

# **PULAU Corporation**

**Export Compliance**

**&**

**Procedures for the Field**

# **Objectives of this Presentation**

- **Define Export**
- **Increase Awareness of Export Compliance**
- **Violations and Penalties**
- **Implementation of Export Field Procedures**

# What is ITAR?

- **ITAR- International Traffic in Arms Regulations**
- **Set of U.S. Government Regulations that control the export/import of defense-related articles and services on the United States Munitions List**
- **These regulations implement the provisions of the Arms Export Control Act (AECA)**
- **Interpreted and Enforced by the Department of State**

# What is an Export?

- **Sending or taking an article out of the US or across a border**
- **Disclosing (including oral or visual disclosure) of export controlled information (technical data or technology) to a Foreign Person in the US or abroad**
- **Re-exporting from foreign countries items or technology that are of US origin**
- **Performing an ITAR controlled defense service on behalf of, or for the benefit of, a Foreign Person in the US or abroad**

# Some Examples

- **Sending a part needed for Repair to a site in another country i.e. Germany, Korea, Iraq**
- **Sending Drawings to possible Vendors outside the U.S. or Foreign Nationals working for companies in the U.S.**
- **Hand carrying a part that was shipped to a country (Germany) to repair a Trainer In Italy**
- **Providing “How to Courses”, or allowing Foreign Nationals to observe repairs on Technical Software, Simulators, Manuals, Training Devices**

# Why Control Export?

## Domestic Policies are Written to Ensure National Security

- **National Security and domestic policy**
  - To prevent development of weapons of mass destruction
  - To prevent unfriendly foreign powers from obtaining advanced military technology
  - To preserve resources in short supply for domestic use
  - Minimize Financial Impacts
- **Foreign Policy**
  - For crime control
  - Per international agreements with allied countries
  - For regional stability

# Violations

- **The greatest number of violations comes from:**
  - **Exporting technical data without necessary approval**
    - Often by overnight delivery services
    - Deemed exports to foreign visitors or employees
  - **Exporting after license has expired**
  - **Exceeding provisos (limits) of license**
  - **Failing to disclose details in application**
  - **Misuse of exemptions**
  - **Misunderstanding definition of defense service**
  - **Failing to record all use of exemptions**

# Penalties

- **Fines Ranging from hundreds of thousands of Dollars to Millions of Dollars**
- **Possible Jail Time**
- **loss of the ability to do business in foreign countries**

**\*\*\*\*\*A VIOLATION IMPACTS US ALL\*\*\*\*\***

# Export Field Procedures

- **Identify Final Destination**
- **All International Shipments will not be shipped unless released by Corporate Export Coordinator**
- **Provide Info to Export Compliance Coordinator**
- **Upon Release schedule Shipment via your FedEx Online Account (include all documentation you will receive)**

