

**§ 752.14 System reviews.**

(a) *Post-license system reviews.* BIS may conduct system reviews of the SCL holder as well as any consignee. Generally, BIS will give reasonable notice to SCL holders and consignees in advance of a system review. The review will involve interviews with company officials, the inspection of records, and the review of ICPs. BIS may conduct special unannounced system reviews if BIS has reason to believe an SCL holder or consignee has improperly used or has failed to comply with the SCL.

(b) *Other reviews.* BIS may require an SCL holder or consignee to submit to its office a list of all sales made under the SCL during a specified time-frame. Also, BIS may request from any consignee a list of transactions during a specified period involving direct shipments of items received under SCLs to customers of other consignees and sales to customers in reexport territories authorized by BIS on the consignee's validated Form BIS-752.

**§ 752.15 Export clearance.**

(a) *Shipper's Export Declaration (SED).* The SED covering an export made under an SCL must be prepared in accordance with standard instructions described in § 758.1 of the EAR. If the SCL holder has implemented the Bureau of Census Monthly Reporting System, the SCL holder must comply with the Census requirements.

(1) *Item descriptions.* Item descriptions on the SED must indicate specifically the ECCN and item description conforming to the applicable CCL description and incorporating any additional information where required by Schedule B; (e.g., type, size, name of specific item, etc.).

(2) *Value of shipments.* There is no value limitation on shipments under the SCL; however, you must indicate the value of each shipment on the SED.

(3) *SCL number.* The SED must include the SCL number followed by a blank space, and then the consignee number identifying the SCL's approved consignee to whom the shipment is authorized.

(b) *Destination control statement.* The SCL holder and consignees must enter a destination control statement on all copies of the bill of lading or air way-

bill, and the commercial invoice covering exports under the SCL, in accordance with the provisions of § 758.6 of the EAR. Use of a destination control statement does not preclude the consignee from reexporting to any of the SCL holder's other approved consignees or to other countries for which specific prior approval has been received from BIS. In such instances, reexport is not contrary to U.S. law and, therefore, is not prohibited. Another destination control statement may be required or approved by BIS on a case-by-case basis.

[61 FR 12835, Mar. 25, 1996, as amended at 62 FR 25466, May 9, 1997; 65 FR 42570, July 10, 2000]

**§ 752.16 Administrative actions.**

(a)(1) If BIS is not satisfied that you or other parties to the SCL are complying with all conditions and requirements of the SCL, or that ICPs employed by parties to such licenses are not adequate, BIS may, in addition to any enforcement action pursuant to part 764 of the EAR, take any licensing action it deems appropriate, including the following:

(i) Suspend the privileges under the SCL in whole or in part, or impose other restrictions;

(ii) Revoke the SCL in whole or in part;

(iii) Prohibit consignees from receiving items authorized under the SCL, or otherwise restrict their activities under the SCL;

(iv) Restrict items that may be shipped under the SCL;

(v) Require that certain exports, transfers or reexports be individually authorized by BIS;

(vi) Restrict parties to whom consignees may sell under the SCL; and

(vii) Require that an SCL holder provide an audit report to BIS of selected consignees or overseas operations.

(2) Whenever necessary to protect the national interest of the U.S., BIS may take any licensing action it deems appropriate, without regard to contracts or agreements entered into before such administrative action, including those described in paragraphs (a)(1) (i) through (vii) of this section.

(b) *Appeals.* Actions taken pursuant to paragraph (a) of this section may be