EXPORT COMPLIANCE PROGRAM

Last Updated: July 2019

Confidentiality and Distribution

Any reproduction or use of this document, or parts thereof, by unauthorized parties, or distribution outside of Seatronics Group is prohibited without the written authorization of Seatronics Group. This document cannot be revised without the written signature approval of the Seatronics Group Compliance Manager.
Seatronics Export Compliance Program

OBJECTIVES

This Program provides guidance to the employees of Seatronics Group ("Seatronics") on complying with applicable the export and sanctioned countries regulations including the European Union Dual-Use Regulations, Singapore Strategic Goods Control, and those administered by the U.S. Department of Commerce, Bureau of Industry and Security ("BIS"); U.S. Census Bureau, Foreign Trade Division ("Census"); U.S. Department of the Treasury, Office of Foreign Assets Control ("OFAC"); and other U.S. government agencies that regulate the export, re-export, release, and transfer of hardware (commodities), software, technology, and services from the U.S. to countries outside the U.S., and to foreign persons inside and outside the U.S.

FUNCTIONALITY

This Program represents a compendium of the individual Export Compliance Procedures, Policies, and Forms, by department, that are intended to help ensure Seatronics’ compliance with applicable export control laws and regulations. The individual Export Compliance Procedures, Policies, and Forms which comprise this Program implement Seatronics’ corporate Export Compliance Policy and Management Commitment Statement, a copy of which is included in this Program. The Export Compliance Procedures, Policies, and Forms are divided by department/division in order to make this Program functional by providing the procedures that are relevant to a given division or job function without providing unnecessary information that does not pertain to that particular division or job function. Seatronics’ Group Compliance Manager ("GCM") will maintain the current versions of the individual division Export Compliance Procedures, Policies, and Forms in this consolidated Program. All changes and updates to the individual sections of this Program require review and approval by the Seatronics Group Compliance Manager prior to implementation and a final copy of all revised sections must be provided to the GCM.

DISTRIBUTION

Relevant portions of this Program will be distributed to Seatronics employees by the GCM. Employees in the following functions are assigned responsibilities and are required to review and understand the export compliance procedures that pertain to their job functions.

FUNCTIONS

- Operations (including sales, project management, and logistics)
- Purchasing/Accounting
- Human Resources
- Other personnel exporting/re-exporting goods, software, or technology
- Other personnel facilitating or approving export/re-export transactions
EXPORT COMPLIANCE PROGRAM

TABLE OF CONTENTS

INTRODUCTION

A. Export Compliance Policy and Management Commitment Statement ........................................ 5
B. Export Compliance Function for Seatronics Group ...................................................................... 7
C. Export Compliance Program Roles and Responsibilities .............................................................. 8
D. Responsibilities Matrix ............................................................................................................. 12

EXPORT COMPLIANCE PROGRAM (ECP)

ECP 01 Export Compliance Program Administration ........................................................................ 14
ECP 02 Operations Department Export Compliance Procedure ...................................................... 20
ECP 03 Purchasing/Accounting Export Compliance Procedure ....................................................... 25
ECP 04 Human Resources Export Compliance Procedure .............................................................. 28
ECP 05 Human Resources: Employee Training on Export Compliance ........................................... 31
ECP 06 Building Services & Security Export Compliance Procedure ............................................. 32
ECP 07 Export Compliance Recordkeeping Policy ........................................................................... 34
ECP 08 Review and Investigation of Known or Suspected Violations .............................................. 37
ECP 09 U.S. Post-Export Audit Procedure ...................................................................................... 40
ECP 10 U.S. Post-Reexport/Export Audit Procedure ...................................................................... 49

APPENDICES

A. Certificate of Understanding
B. Export License Review Form
C. End-User Statements
   C-1: “Positive” End-User Statement [SGFT099]
   C-2: “Negative” End-User Statement [SGFT098]
   C-3: Blanket Annual End-User Statement [SGFT093]
D. Language for Shipping Documents: EAR Destination Control Statement
E. [RESERVED]
F. Shipper’s Letter of Instructions for Routed Exports
G. Freight Forwarder Vetting Questions
H. Freight Forwarder Directive
I. EAR Technology Control Plan
J. U.S. EAR License Exception TMP Guidance Document
K. U.S. EAR License Exception APR Guidance Document
L. U.S. Deemed Export/Reexport Guidance Document
M. Contact from U.S. Government Representatives
N. Pre Quotation Checks Flowchart
   N-1: Information Required – Pre Quotation Guidance Document
   N-2: Sensitive Destinations Guidance Document
   N-3: Ad Hoc Restricted Party Screening Guidance Document
   N-4: Enquiry Order Register and Quotation Folder Guidance Document
   N-5: End-User Statement and Customer Purchase Order Review
O. Post-Order Checks Flowchart [SGFT ref TBC]
P. License Application Review Flowchart [SGFT ref TBC]
Q. Pre Despatch Checks Flowchart [SGFT ref TBC]
R. [RESERVED]
S. Summary of U.S. Export Control and Sanctions Laws and Regulations
EXPORT COMPLIANCE POLICY AND MANAGEMENT COMMITMENT STATEMENT

It is the policy of the management of Seatronics Group (“Seatronics”) that, under no circumstances, will Seatronics knowingly participate in or support any export, reexport, transfer or any other type of transaction that is contrary to UK, U.S., Singapore or other applicable export laws and regulations, including but not limited to the following:

- EU Dual-Use Regulations
- Singapore Strategic Goods Control

**U.S. Export Controls**

The U.S. government strictly regulates all exports of U.S. products, technology and software, the movements of U.S.-origin commodities and technologies between non-U.S. countries (known as “reexports”), as well as certain activities of U.S. persons wherever located, through various regulatory requirements commonly called “export controls.” Under U.S. law, exporting and being involved with exporting is a “privilege” and not a “right,” which means that Seatronics must remain in compliance with U.S. export laws and regulations in order to maintain our exporting privileges. Certain Seatronics products owned or leased by Seatronics are controlled for export from the U.S., for reexport from one foreign country to another, and/or for in-country transfer and may require an export, reexport, or transfer license or other authorization from the U.S. government. Export controls are in place to further U.S. national security and foreign policy interests (including non-proliferation of weapons of mass destruction and their means of delivery, and anti-terrorism) that apply to the Seatronics U.S. office and all its employees. When receiving/transferring commodities, software or technical data, subject to the ITAR or EAR, U.S. export controls also apply to all Seatronics global offices, Seatronics employees individually, Seatronics contract or temporary employees, and, in many cases, to the foreign agents, distributors, representatives, and foreign offices of Seatronics. As a company, we are firmly committed to taking all reasonable steps to ensure our compliance.

Additionally, it is the policy of Seatronics to comply with the U.S. antiboycott laws and regulations. No form of support for or participation in foreign boycotts that the U.S. does not sanction, including the Arab League Boycott of Israel, may be provided. Information regarding the U.S. antiboycott laws/regulations is available at: [http://www.bis.gov/complianceandenforcement/antiboycottcompliance.htm](http://www.bis.gov/complianceandenforcement/antiboycottcompliance.htm). Any requests to participate in such boycotts must be promptly reported to the Seatronics Group Compliance Manager (“GCM”), to a Compliance Advocate, and/or to the Acteon Compliance Helpline (referenced on the Acteon Compliance posters at all Seatronics Group offices).
Implementation of Policy Statement

This Export Compliance Policy and Management Commitment Statement will be implemented by Seatronics’ Export Compliance Program consisting of Export Compliance Procedures, Policies, Procedures and Forms for specific Seatronics departments and personnel. All Seatronics employees associated with activities that are subject to export controls are urged and required to take precautions to ensure that violations do not occur. Violations of export control laws could result in significant penalties for Seatronics and for those individuals involved in the violation. The penalties that are available for violations of export control regulations include significant civil and criminal fines and other penalties, including imprisonment. To ensure compliance with export regulations specifically, all export and reexport transactions will first be screened for export license authorization requirements and other restrictions prior to proceeding. Such screening procedures will be done in accordance with Seatronics’ Export Compliance Program. It is the policy of Seatronics that any export license or other authorization determined to be required will be obtained prior to proceeding with the transaction.

Compliance with this Policy is mandatory and will be considered in the performance review process. Commitment to export compliance will require all Seatronics Group employees and many third-parties with whom Seatronics works to manage day-to-day operations carefully. Any employee who has knowledge of facts or incidents, which he or she believes might violate this Policy or any applicable laws or regulations, whether intentional or accidental, is required to report the matter promptly to me and/or to the Seatronics GCM.

Questions concerning this Policy, export controls, economic sanctions, your individual responsibilities, or any other export compliance related matters should be directed to the GCM or to a Compliance Advocate. Compliance with export controls and economic sanctions laws and regulations is a requirement at Seatronics and it is a responsibility we all share. Your involvement in the process is vital to helping us ensure our safety, security, and high ethical standards through full and complete cooperation and compliance. Last and most important, I and the rest of the management of Seatronics expect, and are sure we will receive, your active cooperation in complying with these laws and regulations in keeping with the high level of performance and professionalism demonstrated throughout Seatronics.

_____________________________
Phil Middleton, Group Managing Director
Seatronics Group
Group Managing Director’s Commitment to Export Compliance

The Seatronics Group Managing Director has signed and adopted the Seatronics Export Compliance Policy and Management Commitment Statement (published at the beginning of this Export Compliance Program) in order to emphasize to employees of Seatronics Group (“Seatronics”) the importance of full compliance with applicable export control laws and regulations. The Seatronics Export Compliance Policy and Management Commitment Statement must be distributed to and read by all current and future Seatronics employees annually. The Seatronics Export Compliance Policy and Management Commitment Statement, in combination with the Seatronics Export Compliance Program, is designed to ensure that all of Seatronics’ employees, regardless of position, are informed of and comply fully with all applicable export control laws and regulations.

Base Managers’ Involvement in Export Compliance

Seatronics Base Managers are responsible for overseeing and actively supporting the Seatronics Export Compliance Program and taking steps to ensure that they and their staff understand and comply fully with the Seatronics Export Compliance Program.

Seatronics Base Managers must read, understand, and comply with the Seatronics Export Compliance Program and ensure that all members of their staff that may have any involvement in the design, marketing, sale, shipment, or provision of products, parts, services, or technology do the same. Base Managers should also encourage members of their staff to ask questions regarding compliance with the Seatronics Export Compliance Program and all applicable export control laws and regulations, and all questions should be answered in a timely manner. Base Managers must instruct members of their staff to report any suspected violations of the Seatronics Export Compliance Program and/or applicable export control laws and regulations to the Seatronics Group Compliance Manager.

Seatronics Group Compliance Manager (“GCM”)

The GCM is appointed by and reports directly to the Group Managing Director regarding export compliance matters. The GCM has overall responsibility for assessing and ensuring Seatronics’ compliance with applicable export control laws and regulations and Seatronics’ Export Compliance Program and may delegate day-to-day functions described in the Program. In addition, the GCM is directly responsible for the following:

1. Export compliance expertise.
   a. Maintain a current working knowledge of applicable export control laws and regulations (including U.S. laws and regulations). The GCM must attend advanced export compliance training at least once per year.
b. Serve as an initial source of information and guidance for Seatronics and Seatronics’ employees regarding compliance with applicable export control laws and regulations.

2. **Government point of contact.** Serve as Seatronics’ primary point of contact with governmental agencies as applicable and in connection with export compliance matters.

3. **Export compliance trainer.** The GCM or his designee shall implement, oversee and administer the provision of export compliance training to Seatronics’ employees.

4. **Export license administrator.**
   
a. **Export license or authorization preparation.** The GCM or designee(s) will prepare and file all export licenses or authorization applications and all other submissions by Seatronics to the appropriate government agencies.

b. **Export license or authorization distribution.** The GCM or designee(s) will provide copies, as applicable, of all approved export licenses and authorizations to Seatronics’ operations personnel with responsibility for the licensed item(s).

c. **Notice of export license or authorization limitations.** The GCM or designee(s) will ensure that all appropriate Seatronics personnel and customers are made aware of and fully comply with any provisos, limitations or restrictions contained in any export license or other approval received by Seatronics.

d. **Records retention.** The GCM or designee(s) will maintain Seatronics’ official record set of all export licenses, utilization of export license exceptions, and other approvals received by Seatronics, for at least five years after the export authorization has expired.

e. **Seatronics export license and authorization database.** The GCM or designee(s) will create and maintain a searchable, sortable electronic record, either in spreadsheet or database format, containing all export licenses and authorizations granted to Seatronics. The spreadsheet or database should contain the period of validity for each export license or authorization (date of approval and date of expiration), the authorized and remaining quantities and/or values (as applicable) of exports under each export license, if applicable, and all limitations, restrictions and provisos attached to each export license. If possible, this document should be viewable (but not modifiable) by all Seatronics offices.

f. **Seatronics export log.** The GCM or designee(s) will obtain necessary information from Seatronics’ Operations Department and other Seatronics employees to enable the creation of an up-to-date searchable, sortable electronic record, either in spreadsheet or database format, which records all exports subject to U.S. export controls. The “Seatronics Export Log” shall reference the export license, other form of authorization, or license exception under which each export occurred.
5. **Export Compliance Program updates.** Periodically review this Export Compliance Program and when appropriate, make necessary improvements or modifications thereto.

6. **Prohibited Party Screening.** The GCM or designee(s) will conduct, review and clear prohibited party screening results.

7. **Designated duties.** Perform other duties as determined by Seatronics’ Group Managing Director.

**Compliance Advocates’ Involvement in Export Compliance**

Compliance Advocates are those individuals located at each Seatronics office that are responsible for acting as a compliance resource for all applicable export control laws and regulations at their office. The Compliance Advocate at each office is responsible for submitting export, reexport and transfer license applications/authorizations to the applicable government agencies and ensuring that all licenses and authorizations are renewed prior to expiration.
# EXPORT COMPLIANCE RESPONSIBILITIES MATRIX

<table>
<thead>
<tr>
<th>Roles</th>
<th>Introductory Items</th>
<th>ECP 01</th>
<th>ECP 02</th>
<th>ECP 03</th>
<th>ECP 04</th>
<th>ECP 05</th>
<th>ECP 06</th>
<th>ECP 07</th>
<th>ECP 08</th>
<th>ECP 09</th>
<th>ECP 10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seatronics Group Compliance Manager</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compliance Advocate</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>Operations Department (including Sales Engineers and Logistics personnel)</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Seatronics Group Managing Director</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Purchasing/ Accounting</td>
<td>X</td>
<td></td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Human Resources</td>
<td>X</td>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Regional Managers</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reception/Front Desk</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>All Others</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**NOTE:** Employees are responsible for the specified sections of the Program and the associated appendices referenced in those sections that correspond to the respective job function(s).
## EXPORT COMPLIANCE PROGRAM REVISION HISTORY

<table>
<thead>
<tr>
<th>Rev. No.</th>
<th>Rev. Date</th>
<th>Comments/List of Changes</th>
<th>Author</th>
<th>Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>01.01.2016</td>
<td>Issued for use.</td>
<td>GR</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>01.07.2019</td>
<td>Updates throughout the ECP to reflect current processes. Issued for use.</td>
<td>AF</td>
<td>GR</td>
</tr>
</tbody>
</table>
**SCOPE:** This procedure applies to those who are responsible for the administration of the Export Compliance Program at Seatronics, including but not limited to the Group Compliance Manager (“GCM”), Base Managers, and Compliance Advocates. The GCM is primarily responsible for management of the Export Compliance Program. Compliance Advocates and Base Managers have a key role in management of the Export Compliance Program at their respective offices.

**PROCEDURES:**

1. **Compliance Expertise.** The Seatronics GCM will serve as a primary source of information and guidance for Seatronics and its employees regarding compliance with applicable export control laws and regulations. The Seatronics GCM will also serve as Seatronics’ primary point of contact with governmental agencies as applicable and in connection with export compliance matters. Compliance Advocates will be responsible for providing information and guidance to employees at their respective offices and will also be responsible for serving as a point of contact with applicable government agencies for the licenses and authorizations obtained by their office.

2. **Program Distribution.** The Seatronics GCM, with the assistance of Compliance Advocates, will distribute this Program to all necessary employees and divisions of the organization. The GCM will also work with Seatronics Information Technology personnel to make this Program available on the organization’s intranet or through other means.

3. **Introduction to Export Controls for New Employees.** The GCM and/or Compliance Advocates will brief all new employees associated with export activities on this Export Compliance Program as an introduction based on their defined role in the Responsibility Matrix, and the new employees will be asked to sign a Certificate of Understanding (Appendix A). The Certificate of Understanding will be provided to Human Resources and kept in the employee’s personnel folder.

4. **Update of this Program.** The Seatronics GCM will update and maintain the Program as necessary and notify necessary employees and divisions of changes.

5. **Regulatory Updates.** The Seatronics GCM is responsible for maintaining awareness of changes to applicable trade compliance laws and regulations by subscribing to and/or
reviewing various sources. For U.S. export controls, this includes U.S. BIS’ automatic email notification service (sign-up at [https://www.bis.doc.gov/forms/emailnotification.htm](https://www.bis.doc.gov/forms/emailnotification.htm)), and OFAC’s automatic notification service (sign-up at [https://public.govdelivery.com/accounts/USTREAS/subscriber/new?topic_id=USTREAS_61](https://public.govdelivery.com/accounts/USTREAS/subscriber/new?topic_id=USTREAS_61)). The Seatronics Group Compliance Manager will distribute any necessary updates to the applicable departments and personnel requiring such information.

6. **Export Control Jurisdiction and Classification Determinations.** The GCM, or designee, shall maintain a database of licensing jurisdiction and export classification determinations for all Seatronics products and components that may be exported, reexported, or transferred by Seatronics. This database shall be updated with information received from suppliers and/or manufacturers, as described in the **Purchasing/Accounting Export Compliance Procedure (ECP 03)**. No item may be exported (including hand-carried items) unless it has been classified for export. Modifications and new products require new classification determinations by the GCM or designee.

Where licensing jurisdiction or classification information is not available from a manufacturer or supplier, or the GCM or his designee, or where such information is otherwise in doubt regarding an item to be exported, the GCM, or designee, is responsible for preparing and submitting jurisdiction and/or classification requests to the appropriate government agency.

In the U.S., Commodity Jurisdiction (“CJ”) requests should be submitted to the U.S. Department of State, Directorate of Defense Trade Controls (“DDTC”). If a Seatronics product or technology is not subject to the International Traffic in Arms Regulations (“ITAR”), it is subject to the Export Administration Regulations (“EAR”) in the United States. If there is doubt about the proper classification on the Commerce Control List (“CCL”) contained in the EAR for an item, the GCM shall issue an instruction to the relevant Seatronics employees to treat the item as being controlled by the most restrictive ECCN until a Commodity Classification (“CCATS”) determination is obtained from BIS or reliable information is otherwise obtained from the manufacturer. The GCM or designee is responsible for preparing and submitting CCATS requests to U.S. BIS.

The GCM shall update the database on an annual basis.

7. **Government Relations.** The GCM will be the primary contact with regulatory agencies on export control matters. Compliance Advocates will be responsible for obtaining U.S. Government authorizations for their respective offices, as needed. The GCM and Compliance Advocates will ensure Seatronics personnel are informed of how to respond to any inquiries, visits, or other communications from U.S. Government representatives as set forth in **Contact from U.S. Government Representatives (Appendix M)**. Additionally, for U.S. export and reexport licenses, the GCM and Compliance Advocates are responsible for establishing and maintaining a SNAP-R account, U.S. BIS’ electronic system which allows users to submit export license applications, commodity classification requests, encryption software registrations, and reexport license applications.

8. **Export and Reexport Licenses.** Compliance Advocates are responsible for making export licensing jurisdiction, authorization, and license determinations and for obtaining all
necessary export approvals and licenses for exports at their respective offices and should consult with the GCM regarding any questions or uncertainties regarding licensing requirements. The GCM and Compliance Advocates will obtain such licenses and authorizations in consultation with the Sales Engineer for that particular transaction. The Sales Engineer will provide product technical specifications necessary to make export licensing jurisdiction and classification determinations.

A. Once a possible export license requirement is identified for any sale, lease, or other transfer of items to a customer or to another Seatronics office, the Compliance Advocate or GCM, or their designees, will review the details of the transaction to make a final determination about whether or not an export license or retransfer authorization is required before the transaction may proceed. Additionally, prior to each export shipment leaving warehouse the Export Compliance Checklist (Appendix B) is required to be completed. Adequate process maps may vary across different Seatronics locations therefore it is a responsibility of concerned CAs, GCM and their designees to familiarize themselves with relevant forms and process maps.

B. If a license exception is applicable, the GCM and Compliance Advocates will ensure compliance with all requirements for use of the Exception and record use of the Exception on an Exception log or equivalent. See EAR License Exception TMP Guidance Document (Appendix J) and EAR License Exception APR Guidance Document (Appendix K) for guidance on the use of U.S. export license exceptions.

C. If no existing license or authorization or license exception is available for the transaction, the GCM and/or Compliance Advocate, or their designees, will notify the Sales Engineer that an export authorization or license is required, and that the export transaction will not be authorized until authorization or a license is obtained.

D. The GCM and/or a Compliance Advocate will prepare and submit the appropriate application for export authorization to the relevant government agency.

E. The GCM and/or a Compliance Advocate, or their designees, will complete the following tasks for each Export License Review Form received:
   i. Review the documents provided with the request relating to the transaction;
   ii. Confirm that a prohibited party screening has been performed and that the results are clear (i.e., there are no matches);
   iii. If insufficient information is provided, request additional information;
   iv. If a license is required, determine whether an existing license or authorization is available for the transaction or whether a license exception is available;
   v. If a license application must be submitted, ensure the application forms and supporting documentation are completed and referenced to meet the application requirements in the relevant regulations;
   vi. Prepare an export license file to hold all documentation relating to the license application; and
   vii. Update Export License Database or equivalent record relating to the export license application.
F. After an export authorization or license is obtained, the GCM and/or a Compliance Advocate, or their designees, will update the Export License Database with the terms and conditions of the license and provide the Sales Engineer and all others with responsibility for the licensed item(s), with a copy of the export license, along with a briefing on its terms and requirements, including the provisos associated with the license/authorization.

9. Compliance with Terms and Provisos of Export License Authorizations. The GCM and Compliance Advocates are responsible for ensuring that all limitations, restrictions and provisos attached to any export authorization are communicated to appropriate Seatronics employees and to all parties to the export that may be affected by such conditions. The GCM and Compliance Advocates shall maintain all export authorizations and licenses granted to Seatronics for at least five years after the export authorization has expired. Refer to current/applicable U.S. Export/Reexport Licenses Terms and Conditions for further information and guidance on the use of Seatronics’ U.S. export and reexport licenses.

10. Technology Control Plan. The GCM shall maintain and ensure implementation of Seatronics’ EAR Technology Control Plan (“EAR TCP”) (Appendix I) as necessary to prevent the inadvertent unauthorized internal and/or external disclosure of controlled technical data or technology, and include a physical and information security plan. The GCM is to update and distribute the updated TCP as needed to comply with any specific authorization and/or regulations.

11. Export License Database. The GCM or designee must create and maintain a searchable, sortable electronic record, either in spreadsheet or database format, containing all export authorizations and licenses granted to each Seatronics office. The spreadsheet or database should contain the period of validity for each export license (date of approval and date of expiration), the authorized and remaining values of exports under each export license, if applicable, and all limitations, restrictions and provisos attached to each export license. If possible, this document should be viewable (but not modifiable) by other Seatronics departments.

12. Prohibited Parties Screening Results. In some cases, Seatronics employees other than the GCM and Compliance Advocates may conduct prohibited parties screenings. See Ad Hoc Restricted Party Screening Guidance Document (Appendix N-3). Whenever a Seatronics employee receives what appears to be a “Red Flag” during a prohibited parties screening, the GCM will be responsible for reviewing the screening result and making a final determination (or consulting the Acteon Group Compliance Team, as necessary) about whether the match is a true match to a person on a prohibited parties list or a false hit due to similarities between the information provided in the search criteria and the actual prohibited party.

A. Review all Available Details. To distinguish false matches from actual, true matches, the GCM or designee must carefully review all available information about the person or entity screened against the background details provided in the potential match – this includes the name, address, and nationality of the actual prohibited party.
party. The GCM or designee must also review the type of restricted list connected with the search result to verify whether the contemplated activity would be restricted if the hit were an actual match.

B. **Clearing a Transaction.** The GCM or designee will review potential restricted party potential matches and either clear the transaction or inform the Operations Department that they cannot proceed with the transaction. If the transaction is cleared by the GCM or designee, they must retain a written explanation of the rationale for concluding that the hit is false along with a copy of the screening results.

13. **Antiboycott Compliance.** Seatronics may receive requests regarding not doing business with certain countries such as Israel, or requests to submit information about Seatronics’ business with Israeli companies, use of Israeli parts and components, or employment of Israeli nationals. Seatronics is prohibited from complying with such requests unless an interpretive exemption applies, and Seatronics may be obligated under many circumstances to report the receipt of such requests, even where Seatronics refuses to comply with the request. If any such requests are received, Seatronics employees must report them immediately to the GCM. The GCM shall consult with the Acteon Compliance Team to determine the appropriate course of action. More information and examples of prohibited requests are available at: [http://www.bis.doc.gov/complianceandenforcement/antiboycottcompliance.htm](http://www.bis.doc.gov/complianceandenforcement/antiboycottcompliance.htm).

14. **Disposition of ITAR Controlled Equipment.** The GCM must ensure that remaining ITAR-controlled equipment be secured in a locked container at Seatronics Ltd. where it cannot be accessed by other Seatronics employees. The GCM will ensure that appropriate authorizations are obtained for the disposition of the remaining ITAR-controlled items in Seatronics’ inventory.

15. **Export Compliance Contractual Language.** The GCM must ensure and/or provide guidance to Seatronics management concerning Seatronics’ contractual agreements relating to exports to ensure such agreements include export compliance provisions.

16. **Review of the Export Compliance Program – Audit/Assessment.** The GCM will conduct a compliance audit/assessment or work with management to select an external resource to conduct an assessment on a quarterly basis. The audit/assessment shall include: (a) an analysis of the implementation and effectiveness of the export compliance program; (b) a quarterly review of a sample of export transactions; (c) a review of record retention procedures; (d) a review of the status of pending or existing BIS authorizations (if any); and (e) evaluation of Seatronics’ compliance with licenses, related conditions, other approvals, and authorizations and the overall evaluation of Seatronics’ compliance-related requirements for the next year (including new products and technologies requiring export classification review and new authorizations to be obtained). The GCM must document the self-assessment review findings and recommendations and provide a report to Seatronics management within 30 days of completing the review. See the **Post-Export Audit Procedure (ECP 09)** and the **Post-Reexport/ Export Audit Procedure (ECP 10)**.
17. **Review and Investigation of Known or Suspected Violations.** When a suspected or actual violation of export control laws and regulations is reported to or identified by Seatronics’ GCM or a Compliance Advocate, or their designees, they shall immediately report the alleged violation to the Seatronics Group Managing Director.

In accordance with the Seatronics policy for **Review and Investigation of Known or Suspected Violations of Export Control Laws and Regulations (ECP 08)**, the GCM may be tasked as an internal investigating official to: (a) conduct initial interviews of all Seatronics employees who may have information about the alleged violation to gather sufficient information to make a recommendation to Seatronics’ Group Managing Director regarding whether the alleged activity preliminarily appears to constitute a violation of U.S. Export Control Laws and Regulations; (b) determine whether additional investigation is warranted; and/or (c) determine if the matter should be the subject of a voluntary disclosure. Careful consideration should be given to retaining outside legal counsel to provide an independent review and to cloak the findings of the internal investigation with the attorney-client privilege and attorney work product exclusions and to receive specialized guidance on the export laws at issue.

**SCOPE:** This Export Compliance Procedure applies to the Operations Department at each Seatronics office and to any other employees involved with the sales, shipment or provision of Seatronics products, parts, services or technology. This procedure pertains solely to export compliance requirements and applies to Base Managers, Sales Engineers, logistics personnel, and anyone involved with the exportation of Seatronics equipment.

**PROCEDURES:**

1. **Receipt of Customer Enquiry – Pre Quotation Checks.** When a customer enquiry is received, whether by email or phone, the Sales Engineer should follow the **Pre Quotation Checks Flowchart (Appendix N)** and associated guidance documents to obtain the necessary information to determine whether Seatronics can provide a quote to the customer and to determine other necessary steps. A quotation cannot be sent to any customer unless all requirements included in the **Pre Quotation Checks Flowchart** have been met. Customer enquiries include, but are not limited to, the following:
• Request for Rental Quotation
• Request for Sales Quotation
• Request for Technical Support
• Request for Calibration of Third Party Equipment
• Request for Provision of Equipment Documentation or Software

The guidance documents referenced in the Pre Quotation Check Flowchart that should be used and referenced for this review are summarized below.

A. Information Required – Pre Quotation Guidance Document (Appendix N-1). Provides guidance on the information to gather in order to assess export compliance requirements and provide a quotation.

B. Sensitive Destinations Guidance Document (Appendix N-2). Provides guidance on sensitive and sanctioned territories. Note that no products, technology, marketing or any other types of services may be provided to persons or entities in Cuba, Iran, North Korea, Sudan, or Syria.

C. Ad Hoc Restricted Party Screening Guidance Document (Appendix N-3). Provides guidance on conducting denied parties screening. Note that before establishing a new customer or other business partner, the party must be screened. If the party screened is determined to be a positive match (or “red flag”) and appears on one of the prohibited party lists, the new customer or partner will not be approved to become a Seatronics business partner.

D. Enquiry Order Register and Quotation Folder Guidance Document (Appendix N-4). Provides guidance on maintaining a Master Register of all enquiries and quotations.


2. Customer Order Confirmed or Purchase Order Received – Post Order Checks. Whenever a customer order has been confirmed or a Purchase Order is received, whether by email, in writing, or by phone, Sales Engineers should use the Post Order Checks Flowchart (Appendix O) and associated guidance documents to ensure that all required documentation has been obtained and all necessary steps have been taken to ensure compliance with applicable export control laws and regulations.

The Post Order Checks Flowchart includes procedures for obtaining and reviewing customer End User Statements (Appendix C), Accounts Department processing of new customer information, and review of export license requirements.

The guidance documents relevant to this review are summarized below.

B. **Equipment License Information Spreadsheet.** This is the separately maintained spreadsheet containing export jurisdiction and classification information for products rented and sold by Seatronics, as well as country of origin information.

The **Export Compliance Checks (Appendix B)** must be completed by Seatronics Group Compliance Manager (“GCM”), Compliance Advocate, or designee before sending the customer an order acknowledgment or as part of completion of a yellow order form for on pass to engineering personnel. After completion of **Export Compliance Checklist** and attachment of all relevant documentation, the GCM, Compliance Advocate, or designee will review the information, make an export licensing determination, and apply for any required export license authorization if required. Before sending the customer an order acknowledgment, use the **License Application Review Flowchart (Appendix P)** to determine if all licensing requirements have been met. The transaction may not proceed until the GCM, Compliance Advocate, their designee has confirmed compliance checks have been completed.

If an application for a U.S. export or reexport license is required, advise the customer that a minimum of 4 weeks is required for the application processing. In some cases, due to reasons beyond Seatronics’ control, the reviewing government agency may take longer than 4 weeks to review and respond to applications. After an export license or authorization has been obtained, the GCM or Compliance Advocate will provide the Sales Engineer, and those logistics personnel with responsibility for exporting the licensed item(s), with a copy of the export license.

3. **Inter-Depot Transfers.** When another Seatronics base has requested a transfer of equipment, the Sales Engineer at the base supplying equipment must obtain all necessary information from the requesting base to successfully complete the **Export Compliance Checklist (Appendix B)** prior to export shipment. The **Export Compliance Checklist** must be completed by the Seatronics GCM, Compliance Advocate, or designee before exporting the items to another Seatronics base or as part of completion of a yellow order form for on pass to engineering personnel. After completion of **Export Compliance Checklist** and attachment of all relevant documentation, the GCM, Compliance Advocate, or designee will review the information, make an export licensing determination, and apply for any required export license authorization. Use the **License Application Review Flowchart (Appendix P)** to determine if all licensing requirements have been met. The transaction may not proceed until the GCM, Compliance Advocate, their designee has confirmed compliance checks have been completed.

18. **Export/Reexport License Terms and Conditions.** Some of Seatronics’ U.S export and reexport licenses require the end-user, whether the customer or another Seatronics office, to acknowledge agreement to the license terms and conditions. When this is required by the license, Seatronics must obtained the signed acknowledgement from the end-user prior to delivery. Refer to current/ applicable U.S. Export/Reexport Licenses Terms and Conditions for further information and guidance on the use of Seatronics’ U.S. export and reexport licenses.

4. **Pre Despatch Checks.** After the review of licensing requirements has been completed and
necessary licenses have been obtained, Sales Engineers shall follow the Pre Despatch Checks Flowchart (Appendix Q) after receipt of the Yellow Order Form from Engineering and carry out the Pre Despatch Compliance Checklist included in the Seatronics Order Form (Appendix Q-1).

5. **Shipper’s Letter of Instructions (U.S. Only).** Once the Pre Despatch Compliance Checklist gives a “Proceed With Shipment” result, the Logistics personnel will prepare the Shipper’s Letter of Instructions (“SLI”). The following SLI’s are available:

   - **SLI for Routed Exports (Appendix F)**

     **Routed Exports:** When sending equipment to a customer’s freight forwarder for export or reexport, Seatronics should provide the freight forwarder with the SLI for Routed Exports included in Appendix F. Only this information should be provided to the freight forwarder, and Seatronics should not sign any documents provided by the customer’s freight forwarder that grant a power of attorney.

6. **Commercial Invoice/Export Invoice Form.** Ensure current form for Commercial or Export Invoice is used that includes equipment export control classification information.

7. **Shipping Statement.** Shipping documentation for all exports of equipment from the U.S. and exports of U.S.-origin equipment outside the U.S. must contain the EAR Destination Control Statement. See Language for Shipping Documents (Appendix D).

   **License Exceptions:** Whenever an exception to a licensing requirement is relied upon, the Operations Department will ensure that the shipping documents properly identify the exception used.

8. **Red Flags.** Sales Engineers shall review the transaction documents for any “red flags.” These are signs that the proposed project could lead to a violation of U.S. export controls.\(^1\) Resolve all “red flags” before the shipment proceeds, and consult the GCM or Compliance Advocate with any questions.

9. **Freight Forwarder.** The Operations Department will only use freight forwarders that have been approved by the GCM.

10. **Obtain and Review AES Filings (US Exports Only).** The Operations Department must request and obtain from the freight forwarder a copy of the AES filing. Once received, the Operations Department will review the AES filing to ensure that the information was correctly submitted by the freight forwarder. If any errors are found, the Operations Department will notify the freight forwarder and the GCM, or designee. All copies of documents created by freight forwarders must be obtained and retained in Seatronics’ Export Transaction file and kept in accordance to the Export Compliance Recordkeeping Policy (ECP 07).

11. **License Management.** Under the direction of the GCM, Compliance Advocate, or designee,

---

the Operations Department must retain copies of all export licenses. In addition, they will track the usage of the licenses as described in Export Compliance Administration (ECP 01). The Operations Department will report to the GCM, or designee, on any remaining balances on outstanding licenses at least monthly.

12. Anti-Boycott Compliance. In reviewing transaction documents, including purchase orders, bid tenders, Letters of Credit, email correspondence or any other communications or correspondence with international customers or export shipping companies, be alert to any requests regarding not doing business with certain countries such as Israel, or requests to submit information about Seatronics’ business with Israeli companies, use of Israeli parts and components, or employment of Israeli nationals. Seatronics is prohibited from complying with such requests unless an interpretive exemption applies and Seatronics may be obligated under many circumstances to report the receipt of such requests to the U.S. Government, even where Seatronics refuses to comply with the request. If any such requests are received, report them immediately to the Group Compliance Manager. More information and examples of prohibited requests are available at http://www.bis.doc.gov/complianceandenforcement/antiboycottcompliance.htm.

13. Record Retention. All export-related documentation, including email correspondence, must be retained for a period of at least five years in accordance with the Export Compliance Recordkeeping Policy (ECP 09). These records may be kept in either paper or electronic format. The electronic or paper file must include all export documentation created by the freight forwarder and provided to Seatronics, including export clearance documents, AES filings, Air Waybills, and Bills of Lading.

14. Reporting Contact from U.S. Government Representatives. Any communications or visits from U.S. Government representatives must be reported to the GCM in accordance with Contact from U.S. Government Representatives (Appendix M).

15. Reporting Actual or Suspected Violations. Any suspected violations of Seatronics’ Export Compliance Program and/or applicable export control laws and regulations must be reported to Seatronics’ GCM, a Compliance Advocate, or the Acteon Compliance Helpline on +44 20 7939 8540. See further discussion in Review and Investigation of Known or Suspected Violations of Export Control Laws and Regulations (ECP 08).
Purchasing/Accounting
Export Compliance Procedure

SCOPE: This Export Compliance Procedure applies to the Purchasing/Accounting Department and all employees involved with setting up new vendors or customers, making payment to vendors, issuing invoices to Seatronics customers, and receiving/reviewing Letters of Credit and other forms of payment.

PROCEDURE:

1. New Vendor or Customer Screening. Before establishing a new vendor or customer, the Purchasing/Accounting Department will ensure that the individual or entity is not listed on any prohibited party lists. This can be accomplished by screening the individual or entity’s name and any other available identifying information against the published prohibited entities lists using Restricted Party Screening. See the Ad Hoc Restricted Party Screening Guidance Document (Appendix N-3) for guidance on conducting the screening.

If a screening returns what appears to be a “positive hit” or “red flag” during a prohibited parties screening, the Seatronics Group Compliance Manager (“GCM”), or a Compliance Advocate, should immediately be notified. The GCM or Compliance Advocate, or their designees, will be responsible for reviewing the screening result and making a final determination about whether the match is a true match or a false positive due to similarities between the information provided in the search criteria and the actual prohibited party. See Export Compliance Program Administration (ECP 01). The Purchasing/Accounting Department may not approve the new vendor or customer until the GCM or Compliance Advocate clears the vendor or customer.

2. Language for Purchase Orders. Include the following language in purchase orders and cross-hire requests issued by Seatronics:

CLASSIFICATION AND COUNTRY OF ORIGIN OF GOODS: For all items covered by this order, Seller agrees to provide to Buyer the export classification (United States Munitions List Category or Export Control Classification Number (ECCN)) under the export control laws and regulations of the seller’s office accepting this order and the country from which seller will ship the items covered by this order; the applicable Harmonized Tariff Schedule (HTS) code; and the applicable country of origin of the items.
Upon receipt of export classification information, HTS codes, and country of origin information from the supplier, send the information to the GCM, or designee, in order to update Seatronics’ classification database. Where the supplier does not provide this information, consult with the GCM and Operations Department (i.e., Sales Engineers and/or Logistics personnel) to determine whether it is required in order to make an export licensing determination or to complete export paperwork.

3. **Record Retention.** All documentation related to screening, export codes, and country of origin information (whether generated and supplied by Seatronics’ vendor or customer or by Seatronics) must be retained in accordance with the Export Compliance Recordkeeping Policy (ECP 07).

4. **Antiboycott Compliance.** In reviewing payment documents, including Letters of Credit, email correspondence or any other communications or correspondence with international customers or export shipping companies, be alert to any requests regarding not doing business with certain countries such as Israel, or requests to submit information about Seatronics’ business with Israeli companies, use of Israeli parts and components, or employment of Israeli nationals. Seatronics is prohibited from complying with such requests unless an interpretive exemption applies, and Seatronics may be obligated under many circumstances to report the receipt of such requests, even where Seatronics refuses to comply with the request. If any such requests are received, report them immediately to the Seatronics Group Compliance Manager. More information and examples of prohibited requests are available at [http://www.bis.doc.gov/complianceandenforcement/antiboycottcompliance.htm](http://www.bis.doc.gov/complianceandenforcement/antiboycottcompliance.htm).

5. **Reporting Contact from U.S. Government Representatives.** Any communications or visits from U.S. Government representatives must be reported to the GCM in accordance with Contact from U.S. Government Representatives (Appendix M).

6. **Reporting Actual or Suspected Violations.** Any suspected violations of the Seatronics Export Compliance Program and/or applicable export control laws and regulations must be reported to Seatronics’ GCM, a Compliance Advocate, or the Acteon Compliance Helpline on +44 20 7939 8540. See further discussion in Review and Investigation of Known or Suspected Violations of Export Control Laws and Regulations (ECP 08).
**SCOPE:** This Export Compliance Procedure applies to the Human Resources (“HR”) Department and all other employees who are responsible for the hiring of employees and contractors. This procedure pertains solely to U.S. export compliance requirements and helps to ensure that export control requirements are met for Seatronics employees, contract workers, temporary employees and/or interns.

**PROCEDURE:** In order to comply with U.S. export laws, HR is responsible for the following tasks within this area:

1. **Prohibited Parties Screening of Prospective Employees and Contract Workers.** Ensure that wages or other forms of compensation are not inadvertently paid, directly or indirectly, to an individual listed on the Specially Designated Nationals (“SDN”) List maintained by the U.S. Office of Foreign Assets Controls (“OFAC”) or other prohibited parties lists. All candidates for employment with Seatronics including full-time, part-time, temporary, intern, contractor or consultant, must be screened prior to employment or engagement. This can be accomplished by screening the candidate’s name and any other available identifying information against the published prohibited parties lists using Restricted Party Screening. See the *Ad Hoc Restricted Party Screening Guidance Document (Appendix N-3)* for guidance on conducting the screening.

   Whenever a screening returns what appears to be a “positive hit” or “red flag” during a prohibited parties screening, the Seatronics Group Compliance Manager (“GCM”) should be immediately notified, and will be responsible for reviewing the screening result and making a final determination about whether the match is a true match or a false positive due to similarities between the information provided in the search criteria and the actual prohibited party.

2. **Obtaining Certificates of Understanding.** The GCM or a Compliance Advocate will brief all new employees on the Export Compliance Program and have them complete a Certificate of Understanding. See Export Compliance Program Administration (ECP 01). HR will ensure these are obtained and will maintain them in the employee’s personnel folder.
3. **Training.** Ensure that employees complete export compliance training and maintain records of the dates of such training in the relevant employee personnel files. Maintain copies of the training materials where they can be accessed by all employees. Refer to Human Resources: Employee Training on Export Compliance (ECP 05).

4. **Building Access Control.** To limit potential access to export controlled products and technology, Seatronics HR is responsible for distributing building access key cards to Seatronics employees.

5. **Reporting Contact from U.S. Government Representatives.** Any communications or visits from U.S. Government representatives must be reported to the GCM in accordance with Contact from U.S. Government Representatives (Appendix M).

6. **Report Reporting Actual or Suspected Violations.** Any suspected violations of the Seatronics Export Compliance Program and/or applicable export control laws and regulations must be reported to Seatronics’ GCM, a Compliance Advocate, or the Acteon Compliance Helpline on +44 20 7939 8540. See further discussion in Review and Investigation of Known or Suspected Violations of Export Control Laws and Regulations (ECP 08).
SCOPE: This policy applies to the Group Compliance Manager (“GCM”), Compliance Advocates, and the Human Resources (“HR”) Department of Seatronics which is responsible for ensuring that employees complete export control education.

POLICY:

1. Mandatory Basic Export Compliance Training for New Employees. All new employees involved in export transactions will be required to complete mandatory export compliance training within 30 days of beginning employment. All employees must review the introductory training on U.S. export controls, as well as the training on the sections of the Export Compliance Program that are relevant to their job function, as specified in the Responsibilities Matrix. Completion of training will be documented by HR in the employees’ personnel files.

2. Department-Specific Training. The Seatronics GCM (or the Acteon Compliance Team, outside counsel, or consultants retained by the Seatronics GCM) will train employees significantly involved in business operations relevant to export compliance, including Base Managers, Sales Engineers, and Logistics personnel on an annual basis. These employees, in turn, will train other employees in their divisions on export compliance and be available as a resource on export compliance matters within their respective departments. Completion of training will be documented in employees’ personnel files. The records will include the training name, date, and training presenter.

3. Additional Annual Training for GCM. The GCM is to obtain outside training by attending at least one seminar focused on export compliance (of at least one day in duration) each year. Such seminars may include any U.S. BIS Export Compliance Seminar (see calendar of seminars at www.bis.doc.gov), or any export compliance seminar offered by a reputable third party company or trade association such as the American Association of Exporters and Importers (“AAEI”), International Trade Compliance Professionals Association (“ICPA”), or other such organizations. Completion of training will be documented in the GCM’s personnel file.
## Building Services & Security
### Export Compliance Procedure

<table>
<thead>
<tr>
<th>Effective Date:</th>
<th>01.01.2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last Updated:</td>
<td>01.07.2019</td>
</tr>
<tr>
<td>ECP 06</td>
<td></td>
</tr>
</tbody>
</table>

**SCOPE:** This Export Compliance Procedure applies to Seatronics personnel responsible for building services and security personnel. This procedure pertains solely to export compliance requirements.

**PROCEDURE:**

1. **Building Access.** Visitors may only gain access to the building through the front entrance. All other entrances should be restricted and accessible by employees only. If visitors are found attempting to enter through an entrance other than the main entrance, they must be re-directed and escorted to the reception area to be checked in and receive a visitor’s badge.

2. **Key Card Control.** The Seatronics Human Resource Manager, or designee, is responsible for distributing key cards to Seatronics employees where such systems are in use. See Human Resources: Export Compliance Procedure (ECP 04). Only authorized employees will have access to areas with export controlled products. Once employment with Seatronics has come to an end, the separating employee must return any key cards issued. Distribution of master keys should remain limited not only for security reasons, but also to limit potential access to export controlled products.

3. **Visitors.** All visitors are required to present identification and sign in upon arrival.

4. **Duty to Report Suspicious Activity.** All employees have a duty to immediately report any suspicious activity to Building Security.

5. **Reporting Contact from U.S. Government Representatives.** Any communications or visits from U.S. Government representatives must be reported to the GCM in accordance with Contact from U.S. Government Representatives (Appendix M).

6. **Reporting Actual or Suspected Violations.** Any suspected violations of the Seatronics Export Compliance Program and/or applicable export control laws and regulations must be reported to Seatronics’ GCM, a Compliance Advocate, or the Acteon Compliance Helpline on +44 20 7939 8540. See further discussion in Review and Investigation of Known or Suspected Violations of Export Control Laws and Regulations (ECP 08).
**SCOPE:** This Export Compliance Recordkeeping Policy applies to the Seatronics Group Compliance Manager ("GCM"), Compliance Advocates, Human Resources, Operations Personnel, and any other Seatronics employees involved in export transactions. This policy pertains solely to export compliance requirements.

**POLICY:**

1. The Seatronics GCM, Compliance Advocates, and other employees involved with international sales will maintain all quotations, export shipping documents, commercial documents, notes, and correspondence related to export shipments, export license applications, classification requests, commodity jurisdiction requests, or conducting self-classification of items for at least five years.

2. The GCM and Compliance Advocates will maintain all licenses and notes and correspondence pertaining to communication regarding license terms and conditions and provisions to the necessary personnel for at least five years.

3. The GCM and Compliance Advocates will maintain all records pertaining to antiboycott requests for at least five years.

4. The GCM and Compliance Advocates will maintain all notes, memoranda, and records pertaining to the use of license exceptions for at least five years.

5. The GCM and Compliance Advocates will maintain all records pertaining to exports under any license or authorization for at least five years from the expiration license, authorization, or other approval. Records must be available at all times for inspection by applicable government regulatory agencies.

6. The Seatronics HR Department will maintain detailed records of export compliance training offered and employees’ participation in them. For any in-house training sessions, HR will collect a list of names of attendees and maintain training attendance logs.

7. The GCM and Compliance Advocates will maintain all other records mandated by applicable regulations that are not maintained by any other department or division of the organization.
SUMMARY OF DOCUMENTS:

- Export licenses and authorizations
- Application for license/authorization and any and all documents submitted therewith, including notification from BIS or DDTC of an application returned without action
- AES filings
- Air Waybill, Bill of Lading or other transportation document and any and all documents prepared and submitted in connection with the export
- Antiboycott related requests and information submitted to the government regarding such a request
- CCATS Classification requests and related communications with/from the government
- Commodity Jurisdiction requests and related communications with/from the government
- Memoranda, notes, and correspondence related to export transactions, including transactions under a license exception
- Contracts
- Packing lists
- Order confirmations
- Purchase orders
- Training material and sign-in sheets, or other records evidencing training

Any other documents or communications related to any export, reexport, or transfer transactions.
**Review and Investigation of Known or Suspected Violations**

**SCOPE:** This policy applies to all Seatronics employees, the Seatronics Group Managing Director, and any designated internal investigation officials.

**POLICY:**

1. **Obligation to Report.** Seatronics requires its employees to report immediately any suspected or actual violations of applicable export control laws and regulations. To encourage reporting, Seatronics allows its employees to submit information on suspected or actual violations of export control laws and regulations anonymously through the Acteon Compliance Helpline on +44 20 7939 8540. Additionally, employees may report any suspected or actual violations to the Group Compliance Manager (“GCM”) or a Compliance Advocate. Failure to report a known violation of export control laws and regulations may result in disciplinary action, up to and including termination of employment.

2. **GCM and Compliance Advocate Responsibility.** When a suspected or actual violation of export control laws and regulations is reported to or identified by Seatronics’ GCM or a Compliance Advocate, they shall immediately report the alleged violation to the Seatronics Group Managing Director.

**PROCEDURE:**

1. **Review of alleged violation.** The Seatronics Group Managing Director will assign an appropriate internal or external investigating official in connection with the report of an alleged violation. If the GCM is implicated in a possible violation, the GCM shall not be assigned to conduct the investigation. Outside counsel may be retained to conduct the investigation. The assigned investigator will: (a) conduct initial interviews of all Seatronics employees who may have information about the alleged violation to gather sufficient information to make a recommendation to Seatronics Group Managing Director regarding whether the alleged activity preliminarily appears to constitute a violation of export control laws and regulations; (b) determine whether additional investigation is warranted; and (c) determine if the matter should be the subject of a voluntary disclosure. Careful consideration should be given to retaining outside legal counsel to provide an independent review and to cloak the findings of the internal investigation with the attorney-client privilege and attorney work product exclusions and to receive specialized guidance on the export laws at issue.
2. Reports of findings

A. No violation identified. If it is determined that no violation of export control laws and regulations has occurred, the assigned investigator shall prepare a report detailing the findings of the investigation and, if applicable and not anonymously reported, notify the Seatronics employee who reported the violation of the outcome of the investigation.

B. Violation identified. If it is determined that a violation of applicable export control laws and regulations has occurred, the assigned investigator shall immediately inform Seatronics’ Group Managing Director and provide a summary of the internal or external investigation as soon as it is completed. If applicable, the Seatronics employee who reported the violation will be advised that the alleged violation is being investigated and, if deemed appropriate by the Group Managing Director, will be provided with an oral summary of the findings.

3. Voluntary disclosure. Seatronics’ Group Managing Director, in consultation with the investigator and the GCM (if appropriate), shall determine whether an alleged violation warrants the filing of a voluntary disclosure to the relevant government agency.

Violations of U.S. Export Control Laws and Regulations: For voluntary disclosures of violations of the ITAR, Seatronics will refer to 22 CFR § 127.12. For voluntary self-disclosures of violations of the EAR, Seatronics will refer to 15 CFR §§ 764.4 and 764.5. For voluntary self-disclosures of violations of the regulations administered by OFAC, Seatronics will refer to 31 CFR Part 501 Appendix A.

4. Remedial Measures. Upon the detection of any violation of export control laws and regulations, the GCM shall, after consultation with the Group Managing Director, other senior management, and, if engaged, outside legal counsel: (a) identify remedial measures, including training, publication, or revised procedures, and ensure that such remedial measures are implemented; and (b) review this Seatronics Export Compliance Program and training materials and, if necessary, update the materials to prevent similar violations from occurring in the future.

5. Disciplinary Actions. Seatronics employees who violate export control laws and regulations and/or Seatronics’ Export Compliance Program may be subject to disciplinary action, up to and including termination, in addition to substantial civil and criminal penalties, including imprisonment for intentional/knowing violations, which may be imposed by the applicable government.
SCOPE: These guidelines outline the quarterly Post-Export Audit Review Procedures that Seatronics, Inc. ("Seatronics") will follow to review compliance with U.S. export control laws and regulations on exports made from the U.S. Note that this procedure only applies to exports from the United States. Seatronics offices outside the U.S. will use the Post Reexport Audit (Non-U.S. Offices) Export Compliance Procedure (ECP 10). Seatronics will use reasonable care and conduct regular reviews of AES data and other records, including shipping and commercial documents and U.S. export authorizations, to ensure compliance with U.S. export control laws and regulations, as well as licenses or other export authorizations issued to Seatronics, for all Seatronics export transactions.

RESPONSIBLE PARTIES:
The Group Compliance Manager ("GCM") is primarily responsible for the Post-Export Audit Process using the following guidelines. However, for transactions where the GCM facilitates daily export compliance, he should not conduct the Post-Export Audit to ensure that there is a proper segregation of duties and independence in conducting the review. The person responsible for conducting the review, whether the Group Compliance Manager, a Compliance Advocate, or a designated third party is hereafter referred to as the “Designated Reviewer”.

GUIDELINES:

Section 1 – Procedures and Controls for Annual Risk Assessment:

On an annual basis, the Group Compliance Manager will conduct a Risk Assessment of Seatronics’ export activity to use as a basis for selecting targeted sample items for the quarterly Post-Export Audit.

A. The Group Compliance Manager will obtain, at a minimum, the prior year’s export activity for Seatronics by downloading the AES data from the Customs Automated Commercial Environment (ACE) system.

B. The Group Compliance Manager will analyze the AES Data to identify potential risks in the data, including, but not limited to:

- Shipments to a country generally requiring a license for Seatronics’ controlled products where License Code C33 (No License Required) is used.
• Shipments where the ultimate consignee address is located in Canada, Mexico, Panama, Hong Kong, Belgium, United Arab Emirates, the Netherlands, or Singapore. Per 15 C.F.R. § 30.6(a)(5)(ii), “special care should be exercised before reporting these countries as the ultimate destination, since these are countries through which goods from the United States are frequently transshipped.”

• Shipments with a high value.

• Shipments where a freight forwarder is listed as the ultimate consignee.

• Shipments involving a freight forwarder that is not commonly used by Seatronics.

• Shipments where a license or license exception is used.

C. The Group Compliance Manager will document the results of the risk analysis, which will be used in selecting the targeted Post-Export Review samples identified in Section 2 below.

**Section 2 – Procedures and Controls for Quarterly Post-Export Audit:**

A. On a quarterly basis, the Group Compliance Manager will oversee the Post-Export Audit of Seatronics exports in the manner and to the extent described in this Section 2. As a best practice, the review should be conducted approximately 30-60 days after the close of the period to be audited to ensure that all necessary documents are available for review. The purpose of the audit is to ensure compliance with U.S. export control laws and regulations; to verify that necessary licenses and authorizations have been obtained; to verify that license conditions and provisos are complied with; to ensure compliance with the Seatronics Export Compliance Program; and to verify the accuracy of AES data and related documentation used to export goods. The Group Compliance Manager and Designated Reviewer will be responsible for reporting any violations identified from the audit in compliance with [Review and Investigation of Known or Suspected Violations of Export Control Laws and Regulations (ECP 08)] and ensuring appropriate action is taken to correct any errors in the AES data.

B. The documents for review may include, but are not limited to:

- Commercial Invoice
- Purchase Order
- Packing list
- EEI Filing
- Transportation documents (e.g., air waybill, bill of lading)
- Export Authorization Request Form
- Export licenses and authorizations

C. The Designated Reviewer will undertake a review of a sample set of export transactions representing a combination of targeted (risk-based) and randomly selected AES filings to ensure their accuracy and completeness.

1. The Designated Reviewer will select a sample of all AES filings for review of the three months of the calendar quarter. The Designated Reviewer will ensure that EEI filed by ALL Forwarding Agents are part of the universe for sampling using ACE or Census data.
2. The sample will consist of a minimum of 25 shipments during the period under review (or all shipments if less than 25 occurred in the auditable period). If the review reveals significant compliance problems, the Designated Reviewer will undertake a review of an expanded sample size of entries based on the type or pattern of compliance problems identified.

   i. At least 20 of the sample items should be targeted for the specific risk factors identified in Section 1.B.
   ii. At least 5 sample items should be selected randomly from a listing of all hire contracts, sales contracts, and inter-depot transfers occurring during the quarter, using a random number generator, such as EZ-Quant.

D. Shipping and commercial documents (i.e., the invoice, packing list, air waybill or bill of lading, and other documentation used when exporting goods) will be reviewed for accuracy according to the Post-Export Audit Review Parameters – Section 3. The findings of the export review will be recorded in Seatronics’ Post-Export Audit Spreadsheet.

E. Any incorrect statements, material errors, or omissions found during the review process will be analyzed to determine the appropriate corrective action necessary to address the error and prevent recurrence of the error in the future. In addition, depending on the significance of the error identified, the Designated Reviewer should consider expanding the review to other exports to identify the scope of the error. Further, the Designated Reviewer should report any identified violations in accordance with Review and Investigation of Known or Suspected Violations of Export Control Laws and Regulations (ECP 08).

F. Any errors found in the Post-Export review should be documented in the Post-Export Audit Spreadsheet, and the findings of the review and remedies undertaken will be documented and maintained by the Group Compliance Manager in accordance with Export Compliance Recordkeeping Policy (ECP 07).

Section 3 – Post-Export Audit Review Parameters

A. The quarterly audit consists of the questions outlined below that evaluate various export compliance areas subject to review. The Post Export Audit Spreadsheet must be completed by answering the questions below for each sample selected.

B. The Designated Reviewer must complete the review within 30 days.

C. If the audit for a specified transaction cannot be completed because the review requires a determination as to whether the equipment item(s) returned within one year, or other applicable factors, that transaction must be marked in the spreadsheet and reviewed at the end of the quarter when the items return.

D. Instructions:

1. Obtain the export data from the prior calendar quarter from Seatronics’ ACE Portal.

2. Select at least 25 individual export shipments from the data based on the identified risk factors and 5 random contract files for review.
3. Obtain all shipping and commercial documents detailed in Section 2.B above related to the transactions that are selected for review.

4. Review all open items from the prior quarter’s audit to ensure all have been resolved. Close out any items that are still open.

5. Review all items where a question was marked “HOLD” in a prior audit to determine whether the item has returned and whether the audit for that item can be finalized.

6. Using the Post-Export Audit Spreadsheet, complete each of the questions below.

   **Question 1 – Recordkeeping**
   - **Question** – Are all records required for review of the transaction including the Export Authorization Request Form available and maintained in the appropriate location? (Yes/No)
   - **Testing** – Verify that the applicable documents listed in the Export Compliance Recordkeeping Policy (ECP 07) are available for review and stored in the designated location.
   - **Error** – If the documents are not available or not stored in the appropriate location, answer “No” to Question 1 and explain the error in the “Comments.” Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 4 below. If all documents are available and appropriately maintained, answer “Yes.”
   - **Action** – Contact the appropriate party to locate the documents and ensure they are stored in the appropriate location. Brief the GCM on the recordkeeping errors and send reminder to appropriate parties regarding recordkeeping requirements.

   **Question 2 – Classification Information**
   - **Question** – Were the export classifications and countries of origin recorded correctly for all exported items on the commercial invoice or other applicable transportation document? (Yes/No)
   - **Testing** – Compare the country of origin and export classification listed on the Commercial Invoice with the country of origin and export classification listed in the Seatronics Master Classifications Spreadsheet.
   - **Error** – If the required information is not on the commercial invoice or other applicable transportation document or if the information is not available in the Seatronics Master Classifications Spreadsheet, answer “No” to Question 2, and record any pertinent information in the “Comments” field. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 4 below. If the classification information was appropriately documented and maintained, answer “Yes.”
   - **Action** – Verify that the personnel responsible for preparing the required documents have received appropriate guidance on completing these forms. Ensure the Seatronics Master Classification Database is updated with the appropriate information. Inquire with the Operations Department as to any other possible source for the error, and remedy as necessary.
Question 3 – End-User Statement

- **Question** – Does the file contain a completed End-User Statement that accurately lists the end-user and country of ultimate destination? (Yes/No)

- **Testing** – Review all documents and determine the end-user and ultimate destination. For any exports of EAR or ITAR-controlled items, ensure that a completed, signed End-User Statement is on file and has been fully and properly completed in accordance with End-User Statement and Customer Purchase Order Review (ECP N-5).

- **Error** – If the export contained EAR or ITAR-controlled items and an End-User Statement is not contained within the file or if there is an error in the completed End-User Statement, answer “No” to Question 3 and explain the error in the “Comments.” Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 4 below.

- **Action** – Verify that the personnel responsible for obtaining the required documents have received appropriate guidance on obtaining and reviewing this form.

Question 4 – Prohibited Parties Screening

- **Question** – Was a prohibited parties screening conducted prior to the shipment? (Yes/No)

- **Testing** – Identify all parties involved in the transaction that are not related entities, and confirm with Purchasing/Accounting that the parties have been screened in Restricted Party Screening.

- **Error** – If there is no record of screening results for all parties involved, answer “No” to Question 4. Record the parties who were not screened in the “Comments” field. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 4 below. If all necessary parties were correctly screened, mark “Yes.”

- **Action** - Conduct a screening of all involved parties who were not screened and record the results of this screening in the “Comments” field. Ensure the relevant personnel have guidance regarding the parties that require screening.

Question 5 – Sanctioned Country Diversion Risks

- **Question** – Is there any evidence indicating that the customer took Seatronics-supplied equipment to a sanctioned country (i.e., Cuba, Iran, Syria, Sudan, or North Korea)? (Yes/No)

- **Testing** – Review the contract file for any evidence of a shipment to a sanctioned country. During the review of contract files, please do the following:
  
  i. Read all documents, looking for any evidence of shipments of equipment to a sanctioned country.
  ii. If there is a reference to a location, oil field, or company with which you are not familiar, conduct internet research to determine whether it may be associated with a sanctioned country.
iii. If there is discussion of delivery to a vessel, conduct internet research for any possible connections to a sanctioned country. Also, visit www.marinetraffic.com to determine if the vessel’s current location or last port of call was in a sanctioned country.

- **Guidance** – BIS maintains a list of “red flag” indicators on its website at http://www.bis.doc.gov/index.php/enforcement/oee/compliance/23-compliance-a-training/51-red-flag-indicators. Some of these “red flag” indicators are helpful with identifying potential diversions to a sanctioned country.

- **Error** - If you identify any indications that a shipment to a sanctioned country occurred, answer “Yes” to Question 5 and document your findings in the “Comments” field. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 4 below.

- **Action** – Notify the GCM or other appropriate party to investigate the transaction in accordance with Review and Investigation of Known or Suspected Violations (ECP 08).

**Question 6 – Export Authorization Request Form**

- **Question** – Was export shipping checklist completed and signed? the **Export Authorization Request Form** completed? (Yes/No)

- **Testing** – Review the Export Authorization Request Form and the documents associated with the transaction to verify that the necessary information was provided in the form for review and that the review of the materials was conducted by the GCM, or appropriate designee.

- **Error** – If information is missing and/or the GCM, or designee, did not conduct a review of the information to make a licensing determination, answer “No” to Question 6, and in the “Comments” field provide a brief description of the error. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 4 below. If the form was properly completed and reviewed by all relevant parties, answer “Yes.”

- **Action** – If the form was not properly completed, consult with the parties involved to ensure it is properly completed for future exports. Verify in Question 7 that an unlicensed shipment did not occur based on incorrect/incomplete information provided in the **Export Authorization Request Form**.

**Question 7 – Export Authorization**

- **Question** – Were all items in the shipment exported (or delivered to a vessel) with the appropriate authorization (*i.e.* either no license required, under an existing license, or available license exception)? (Yes/No)

- **Testing** – Based on the classification information identified for Question 2 and the ultimate destination of the items, determine whether a license was required to export the items to the destination. Review the License Application Review Flowchart (Appendix C) to determine whether a license was required, and if so, whether a license was in place or a license exception was available.
• **Error** - If a license was required and not obtained and no license exception was available, answer “No” to Question 7, and in the “Comments” field provide a brief description of the error. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 4 below. If no license was required, a license was in place, or a license exception was relied on, mark “Yes.”

• **Action** – If a license was required and not obtained, notify the GCM or other appropriate party to investigate the transaction in accordance with Review and Investigation of Known or Suspected Violations (ECP 08).

**Question 8 – License/License Exception Terms & Conditions**

• **Question** – If the export required a license or a license exception was relied on, did Seatronics obtain a license and properly adhere to the terms of that license or comply with the terms of the license exception? (Yes / No / N/A / HOLD)

• **Testing** – Review the applicable license or license exception terms and conditions to verify requirements were met. Note: If an item was exported under License Exception TMP, and the item has not returned, mark “HOLD” and revisit the transaction during the first audit where the item has returned in order to verify whether the License Exception conditions were met.

• **Error** - If Seatronics did not comply with the terms of a license or license condition, answer “No” to Question 8, and in the “Comments” field record any pertinent information related to this error. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 4 below. Answer “Yes” if there were no errors. Answer “N/A” if no license was required and no license exceptions were relied on.

• **Action** – If terms and conditions were not complied with, notify the GCM or other appropriate party to investigate the transaction in accordance with Review and Investigation of Known or Suspected Violations (ECP 08).

**Question 9 – AES Data**

• **Question** – Was export data properly reported in the Automated Export System? (Yes/No)

• **Testing** – Review the following data:
  o **License Code**: Review the license code listed in the AES, and based on the information reviewed for the previous questions, determine the proper license code for the export.
  o **Guidance** – Common license codes used by Seatronics include C33 (No License Required), C30 (licensed shipment), and C40 (License Exception TMP). A complete list of licensing codes is available at [http://aesdirect.census.gov/support/tables/lic.txt](http://aesdirect.census.gov/support/tables/lic.txt).
  o **ECCN**: Review the ECCNs listed in the AES, and based on the information reviewed in Question 2, determine whether the proper ECCNs were provided.
  o **Other Data**: Review the additional data provided in AES to ensure it reflects the facts of the transaction.
• **Error** - If data was not reported correctly, answer “No” to Question 9, and record any pertinent information in the “Comments” field. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 4 below. Answer “Yes” if all data was correctly reported.

• **Action** – File an amendment to the AES entry to reflect the appropriate information, and work with the Logistics Department to ensure they understand the requirements.

**Section 4 – Procedures and Controls for Errors Identified in Post-Export Audit**

A. If errors are identified during the Post-Export Audit, the following fields in Seatronics’ **Post-Export Audit Spreadsheet** must be completed:

• **Comments** – In the “Comments” field, record information pertaining to the specific details of the error.

• **Action** – In the “Action” field, record either the action that will be taken to report such error(s) to the relevant governing body; or when appropriate, the reason no action will be taken.

• **Resolution** – In the “Resolution” field, record the procedural change(s) that will be implemented to prevent recurrence of the error.

• **Date Resolved** – In the “Date Resolved” field, record the date that the procedural change(s) in the “resolution” field went into effect.

B. If a question cannot be answered at the time of the Post-Export Audit or if resolution of an error has not yet taken place, the item should be left blank to be reported as pending.

C. Unresolved errors and pending questions from prior quarters should be reevaluated each quarter to determine if the question or resolution has been or can be completed.
SCOPE: These guidelines outline the quarterly Post-Reexport/ Export Audit Procedures that Seatronics Group (“Seatronics”) offices outside of the U.S. will follow to ensure that exports/ reexports of equipment subject to local and U.S. export controls are compliant with local and U.S. export control laws and regulations. Note that this procedure only applies to exports/ reexports outside of the U.S. Seatronics, Inc. will use Post-Export Audit Export Compliance Procedure (ECP 09). Seatronics will use reasonable care and conduct regular reviews records, including shipping and commercial documents, applicable export licenses and U.S. reexport authorizations, to ensure compliance with local and U.S. export control laws and regulations for all exports/ reexports by Seatronics.

RESPONSIBLE PARTIES:

The Group Compliance Manager (“GCM”) is primarily responsible for overseeing the Post-Reexport/ Export Audit Procedure. However, where the Group Compliance Manager facilitates daily export compliance, he should not conduct the Post-Reexport/ Export Audit to ensure that there is a proper segregation of duties and independence in conducting the review. Rather, an employee designated by the Group Compliance Manager should conduct the review. The person responsible for conducting the review, whether the Group Compliance Manager, a Compliance Advocate, or a designated third party is hereafter referred to as the “Designated Reviewer”.

GUIDELINES:

Section 1 – Procedures and Controls for Quarterly Post-Reexport/ Export Audit:

A. On a quarterly basis, the GCM will oversee the Post-Reexport/ Export Audit of Seatronics exports/ reexports. As a best practice, the review should be conducted approximately 30-60 days after the close of the period to be audited to ensure that all necessary documents are available for review. The purpose of the audit is to ensure compliance with local and U.S. export control laws and regulations; to verify that necessary licenses and authorizations have been obtained; to verify that license conditions and provisos are complied with; to ensure compliance with the Seatronics Export Compliance Program; and to verify the accuracy of related documentation used to export goods. The GCM or designee will be responsible for reporting any violations identified from the audit in compliance with Review and Investigation of Known or Suspected Violations of Export Control Laws and Regulations (ECP 08) and ensuring appropriate action is taken to correct any errors in the export data.
B. The documents for review include, but are not limited to:
   - Commercial invoice
   - Purchase Order
   - Packing list
   - Transportation documents (e.g., air waybill, ocean bill of lading)
   - Export Authorization Request Form
   - Export licenses and authorizations

C. The Designated Reviewer will review the greater of 5 export transactions (or all exports if less than 5) or 50% of export transactions per quarter.

D. Shipping and commercial documents (i.e., the invoice, packing list, air waybill or bill of lading, and other documentation used when exporting goods) will be reviewed for accuracy according to the Post-Reexport/Export Audit Review Parameters – Section 2. Additionally, the Export Compliance Checklist will be reviewed to ensure it was accurately completed. The findings of the export review will be recorded in Seatronics’ Post-Reexport/Export Audit Spreadsheet.

E. Any incorrect statements, material errors, or omissions found during the review process will be analyzed to determine the appropriate corrective action necessary to address the error and to prevent recurrence of the error in the future. In addition, depending on the significance of the error identified, the Designated Reviewer should consider expanding the review to other exports to identify the scope of the error. Further, the Designated Reviewer should report any identified violations in accordance with Review and Investigation of Known or Suspected Violations of Export Control Laws and Regulations (ECP 08).

F. Any errors found during the Post-Reexport/Export review should be documented in the Post-Export/Export Audit Spreadsheet, and the findings of the review and remedies undertaken will be documented and maintained by the GCM in accordance with the Export Compliance Recordkeeping Policy (ECP 07).

Section 2 – Post-Reexport/Export Audit Review Parameters

A. The quarterly audit consists of the questions outlined below that evaluate various export compliance areas subject to review. The Post-Reexport/Export Audit Spreadsheet must be completed by answering the questions below for each sample selected.

B. The Designated Reviewer must complete the review within of 30 days of commencing the audit.

C. If the audit for a specified transaction cannot be completed because the review requires a determination as to whether the equipment item(s) returned within one year, whether a license was properly decremented, or other applicable factors, that transaction must be marked in the spreadsheet and reviewed at the end of the quarter when the items return.

D. Instructions:
   1. Identify all reexports of U.S.-origin goods and deliveries of U.S.-origin items including equipment with an MT reason for control.
2. Obtain all shipping and commercial documents detailed in Section 1.B above related to the transactions that will be reviewed.

3. Review all open items from the prior quarter’s audit to ensure all have been resolved. Close out any items that are still open.

4. Review all items where a question was marked “HOLD” in a prior audit to determine whether the item has returned and whether the audit for that item can be finalized.

5. Using the Post-Reexport/ Export Audit Spreadsheet, complete each of the questions below.

**Question 1 – Recordkeeping**

- **Question** – Are all records required for review of the transaction including the Export Authorization Request Form available and maintained in the appropriate location? (Yes/No)

- **Testing** – Verify that the applicable documents listed in the Export Compliance Recordkeeping Policy (ECP 07) are available for review and stored in the designated location.

- **Error** – If the documents are not available or not stored in the appropriate location, answer “No” to Question 1 and explain the error in the “Comments.” Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 3 below. If all documents are available and appropriately maintained, answer “Yes.”

- **Action** – Contact the appropriate party to locate the documents and ensure they are stored in the appropriate location. Brief the GCM on the recordkeeping errors and send reminder to appropriate parties regarding recordkeeping requirements.

**Question 2 – Classification Information**

- **Question** – Were the export classifications and countries of origin recorded correctly for all exported items on the commercial invoice or other applicable transportation document? (Yes/No)

- **Testing** – Compare the country of origin and export classification listed on the Commercial Invoice with the country of origin and export classification listed in the Seatronics Master Classifications Spreadsheet.

- **Error** – If the required information is not on the commercial invoice or other applicable transportation document or if the information is not available in the Seatronics Master Classifications Spreadsheet, answer “No” to Question 2, and in the in the “Comments” field record any pertinent information. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 3 below. If the classification information was appropriately documented and maintained, answer “Yes.”

- **Action** – Verify that the personnel responsible for preparing the required documents have received appropriate guidance on completing these forms. Ensure the Seatronics Master Classification
Database is updated with the appropriate information. Inquire with the Operations Department as to any other possible source for the error, and remedy as necessary.

**Question 3 – End-User Statement**

- **Question** – Does the file contain an End-User Statement that accurately lists the end-user and country of ultimate destination? (Yes/No)

- **Testing** – Review all documents and determine the end-user and country of ultimate destination. For any exports of EAR or ITAR-controlled items, ensure that a completed, signed End-User Statement is on file and has been fully and properly completed in accordance with End-User Statement and Customer Purchase Order Review (ECP N-5).

- **Error** – If the export contained EAR or ITAR-controlled items and an End-User Statement is not contained within the file or if there is an error in the completed End-User Statement, answer “No” to Question 3 and explain the error in the “Comments.” Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 3 below.

- **Action** – Verify that the personnel responsible for obtaining the required documents have received appropriate guidance on obtaining and reviewing this form.

**Question 4 – Prohibited Parties Screening**

- **Question** – Was a prohibited parties screening conducted prior to the shipment? (Yes/No)

- **Testing** – Identify all parties involved in the transaction that are not related entities, and confirm with Purchasing/Accounting that the parties have been screened in Restricted Party Screening.

- **Error** – If there is no record of screening results for all parties involved, answer “No” to Question 4. Record the parties who were not screened in the “Comments” field. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 3 below. If all necessary parties were correctly screened, mark “Yes.”

- **Action** - Conduct a screening of all involved parties who were not screened and record the results of this screening in the “Comments” field. Ensure the relevant personnel have guidance regarding the parties that require screening.

**Question 5 – Sanctioned Country Diversion Risks**

- **Question** – Is there any evidence indicating that the customer took Seatronics-supplied equipment to a sanctioned country (i.e., Cuba, Iran, Syria, Sudan, or North Korea)? (Yes/No)
**Testing** – Review the contract file for any evidence of a shipment to a sanctioned country. During the review of contract files, please do the following:

i. Read all documents, looking for any evidence of shipments of equipment to a sanctioned country.

ii. If there is a reference to a location, oil field, or company with which you are not familiar, conduct internet research to determine whether it may be associated with a sanctioned country.

iii. If there is discussion of delivery to a vessel, conduct internet research for any possible connections to a sanctioned country. Also, visit [www.marinetraffic.com](http://www.marinetraffic.com) to determine if the vessel’s current location or last port of call was in a sanctioned country.


**Error** - If you identify any indications that a shipment to a sanctioned country occurred, answer “Yes” to Question 5 and document your findings in the “Comments” field. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 3 below.

**Action** – Notify the GCM or other appropriate party to investigate the transaction in accordance with Review and Investigation of Known or Suspected Violations (ECP 08).

**Question 6 – Export Authorization Request Form**

- **Question** – Was the **Export Authorization Request Form** completed? (Yes/No)

- **Testing** – Review the **Export Authorization Request Form** and the documents associated with the transaction to verify that the necessary information was provided in the form for review and that the review of the materials was conducted by the GCM, or appropriate designee.

- **Error** – If information is missing and/or the GCM, or designee, did not conduct a review of the information to make a licensing determination, answer “No” to Question 6, and in the “Comments” field provide a brief description of the error. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 3 below. If the form was properly completed and reviewed by all relevant parties, answer “Yes.”

- **Action** – If the form was not properly completed, consult with the parties involved to ensure it is properly completed for future exports. Verify in Question 7 that an unlicensed shipment did not occur based on incorrect/incomplete information provided in the **Export Authorization Request Form**.

**Question 7 – Export Authorization**
• **Question** – Were all items in the shipment reexported (or delivered to a vessel) with the appropriate authorization (i.e. either no license required, under an existing license, or available license exception)? (Yes/No)

• **Testing** – Based on the classification information identified for Question 2 and the ultimate destination of the items, determine whether a license was required to export the items to the destination. Review the License Application Review Flowchart (Appendix C) to determine whether a license was required, and if so, whether a license was in place or a license exception was available.

• **Error** - If a license was required and not obtained and no license exception was available, answer “No” to Question 7, and provide a brief description of the error in the “Comments” field. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 3 below. If no license was required, a license was in place, or a license exception was relied on, mark “Yes.”

• **Action** – If a license was required and not obtained, notify the GCM or other appropriate party to investigate the transaction in accordance with Review and Investigation of Known or Suspected Violations (ECP 08).

**Question 8 – License/License Exception Terms & Conditions**

• **Question** – If the reexport required a license or a license exception was relied on, did Seatronics obtain a license and properly adhere to the terms of that license or comply with the terms of the license exception? (Yes / No / N/A / HOLD)

• **Testing** – Review the applicable license or license exception terms and conditions to verify requirements were met. Note: If an item was exported under License Exception TMP, and the item has not returned, mark “HOLD” and revisit the transaction during the first audit where the item has returned in order to verify whether the License Exception conditions were met.

• **Error** - If Seatronics did not comply with the terms of a license or license condition, answer “No” to Question 8, and in the “Comments” field record any pertinent information related to this error. Complete the “Action,” “Resolution,” and “Date Resolved” fields as described in Section 4 below. Answer “Yes” if there were no errors. Answer “N/A” if no license was required and no license exceptions were relied on.

• **Action** – If terms and conditions were not complied with, notify the GCM or other appropriate party to investigate the transaction in accordance with Review and Investigation of Known or Suspected Violations (ECP 08).

**Section 3 – Procedures and Controls for Errors Identified in Post-Export Audit**

A. If errors are identified during the Post-Export Audit, the following fields in Seatronics Post-Reexport/ Export Audit Spreadsheet must be completed:

• **Comments** – In the “Comments” field, record information pertaining to the specific details of the error.
• **Action** – In the “Action” field, record either the action that will be taken to report such error(s) to the relevant governing body; or when appropriate, the reason no action will be taken.

• **Resolution** – In the “Resolution” field, record the procedural change(s) that will be implemented to prevent reoccurrence of the error.

• **Date Resolved** – In the “Date Resolved” field, record the date that the procedural change(s) in the “resolution” field went into effect.

B. If a question cannot be answered at the time of the Post-Export Audit or if resolution of an error has not yet taken place, the item should be left blank to be reported as pending.

C. Unresolved errors and pending questions from prior quarters should be reevaluated each quarter to determine if the question or resolution has been or can be completed.
APPENDIX A
Certificate of Understanding

This certifies that I, ______________________________, have received the Seatronics Group Managing Director’s “Export Compliance Policy and Management Commitment Statement.” I further understand that it is my responsibility to comply with this “statement” and the applicable policies/procedures at all times. If I have questions about the Export Compliance Program or if I am uncertain on how to resolve an issue involving export control laws and regulations, I will contact the Group Compliance Manager or a Compliance Advocate for resolution.

Signature

_______________________________

Date

_______________________________
APPENDIX B
# EXPORT COMPLIANCE CHECKLIST

**Instructions:**
This information is required to assure all applicable compliance checks have been performed prior to export shipment. Operations Personnel complete Export Compliance Checklist for every export shipment. The process flowcharts may vary to a certain degree at different Seatronics sites however the principles of compliance checks will remain equivalent and will consist as a minimum of below assurances:

<table>
<thead>
<tr>
<th>Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted Party Screening has been performed and given a proceed result.</td>
</tr>
<tr>
<td>A completed End User Statement has been received and checked.</td>
</tr>
<tr>
<td>The items can be legally exported to the Intermediate and/or Ultimate Destination Countries and do not constitute a breach or violation of any applicable Sanctions.</td>
</tr>
<tr>
<td>As applicable:</td>
</tr>
<tr>
<td>• The relevant export license is in place; or</td>
</tr>
<tr>
<td>• The relevant exception/exemption is in place; or</td>
</tr>
<tr>
<td>• No license is required.</td>
</tr>
<tr>
<td>If required, the customer has signed off on and been notified of applicable license conditions.</td>
</tr>
</tbody>
</table>

**NOTE:** Export shipments may not leave the Seatronics warehouse without the compliance checks performed and signed by the operational personnel.

Additionally, the following documents **must** be attached to the complete shipping/project file for rentals or sales to customer:
- Sales quote;
- Order confirmation listing fair market value of equipment to be exported;
- Emails with customer related to this transaction; and
- Completed End User Statement.

The compliance checks must also be completed for Inter-Depot Transfers. The receiving depot must provide the exporting depot with sufficient information to complete it in a satisfactory manner.

Refer to local process map and relevant control documents at the respective Seatronics site.
APPENDIX C

End-User Statements

C-1: “Positive” End-User Statement [SGFT099]

C-2: “Negative” End-User Statement [SGFT098]

C-3: Blanket Annual End-User Statement [SGFT093]
For Exports of any items subject to the U.S. Export Administration Regulations, include the following statement on at least one shipping document that will accompany the export shipment, including the Commercial Invoice or Pro Forma Invoice, the Packing List, or the Bill of Lading or Air Waybill:

“These items are controlled by the U.S. Government and authorized for export only to the country of ultimate destination for use by the ultimate consignee or end-user(s) herein identified. They may not be resold, transferred, or otherwise disposed of, to any other country or to any person other than the authorized ultimate consignee or end-user(s), either in their original form or after being incorporated into other items, without first obtaining approval from the U.S. government or as otherwise authorized by U.S. law and regulations.”
APPENDIX E

[reserved]
APPENDIX F
To: U.S. Freight Forwarder  
From: Seatronics, Inc.  
Subject: Shipper’s Letter of Instructions for Routed Export

Notice to U.S. Freight Forwarder: This is a routed export shipment. As such, we are not the exporter for purposes of the U.S. Export Administration Regulations (EAR) (found at 15 C.F.R. Part 730 et. seq.); however, as the U.S. Principal Party in Interest (USPPI) under the Foreign Trade Regulations (FTR) (found at 15 C.F.R. Part 30), we hereby provide you with the following information pursuant to 15 C.F.R. § 30.3(e)(1)(i) – (xii). We request that you provide us with the data elements in Section 30.3(e)(1)(i) – (xii) of the Foreign Trade Regulations as submitted through AES. You are required to provide this to us pursuant to 15 C.F.R. § 30.3(e)(2) and we look forward to receiving a copy within 10 days of submission through AES.

1) Name and Address:

2) EIN:

3) U.S. State of Origin:

4) FTZ, if applicable:

5) Origin of Goods: Domestic (D) or Foreign (F):

6) Commercial Description of Commodities:

7) Commodity Classification No.:
   - HTSUS or Schedule B Code:

8) Export classification of all items to be exported with this shipment (reference any additional attached pages):
<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>9)</td>
<td>Quantities/Units of Measure:</td>
</tr>
<tr>
<td>10)</td>
<td>Value:</td>
</tr>
<tr>
<td>11)</td>
<td>Export License No., if applicable:</td>
</tr>
<tr>
<td>12)</td>
<td>License Exception or License Exemption, if applicable.</td>
</tr>
</tbody>
</table>

Signature: ________________________________

Name and Title: ________________________________

Seatronics, Inc.

Date: ________________________________
APPENDIX G
FREIGHT FORWARDER VETTING QUESTIONS

1. Does your company have its own international trade and anti-bribery (e.g., FCPA) compliance policy/procedures in place?

2. If so, does it cover the following topics:
   a. Export controls compliance (including ITAR, EAR, and FTR – Foreign Trade Regulations)
   b. Sanctions compliance (the OFAC regulations)
   c. Import compliance (Customs and other applicable agency laws and regulations)
   d. Foreign Corrupt Practices Act
   e. Antiboycott

3. Would you be willing to provide us with a copy?

4. If not, but your company does have such a policy/procedures, please describe them to us.

5. What is your company’s philosophy regarding working in partnership with us to help ensure that all of our export transactions that you handle for us are in compliance with all applicable U.S. and foreign trade controls and anti-bribery statutes?

6. Has your company ever been the subject of a criminal proceeding (even if it was settled) pertaining to trade compliance or the FCPA or other anti-bribery related controls.

7. If we decide to select you, we have an anti-bribery due diligence questionnaire that we will be asking you to complete. Do you anticipate any issues with that and will you agree to complete it?

8. What types of status reports can you provide to us and in what format? For example, we will want to receive copies of all filings made for us (e.g. AES filings, 7501 Entry Summaries, etc.) in a timely fashion and in electronic format. Will that be included already within your rates or will you be charging extra for this?

9. Do you have overseas offices or do you use foreign agents (under sub-POAs)?

10. If you use foreign agents, how do you vet them for compliance?
APPENDIX H
Thank you for partnering with Seatronics in acting as our freight forwarder and assisting us with our exports from the United States. We take a collaborative approach to international trade compliance and view our service providers, customers, and other supply chain and logistics providers as our partners, all of whom have an important role in helping ensure that all aspects of Seatronics’ export transactions are in compliance with U.S. export laws and regulations. We value the relationships we build with our service providers and believe that it will be beneficial to have a clear understanding of our engagement of your services. Accordingly, this memorandum confirms our expectations of your services and your role with respect to export compliance.

We expect all of your employees, from your Account Manager to the administrators preparing and filing electronic export information (EEI) on our behalf, to exercise reasonable care and diligence in connection with all of our export transactions, which includes but is not limited to:

- Careful and conscientious preparation and filing of export declarations via the Automated Export System (AES) on our behalf – for example, we expect active and alert participation and assistance, not mere “copy and paste” with no thought to the accuracy of the information being reported;
- Review of export documentation and information received and, where information appears incorrect or lacking, we expect you to notify us of the potential problem right away;
- Ensuring that all export documents, including the AES filing transmitting all required EEI, as well as all transportation documents such as actual and House Air Waybills or Bills of Lading are properly completed and timely filed;
- Including the following Destination Control Statement on all transportation (AWB or B/L) and any other documents prepared by you on our behalf for shipments containing EAR-controlled items:

  “These commodities, technology or software were exported from the United States in accordance with U.S. Export Regulations including the International Traffic in Arms Regulations and the Export Administration Regulations. Diversion contrary to U.S. law is prohibited.”

- Notifying us of any changes to the International Traffic in Arms Regulations, Export Administration Regulations, Schedule B, Commerce Control List, or Foreign Trade Regulations or
other applicable export guidance or information that pertains to our business and of which you become aware, as opposed to failing to bring to our attention changes that you know could have an impact on our exports; and

• Notifying us immediately if there are any problems with Seatronics export documentation that could lead to exports without the required license, detention, or seizure of the shipment.

We appreciate your assistance in helping Seatronics ensure its compliance with applicable U.S. export laws and regulations. If you have any questions, please do not hesitate to contact us. We believe that a collaborative approach to export compliance is important to our national security as well as to the prevention of inadvertent violations of U.S. export regulations.
APPENDIX I
Please note that Seatronics does not currently have EAR-controlled technology (refer to U.S. Deemed Export/Reexport Guidance Document – Appendix I). However, this EAR Technology Control Plan is included in the Program in case of a future acquisition of EAR-controlled technology.

I. SCOPE

This Export Administration Regulations Technology Control Plan ("EAR TCP," “TCP” or “Plan”) applies to all Seatronics personnel. The “release” of certain technology for the “development,” “production,” or “use” of certain export controlled items is controlled under the Export Administration Regulations ("EAR") for export or release to certain countries and Non-U.S. Persons, whether the Non-U.S. Persons are in the United States or abroad. When technology is considered “controlled,” it may not be shared with Non-U.S. Persons from countries to which physical exports would be restricted unless and until approval in the form of an export license has been received from the Department of Commerce, Bureau of Industry and Security ("BIS"). Certain license exceptions may be available in limited circumstances. This Plan outlines the controls in place at Seatronics, which preclude Non-U.S. Persons from unauthorized access to technology controlled under the EAR.

II. PURPOSE

The purpose of this Plan is to delineate the controls necessary to ensure that no transfer of EAR-Controlled Technology is effected to Non-U.S. Person employees, subcontractors, or visitors to Seatronics beyond that which is licensed or otherwise approved by BIS.

III. DEFINITIONS

**EAR (Export Administration Regulations)** – Federal regulations (Title 15, Sections 730-774 of the Code of Federal Regulations ("CFR")) administered by the United States Department of Commerce, Bureau of Industry and Security which regulate the export of goods and related technology identified on the Commerce Control List ("CCL").

**Non-U.S. Person** – Under the EAR, Non-U.S. Persons are defined as “foreign nationals.” Foreign nationals are individuals who are not U.S. citizens, U.S. permanent residents (i.e., “Green Card” holders) or “protected individuals” (i.e., an asylee/refugee).

For the purpose of this Plan, Non-U.S. Persons will include U.S. citizens or permanent residents representing foreign corporations, governments, or other organizations that are not incorporated or
organized in the United States.

License [insert license number] – License [insert license number] or the BIS License shall mean the specific export license issued to Seatronics by the U.S. Department of Commerce, Bureau of Industry and Security (“BIS”) with a validation date of [insert date] and an expiration date of [insert date] which authorizes the export by Seatronics of Export Control Classification Number (“ECCN”) [insert ECCN] technology. This license authorizes the export of the [insert ECCN] technology by Seatronics to [insert authorized end-user], subject to various restrictions and conditions. One condition of the license is issuance of and adherence to this TCP by Seatronics.

Technology – Specific information necessary for the “development,” “production,” or “use” of a product. The information takes the form of ‘technical data’ and ‘technical assistance.’ See Part 772 of the EAR, found here, for the definitions of “development,” “production,” and “use” and for Technical Notes on ‘technical data’ and technical assistance

U.S. Permanent Resident – a non-U.S. citizen who has been issued a Form I-551, Permanent Resident Card (commonly called a “Green Card”). For purposes of the EAR, lawful permanent residents are not Foreign Nationals and an export license is not required to disclose to a Lawful Permanent Resident unclassified information or Controlled Technology.

U.S. Person – For the purposes of this Plan, a U.S. Person is an individual that is a U.S. citizen, U.S. permanent resident (i.e., a “Green Card” holder), or a “protected individuals” (i.e., an asylee/refugee).

IV. GENERAL REQUIREMENTS

A. No employee or other person acting on behalf of Seatronics will, without prior approval, ship, mail, hand-carry, or transmit EAR-controlled Technology out of or within any country with the knowledge or intent that the data will be shipped or transmitted to a foreign destination.

B. No employee or other person acting on behalf of Seatronics will, without prior approval, provide technical assistance that is controlled by the EAR to a Foreign National. It is the intent of Seatronics to retain technology and/or experience sensitive to its operations. Procedures regarding the protection of Technology controlled by the EAR serve as an additional safeguard, ensuring against inadvertent or intentional transmission of such information.

C. All supervisors will ensure that employees within their respective areas of responsibility are properly instructed in the handling of EAR-controlled Technology, and will further ensure that such information is disclosed only to persons for whom a strict “need to know” has been established.

V. NON-U.S. PERSONS

A. No Non-U.S. Person will be given access to Technology controlled by the EAR until BIS has granted a license or other approval for such access, if such license or approval is required based on the Non-U.S. Person’s home country.
B. Employees of Seatronics who have supervisory responsibility for Non-U.S. Persons will be briefed in these areas of export control and export licensing, as set forth in the guidelines provided by BIS and other U.S. agencies, which are pertinent to their activities. In addition, applicable supervisory personnel and employees will be apprised of the content of this procedure so they will be fully aware of their responsibilities regarding possible technology transfers.

VI. NON-U.S. PERSON INDUCTION: NEW EMPLOYEES AND VISITORS

A. Non-U.S. Persons will be informed that an export license or other approval must be obtained by Seatronics from the U.S. Government before the Foreign National may have access to Controlled Technology or items identified on the CCL. Further, Non-U.S. Persons will be informed as to their responsibility to treat all EAR-controlled Technology obtained during their employment in accordance with Seatronics procedures for the protection of Controlled Technology and ITAR-controlled Technical Data.

B. Non-U.S. Persons will be informed of the requirement to adhere to Seatronics’ facility security rules and export compliance policy and procedures.

C. All Non-U.S. Persons will be briefed as to the specific information that has been authorized for release to them by BIS, if any.

D. Non-U.S. Persons will be advised of restrictions on the use of equipment for electronic processing of Controlled Technology (i.e., facsimile, reproduction, unencrypted electronic mail, etc.).

E. Non-U.S. Persons will be advised that any Classified Information they are authorized to have access to and need to forward overseas will be submitted to Seatronics’ Group Compliance Manager for review, approval and instruction.

F. All Non-U.S. Persons will be notified of the sanctions imposed by Seatronics for deliberate violations of security procedures previously identified to foreign visitors/employees.

VII. ACCESS CONTROLS FOR NON-U.S. PERSONS

A. Non-U.S. Persons employed by Seatronics and Non-U.S. Person visitors to Seatronics will not be granted access to EAR-controlled Technology or to hardware identified on the Commerce Control List without authorization from BIS. Controlled Technology will be restricted from access as follows:

i. Electronic versions of EAR-controlled Technology, such as formulae, models, and engineering designs and specifications, will be restricted through information technology-related coding to ensure that only U.S. Persons or licensed Non-U.S. Persons may access them.

ii. Paper copies of EAR-controlled Technology, such as design drawings, manuals, and blueprints, will be physically segregated from Non-U.S. Persons who require access
authorization and for which Seatronics has not yet been granted such access authorization by BIS.

iii. Supervisors within the relevant hosting department will ensure that visiting Foreign Nationals are properly escorted. The host giving authorization for the visit is responsible for escorting the Foreign National at all times to prevent access to any controlled Technology or data that has not been properly authorized for disclosure.

B. Generally, Non-U.S. Persons are not authorized to access classified technical data that has been provided for U.S. Government contracts. There are extensive and fact specific requirements for the export of classified items and outside counsel should be consulted if Seatronics obtains access to classified technical data in the future.

VIII. EXPORT CONTROLLED INFORMATION COVERED BY A LICENSE OR AUTHORIZATION

Prior to exporting or releasing controlled information, Seatronics will secure any export licenses required under the EAR for the export of unclassified Controlled Technology in the form of design drawings and other technical information. In addition to compliance with terms and conditions imposed by any such license, the following must be completed:

A. This TCP must be signed by the Group Compliance Manager (“GCM”) and by the Non-U.S. Person authorized to receive technology under an export license.

B. A signed Non-Disclosure Agreement (NDA) must be obtained from each individual.

IX. COMPLIANCE WITH RIDERS AND CONDITIONS OF THE BIS LICENSE

A. Technology exported by Seatronics pursuant to BIS License [insert license number] will be limited to ECCN [insert ECCN number] technology required to [insert description of use].

B. The technology released pursuant to BIS License [insert license number] will be limited to use by foreign nationals employed by Seatronics.

C. The foreign nationals who receive the ECCN [insert ECCN number] technology pursuant to License [insert license number] will be notified, in writing, of their responsibility not to disclose, transfer, or re-export any controlled technology without prior U.S. government approval and will sign a Non-Disclosure Agreement to that effect. The Non-Disclosure Agreement meeting these notification and acknowledgment requirements is found in Attachment A to this TCP and a signed Non-Disclosure Agreement must be received from a foreign national to whom the ECCN [insert ECCN number] technology will be provided, prior to providing the technology to that foreign national. A signed and dated copy of the Nondisclosure Statement will be forwarded to Seatronics’ Group Compliance Manager.

D. The Seatronics Group Compliance Manager will screen all foreign surveyors against the relevant lists of proscribed persons, including the Denied Persons List, List of Debarred Parties, and the Specially Designated Nationals List.
E. This TCP establishes the procedures that Seatronics will comply with in order to ensure compliance with the License conditions.

F. **IMPORTANT.** EAR-controlled technology will NOT be shared with nationals of the following countries:

- Afghanistan
- Belarus
- Burma
- China (PRC)
- Congo, Democratic Republic of
- Cote d'Ivoire
- Cuba
- Cyprus
- Eritrea
- Haiti
- Iran
- Iraq
- Korea, North
- Lebanon
- Liberia
- Libya
- Somalia
- Sri Lanka
- Sudan, The Republic of
- Syria
- Venezuela
- Vietnam
- Zimbabwe

X. **NONDISCLOSURE STATEMENT AND ACKNOWLEDGEMENT**

All Non-U.S. Persons to whom EAR-controlled Technology will be disclosed under the BIS License will sign a Nondisclosure Statement (see **Attachment A to EAR TCP**). A signed and dated copy of the Nondisclosure Statement will be forwarded to Seatronics’ GCM.

All employees requiring access to EAR-controlled technology pursuant to a BIS License are required to sign the ACKNOWLEDGMENT OF RECEIPT OF EAR TECHNOLOGY CONTROL PLAN AND CONFIRMATION OF HAVING BEEN INFORMED OF CONDITIONS TO BIS LICENSE included as **Attachment B to EAR TCP**. The signed form will be forwarded to Seatronics’ GCM.
ATTACHMENT A TO EAR TCP

NON-DISCLOSURE AGREEMENT (NDA)

I, ______________________________, acknowledge and understand that any export controlled information, technical data or services to which I have access or which are disclosed to me in the course of my employment or visit by/at Seatronics is subject to export controls under the Export Administration Regulations ("EAR"). I hereby certify that such data or services will not be further disclosed, exported, or transferred in any manner to any foreign national or any foreign country without prior written approval of the Bureau of Industry and Security, U.S. Department of Commerce and in accordance with U.S. government security and U.S. Customs and Border Protection regulations, and subject to the prior written approval of the Seatronics Group Compliance Manager. I certify that I will report promptly to Seatronics and its Group Compliance Manager any inquiry or request to provide controlled technical or proprietary data to any third person without authority.

I further certify that I have never acted for, represented, or provided information to and do not currently act for, represent, or provide information to any country or person acting on its behalf that is subject to the EAR’s Country Group D:5 list, including but not limited to Iran, Syria, North Korea, Sudan, China, Burma, Cuba, or Libya, or any entity that is owned or controlled by such country.

I make this certification voluntarily and understand and agree that it may be provided to the United States Government which has an interest in ensuring that controlled technical data is not provided or transferred to persons without authority.

____________________________________
Print name

____________________________________
Signature

____________________
Date
ATTACHMENT B TO EAR TCP

ACKNOWLEDGMENT OF RECEIPT OF EAR TECHNOLOGY CONTROL PLAN AND CONFIRMATION OF HAVING BEEN INFORMED OF CONDITIONS TO BIS LICENSE [INSERT LICENSE NUMBER]

By signing below, I hereby confirm and certify that: (1) I have received a copy of, have reviewed, and will comply with the Seatronics Technology Control Plan; and (2) I have been informed of the Conditions to BIS License [insert license number], and I agree to comply in full with the conditions.

_______________________________
Print name

_______________________________
Signature

_______________________________
Date
APPENDIX J
Much of the acoustic equipment used by seismic survey and hydrographic survey companies is controlled for export from the United States by the U.S. Department of Commerce, Bureau of Industry and Security (“BIS”). This equipment can be controlled by the following Export Control Classification Numbers (“ECCNs”) 5A001, 6A001, 7A003, and 8A002. Equipment controlled under these ECCNs generally requires export licenses to be exported from the U.S., and if the equipment is U.S.-origin, it generally requires reexport licenses to be reexported from one foreign country to another foreign country. In some circumstances, License Exception TMP (Temporary Imports, Exports, and Reexports) may be available for certain exports from the U.S. or reexports of U.S. origin items from abroad. License Exception TMP is available for use by the “exporter” or “reexporter” of the item. “Exporter” is defined in 15 C.F.R. § 772.1 as “[t]he person in the United States who has the authority of a principal party in interest to determine and control the sending of items out of the United States.” While “reexporter” is not specifically defined, it can reasonably be interpreted in a similar manner to include Seatronics, or its customer, when it sends items from one foreign country to another foreign country.

The various applications of License Exception TMP that may be available for Seatronics are:

1. Temporary exports or reexports of “tools of trade”;
2. Temporary exports or reexports of equipment for inspection, testing, calibration, and repair;
3. Temporary exports or reexports for exhibition and demonstration; and
4. Exports to return foreign-origin items to the country from which the items were imported.

The requirements associated with the use of each of these exceptions are discussed in detail below.

Please note that a full, current copy of 15 C.F.R. § 740.9 should always be consulted prior to relying on License Exception TMP. Also, when shipping from the United States, the exporter must inform their freight forwarder that they are using License Exception TMP in order for the freight forwarder to notate the proper EEI Filing Exemption on the shipment documentation. See 15 C.F.R. § 30.37(b) or (q). Finally, equipment subject to the MT (Missile Technology) Reason for Control (e.g. a Coda F180+) is not eligible

1 One may not merely transit or transship a foreign country for the sole purpose of invoking a license exception on the “reexport” to the ultimate destination.
to be exported or reexported under a license exception.

**LICENSE EXCEPTION TMP – TOOLS OF TRADE**

License Exception TMP for Tools of Trade, 15 C.F.R. § 740.9(a), may be available for Seatronics to use controlled equipment outside of the United States for a limited period of time. **Tools of Trade** are defined as usual and reasonable kinds and quantities of tools of trade for use in a lawful enterprise or undertaking of the exporter or reexporter. Equipment used by Seatronics or its customers may be interpreted by BIS to meet this definition, provided the equipment is used in the usual manner for its intended purpose and all requirements for the use of License Exception TMP are met.

An important requirement of License Exception TMP – Tools of Trade is that the tools of trade must remain under the effective control of the exporter or reexporter (or exporter or reexporter’s employees) while abroad. The EAR states that an exporter or reexporter maintains effective control over an item when it either retains physical possession of the item or secures the item in such an environment as a hotel safe, bonded warehouse, or a locked or guarded exhibition facility.

When Seatronics delivers equipment to an in-country customer and that customer will serve as the exporter or reexporter, it is the customer’s employees who must maintain effective control of the equipment. Thus, when the customer is the exporter or reexporter of the equipment, Seatronics may enter into a rental or lease agreement and allow its customer to utilize TMP for the export or reexport of the equipment. The obligation of Seatronics in this scenario is limited to recognizing any red flags or specific information that indicate the customer’s intended use of the system or execution of the project would be in violation of License Exception TMP.² If Seatronics has reason to believe the customer would be in violation of License Exception TMP it should not deliver the tools until an export or reexport license is presented by the customer.

ALL of the requirements and conditions in 15 C.F.R. § 740.9(a) must be satisfied to permit reliance on License Exception TMP – Tools of Trade. Additionally, License Exception TMP – Tools of Trade may not be used if any of the following situations arise: (i) Exporter or reexporter receives an order to acquire the equipment, such as a purchase order, prior to shipment; (ii) Exporter or reexporter has knowledge that the item will stay abroad beyond the terms of License Exception TMP (1 year); or (iii) Exporter or reexporter will lease or rent the equipment abroad after export. Included below is a summary of requirements for License Exception TMP – Tools of Trade and also a list of situations where License Exception TMP – Tools of Trade may not be used.

**Tools of Trade Project-Specific Requirements:**

1. **One Year Maximum Time Outside the U.S. / Foreign Country of Reexport.** Items shipped as temporary exports under License Exception TMP must be returned to the U.S. as soon as practicable but no later than one year from the date of export. Items shipped as temporary reexports from one foreign country to another foreign country must return to the original foreign country as soon as practicable but no later than one year from the date of reexport.

² These restrictions are detailed further towards the end of this guidance document.
Note that License Exception TMP may only be used for reexports from foreign countries where the equipment was previously lawfully exported from the United States for initial use in that foreign country. This includes: (1) items that did not require a license from the United States to the original destination country (e.g., the United Kingdom); (2) items shipped under an export license issued by BIS (must confirm that the license conditions do not restrict reexports pursuant to License Exceptions); or (3) items shipped under a License Exception. If License Exception TMP was used for the original export from the U.S., then the ability to use License Exception TMP for subsequent reexports would remain limited to a total of one year before the equipment must return to the United States. If the need arises to retain the item abroad for more than one year, a license may be requested from BIS to retain the item abroad for up to three additional years.

The license must be applied for at least 90 days prior to the expiration of the one-year period.

2. **Equipment May NOT Be Taken to Sudan, Syria, Iran or North Korea.** These countries are subject to U.S. sanctions laws and regulations and strict penalties apply for violations. NOTE: Temporary exports, reexports, or transfers (in-country) to and for use on any vessel, aircraft or territory under ownership, control, lease, or charter of any of these countries, or any national thereof are forbidden as well. 15 C.F.R. § 740.9(a)(1).

3. **The Equipment Must Remain Under the “Effective Control” of the Exporter’s or Reexporter’s Employees.** “Effective control” is defined in the EAR as:

   Effective control. You maintain effective control over an item when you either retain physical possession of the item, or secure the item in such an environment as a hotel safe, a bonded warehouse, or a locked or guarded exhibition facility. Retention of effective control over an item is a condition of certain temporary exports and reexports.

   15 C.F.R. § 772.1. NOTE: The exporter or reexporter may not transfer title of the equipment to any party.

4. **Logistics.** Tools of trade may accompany the individual departing from the United States or may be shipped unaccompanied within one month before the individual’s departure from the United States, or at any time after departure. They may also be taken aboard a seismic survey vessel with the exporter’s or reexporter’s employees aboard the vessel to maintain the required “effective control” of the equipment.

**Situations Where License Exception TMP – Tools of Trade May Not Be Used:**

The following are illustrations of scenarios in which License Exception TMP may not be used.

Please note these are not intended to present every situation where use of License Exception TMP is not allowed; however, they are intended to present scenarios that may arise within Seatronics’ business model.
1. **If, At Any Time After Export, the Exporter or Reexporter Intends to Subsequently Lease or Rent the Equipment.** The exporter or reexporter may not use License Exception TMP if it intends to lease or rent the equipment after export. This includes lease or rental to a foreign affiliate or subsidiary of the exporter or reexporter. If after export, circumstances change and the exporter or reexporter wishes to lease or rent its equipment abroad, it must either return the equipment to the original country of export or reexport and apply for a license, or retain the equipment where it is (without any transfers, including in-country) and promptly submit a license application to BIS.

2. **Intercompany Title Transfer.** Seatronics may not use License Exception TMP to export equipment to any party, including an intercompany transfer of title to the books of a foreign affiliate.

3. **A Purchase Order is Received Prior to Shipment.** License Exception TMP may not be used if an order to acquire the equipment is received prior to export, reexport, or incountry transfer.

4. **Prior to Export, There is Knowledge That the Equipment Will Stay Abroad Beyond the Terms of the License Exception.** The exporter or reexporter may not use License Exception TMP if it has “prior knowledge,” that it will retain the equipment abroad for longer than one year. While the phrase “prior knowledge” is not defined in the EAR and there is no published guidance on this provision of License Exception TMP, the EAR’s definition of “knowledge” is informative:

   Knowledge of a circumstance (the term may be a variant, such as “know,” “reason to know,” or “reason to believe”) includes not only positive knowledge that the circumstance exists or is substantially certain to occur, but also an awareness of a high probability of its existence or future occurrence. Such awareness is inferred from evidence of the conscious disregard of facts known to a person and is also inferred from a person's willful avoidance of facts.

   15 C.F.R. § 772.1. Therefore, “prior knowledge” is more than the hope of a future sale or contract. The exporter or reexporter must be substantially certain or be aware of a high probability that the equipment would stay abroad beyond the terms of License Exception TMP.

---

**LICENSE EXCEPTION TMP – INSPECTION, TEST, CALIBRATION, AND REPAIR**

License Exception TMP for Inspection, Test, Calibration, and Repair, 15 C.F.R. § 740.9(a)(6), may be available for Seatronics to export or reexport items to manufacturers, authorized repair centers, or other Seatronics offices for inspection, testing, calibration, and repair. Included below is a summary of requirements for this License Exception and a discussion of scenarios where it may not be used.

**Inspection, Test, Calibration, and Repair Requirements:**

1. **One Year Maximum Time Outside the U.S. / Foreign Country of Reexport** – Items shipped as temporary exports under License Exception TMP must be returned to the U.S. as soon as practicable but no later than one year from the date of export. Items shipped as temporary
reexports from one foreign country to another foreign country must return to the original foreign country as soon as practicable but no later than one year from the date of reexport.

Note that License Exception TMP may only be used for reexports from foreign countries where the equipment was previously lawfully exported from the United States for initial use in that foreign country. This includes: (1) items that did not require a license from the United States to the original destination country (e.g., the United Kingdom); (2) items shipped under an export license issued by BIS (must confirm that the license conditions do not restrict reexports pursuant to License Exceptions); or (3) items shipped under a License Exception. If License Exception TMP was used for the original export from the U.S., then the ability to use License Exception TMP for subsequent reexports would remain limited to a total of one year before the equipment must return to the United States. If the need arises to retain the item abroad for more than one year, a license may be requested from BIS to retain the item abroad for up to three additional years. The license must be applied for at least 90 days prior to the expiration of the one-year period.

2. Equipment May **NOT** Be Sent to Sudan, Syria, Iran or North Korea. These countries are subject to U.S. sanctions laws and regulations and strict penalties apply for violations. NOTE: Temporary exports, reexports, or transfers (in-country) to and for use on any vessel, aircraft or territory under ownership, control, lease, or charter of any of these countries, or any national thereof are forbidden as well. 15 C.F.R. § 740.9(a)(6).

**Situations Where License Exception TMP – Inspection, Test, Calibration, and Repair May Not Be Used:**

The following are illustrations of scenarios in which License Exception TMP may not be used.

Please note these are not intended to present every situation where use of License Exception TMP is not allowed; however, they are intended to present scenarios that may arise within Seatronics’ business model.

1. **Intercompany Title Transfer.** Seatronics may not use License Exception TMP to export equipment to any party, including an intercompany transfer of title to the books of a foreign affiliate.

2. **A Purchase Order is Received Prior to Shipment.** License Exception TMP may not be used if an order to acquire the equipment is received prior to export, reexport, or in-country transfer.

3. **Prior to Export, There is Knowledge That the Equipment Will Stay Abroad Beyond the Terms of the License Exception.** The exporter or reexporter may not use License Exception TMP if it has “prior knowledge,” that it will retain the equipment abroad for longer than one year. While the phrase “prior knowledge” is not defined in the EAR and there is no published guidance on this provision of License Exception TMP, the EAR’s definition of “knowledge” is informative:

   Knowledge of a circumstance (the term may be a variant, such as “know,” “reason to know,” or “reason to believe”) includes not only positive knowledge that the circumstance exists or is substantially certain to occur, but also an awareness of a high probability of its existence or future occurrence. Such awareness is inferred from evidence of the conscious disregard of facts known to a person and is also inferred from a person’s
willful avoidance of facts.

15 C.F.R. § 772.1. Therefore, “prior knowledge” is more than the hope of a future sale or contract. The exporter or reexporter must be substantially certain or be aware of a high probability that the equipment would stay abroad beyond the terms of License Exception TMP.

LICENSE EXCEPTION TMP – EXHIBITION AND DEMONSTRATION

License Exception TMP for Exhibition and Demonstration, 15 C.F.R. § 740.9(a)(5), may be available for Seatronics to export or reexport items for exhibition or demonstration to customers or other parties. Included below is a summary of requirements for this License Exception and a discussion of scenarios where it may not be used.

Exhibition and Demonstration Requirements:

1. No Change in Ownership. The Seatronics office that is exporting or reexporting the equipment must maintain ownership of the equipment while it is abroad. Alternatively, if another base owns the asset, the ownership may not change while abroad.

2. The Equipment Must Remain Under the “Effective Control” of the Exporter’s or Reexporter’s Employees. “Effective control” is defined in the EAR as:

   Effective control. You maintain effective control over an item when you either retain physical possession of the item, or secure the item in such an environment as a hotel safe, a bonded warehouse, or a locked or guarded exhibition facility. Retention of effective control over an item is a condition of certain temporary exports and reexports.

   15 C.F.R. § 772.1.

3. Used Only for the Minimum Extent Necessary. The equipment may not be used for more than the minimum extent required for effective demonstration.

4. 120 Day Time Limit at Single Site. The equipment may not be exhibited or demonstrated at any one site for longer than 120 days after installation and debugging, unless authorized by BIS. However, before or after an exhibition or demonstration, pending movement to another site or return to Seatronics, the equipment may be placed in a bonded warehouse or a storage facility provided that Seatronics retains “effective control” over its disposition.

5. Export Documentation. The export documentation must show Seatronics as the ultimate consignee, in care of the person who will have control over the equipment while abroad.

6. One Year Maximum Time Outside the U.S. / Foreign Country of Reexport – Items shipped as temporary exports under License Exception TMP must be returned to the U.S. as soon as
practicable but no later than one year from the date of export. Items shipped as temporary reexports from one foreign country to another foreign country must return to the original foreign country as soon as practicable but no later than one year from the date of reexport.

Note that License Exception TMP may only be used for reexports from foreign countries where the equipment was previously lawfully exported from the United States for initial use in that foreign country. This includes: (1) items that did not require a license from the United States to the original destination country (e.g., the United Kingdom); (2) items shipped under an export license issued by BIS (must confirm that the license conditions do not restrict reexports pursuant to License Exceptions); or (3) items shipped under a License Exception. If License Exception TMP was used for the original export from the U.S., then the ability to use License Exception TMP for subsequent reexports would remain limited to a total of one year before the equipment must return to the United States. If the need arises to retain the item abroad for more than one year, a license may be requested from BIS to retain the item abroad for up to three additional years. The license must be applied for at least 90 days prior to the expiration of the one-year period.

7. **Equipment May NOT Be Taken to Sudan, Syria, Iran or North Korea.** These countries are subject to U.S. sanctions laws and regulations and strict penalties apply for violations. NOTE: Temporary exports, reexports, or transfers (in-country) to and for use on any vessel, aircraft or territory under ownership, control, lease, or charter of any of these countries, or any national thereof are forbidden as well. 15 C.F.R. § 740.9(a)(5).

**Situations Where License Exception TMP – Exhibition and Demonstration May Not Be Used:**

The following are illustrations of scenarios in which License Exception TMP may not be used.

Please note these are not intended to present every situation where use of License Exception TMP is not allowed; however, they are intended to present scenarios that may arise within Seatronics’ business model.

1. **Intercompany Title Transfer.** Seatronics may not use License Exception TMP to export equipment to any party, including an intercompany transfer of title to the books of a foreign affiliate.

2. **A Purchase Order is Received Prior to Shipment.** License Exception TMP may not be used if an order to acquire the equipment is received prior to export, reexport, or incountry transfer.

3. **Prior to Export, There is Knowledge That the Equipment Will Stay Abroad Beyond the Terms of the License Exception.** The exporter or reexporter may not use License Exception TMP if it has “prior knowledge,” that it will retain the equipment abroad for longer than one year. While the phrase “prior knowledge” is not defined in the EAR and there is no published guidance on this provision of License Exception TMP, the EAR’s definition of “knowledge” is informative:

   Knowledge of a circumstance (the term may be a variant, such as “know,” “reason to know,” or “reason to believe”) includes not only positive knowledge that the
circumstance exists or is substantially certain to occur, but also an awareness of a high probability of its existence or future occurrence. Such awareness is inferred from evidence of the conscious disregard of facts known to a person and is also inferred from a person's willful avoidance of facts.

15 C.F.R. § 772.1. Therefore, “prior knowledge” is more than the hope of a future sale or contract. The exporter or reexporter must be substantially certain or be aware of a high probability that the equipment would stay abroad beyond the terms of License Exception TMP.

LICENSE EXCEPTION TMP – RETURN OF FOREIGN-ORIGIN ITEMS

License Exception TMP for Return of Foreign-Origin Items, 15 C.F.R. § 740.9(b)(3), may be available for Seatronics to export items from the U.S. to return them to the country from which they were imported. Included below is a summary of requirements for this License Exception.

Return of Foreign-Origin Requirements:

1. No Enhancement While in U.S. The equipment’s capabilities cannot have been enhanced while in the United States.

2. Equipment May NOT Be Returned to Cuba. If a foreign-origin item was imported from Cuba, it may not be returned to Cuba under this License Exception.

3. Equipment Must be Returned to Country from Which it was Imported. This License Exception authorizes the return of foreign-origin equipment to the country from which it was imported NOT the country of origin. Equipment may be returned to the country of origin, if that is the country from which it was imported.

4. Does Not Apply to MT Controlled Equipment. Equipment controlled by the MT (Missile Technology) Reason for Control cannot be exported under this License Exception, e.g. Coda F180+.

Examples of the Use of License Exception TMP – Return of Foreign-Origin Items

1. Where TMP Works. This License Exception may be used to export a foreign-origin ECCN 7A003 item that is controlled by the NS1 Reason for Control and NOT the MT1 Reason for Control to the United Kingdom that was previously imported into the U.S. from the United Kingdom.

2. Where TMP Does Not Work. This License Exception may not be used to export an ECCN 7A003 Coda F180+ that is controlled by the NS1 and MT1 Reason for Controls to the United Kingdom that was previously imported into the U.S. from the United Kingdom.

3. Where TMP Does Not Work. This License Exception may not be used to export a UK origin ECCN 7A003 item that is controlled by the NS1 Reason for Control and NOT the MT1 Reason for Control to the United Kingdom that was previously imported into the U.S. from the United
Kingdom if, after import from the United Kingdom, Seatronics, Inc. rented the item to a customer who took it to Mexico for a project and then returned it to Seatronics, Inc. after completion of the project. While the item was previously imported from the United Kingdom by Seatronics, Inc. and is UK country of origin, this License Exception cannot be used because the item was imported from Mexico after the import from the United Kingdom.

*This document was last updated 7 October 2015.*
APPENDIX K
Much of the equipment used by seismic and hydrographic survey companies is controlled for export from the United States by the U.S. Department of Commerce, Bureau of Industry and Security (“BIS”). This equipment can be controlled by the following Export Control Classification Numbers (“ECCNs”) 5A001, 6A001, 7A003, and 8A002. Equipment controlled under these ECCNs generally requires export licenses to be exported from the U.S., and if the equipment is U.S.-origin, it generally requires reexport licenses to be reexported from one foreign country to another foreign country.

When U.S.-origin equipment is exported from one foreign country (Country A) to another foreign country (Country B), the EAR calls this a “reexport”. If a shipment from the United States to Country B requires an export license from BIS, then the reexport from Country A to Country B generally also requires a reexport license from BIS – regardless of whether Country A’s government requires a local export license for the shipment. As an example, if Seatronics Ltd. wishes to export a U.S.-origin ECCN 6A001 item from its inventory to a customer in Brazil for a project, then the export from the UK to Brazil is a reexport for EAR purposes. Since the item is U.S.-origin and it requires an export license from the United States to Brazil – a reexport license from BIS is also required for the reexport from the UK to Brazil.

However, under certain specific conditions as outlined below, License Exception APR (Additional 1

---

1 The term ‘reexport’ means “an actual shipment or transmission of items subject to the EAR from one foreign country to another foreign country; or release of technology or software subject to the EAR to a foreign national outside the United States.” 15 C.F.R. 734.2(b)(4).
Permissive Reexports may be available for use by Seatronics for reexport shipments of 6A001 equipment. Other items, such as certain cameras, camera components, electronic components, and certain military commodities produced outside the United States are ineligible for License Exception APR. Additionally, items controlled for Nuclear Nonproliferation (NP), Chemical and Biological Weapons (CB), Missile Technology (MT), Significant Items (SI), or Crime Control (CC) reasons are also generally ineligible for License Exception APR.

License Exception APR may be used by Seatronics for shipments of U.S.-origin ECCN 5A001, 6A001, 7A003, or 8A002 equipment when all of the following conditions are satisfied:

1. The equipment is not subject to the Missile Technology (MT) Reason for Control. It is important to note that some, but not all, 7A003 items are controlled for MT reasons.
2. The equipment was previously lawfully exported from the United States for initial use, including placed in inventory, in Country A. Lawfully exported includes: (1) items that did not require a license from the United States to the original destination country (e.g., the United Kingdom); (2) items shipped under an export license issued by BIS (make sure the license conditions do not restrict reexports pursuant to License Exceptions); or (3) items shipped under a License Exception (make sure the use of APR does not conflict with the terms of the original License Exception used).
3. The originating country for the reexport (Country A) is part of Country Group A:1 or a cooperating country found in Supplement No. 1 to Part 740 of the EAR.
4. The reexport is made in accordance with the conditions of an export authorization from the government of the reexporting country (e.g., assuming Country A is the UK – the shipment must be authorized by an OGEL or Specific License from the UK authorities).
5. The reexport is destined to either:
   a. A country in Country Group B that is not also listed in Country Groups D:2, D:3, or D:4;
   or
   b. A country in Country Group D:1 other than North Korea.

If all of these conditions are met, License Exception APR, 15 C.F.R. § 740.16(a), may be available for Seatronics, or their customers, to reexport 6A001 controlled equipment.

---

2 Cameras described in ECCN 6A003.b.3 (having the characteristics listed in 6A002.a.2.a or a.2.b), 6A003.b.4.b, 6A003.b.4.c.

3 Camera components described in ECCN 6A002.a.2.a, a.2.b, a.2.c, a.3.b.2.b, or a.3.g.

4 Electronic components described in ECCN 3A001.b.2 or b.3 (except those that are being reexported for use in civil telecommunications applications).

5 Military commodities described in ECCN 0A919.

6 As a result, it is important to obtain from manufacturers/suppliers not only the ECCN but also the applicable Reasons for Control.

7 You cannot merely transit or transship to a foreign country for the sole purpose of invoking a license exception on the “reexport” to the ultimate destination.

8 This License Exception also applies in certain circumstances to reexports from non-Country Group A:1 countries to Country Group A:1 countries. However, Seatronics does not currently own any equipment that requires a reexport license to Country Group A:1 countries. As such, discussion of this aspect of the License Exception is excluded from this Guidance Document. Please contact the Export Compliance Manager if the need arises to reexport an item to a Country Group A:1 country from a country that would not otherwise be authorized under the explanation above. Please note that all Country Groups are listed in Supplement No. 1 to Part 740 of the EAR.
For the most up to date information on the Country Groups (including Country Groups A; B; D;) refer to Supplement No. 1 to Part 740 – Country Groups on BIS websites⁹.

**Practical Examples:**

1. Seatronics, Inc. exports 6A001 equipment to Seatronics Ltd. in the UK, who then ships the equipment to Seatronics Pte. Ltd. in Singapore for Seatronics Pte. Ltd. to fulfill a rental contract to a customer in Singapore.

   **Is APR available for the shipment from Seatronics Ltd. to Seatronics Pte Ltd.?**

   *No, according to guidance received from U.S. BIS. When Seatronics, Inc. ships the equipment to Seatronics Ltd. in the UK, it knows or should know that there will be an immediate onward shipment by Seatronics Ltd. to Singapore. Therefore, the export from the US that is ultimately destined for Singapore through all related parties is considered a single export transaction that only transits or transships the UK on its way to Singapore. Because the transaction is viewed as a single export transaction, there is no “reexport” from the perspective of the EAR, and thus APR is not available.*

2. Seatronics, Inc. exports 6A001 equipment to Seatronics Ltd. in the UK for Seatronics Ltd. to fulfill an order in Angola. Seatronics Ltd. ships the equipment to Angola after it arrives in Aberdeen.

   **Is APR available for the shipment from Seatronics Ltd. to the customer in Angola?**

   *No, according to guidance received from U.S. BIS. When Seatronics, Inc. ships the equipment to Seatronics Ltd., it knows or should know that there will be an immediate onward shipment to Angola. Therefore, the export from the U.S. that is ultimately destined for Angola through a related party is considered a single export transaction that only transits or transships the UK on its way to Angola. Because the transaction is viewed as a single export transaction, there is no “reexport” from the perspective of the EAR, and thus APR is not available.*

3. Seatronics, Inc. exports 6A001 equipment to Seatronics Ltd. in the UK to fulfill an order in Angola. The Angola contract is cancelled and after the equipment arrives in Aberdeen, Seatronics Ltd. decides to use the equipment to fulfill an order in Ghana. Seatronics Ltd. ships the equipment to Ghana.

   **Is APR available for the shipment from Seatronics Ltd. to the Customer in Ghana?**

   *Yes, if there was no knowledge at the time of the export from the U.S. that the equipment was destined for Ghana. The reexport to Ghana would likely be considered a second transaction, and if the conditions of License Exception APR are met, the equipment could be sent.*

4. Seatronics, Inc. exports U.S.-origin 6A001 equipment to Seatronics Ltd. in the UK to fulfill an order by a UK customer who has stated he will use the equipment in Angola. Seatronics Ltd. delivers the equipment to the customer in the UK. The UK-based customer ships the equipment to Angola.  

Is APR available for the customer’s shipment from the UK to Angola?

Yes. First, the shipment from the UK to Angola is subject to the U.S. export regulations because the equipment is of U.S. origin and, therefore, a U.S. license is required unless License Exception APR is available. License Exception APR is available assuming the export from the UK is executed pursuant to a UK OGEL for oil and gas equipment or a specific license held by the customer from UK authorities. While Seatronics, Inc. knows that there will be an onward shipment to Angola, this shipment is not considered a single export transaction from the U.S. to Angola because the UK customer, who is an unrelated party, will reexport the equipment from the UK to Angola and the customer may reexport to Angola under License Exception APR (assuming they have a UK license).

5. Now assume the same fact pattern as above except that the 6A001 equipment is UK origin.

Is APR available for the customer’s shipment from the UK to Angola?

Yes. There is a possibility that the UK export by the customer is not subject to the U.S. export regulations because the equipment is of foreign origin and because Seatronics Ltd. is not the exporter out of the UK. However, because the item is intended for Angola at the time it was exported from the U.S., U.S. regulators may view the two exports (from the U.S. to the UK and from the UK to Angola) in their entirety as a single export transaction, requiring a U.S. license. Assuming the export from the UK to Angola is subject to U.S. export licensing requirements, License Exception APR is available (assuming the customer has a UK license).

6. Seatronics Ltd. procures 6A001 equipment (whether U.S. or non-U.S. origin) from a U.S. manufacturer for its inventory. After receiving the equipment into inventory, Seatronics Ltd. accepts a rental agreement and exports the equipment to a customer in Angola.

Is APR available for the shipment from Seatronics Ltd. to Angola?

Yes. Assuming the export from the UK is executed pursuant to the UK OGEL for oil and gas equipment or a specific license from UK authorities, APR would be available for the reexport of US-origin equipment from the UK to Angola.

7. Seatronics Ltd. procures 6A001 equipment from a U.S. manufacturer for its inventory. Seatronics Ltd. exports the equipment to a customer in Angola. After the job is over in Angola, the customer wishes to send the equipment directly to Venezuela for the next job.

Does APR permit the reexport from Angola directly to Venezuela?

Probably not. While APR permits reexports from the UK to Angola or from the UK to Venezuela, it does not permit the reexport from Angola to Venezuela because Angola is not listed in Country Group
A: 1 or otherwise listed as a cooperating country. Additionally, it should be noted that simply returning the unit to the UK for immediate shipment back out to Venezuela for the sole purpose of invoking APR is not permitted. Note that License Exception TMP may, however, be available to the customer, depending on the applicable facts and circumstances. See the License Exception TMP Guidance Document.

This document was last updated 7 October 2015.
APPENDIX L
Much of the equipment used by seismic survey and hydrographic survey companies is controlled for export from the United States primarily by the U.S. Department of Commerce, Bureau of Industry and Security (“BIS”) under the Export Administration Regulations (“EAR”). There are also certain products controlled by the U.S. Department of State, Directorate of Defense Trade Controls (“DDTC”) under the International Traffic in Arms Regulations (“ITAR”). This guidance focuses on the restrictions and controls under the EAR and ITAR regarding to deemed exports and deemed reexports, which are defined below.

**EAR: Deemed Exports and Deemed Reexports**

An export is an actual shipment or transmission of items from one country to another country. A deemed export occurs when technology or software source code is released to a foreign national within the United States. For example, if you share technology with a UK national at a meeting in Houston, the technology is “deemed” to be exported to the UK. If sending that technology to the UK would require a license, the sharing of that technology within the United States generally also requires a license. A deemed reexport is any release of technology or software, subject to the EAR, which is released to a third-country national in a foreign country. For example, if you share technology subject to the EAR with a Singaporean national in the UK, the technology is deemed to be reexported to Singapore from the UK.

The first step in understanding deemed exports and deemed reexports is to understand the definitions of the terms: Technology; Released; and Foreign National.

- **Technology**: Technology is specific information necessary for the “development,” “production,” or “use” of an item.
  - Development technology is related to all stages prior to serial production, such as: design, design research, design analyses, design concepts, assembly and testing of prototypes, pilot production schemes, design data, process of transforming design data into a product, configuration design, integration design, layouts.
  - Production technology means all production stages, such as: product engineering, manufacture, integration, assembly (mounting), inspection, testing, and quality assurance.
  - Use technology is information necessary for operation, installation (including on-site installation), maintenance (checking), repair, overhaul, and refurbishing (requires information necessary for all 6 elements).
Released: Technology is "released" for export when:
- It is available to foreign nationals for visual inspection (e.g., reading technical specifications, plans, blueprints, written descriptions);
- When technology is exchanged orally; or
- When technology is made available by practice or application under the guidance of persons with knowledge of the technology.

Foreign National: Anyone who is not a U.S. citizen, U.S. permanent resident (green-card holder), or protected individual (asylum holders and recognized refugees) under the Immigration and Naturalization Act.
- Dual-nationals of the United States and a foreign country are not treated as a foreign national.
- For individuals who are citizens of more than one foreign country, or have citizenship in one foreign country and permanent residence in another, as a general policy, the last permanent resident status or citizenship obtained governs.

Now that you know what a deemed export or deemed reexport is, the next step is to determine if the technology or software that is released to the foreign national is "controlled" — meaning that it generally requires a license to the foreign national’s home country.

As a general rule, if a piece of equipment is controlled to the foreign national’s home country, the technology for development, production, or use of that item may also controlled for release to that country. Generally, the related technology controls for a controlled item will have an 'E' as the second digit in the ECCN and the last three digits will be close in number. For example, 8A001 products have related technology controlled in 8E001 and 8E002 — and 8A992 products have related technology controlled in 8E992. However, it is always important to confirm the classification for the type of technology at issue because the controls may only apply to development OR production OR use technology. In some rare instances, the type of technology controlled will be specifically listed in the ECCN and will be something lesser than development, production, or use technology (See, for example, 7E101 below).

Technology controls related to Seatronics’ controlled equipment are listed below:

- **5A001** equipment has related controlled technology in **5E001** for the “development,” “production,” or “use” of 5A001 equipment.

- **6A001** equipment has related controlled technology in:
  - **6E001** for the “development” of 6A001 equipment; and
  - **6E002** for the “production” of 6A001 equipment.

- **6A006** equipment has related controlled technology in:
  - **6E001** for the “development” of 6A006 equipment; and
  - **6E002** for the “production” of 6A006 equipment.

---

1 However, please note that it is possible that the related technology may be controlled at a higher or lower level that the associated item.
• **7A003** equipment has related controlled technology in:
  ▪ **7E001** for the “development” of 7A003 equipment;
  ▪ **7E002** for the “production” of 7A003 equipment;
  ▪ **7E003** for the repair, refurbishing or overhaul of equipment controlled by 7A003; and
  ▪ **7E101** for the “use” of equipment controlled by 7A003.d.

• **7A103** equipment has related controlled technology in **7E101** for “use” of 7A103 equipment.

• **8A002** equipment has related controlled technology in **8E001** for “development” or “production” of 8A002 equipment.²

Note that there is no control on “use” technology for Seatronics’ equipment controlled by 6A001, 6A006, or 8A002.

An analysis of deemed exports and deemed reexports under the EAR requires the following steps:

1. Determine the classification of the technology at issue;
2. Determine the nationality of all parties to whom it will be released;
3. Determine if that technology requires a license to the home country of those foreign nationals;
4. If a license is normally required, review the EAR for available license exceptions; and
5. Apply for and obtain a license or document the use of a license exception prior to releasing the technology.

**ITAR: Deemed Exports and Deemed Reexports**

The ITAR also regulates deemed exports and deemed reexports of certain information. Under the ITAR, instead of controlling “technology,” the release of “technical data” related to defense articles to a foreign person or the provision of defense services to a foreign person is controlled. Technical data is defined as information which is required for the design, development, production, manufacture, assembly, operation, repair, testing, maintenance or modification of defense articles. As you can see, the definition of technical data is broader in scope than EAR-controlled technology. Additionally, DDTC generally considers all nationalities, residence statuses, and even country of birth when assessing licensing requirements for foreign persons. Finally, DDTC has regularly taken the position that mere access or the ability to access technical data by a foreign persons is a deemed export – even if the foreign person never actually reviews the technical data. Further, DDTC has taken the position that mere access to a physical item – a piece of equipment or hardware – is a deemed export to the foreign person.³

The EAR and ITAR do not detail what level of physical or visual inspection, or interaction with a controlled item is sufficient to rise to the level of controlled technology/technical data but, even under the EAR, the ability to visually inspect a controlled item may, under certain circumstances, rise to the level of a transfer of controlled technology. The practical scenarios outlined below are intended to

---

² 8E002 controls “Technology” for the overhaul or refurbishing of equipment controlled by 8A001, 8A002.b, 8A002.j, 8A002.o, or 8A002.p. However, based on Seatronics’ controlled equipment list, Seatronics owns and rents only 8A002.e and 8A002.i equipment, which have no related controls for any of the 6 elements of “use” technology.

³ The term “deemed export” is not used in the ITAR as it is used in the EAR but, the concept is the same, *i.e.* it is a transfer of technical information about a defense article to a foreign person.
provide you with guidance on how BIS or DDTC would likely view each of the situations.

**Practical Scenarios and Questions:**

1. **Seatronics leases 6A001 controlled equipment to a customer. Seatronics knows that the customer has foreign national employees working on the project.**

   **Is there a deemed export or deemed reexport of controlled technology?**

   *No.* 6A001 equipment only has related technology controls for “development” and “production” technology. It is unlikely that Seatronics’ supply of 6A001 equipment would give the customer access to this type of technology. It provides them with information related to the definition of “use” technology but there is no control on “use” technology for 6A001 equipment and it is unlikely that all six elements of “use” would be met. For instance, mere rental of a 6A001 item to a customer is not going to include explaining to that customer how to refurbish and overhaul that item (see the definition of “use” technology above.)

   **What if the equipment were ITAR controlled instead of 6A001 controlled?**

   *Yes.* Mere access to a physical item that is a defense article, by a foreign person, is considered a controlled transfer of technical data requiring DDTC authorization.

2. **Seatronics customers from foreign countries (outside the U.S.) come to Seatronics’ offices to test and inspect 6A001 controlled equipment.**

   **What level of access/exposure constitutes a deemed export?**

   *Access or exposure which gives the foreign national information rising to the level of controlled technology constitutes a deemed export or deemed reexport.* From a practical perspective, Seatronics should be able to permit customers to handle, visually inspect, test, or even calibrate the 6A001 equipment without a deemed export or deemed reexport issue. As noted previously, 6A001 equipment does not have a related technology control for “use” technology. Even if it did, you must have information sufficient for all six elements of the “use” technology definition.

   **What if the equipment were ITAR controlled instead of 6A001 controlled?**

   *Yes.* Mere access to a physical item that is a defense article, by a foreign person, is considered a controlled transfer of technical data requiring DDTC authorization.

3. **The Seatronics Warehouse Superintendent has access to all of the equipment in the Warehouse. He is a UK national. He regularly tests, calibrates, and repairs controlled equipment.**

   **Does Seatronics need to obtain a deemed export or deemed reexport license for the Warehouse Superintendent?**
With 7A003 equipment, a deemed export or reexport license is required if the Warehouse Superintendent has access to information required for the repair, refurbishment, or overhaul of 7A003 equipment. However, Seatronics is not the manufacturer of any 7A003 items and only performs minor technical work on these items that is limited to calibration and minor repairs of physical damage, which does not likely rise to the level of controlled technology. With all other controlled items currently in Seatronics’ inventory, there is no deemed export or deemed reexport concern because Seatronics does not have access to controlled technology that meets the definition of “development,” “production,” or “use.”

What if the equipment were ITAR controlled?

A DSP-5 license authorizing the transfer of technical data to the Warehouse Superintendent is required in order for him to have access to and perform work on ITAR items. The definition of technical data would include the information necessary for testing, calibration, and repair of ITAR controlled equipment. ITAR-controlled equipment should be kept segregated under lock and key. Only U.S. persons and foreign nationals who have been authorized by DDTC should have access to those items.

This document was last updated 7 October 2015.
APPENDIX M
Contact from U.S. Government Representatives

**SCOPE:** This Guidance Document applies to all Seatronics employees, including Front Desk/Reception Personnel.

**OBJECTIVE:** To ensure that all contact by any personnel or other representative of Seatronics, with any government agent, representative, or official is positive for Seatronics and demonstrates Seatronics’ commitment to compliance with all relevant laws and regulations.

**INTRODUCTION:**

The government may contact Seatronics by various means. U.S. Government representatives, such as Bureau of Industry and Security (“BIS”), Office of Export Enforcement (“OEE”) agents, U.S. Customs and Border Protection (“CBP”) Import Specialists reviewing Seatronics imports, CBP Inspectors inspecting arriving or departing merchandise, or various other U.S. Government agencies may contact Seatronics by phone, letter, email or fax, or in person, to inquire about a particular transaction.

Government agents and representatives visit exporters’ and importers’ facilities for various reasons, sometimes as part of an outreach effort to help prevent export control violations. Other times, government agents visit a company for something much more serious, such as to serve a subpoena for documents or to execute a search warrant.

There are some general guidelines that Seatronics should follow when any type of government contact is made so as to ensure that Seatronics’ commitment to compliance is evident to the government representative and in order to respond as accurately and efficiently as possible to the government while at the same time protecting the rights and interests of Seatronics.

**GUIDANCE:**

*NOTE: OFFICIALS SHOULD BE ISSUED AN ACCESS BADGE UNDER THE SAME PROCEDURES AS ANY OTHER VISITOR.*

1. **Courtesy Visit.** If government agents arrive for a “courtesy visit,” the Seatronics Group Compliance Manager (“GCM”), Compliance Advocate, or designee should be contacted immediately to speak with the representatives. If none of these individuals are available, contact the Acteon Compliance Team or outside counsel.

2. **Subpoenas and Summons.** If U.S. government agents arrive to serve a Subpoena or Summons, they typically will provide the Subpoena or Summons to a Seatronics representative and leave and
not attempt to enforce the Subpoena or Summons immediately, but may elect to do so. If the agents want to enforce the Subpoena or Summons immediately, ask them to wait while the appropriate person is contacted. At that point, immediately contact the GCM, Compliance Advocate, or designee who will contact senior management and legal counsel.

The GCM, Compliance Advocate, or designee will check the date on the Subpoena or Summons to determine if it is enforceable on that date. If the Summons, for example, instructs Seatronics to produce certain records within 30 days, Seatronics has the right to 30 days to gather the information.

3. **Telephone Calls from Government Officials**
   A. All calls related to import and export questions from government officials should be directed to the GCM, Compliance Advocate, or designee.
   B. When anyone other than the GCM, Compliance Advocate, or designee receives a call from a government official inquiring about a shipment or other export or import related transaction, that individual should let the government representative know that Seatronics has a Compliance Program and that these issues will be best addressed by the Seatronics GCM who administers the Compliance Program. It would be appropriate to say: “let me have my colleague who handles these types of questions get back to you because that person will be better able to answer your questions than I will.”
   C. Listen carefully to what the Government representative says and ask for their name, agency they are with, a contact number, and the general reason for the call.
   D. Report the call immediately to the Seatronics GCM.

4. **Email or Mail from Government Officials.** Any mail, including email, received from BIS, CBP, or the U.S. Department of State, Directorate of Defense Trade Controls should be forwarded to the GCM.
APPENDIX N
All customer enquiries should be reviewed by Sales Engineers to ascertain whether we have enough information to decide on whether there may be any issues relating to the services requested. The level of information provided by customers will vary, but the basis of the initial review is to decide whether any concerns as to the equipment/services requested, customer, end use, and end use destination are likely to result in any Compliance or availability issues.

The areas to be considered are as follows:

1. **IS THE CUSTOMER KNOWN TO SEATRONICS?**
   a. Do they have an account? (refer to a commercial software in place)
   b. Are they based in a sensitive territory? (refer to **Sensitive Destinations Guidance Document – Appendix N-2**)
   c. Is an Ad Hoc Restricted Party Screening required? (refer to **Ad Hoc Amber Road Screening Guidance Document – Appendix N-3**)

2. **ARE THERE ANY CONCERNS REGARDING END USE OR FINAL DESTINATION?**

3. **ARE THE GOODS/SERVICES AVAILABLE AND ARE THEY SUBJECT TO ANY EXPORT CONTROLS?**
   a. When and for how long are the goods/services required?
   b. Do we have the equipment/service, or a suitable alternative available? (refer to a commercial software in place)
   c. Are the goods/services subject to either Local or US Export Control? (refer to **License Information Spreadsheet**)

It may not be possible to decide whether any of the above will apply initially – where there is any doubt, ask the enquirer for more information. An **End User Statement (Appendix C)** can be provided prior to provision of any
quotation/service should there be any unresolved concerns regarding the enquiry. See End-User Statement and Customer Review Guidance Document (Appendix O-1) for further guidance on use of End User Statements.
An assessment of the Shipping and End Use Destinations is required in order to ascertain whether Seatronics can provide equipment for projects in the relevant Countries.

Sanctions against various destinations are fluid and need to be checked prior to provision of equipment and/or services.

**DESTINATIONS OF IMMEDIATE CONCERN**

- CUBA
- IRAN
- SYRIA
- NORTH KOREA
- SUDAN

These destinations have long term sanctions in place and Seatronics are unlikely to be allowed to trade in any of the above. A License application WILL be required irrespective of the License status of equipment requested for operations in any of these countries.

**OTHER SANCTIONS AND EMBARGOES**

Note that Russia is currently a sensitive destination, where additional scrutiny is required for all projects.

Details on current sanctions and embargoes can be found using the following links.

United Nations and EU -  
https://www.gov.uk/sanctions-embargoes-and-restrictions

US Department of State -  
http://www.pmddtc.state.gov/embargoed_countries/

US BIS Sanctioned Destinations –  

US OFAC Sanctions -  
http://www.treasury.gov/about/organizational-structure/offices/Pages/Office-of-Foreign-Assets-Control.aspx

Reference should also be made to the latest Acteon Internal Memorandum relating to Trading with Sanctioned Territories. A copy of these documents can be found on the Group Network Server at F:\1 - Export Control\Sanctioned Territories or obtained from local Compliance Staff.
Various members of Staff at each Seatronics base will have a Login for Restricted Party Screening, enabling them to carry out Ad Hoc Screening on customers, vendors, prospective employees, and other business partners. Provision of Company Name and Contact Name (at a minimum) will allow Seatronics to determine whether there may be an issue.

Restricted Party Screening will give one of the following results:

- **Green Flag** – No current issues to restrict trading with customer based on the Information Screened
- **Amber Flag** – A possible match has been detected in relation to some of the details provided and checks on the reasons for the match will be required. Conduct further review of the information provided and consult with the Group Compliance Manager or Acteon Compliance Team if necessary.
- **Red Flag** – A match has been detected in relation to the details provided and guidance on how to proceed should be sought from the Acteon Compliance Team.
The following information (where available) will be obtainable by accessing either a commercial software database or a transaction folder on SharePoint:

- A commercial software Order Number
- Date
- Customer
- Contact Name
- Sales Person
- Equipment Required
- Date of Requirement
- Project Duration
- Any other relevant information (Notes)

Copies of all quotations provided to a customer or prospective customer will be automatically saved on a commercial software database with the contract number related to that particular quotation. If the quotation proceeds, save all relevant external documents for the transaction into the applicable folder on the Group Network (Sharepoint) server with a link to a commercial software quotation/contract or into hard copy contract folder. See the Export Compliance Recordkeeping Policy (ECP 07) for a complete list of documents that must be stored in the transaction folder.
The “Positive” End-User Statement (Appendix C-1) shall be provided to all customers to whom Seatronics will be exporting or to whom Seatronics is aware the customer will be exporting Seatronics equipment. On a case-by-case basis, and as determined by the Group Compliance Manager (“GCM”) a “Negative” End-User Statement (Appendix C-2) or Blanket Annual End-User Statement (Appendix C-3) may be provided by the customer.

1. End-User Statement should be reviewed to confirm/check that:

   A. End-User Statement is fully completed and signed by an individual with knowledge of the transaction;
   B. goods are not shipping to or to be used in a sensitive destination (refer to Sensitive Destinations Guidance Document – Appendix N-2);
   C. end use is acceptable (i.e. no military, nuclear, or chemical/biological weapons end-uses);
   D. all Listed Parties have been screened on Restricted Party Screening; and
   E. any licensing requirements shipping items to the end destination have been met.

2. Customer PO should be reviewed to confirm/check that:

   A. PO line items and rates match those quoted (where applicable) or detailed in the relevant agreement;
   B. customer account details on Seatronics Quotation match those detailed on PO;
   C. client Terms and Conditions are acceptable to Seatronics; and
   D. delivery can be made in the requested timescale.
APPENDIX O

See Post Order Checks Flowchart in Excel File
APPENDIX P

See License Application Review Flowchart in Excel File [SGFT]
APPENDIX Q

See Pre Despatch Checks Flowchart in Excel File
[SGFT ref TBC]
APPENDIX S
The U.S. Government maintains export control and economic sanctions requirements through various statutes, regulations, and agencies. The descriptions below describe the primary agencies, statutes, and regulations affecting compliance with export laws and regulations.

**Summary of U.S. Regulations and Government Agencies**

**Export Administration Regulations** – Administered by the Bureau of Industry and Security

The Bureau of Industry and Security (“BIS”) is the agency within the U.S. Department of Commerce that is responsible for administering and enforcing export controls on commercial and “dual-use” items. BIS publishes and administers the Export Administration Regulations (“EAR”) (15 C.F.R. Part 730 et seq.), which describe export controls and contain a list of the commodities, software, and technology that are controlled for export by BIS. This list is called the Commerce Control List (“CCL”) and is contained in Supplement No. 1 to Part 774 of the EAR. Whether prior authorization from BIS is required is dependent on the classification of the item, the country of destination of the item, the end-user of the item, and the end-use of the item. The EAR may also require licenses for U.S. persons aiding in certain proliferation-related activities.

**International Traffic in Arms Regulations** – Administered by the Directorate of Defense Trade Controls

The Directorate of Defense Trade Controls (“DDTC”) is the agency within the U.S. Department of State that is responsible for administering export controls of military items and services. DDTC publishes the International Traffic in Arms Regulations (“ITAR”), 22 C.F.R. Parts 120-130, which contain the U.S. Munitions List (“USML”). The USML lists defense articles and defense technical data (including software) that are controlled for export by DDTC. All manufacturers, exporters, and brokers of defense articles, defense services, or related technical data are required to register with DDTC.

If an item to be exported from the U.S. or to be reexported from another country is listed on the USML, then the export, reexport, or transfer generally requires authorization from DDTC no matter the country of destination. In addition, DDTC maintains arms embargoes against many countries, as listed in 22 C.F.R. § 126.1 [http://www.pmddtc.state.gov/embargoed_countries/index.html]. Exports to countries subject to arms embargoes are generally subject to a licensing policy of denial. Determining whether an item is controlled under the ITAR or subject to the EAR can be challenging. In these instances, the exporter may submit a Commodity Jurisdiction request to DDTC in order to receive a definitive answer.
Export Control Reform Initiative

The Export Control Reform ("ECR") Initiative is a comprehensive set of reforms aimed at overhauling U.S. export controls. The intent of ECR is to streamline U.S. export controls to reduce the burden on those affected by U.S. export regulations, and to allow the government to focus on export activities that pose a threat to national security. Eventually, items controlled by U.S. export regulations will be enumerated on a single comprehensive control list that will allow users to identify, classify, and evaluate applicable export controls. Additionally, ECR will create a single licensing agency, primary enforcement coordination agency, and implement a single IT system to govern all export controls.

The first set of rules under ECR issued on April 16, 2013 became effective October 15, 2013, the rules focused on creating a foundation to allow items previously controlled on the USML to transition to the CCL and the restructuring of the ITAR and EAR. Since then, final rules continue to be published as part of the ECR initiative. Revisions to the USML categories have resulted in a more detailed control list that imposes controls based on sensitivity and the destination of the item. Additionally, some items that were enumerated on the USML have been transitioned to the CCL. These items, listed in the new “600 series” ECCNs on the CCL, include parts, components, and other items the administration determined were less sensitive. Therefore, many items previously controlled by the Department of State are now under the jurisdiction of the Department of Commerce and generally face fewer export restrictions. However, many of the transitioned items still require export licenses unless a license exception exists under the EAR.

Foreign Assets Control Regulations – Administered by the Office of Foreign Assets Control

The Office of Foreign Assets Control ("OFAC") is the agency within the U.S. Department of the Treasury that is responsible for administering trade and financial sanctions against certain countries, entities, and individuals. Currently, OFAC maintains comprehensive sanctions against Cuba, Iran, North Korea, Sudan, and Syria. The extent of the sanctions depends on the country in question, but each sanctions program generally includes stringent export controls, potential import controls, asset freezes, and restrictions on doing business with entities or people from those countries. With respect to export controls, OFAC has primary licensing jurisdiction for Iran and shares licensing jurisdiction with BIS for exports to Sudan. BIS has primary export licensing jurisdiction for Cuba as well as comprehensive export sanctions on North Korea and Syria.

Additional information on OFAC Sanctions program can be found here: http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx

In addition to administering comprehensive sanctions, OFAC also targets specific persons and entities in additional countries, such as Belarus, Burma (Myanmar), Cote d’Ivoire (Ivory Coast), Democratic Republic of the Congo, Lebanon, Somalia, and Zimbabwe, among others. Moreover, OFAC targets terrorist organizations, narcotics traffickers, and other individuals and entities of concern by listing them on the Specially Designated Nationals ("SDN") List. U.S. persons may not conduct business with or engage in a wide range of transactions involving individuals or entities on the SDN List without an OFAC authorization. More information about the SDN list can be found here: http://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/default.aspx
Foreign Trade Regulations – Administered by the Census Bureau

The Census Bureau is the agency within the U.S. Department of Commerce that is responsible for administering the Foreign Trade Regulations, 15 C.F.R. Part 30, under which Census provides trade statistics. For most export shipments from the U.S., exporters or their agents are required to file Electronic Export Information (“EEI”) through the Automated Export System (“AES”). AES filings include data on value, Schedule B number, quantities, method of transportation, country of destination, ultimate consignee, etc. The AES filing also includes entries for the export control classification number and license authorization, if required. The export control agencies and U.S. Customs and Border Protection (“CBP”) have access to AES filings and can use them to help determine whether any export violations have occurred or are about to occur.

Other Agencies with Export Control Licensing Jurisdiction

BIS and DDTC are the primary agencies with export licensing jurisdiction, but other agencies have jurisdiction for a range of other related matters:

- Department of Homeland Security, U.S. Customs and Border Protection (CBP) – outbound CBP inspectors review export shipments for potential unlicensed or otherwise unauthorized exports or potential diversions.
- Department of Homeland Security, Immigration and Customs Enforcement (ICE) – Law enforcement agents who investigate import, export and immigration violations.
- Nuclear Regulatory Commission (10 C.F.R. Part 110) – nuclear equipment and materials
- Department of Energy (10 C.F.R. Part 810) – foreign atomic nuclear assistance
- Drug Enforcement Agency (21 C.F.R. Parts 1311-1313) – chemicals and controlled substances.

Purpose of Export Compliance

Export rules and regulations generally encompass two primary aspects of export compliance: export controls and export clearance.

Export controls regulate the foreign distribution of U.S.-origin goods, software and technology, and impose other restrictions on trade, for purposes of U.S. government policy, including:
• Protecting U.S. national security;
• Implementing and supporting U.S. foreign policy objectives;
• Preventing the proliferation of weapons of mass destruction; and
• Combating terrorism.

Export clearance requirements regulate the reporting of shipment information and documentation necessary to physically clear and ship merchandise out of the United States. Export clearance reporting is also necessary for the compilation of foreign trade statistics as well as analyzing export control compliance.

**Deemed Exports/Deemed Reexports**

A “deemed export” consists of the “release” of controlled technology or technical data to a non-U.S. person while that non-U.S. person is physically located within the United States.\(^\text{17}\) A non-U.S. person, referred to in the regulations as a foreign national, is any person other than a U.S. citizen, permanent U.S. resident (“green card” holder), or other person protected by the U.S. government (refugees and persons granted asylum). Deemed exports may occur by any means that affords the non-U.S. person knowledge to develop, produce, or “use” a U.S. product abroad; including providing the non-U.S. person with technology or designs, permitting computer access to view or download such technology, conducting training in applying the technology, or orally discussing engineering specifications during a meeting or facility tour. Deemed exports may involve the release of technology to any non-U.S. persons, such as those employed by the company in the U.S., employees visiting or transferred to U.S. facilities, or nonemployees visiting U.S. facilities (e.g., customer representatives).

If the controlled technology is transferred to a third-country national overseas, this is generally referred to as a “deemed reexport.” Depending on level of controls on the technology and/or the particular country of nationality of the foreign person involved, a license may be required from BIS or DDTC prior to the transfer of such information/data on either an export and/or deemed re-export basis.


**Who Is Responsible For Export Controls and Clearance from the United States?**

The U.S. Principal Party in Interest (“USPPI”) is the exporter and generally has primary responsibility for export compliance, including licensing, export clearance, and recordkeeping. The USPPI is the party in the United States that receives the primary monetary benefit of the transaction (i.e., generally the manufacturer or seller). Using a freight forwarder or other agent does not relieve a USPPI of its responsibility for export compliance.

Domestic sales to an entity physically located within the United States are not exports, and do not make

\(^{17}\) The deemed export rule does not apply if the individual is a naturalized citizen, legal permanent resident of the U.S., or protected person or asylee of the United States as defined in the U.S. Immigration and Nationality Act.
the company an exporter. However, if you are transferring equipment domestically and you know, or have reason to know, will be exported illegally from the U.S., you may be held liable even if you are not the USPPI/exporter. Furthermore, if you are delivering to a freight forwarder for a foreign party to export, then the transaction is treated as a “Routed Export Transaction” and not as a domestic transaction.

In Routed Export Transactions, some aspects of export compliance responsibility can be passed on to the foreign “principal party in interest” or their freight-forwarding agent if certain procedures are followed. However, shifting this responsibility is complex and often difficult to secure agreement of all the relevant parties. For this reason, attempting to shift export compliance responsibility should be considered in consultation with an export controls expert on a case-by-case basis.

**Types of Exports and Other Regulated Transactions**
Export rules and regulations apply to “exports,” as that term is defined by the U.S. export regulations, and other transactions that fall outside that definition. The term “export” includes the following:

- Physical shipment of commodities, software or technology from the United States to destinations outside the U.S.;
- Shipment of U.S.-origin items, software or technology from one foreign country to another country (“reexport”);
- Transfer or release of technology or software to ANY person or company outside the U.S. by electronic transmission or other means, such as electronic mail, fax, telephone, download over the Internet, and access through a company network;
- Transfer or release of technology or software source code to foreign nationals within the U.S., which is treated as a “deemed” export to the home country of the foreign national. A deemed export can include visual inspection, verbal communication, or application abroad of personal knowledge or technical experience acquired in the United States. Technology which was previously exported to one country can also be subject to “deemed re-exports” by sharing it with persons who are not nationals of the country where the technology is located. For example, if technical data was exported to Mexico and accessed by a Cuban foreign national within Mexico, then a “deemed reexport” of technology to Cuba would have occurred.
- Reexport of certain foreign-made items produced directly from certain U.S. technology or software;
- Reexport of certain foreign-made products incorporating more than a certain amount of controlled U.S. content;
- Export of products from a U.S. Foreign Trade Zone (“FTZ”) to a foreign country;
- Export of products leaving the U.S. temporarily or as gifts; and
- Exports to U.S. subsidiaries or branches in a foreign country.

**Necessary Facts of Export Transactions**
Screening export transactions to determine if they are controlled transactions requires an understanding of all the facts surrounding a transaction. This is often referred to as the “4 Ws of Export Compliance”:

- What is the item being exported (classification of the commodity, software, or technology)?
- Where is the item going (ultimate destination country)?
- Who will ultimately receive the item (customer/end-user)?
- What will be done with the item (end-use)?

**Export Compliance Categories**

It is helpful to think of export compliance as fitting into five categories:

- Export compliance based on the product and country of destination (“Export Licensing Determination”);
- Export compliance based on end-use (“Nonproliferation”);
- Export compliance based on end-user (“Restricted Parties”);
- Export compliance based on sanctions (“Embargoes and Sanctions”); and
- Complying with an embargo that the U.S. does not support (“Anti-boycott”).

Although this may oversimplify the analysis, all of these regulatory requirements must be kept in mind for every export transaction.

**Export License Determination (Controls Based On Product)**

Certain commodities, software and technology require an export license to be exported because of their attributes, specification, ingredients, or potential use. Some of these may require a license to some countries, but not other countries. The critical first step in determining whether an export license is needed from BIS, OFAC, or DDTC is knowing whether the item you intend to export is on the United States Munitions List (“USML”), or whether it has a specific Export Control Classification Number (“ECCN”).

Based on the USML category or the ECCN, you can generally determine whether it will need a license to go to its ultimate destination. This process is known as an export license determination. Through the export license determination process, the exporter will determine whether a transaction requires a specific license from the U.S. government, is eligible for a license exception, or may be exported as no license required (“NLR”).

Some controlled transactions may not require a license if a license exception is applicable. A license exception is a regulatory provision that sets forth specific conditions under which transactions are permitted without obtaining an export license, where a license would otherwise be required. For an exporter to use a license exception, all of the prescribed conditions of the exception must be met.
(Under the ITAR, license exceptions are referred to as “exemptions.”)

If a transaction requires an export license and it does not qualify for a license exception under the EAR or an exemption under the ITAR, the exporter must apply for a license with the U.S. government. Proceeding with an export transaction without obtaining the required license is prohibited and constitutes a violation of the EAR and ITAR.

Depending on the nature of the transaction, BIS or DDTC will attach license conditions to ensure that the items approved for export or reexport are being routed to the appropriate end-user as designated in the license application. In the event the exporter obtains a license from either BIS or DDTC and the license carries certain conditions of approval, the exporter must notify other parties involved in the transaction of those conditions and obtain a written acknowledgment from the end-user abroad certifying that they have been informed of the conditions for export clearance purposes.

**Non-Proliferation (End-Use) Controls**
The EAR and other regulations prohibit certain exports intended for end-uses and activities directly associated with the proliferation of weapons of mass destruction. Weapons of mass destruction include nuclear weapons, chemical and biological weapons, and the missile systems that deliver them. End use controls also may extend to military end uses in certain circumstances (e.g., Chinese military end uses). Proliferation controls may also prohibit sales intended for civil nuclear activities in countries causing proliferation concerns, as well as unmanned aerial vehicles and nuclear propulsion activities. These end-use controls apply regardless of the performance capabilities of the product being exported and include a prohibition on U.S. persons taking action in the U.S. or abroad that supports proliferation activities overseas. In other words, even if a license is not required based on the type of product and country of destination (export licensing determination), knowledge that an item will be used for weapons proliferation may require a license to export or reexport the product.

**Restricted Parties (End-User) Controls**
BIS, DDTC and OFAC have published lists that identify persons and entities to which exports are generally prohibited without an export license, or entail additional compliance risks and considerations. These lists may be collectively referred to as the Restricted Parties Lists (“RPL”) and include the:

- Entity List (BIS);
- Denied Persons List (BIS);
- Unverified List (BIS);
- Specially Designated Nationals and Blocked Persons List (OFAC);
- Non-Proliferation Sanctions lists (State);
- List of Debarred Parties (DDTC);

Each of these lists has a different legal effect. In some cases, virtually all economic transactions involving a restricted party may be prohibited (i.e., transactions involving individuals and entities listed on the OFAC List of Specially Designated Nationals and Blocked Persons). If the name of a customer (or other
party to a transaction) potentially appears on a list, further analysis should be undertaken to determine whether the party matches the entry in the list, and if so, the appropriate course of action. The company’s Restricted Party Screening subscription may be used to screen persons and individuals against these lists.

**Sanctioned Countries**
Transactions involving certain countries may be restricted or completely prohibited based on U.S. foreign policy. Both OFAC and BIS administer sanctions imposed by the U.S. government against foreign countries. These embargoes and sanctions go beyond “export controls,” and may bar imports, investment, virtually all economic transactions, or facilitating another company’s transactions as well. Currently, there are comprehensive embargoes and sanctions affecting Cuba, Iran, Sudan, Syria, and North Korea. In addition, other countries are subject to more targeted sanctions, primarily against certain entities of officials of the countries, such as Belarus, Burma, Liberia, the Balkans, Cote d’Ivoire (Ivory Coast), and Zimbabwe. The list of sanctioned countries and the specific sanctions change frequently, so the OFAC and BIS websites should be consulted periodically to check for additional countries or additional controls against current countries impacted.

Each country has its own rules which should be consulted before participating in any transaction with a sanctioned nation (or nationals thereof). Each of these regimes is different, and has different coverage; the first five countries in the above list tend to be subject to more comprehensive controls, and the remaining countries on the list generally target specific entities or individuals.

**Diversion Risks**
The EAR prohibits exporters from proceeding with export transactions if the facts and circumstances indicate that a product will or is likely to be diverted to a prohibited or controlled destination, end-user, or end-use. A physical diversion may occur when a customer, freight forwarder, agent, trading company or other party to the transaction exports, re-exports or routes the product to a previously unidentified destination or end-user. A “diversion in place” occurs when the identified customer uses the product for a prohibited or controlled end-use, rather than the originally identified end-use. The risk of a prohibited “diversion” still exists for exported products even if an exporter complies with the export controls discussed above.

Exporters of diverted products will be considered in violation of the regulations if the exporter “knew or had reason to know” of the diversion before it occurred. Knowledge includes actual direct knowledge, such as being informed by the freight forwarder or trading company that the shipment will go to a prohibited destination or end-user instead of that shown on the shipping documents. Knowledge can also exist if the exporter was aware of facts that would indicate or imply that a diversion was likely. In addition, knowledge can be established if the exporter deliberately avoids learning pertinent information that it would normally obtain in the ordinary course of business.


**Extraterritorial Application of U.S. Export Controls**
U.S. export control laws and regulations can extend to U.S.-origin items outside of the U.S. as well as
certain foreign-made items outside of the U.S. (“extraterritoriality”). As a result, U.S. export control laws and regulations can apply to transactions that take place entirely outside the U.S., such as reexports of U.S.-origin items as well as, certain transactions occurring abroad that involve:

- A U.S. person, regardless of where the person is located at the time of the transaction;
- Owned or controlled subsidiaries or branches of U.S. companies;
- Repaired or refurbished components of U.S. products;
- U.S.-origin products or foreign-made products that derive a specific percentage of their value from U.S.-origin content; and
- Products manufactured or derived from certain U.S.-origin technology or software.

Each section of this Program describes both the U.S. rules that apply to U.S. operations and the rules that apply to extraterritorial (foreign) operations. Any differences are highlighted in the text.

**Export Clearance**

Exports from the U.S. generally must be reported on an Automated Export System (“AES”) filing. AES is the mandatory electronic method for filing the information that used to be provided on a paper Shippers Export Declaration with Customs and Border Protection and the Census Bureau. Export clearance requirements are administered by Census, but the submission is utilized by other U.S. government agencies for different purposes:

- Census – Collection of foreign trade statistics;
- BIS and DDTC – Export control documentation and compliance; and
- Bureau of Customs & Border Protection – To release the goods from the port of export.

The AES submission includes pertinent information such as the exporter (USPPI), customer (consignee), and commodity description, classification, quantity, weight, value, and licensing information. This data is referred to as Electronic Export Information (“EEI”). The EEI is often submitted via the AES by a freight forwarder or other agent authorized by the exporter to make such filings on its behalf.

**Civil and Criminal Penalties for Export Control Violations**

In the event a violation of U.S. export controls or economic sanctions laws were to occur, the company and individuals involved in the violation may be subject to penalties by one or more of the agencies with oversight of the export process. Penalties can include criminal and civil sanctions (including monetary penalties and possible imprisonment), denial or loss of export privileges, detentions and seizures of goods, adverse publicity, and other administrative measures deemed appropriate by BIS, DDTC or OFAC. Penalties levels vary depending on a number of factors including the egregiousness of the violation, the presence of mitigating factors, and the agency involved. Violations of the Export Administration Act of 1979, as amended (“EAA”), and the EAR may be subject to both criminal and administrative penalties. When the EAA is in effect, criminal penalties can reach 20 years imprisonment and/or $1 million per violation. Administrative monetary penalties can reach $11,000 per violation, and $120,000 per violation
in cases involving items controlled for national security reasons. When the EAA is in lapse (as it currently is), the criminal and administrative penalties for violations of the EAR are set forth in the International Emergency Economic Powers Act (“IEEPA”), as specified below.

On October 16, 2007, former President Bush signed into law the International Emergency Economic Powers (IEEPA) Enhancement Act, Public Law No. 110-96, amending IEEPA section 206. The Act enhances criminal and administrative penalties that can be imposed under IEEPA and also amends IEEPA to clarify that civil penalties may be assessed for certain unlawful acts. Criminal penalties can reach $1,000,000 and/or 20 years imprisonment per violation and the administrative penalties can reach the greater of $250,000 per violation or twice the amount of the transaction that is the basis of the violation.

Similarly, violations of the Trading With The Enemy Act (which currently applies to Cuba only) can lead to criminal fines up to $1,000,000 for corporations, $100,000 for individuals and/or ten years imprisonment (as well as general criminal statutory fines), and civil fines up to $65,000 per violation.

Besides these monetary fines and penalties, administrative sanctions for export violations can also lead to the outright denial of export privileges. This means you may not export or receive goods subject to U.S. law abroad. Finally, the U.S. Government routinely publicizes the assessment of sanctions on those companies who are found to be in violation of U.S. export law (see, “Don’t Let This Happen To You”: http://www.bis.doc.gov/index.php/forms-documents/doc_view/1005-don-t-let-this-happen-to-you-071814).

In many instances, denial of export privileges and negative publicity can be the most-damaging of all penalties as they often adversely affect companies’ dealings with both customers and suppliers, and can affect share value in the case of serious violations. BIS, DDTC, and OFAC have established formal procedures for companies wishing to disclose errors that have not been independently discovered by the agency. While there are often significant benefits to voluntary disclosure, any voluntary disclosure to any governmental entity should only be made in consultation with legal counsel after careful consideration of the relevant facts and circumstances.

**Recordkeeping Requirements**

BIS, in Part 762 of the EAR, and Census, in Section § 30.10 of the FTR, require exporters to maintain records and documents related to export transactions for a period of five (5) years from the date of export. Anti-boycott records must be kept for five years from the date an anti-boycott request was received. These recordkeeping requirements are very broad, and include virtually any record or document related to an export transaction, whether in paper or electronic form. However, it is incumbent upon exporters to retain correspondence from freight forwarders, U.S. Customs & Border Protection, BIS, the Bureau of Census and any other export-related agency (i.e., OFAC, Department of State, etc.).

**Reference Information**
The following resources are useful in monitoring changes in U.S. export laws and regulations:

- BIS Internet site: [http://www.bis.doc.gov/](http://www.bis.doc.gov/)
• Export Administration Regulations (“EAR”) [15 C.F.R. Parts 730-774]:
  http://www.access.gpo.gov/bis/ear/ear_data.html

• U.S. Census Bureau, Foreign Trade Division, Internet site: http://www.census.gov/foreign-trade/index.html

• Census Foreign Trade Regulations (“FTR”) [15 C.F.R. Part 30]: http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title15/15cfr30_main_02.tpl

• Census Schedule B classification numbers: http://www.census.gov/foreign-trade/schedules/b/

• Harmonized Tariff Schedule of the United States (“HTSUS”): http://www.usitc.gov/tata/hts/bychapter/index.htm

• The Department of Treasury’s Office of Foreign Assets Control Internet site, including sanctioned and embargoed countries: http://www.treas.gov/offices/enforcement/ofac/

• The Department of State’s Directorate of Defense Trade Controls Internet site: http://www.pmddtc.state.gov/

**Other government resources and trade associations:**

• Internet resource provided by the International Import Export Institute: http://www.usexportcompliance.com/

• American Association of Importers and Exporters: http://www.aaei.org/

• U.S. government Internet export portal: http://www.export.gov/

• Department of Commerce, International Trade Administration: http://www.ita.doc.gov

• U.S. Customs and Border Protection: http://www.cbp.gov/trade