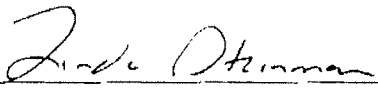
IT IS HEREBY STIPULATED AND AGREED as follows:

1. The agreement of the Defendants to this Stipulation shall not be construed as an admission of liability to the Plaintiffs for any of the acts alleged in the Complaint, nor shall such agreement be construed as an admission that the regulations at issue are in any way contrary to law.
2. The agreement of the Plaintiffs to this Stipulation shall not be taken as an agreement that the regulations of the Department, either before or after their amendment, comport with TWEA, IEEPA or the Constitution, and the Plaintiffs retain the right to challenge the regulations or their application at a later date.
3. This Stipulation does not constitute an adjudication on the merits of any of the claims asserted in the Complaint.
4. Pursuant to Fed. R. Civ. P. 41(a)(1)(ii), Plaintiffs hereby voluntarily dismiss this

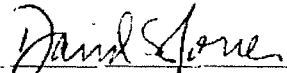
action, without prejudice and with each party to bear its fees and costs.

Dated: September 28, 2007
New York, New York

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Pursuant to the foregoing, it is SO ORDERED that this action is dismissed without prejudice.


COLLEEN MCMAHON
UNITED STATES DISTRICT JUDGE
Oct 1, 2007
New York, New York