

PART 748

APPLICATIONS (CLASSIFICATION, ADVISORY, AND LICENSE) AND DOCUMENTATION

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§748.1

GENERAL PROVISIONS

● *(a) Scope*

In this part, references to the Export Administration Regulations or EAR are references to 15 CFR chapter VII, subchapter C. The provisions of this part involve requests for classifications and advisory opinions, export license applications, encryption review requests, reexport license applications, and certain license exception notices subject to the EAR. All terms, conditions, provisions, and instructions, including the applicant and consignee certifications, contained in such form(s) are incorporated as part of the EAR. For the purposes of this part, the term “application” refers to both electronic applications and the Form BIS-748P: Multipurpose Application.

● *(b) BIS responses*

BIS will give a formal classification, advisory opinion or licensing decision only through the review of a properly completed application supported by all relevant facts and required documentation submitted in writing or electronically to BIS.

● *(c) Confidentiality*

Consistent with section 12(c) of the Export Administration Act, as amended, information obtained for the purpose of considering license applications, and other information obtained by the U.S. Department of Commerce concerning license applications, will not be made available to the public without the approval of the Secretary of Commerce or of the Under Secretary for Industry and Security.

● *(d) Electronic Filing Required*

All export and reexport license applications

(other than Special Comprehensive License or Special Iraq Reconstruction License applications), encryption review requests, license exception AGR notifications, and classification requests and their accompanying documents must be filed via BIS's Simplified Network Application Processing system (SNAP-R), unless BIS authorizes submission via the paper forms BIS 748-P (Multipurpose Application Form), BIS-748P-A (Item Appendix) and BIS-748P-B, (End-User Appendix). Only original paper forms may be used. Facsimiles or reproductions are not acceptable.

(1) Reasons for authorizing paper submissions. BIS will process paper applications notices or requests if the submitting party meets one or more of the following criteria:

(i) BIS has received no more than one submission (*i.e.* the total number of export license applications, reexport license applications, encryption review requests, license exception AGR notifications, *and* classification requests) from that party in the twelve months immediately preceding its receipt of the current submission;

(ii) The party does not have access to the Internet;

(iii) BIS has rejected the party's electronic filing registration or revoked its eligibility to file electronically;

(iv) BIS has requested that the party submit a paper copy for a particular transaction; or

(v) BIS has determined that urgency, a need to implement U.S. government policy or a circumstance outside the submitting party's control justify allowing paper submissions in a particular instance.

(2) Procedure for requesting authorization to file paper applications, notifications, or requests. The applicant must state in Block 24 or as an attachment to the paper application (Form

BIS 748-P) which of the criteria in paragraph (d)(1) of this section it meets and the facts that support such statement. Submit the completed application, notification or request to Bureau of Industry and Security, U.S. Department of Commerce, 14th Street and Pennsylvania, N.W., Room H2705, Washington D.C. 20230.

(3) BIS decision. If BIS authorizes or requires paper filing pursuant to this section, it will process the application, notification or request in accordance with Part 750 of the EAR. If BIS rejects a request to file using paper, it will return the Form BIS-748P and all attachments to the submitting party without action and will state the reason for its decision.

§748.2

OBTAINING FORMS; MAILING ADDRESSES

(a) You may obtain the forms required by the EAR from any U.S. Department of Commerce District Office; or in person or by telephone or facsimile from the following BIS offices:

Outreach and Educational Services Division
U.S. Department of Commerce
14th Street and Pennsylvania Ave., NW.
Room H1099D
Washington, DC 20230
Tel: (202) 482-4811
Fax: (202) 482-2927

Western Regional Office:
U.S. Department of Commerce
3300 Irvine Avenue, Suite 345
Newport Beach, CA 92660
Tel: (949) 660-0144
Fax: (949) 660-9347

U.S. Export Assistance Center
Bureau of Industry and Security
160 W. Santa Clara Street

Suite 725
San Jose, CA 95113
Tel: (408) 998-8805 or (408) 998-8806
Fax: (408) 998-8677

(b) For the convenience of foreign consignees and other foreign parties, certain BIS forms may be obtained at U.S. Embassies and Consulates throughout the world.

§748.3

CLASSIFICATION REQUESTS, ADVISORY OPINIONS, AND ENCRYPTION REVIEW REQUESTS

(a) Introduction

You may ask BIS to provide you with the correct Export Control Classification Number down to the paragraph (or subparagraph) level, if appropriate. BIS will advise you whether or not your item is subject to the EAR and, if applicable, the appropriate ECCN. This type of request is commonly referred to as a “Classification Request”. If requested, for a given end-use, end-user, and/or destination, BIS will advise you whether a license is required, or likely to be granted, for a particular transaction. Note that these responses do not bind BIS to issuing a license in the future. This type of request, along with requests for guidance regarding other interpretations of the EAR are commonly referred to as “Advisory Opinions”. The encryption requirements in the EAR require that certain encryption items be reviewed by BIS in order for them to be eligible for export or reexport under License Exception ENC (see §740.17 of the EAR) or to be released from “EI” controls (see §742.15(b)(2) of the EAR). BIS makes its determination based on the submission of a review request prepared in accordance with the instructions in Supplement No. 6 to part 742 of the EAR. A review of the questions provided in Supplement No. 5 to part 742 of the EAR may

assist in determining whether you must submit an encryption review request (see paragraph (d) of this section) for your particular item.

● **(b) Classification requests**

Submit classification requests in accordance with the procedures in §748.1.

● **(1)** Each Classification Request must be limited to six items. Exceptions may be granted by BIS on a case-by-case basis for several related items if the relationship between the items is satisfactorily substantiated in the request. Classification requests must be supported by any descriptive literature, brochures, precise technical specifications or papers that describe the items in sufficient technical detail to enable classification by BIS submitted as PDF files attached to the SNAP-R submission unless a paper submission is authorized pursuant to § 748.1 of the EAR..

● **(2)** When submitting a Classification Request, you must complete Blocks 1 through 5, 14, 22(a), (b), (c), (d), and (i), 24, and 25 on the application. You must provide a recommended classification in Block 22(a) and explain the basis for your recommendation based on the technical parameters specified in the appropriate ECCN in Block 24. If you are unable to determine a recommended classification for your item, include an explanation in Block 24, identifying the ambiguities or deficiencies that precluded you from making a recommended classification.

● **(c) Advisory Opinions**

Advisory opinion requests must be in writing and be submitted to the address listed in §748.1(d)(2). Both your letter and envelope must be marked “Advisory Opinion”.

(1) Your letter must contain the following information if you are requesting guidance regarding interpretations of the EAR:

(i) The name, title, and telephone and facsimile numbers of the person to contact;

(ii) Your complete address comprised of street address, city, state, country, and postal code; and

(2) If you are requesting BIS to determine whether a license is required, or the licensing policy related to a particular end-use, end-user, and/or destination, in addition to the information required in §748.3(c)(1) you must also include:

(i) All available information on the parties to the transaction and the proposed end-use or end-user;

(ii) The model number for each item, where appropriate;

(iii) The Export Control Classification Number, if known, for each item; and

(iv) Any descriptive literature, brochures, technical specifications or papers that describe the items in sufficient technical detail to enable BIS to verify the correct classification.

(3) Requests for Validated End-User authorization should be submitted in accordance with the provisions set forth in §748.15 and Supplement Nos. 8 and 9 to this part.

(d) Review requests for encryption items

A Department of Commerce review of encryption items transferred from the U.S. Munitions List consistent with Executive Order 13026 of November 15, 1996 (3 CFR, 1996 Comp., p. 228) and pursuant to the Presidential Memorandum of that date may be required to determine eligibility under License Exception ENC or for release from “EI” controls. Refer to Supplement No. 5 to part 742 of the EAR for questions that provide initial guidance in determining whether you must submit an encryption review request for your item. Refer to Supplement No. 6 to part 742 of the EAR for a

complete list of technical information that is required for encryption review requests. Refer also to §742.15(b) of the EAR for instructions regarding mass market encryption commodities and software. Refer to §740.17 of the EAR for the provisions of License Exception ENC.

§748.4

BASIC GUIDANCE RELATED TO APPLYING FOR A LICENSE

(a) License Applicant

(1) Export transactions. Only a person in the United States may apply for a license to export items from the United States. The applicant must be the exporter, who is the U.S. principal party in interest with the authority to determine and control the sending of items out of the United States, except for Encryption License Arrangements (ELA) (see §750.7(d) of the EAR). See definition of “exporter” in part 772 of the EAR.

(2) Routed export transactions. The U.S. principal party in interest or the duly authorized U.S. agent of the foreign principal party in interest may apply for a license to export items from the United States. Prior to submitting an application, the agent that applies for a license on behalf of the foreign principal party in interest must obtain a power of attorney or other written authorization from the foreign principal party in interest. See §758.3(b) and (d) of the EAR.

(3) Reexport transactions. The U.S. or foreign principal party in interest, or the duly authorized U.S. agent of the foreign principal party in interest, may apply for a license to reexport controlled items from one country to another. Prior to submitting an application, an agent that applies for a license on behalf of a foreign principal party in interest must obtain a power-of-attorney or other written authorization from the

foreign principal party in interest, unless there is a preexisting relationship by ownership, control, position of responsibility or affiliation. See power-of-attorney requirements in paragraph (b)(2) of this section.

(b) Disclosure of parties on license applications and the power of attorney

●**(1) Disclosure of parties.** License applicants must disclose the names and addresses of all parties to a transaction. When the applicant is the U.S. agent of the foreign principal party in interest, the applicant must disclose the fact of the agency relationship, and the name and address of the agent’s principal. If there is any doubt about which persons should be named as parties to the transaction, the applicant should disclose the names of all such persons and the functions to be performed by each in Block 24 of the application. Note that when the foreign principal party in interest is the ultimate consignee or end-user, the name and address need not be repeated in Block 24. See “Parties to the transaction” in §748.5.

(2) Power of attorney or other written authorization.

(i) *Requirement.* An agent must obtain a power of attorney or other written authorization from the principal party in interest, unless there is a preexisting relationship by ownership, control, position of responsibility or affiliation, prior to preparing or submitting an application for a license, when acting as either:

(A) An agent, applicant, licensee and exporter for a foreign principal party in interest in a routed transaction; or

(B) An agent who prepares an application for export on behalf of a U.S. principal party in interest who is the actual applicant, licensee and exporter in an export transaction.

●(ii) *Application.* Block 7 of the application

(documents on file with applicant) must be marked “other” and Block 24 (Additional information) must be marked “748.4(b)(2)” to indicate that the power of attorney or other written authorization is on file with the agent. See §758.3(d) for power of attorney requirement, and see also part 762 of the EAR for recordkeeping requirements.

(c) Prohibited from applying for a license

No person convicted of a violation of any statute specified in section 11(h) of the Export Administration Act, as amended, at the discretion of the Secretary of Commerce, may apply for any license for a period up to 10 years from the date of the conviction. See §766.25 of the EAR.

(d) Prior action on a shipment

If you have obtained a license without disclosure of the facts described in this section, the license will be deemed to have been obtained without disclosure of all facts material to the granting of the license and the license so obtained will be deemed void. See part 764 of the EAR for other sanctions that may result in the event a violation occurs.

(1) Licenses for items subject to detention or seizure. If you submit a license application for items that you know have been detained or seized by the Office of Export Enforcement or by the U.S. Customs Service, you must disclose this fact to BIS when you submit your license application.

(2) Licenses for items previously exported. You may not submit a license application to BIS covering a shipment that is already laden aboard the exporting carrier, exported or reexported. If such export or reexport should not have been made without first securing a license authorizing the shipment, you must send a letter of explanation to the

Office of Export Enforcement

U.S. Department of Commerce
14th and Pennsylvania Avenue, N.W., H4520
Washington, D.C. 20230

The letter must state why a license was not obtained and disclose all facts concerning the shipment that would normally have been disclosed on the license application. You will be informed of any action and furnished any instructions by the Office of Export Enforcement.

(e) Multiple shipments

Your license application need not be limited to a single shipment, but may represent a reasonable estimate of items to be shipped throughout the validity of the license. Do not wait until the license you are using expires before submitting a new application. You may submit a new application prior to the expiration of your current license in order to ensure uninterrupted shipping.

(f) Second application

You may not submit a second license application covering the same proposed transaction while the first is pending action by BIS.

(g) Resubmission

If a license application is returned without action to you by BIS or your application represents a transaction previously denied by BIS, and you want to resubmit the license application, a new license application must be completed in accordance with the instructions contained in Supplement No. 1 to part 748. Cite the Application Control Number on your original application in Block 24 on the new license application.

(h) Emergency processing

Applicants may request emergency processing of license applications by contacting the Outreach and Educational Services Division of the Office of

Exporter Services by telephone on (202) 482-4811 or by facsimile on (202) 482-2927. Refer to the Application Control Number when making emergency processing requests. BIS will expedite its evaluation, and attempt to expedite the evaluations of other government agencies, of a license application when, in its sole judgment, the circumstances justify emergency processing. Emergency processing is not available for Special Comprehensive License applications. See §750.7(h) of the EAR for the limit on the validity period of emergency licenses.

§748.5

PARTIES TO THE TRANSACTION

●The following parties may be entered on the application. The definitions, which also appear in Part 772 of the EAR, are set out here for your convenience to assist you in filling out your application correctly.

(a) Applicant

The person who applies for an export or reexport license, and who has the authority of a principal party in interest to determine and control the export or reexport of items. See §748.4(a) and definition of “exporter” in part 772 of the EAR.

●***(b) Other party authorized to receive license***

The person authorized by the applicant to receive the license. If a person and address is listed in Block 15 of the application, the Bureau of Industry and Security will send the license to that person instead of the applicant. Designation of another party to receive the license does not alter the responsibilities of the applicant, licensee or exporter.

(c) Purchaser

The person abroad who has entered into the transaction to purchase an item for delivery to the ultimate consignee. In most cases, the purchaser is not a bank, forwarding agent, or intermediary. The purchaser and ultimate consignee may be the same entity.

(d) Intermediate Consignee

The person that acts as an agent for a principal party in interest and takes possession of the items for the purpose of effecting delivery of the items to the ultimate consignee. The intermediate consignee may be a bank, forwarding agent, or other person who acts as an agent for a principal party in interest.

(e) Ultimate Consignee

The principal party in interest located abroad who receives the exported or reexported items. The ultimate consignee is not a forwarding agent or other intermediary, but may be the end-user.

(f) End-User

The person abroad that receives and ultimately uses the exported or reexported items. The end-user is not a forwarding agent or intermediary, but may be the purchaser or ultimate consignee.

§748.6

GENERAL INSTRUCTIONS FOR LICENSE APPLICATIONS

●***(a) Instructions***

General instructions for filling out license applications are in Supp. No. 1 to this part. Special instructions for applications involving certain transactions are listed in §748.8 and described fully in Supp. No. 2 to this part.

•(b) Application Control Number

Each application has an application control number. The Application Control Number, consisting of a letter followed by six digits, is for use by BIS when processing applications, and by applicants when communicating with BIS concerning pending applications. This number is used for tracking purposes within the U.S. Government. The Application Control Number is not a license number.

(c) Approval or denial in entirety

License applications may be approved in whole or in part, denied in whole or in part, or returned without action. However, you may specifically request that your license application be considered as a whole and either approved or denied in its entirety.

(d) Combining items on license applications

Any items may be combined on a single application; however, if the items differ dramatically (e.g., computers and shotguns) the number of BIS offices to which a license application may be referred for review may increase significantly. Accordingly, it is recommended that you limit items on each license application to those that are similar and/or related.

•(e) Attachments to applications

Documents required to be submitted with applications filed via SNAP-R must be submitted as PDF files using the procedures described in SNAP-R. Documents required to be submitted with paper applications must bear the application control number to which they relate and, if applicable, be stapled to the paper form. Where necessary, BIS may require you to submit additional information beyond that stated in the EAR confirming or amplifying information contained in your license application.

(f) Changes in facts

Answers to all items on the license application will be deemed to be continuing representations of the existing facts or circumstances. Any material or substantive change in the terms of the order, or in the facts relating to the transaction, must be promptly reported to BIS, whether a license has been granted or the license application is still under consideration. If a license has been granted and such changes are not excepted in §750.7(c) of the EAR, they must be reported immediately to BIS, even though shipments against the license may be partially or wholly completed, during the validity period of the license.

(g) Request for extended license validity period

An extended validity period will generally be granted if your transaction is related to a multi-year project, when production lead time will not permit export or reexport during the normal validity period or for other similar circumstances. A continuing requirement to supply spare or replacement parts will not normally justify an extended validity period. To request an extended validity period, include justification for your request in Block 24 on the application.

§748.7**APPLYING ELECTRONICALLY FOR A
LICENSE OR CLASSIFICATION
REQUEST****(a) Authorization**

You may apply electronically once you have been authorized to do so by BIS. An authorization to submit applications electronically may be limited or withdrawn by BIS at any time. There are no prerequisites for obtaining permission to submit electronically or limitations in terms of country eligibility. However, BIS may direct for any

reason that any electronic application be resubmitted in writing, in whole or in part.

(1) Requesting approval to submit applications electronically. To submit applications electronically, your company must submit a written request to BIS. Written requests may be faxed to (202) 219-9179 or (202) 219-9182 (Washington, DC), faxed to (949) 660-9347 (Newport Beach, CA), or submitted to one of the addresses identified in §748.2(c) of this part. Both the envelope and letter must be marked “Attn: Electronic Submission Request”. Your letter must contain your company's name, and the address, telephone number, and name of the principal contact person in your company. Before approving your request, BIS will provide you with language for a number of required certifications. Once you have completed the necessary certifications, you may be approved by BIS to submit applications electronically.

(2) Assignment and use of company and personal identification numbers.

(i) Each company granted permission to submit applications electronically will be assigned a company identification number. Each person approved by BIS to submit applications electronically for the company will be assigned a personal identification number (“PIN”) telephonically by BIS. A PIN will be assigned to you only if your company has certified to BIS that you are authorized to act for it in making electronic submissions under the EAR.

(ii) Your company may reveal the assigned company identification number only to the PIN holders, their supervisors, employees, or agents of the company with a commercial justification for knowing the company identification number.

(iii) An individual PIN holder may not:

(A) Disclose the PIN to anyone;

(B) Record the PIN either in writing or electronically;

(C) Authorize another person to use the PIN; or

(D) Use the PIN following termination by BIS or your company of your authorization or approval for PIN use.

(iv) To prevent misuse of the PIN:

(A) If a PIN is lost, stolen or otherwise compromised, the company and the PIN holder must report the loss, theft or compromise of the PIN immediately by telephoning BIS at (202)482-0436. You must confirm this notification in writing within two business days to BIS at the address provided in §748.2(c) of this part.

(B) Your company is responsible for immediately notifying BIS whenever a PIN holder leaves the employ of the company or otherwise ceases to be authorized by the company to submit applications electronically on its behalf.

(v) No person may use, copy, steal or otherwise compromise a PIN assigned to another person; and no person may use, copy, steal or otherwise compromise the company identification number where the company has not authorized such person to have access to the number.

(b) Electronic submission of applications

(1) All applications. Upon submission of the required certifications and approval of the company's request to use electronic submission, BIS will provide instructions both on the method to transmit applications electronically and the process for submitting required supporting documents and technical specifications. These instructions may be modified by BIS from time to time.

(2) License Applications. The electronic

submission of an application for license will constitute an export control document. Such submissions must provide the same information as written applications and are subject to the recordkeeping provisions of part 762 of the EAR. The applicant company and PIN holder submitting the application will be deemed to make all representations and certifications as if the submission were made in writing by the company and signed by the submitting PIN holder. Electronic submission of a license application will be considered complete upon the transmittal of the application to BIS or to an entity under contract to receive such applications for BIS.

(c) Maintenance of a log

Your company must maintain a log, either manually or electronically, specifying the date and time of each electronic submission, the ECCNs of items on each electronic submission, and the name of the employee or agent submitting the license application. This log may not be altered. Written corrections must be made in a manner that does not erase or cover original entries. If the log is maintained electronically, corrections may only be made as notations.

(d) Updating

An applicant company must promptly notify BIS of any change in its name or address. If your company wishes to have an individual added as a PIN holder, your company must advise BIS and follow the instructions provided by BIS. Your company should conduct periodic reviews to ensure that PINs are held only by individuals whose current responsibilities make it necessary and appropriate that they act for the company in this capacity.

§748.8

**UNIQUE APPLICATION AND
SUBMISSION REQUIREMENTS**

In addition to the instructions contained in Supplement No. 1 to this part 748, you must also ensure that the additional requirements for certain items or types of transactions described in this section are addressed in your license application. See Supplement No. 2 to this part 748 if your application involves:

- (a) Chemicals, medicinals, and pharmaceuticals.*
- (b) Communications intercepting devices.*
- (c) Digital computers, telecommunications, and related equipment.*
- (d) Gift parcels; consolidated in a single shipment.*
- (e) Intransit shipments through the United States.*
- (f) Intransit shipments outside of the United States.*
- (g) Nuclear Nonproliferation items and end-uses.*
- (h) Numerical control devices, motion control boards, numerically controlled machine tools, dimensional inspection machines, direct numerical control systems, specially designed assemblies and specially designed software.*
- (i) Parts, components, and materials incorporated abroad into foreign-made products.*
- (j) Ship stores, plane stores, supplies, and equipment.*
- (k) Regional stability controlled items.*
- (l) Reexports.*
- (m) Robots.*

- (n) *Short Supply controlled items.*
- (o) *Technology.*
- (p) *Temporary exports or reexports.*
- (q) *Exports of chemicals controlled for CW reasons by ECCN 1C350 to countries not listed in Supplement No. 2 to part 745 of the EAR..*
- (r) *Encryption review requests.*
- (s) *Foreign National Review Request.*
- (t) *Foreign National Support Statement for deemed exports.*
- (u) *Aircraft and vessels on temporary sojourn.*
- (v) *In-country transfers.*

- Belize
- Bermuda
- Bolivia
- Brazil
- Canada
- Chile
- Colombia
- Costa Rica
- Dominican Republic
- Ecuador
- El Salvador
- French West Indies
- French Guiana
- Greenland
- Guatemala
- Guyana
- Haiti
- Honduras
- Jamaica
- Leeward and Windward Islands
- Mexico
- Miquelon and St. Pierre Islands
- Netherlands Antilles
- Nicaragua
- Panama
- Paraguay
- Peru
- Surinam
- Trinidad and Tobago
- Uruguay
- Venezuela

§748.9

SUPPORT DOCUMENTS FOR LICENSE APPLICATIONS

(a) Exemptions

If you plan to submit a license application involving one of the following situations and your item is not a firearms item destined for an OAS member country, no support documentation is required. Simply submit the license application. If your item is a firearms item (Reason for Control identified as “FC” on the Commerce Control List, Supplement No. 1 to part 774 of the EAR) destined for an OAS member country, proceed to section 748.14 of this part.

(1) All exports and reexports involving ultimate consignees located in any of the following destinations:

- Bahamas
- Barbados

(2) The ultimate consignee or purchaser is a foreign government(s) or foreign government agency(ies), other than the government of the People’s Republic of China. To determine whether the parties to your transaction meet the definition of “government agency” refer to the definition contained in part 772 of the EAR. Remember, if either the ultimate consignee or purchaser is not a foreign government or foreign government agency, a statement is required from the nongovernmental party.

(3) The license application is filed by, or on behalf of, a relief agency registered with the Advisory

Committee on Voluntary Foreign Aid, U.S. Agency for International Development, for export to a member agency in the foreign country.

(4) The license application is submitted to export or reexport items for temporary exhibit, demonstration, or testing purposes.

(5) The license application is submitted for items controlled for short supply reasons (see part 754 of the EAR).

(6) The license application is submitted under the Special Comprehensive License procedure described in part 752 of the EAR.

(7) The license application is submitted to export or reexport software or technology.

(8) The license application is submitted to export or reexport encryption items controlled under ECCNs 5A002, 5B002, 5D002 and 5E002.

(b) Support document requirements

License applications not exempt under paragraph (a) of this section generally must be supported by documents designed to elicit information concerning the disposition of the items intended for export or reexport. These support documents must be either submitted at the time the license application is filed or retained in the applicant's files in accordance with the recordkeeping provisions of part 762 of the EAR. The type of support documentation required is dependent on the item involved and the country of ultimate destination. To determine which type of support documentation is required, answer the following questions:

(1) Does your transaction involve items controlled for national security reasons? Does your transaction involve items destined for the People's Republic of China (PRC)?

(i) If yes, continue with question number 2 in

paragraph (b)(2) of this section.

(ii) If no, your transaction may require a Statement by Ultimate Consignee and Purchaser. Read the remainder of this section beginning with paragraph (c) of this section, then proceed to §748.11 of the EAR.

(2) Does your transaction involve items controlled for national security reasons destined for one of the following countries? (This applies only to those overseas destinations specifically listed.) If your item is destined for the PRC, does your transaction involve items that require a license to the PRC for any reason?

Argentina
Australia
Austria
Belgium
Bulgaria
China (PRC)
Czech Republic
Denmark
Finland
France
Germany
Greece
Hong Kong
Hungary
India
Ireland, Republic of
Italy
Japan
Korea, Republic of
Liechtenstein
Luxembourg
Netherlands
New Zealand
Norway
Pakistan
Poland
Portugal
Romania
Singapore
Slovakia

Spain
Sweden
Switzerland
Taiwan
Turkey
United Kingdom

(i) If yes, your transaction may require an Import Certificate or End-User Statement. If your transaction involves items destined for the PRC that are controlled to the PRC for any reason, your transaction may require a PRC End-User Statement. Note that if the destination is the PRC, a Statement of Ultimate Consignee and Purchaser may be substituted for a PRC End-User Statement when the item to be exported (i.e., replacement parts and sub-assemblies) is for servicing previously exported items and is valued at \$75,000 or less.

(ii) If no, your transaction may require a Statement by Ultimate Consignee and Purchaser. Read the remainder of this section, then proceed to §748.11 of the EAR.

(c) License applications requiring support documents

License applications requiring support by either a Statement by the Ultimate Consignee and Purchaser or an Import Certificate or End-User Statement must indicate the type of support document obtained in Block 6 or 7 on your application with an "X" in the appropriate box. If the support document is an Import Certificate or End User Statement, you must also identify the originating country and number of the Certificate or Statement in Block 13 on your application. If a license application is submitted without either the correct Block or Box marked on the application or the required support document, the license application will be immediately returned without action unless the satisfactory reasons for failing to obtain the document are supplied in Block 24 or in an attachment to your license application.

(1) License applications supported by an Import or End User Statement. You may submit your license application upon receipt of a facsimile or other legible copy of the Import Certificate or End-User Statement, provided that no shipment is made against any license issued based upon the Import Certificate or End-User Statement prior to receipt and retention of the original statement by the applicant.

(2) License applications supported by Ultimate Consignee and Purchaser statements. These types of license applications may be submitted upon receipt of a facsimile or other legible copy of the original statement provided that the applicant receives the manually-signed original within 60 days from the date the original is signed by the ultimate consignee.

(d) Exceptions to obtaining the required support document

BIS will consider the granting of an exception to the requirement for supporting document where the requirements cannot be met due to circumstances beyond your control. An exception will not be granted contrary to the objectives of the U.S. export control laws and regulations. Refer to §748.12(d) of this part for specific instructions on procedures for requesting an exception.

(e) Validity period

(1) When an Import or End-User Certificate or a Statement by Ultimate Consignee and Purchaser is required to support one or more license applications, you must submit the first license application within the validity period shown on the Certificate, or 6 months from the date the Certificate was issued or Statement signed, whichever is shorter.

(2) All subsequent license applications supported by the same Import or End-Use Certificate must be submitted to BIS within one year from the date that the first license application supported by the same

Import or End-Use Certificate was submitted to BIS.

(3) All subsequent license applications supported by the same Statement by Ultimate Consignee and Purchaser must be submitted within two years of the first application if the statement was completed as a single transaction statement. If the statement was completed as a multiple transaction statement, all applications must be submitted within two years of signature by the consignee or purchaser, whichever was last.

(f) English translation requirements

All abbreviations, coded terms, or other expressions on support documents having special significance in the trade or to the parties to the transaction must be explained on an attachment to the document. Documents in a language other than English must be accompanied by an attachment giving an accurate English translation, either made by a translating service or certified by you to be correct. Explanations or translations should be provided on a separate piece of paper, and not entered on the support documents themselves.

(g) Responsibility for full disclosure

(1) Information contained in a support document cannot be construed as extending or expanding or otherwise modifying the specific information supplied in a license application or license issued by BIS. The license application covering the transaction disclose all facts pertaining to the transaction. The authorizations contained in the resulting license are not extended by information contained in an Import Certificate, End-User Certificate or Statement by Ultimate Consignee and Purchaser regarding reexport from the country of destination any other facts relative to the transaction that are not reported on the license application.

(2) Misrepresentations, either through failure to disclose facts, concealing a material fact, or furnishing false information, will subject responsible parties to administrative action by BIS. Administrative action may include suspension, revocation, or denial of licensing privileges and denial of other participation in exports from the United States.

(3) In obtaining the required support document, you as the applicant are not relieved of the responsibility for full disclosure of any other information concerning the ultimate destination and end-use, end-user of which you know, even if inconsistent with the representations made in the Import Certificate, End-User Certificate, or Statement by Ultimate Consignee and Purchaser. You are responsible for promptly notifying BIS of any change in the facts contained in the support document that comes to your attention.

(h) Effect on license application review

BIS reserves the right in all respects to determine to what extent any license will be issued covering items for which an Import or End-User Certificate has been issued by a foreign government. BIS will not seek or undertake to give consideration to recommendations from the foreign government as to the action to be taken on a license application. A supporting document issued by a foreign government will be only one of the factors upon which BIS will base its licensing action, since end-uses and other considerations are important factors in the decision making process.

(i) Request for return of support documents submitted to BIS

If an applicant is requested by a foreign importer to return an unused or partially used Import or End-User Certificate submitted to BIS in support of a license application, the procedure provided in this paragraph (i) should be followed:

(1) The applicant must send a letter request for

return of an Import or End-User Certificate to the address stated in §748.2(c) of this part, “Attn: Import/End-User Certificate Request”.

(2) The letter request must include the name and address of the importer, the Application Control Number under which the original Import or End-User Certificate was submitted, the Application Control Numbers for any subsequent license applications supported by the same certificate, and one of the following statements, if applicable:

(i) If the certificate covers a quantity greater than the total quantity identified on the license application(s) submitted against it, a statement that the certificate will not be used in connection with another license application.

(ii) If you do not intend to make any additional shipments under a license covered by the certificate, or are in possession of an expired license covered by the certificate, a statement to this effect, indicating the unshipped items.

(j) Recordkeeping requirements for returning certificates retained by the applicant

(1) Though the recordkeeping provisions of the EAR require that all original support documents be retained for a period of five years, an unused or partially used certificate may be returned at the request of a foreign importer provided that you submit the original certificate, accompanied by a letter of explanation, a copy of each license covered by the certificate, and a list of all shipments made against each license to BIS at the address listed in §748.2(c). BIS will notify you in writing whether your request has been granted. The following information must be contained in your letter of explanation:

(i) A statement citing the foreign importer's request for return of the certificate;

(ii) The license number(s) that have been issued against the certificate (including both

outstanding and expired licenses); and

(iii) If the certificate covers a quantity greater than the total quantity stated on the license(s), you must include a statement that the certificate will not be used in connection with another license application.

(2) If your request is granted, BIS will return the certificate to you. You must make a copy of the certificate before you return the original to the importer. This copy must show all the information contained on the original certificate including any notation made on the certificate by BIS. The copies must be retained on file along with your correspondence in accordance with the recordkeeping provisions in part 762 of the EAR.

§748.10

IMPORT CERTIFICATES AND END-USER STATEMENTS

(a) Scope

There are a variety of Import Certificates and End-User Statements currently in use by various governments. The control exercised by the government issuing the Import Certificate or End-User Statement is in addition to the conditions and restrictions placed on the transaction by BIS. The laws and regulations of the United States are in no way modified, changed, or superseded by the issuance of an Import Certificate or End-User Statement. This section describes exceptions and relationships for both Import Certificates and End-User Statements, and generally applies only to transactions exceeding \$50,000. In the case of countries identified in §748.9(b)(2) of this part (excluding the People's Republic of China (PRC)), Import Certificates are required for national security controlled items in transactions exceeding \$50,000. In the case of the PRC, End-User Statements are required for transactions exceeding \$50,000 involving all items that require a license to the PRC for any reason. However, this \$50,000

threshold is lower for certain exports to the PRC (see paragraph (b)(3) of this section).

(b) Import Certificate or End-User Statement

Unless your transaction meets one of the exemptions stated in §748.9(a) of this part, an Import Certificate or End-User Statement must be obtained, if:

(1) Any commodities on your license application are controlled for national security (NS) reasons (except for items controlled under ECCNs 5A002 or 5B002), or any commodities to the PRC on your license application are controlled for any reason;

(2) The ultimate destination is a country listed in §748.9(b)(2) of this part; and

(3) Your license application involves the export of commodities classified in a single entry on the CCL, and your ultimate consignee is in any destination listed in §748.9(b)(2), and the total value of your transaction exceeds \$50,000. Note that the \$50,000 transaction threshold does not apply to certain exports to the PRC. If your transaction involves an export to the PRC of a computer that requires a license for any reason, an End-User Statement is required regardless of dollar value. Also, if your transaction involves an export to the PRC of an item classified under ECCN 6A003 that requires a license for any reason, an End-User Statement is required for transactions exceeding \$5000.

(i) Your license application may list several separate CCL entries. If any individual entry including an item that is controlled for national security reasons exceeds \$50,000, then an Import Certificate must be obtained covering all items controlled for national security reasons on your license application. If the total value of entries on a license application that require a license to the PRC for any reason listed on the CCL exceeds

\$50,000, then a PRC End-User Statement covering all such controlled items that require a license to the PRC on your license application must be obtained;

(ii) If your license application involves a lesser transaction that is part of a larger order for items controlled for national security reasons (or, for the PRC, for any reason) in a single ECCN exceeding \$50,000, an Import Certificate, or a PRC End-User Statement, as appropriate, must be obtained.

(iii) You may be specifically requested by BIS to obtain an Import Certificate for a transaction valued under \$50,000. You also may be specifically requested by BIS to obtain an End-User Statement for a transaction valued under \$50,000 or for a transaction that requires a license to the PRC for reasons in the EAR other than those listed on the CCL.

(c) How to obtain an Import Certificate or End-User Statement

(1) Applicants must request that the importer (e.g., ultimate consignee or purchaser) obtain the Import Certificate and that it be issued covering only those items that are controlled for national security reasons. Exporters should not request that importers obtain Import Certificates for items that are controlled for reasons other than national security. Note that in the case of the PRC, applicants must request that the importer obtain an End-User Statement for all items on a license application that require a license to the PRC for any reason listed on the CCL. Applicants must obtain original Import Certificate or End-User Statements from importers.

(2) The applicant's name must appear on the Import Certificate or End-User Statement submitted to BIS as either the applicant, supplier, or order party. The Import Certificate may be made out to either the ultimate consignee or the purchaser, even though they are different parties, as long as both are located in the same country.

(3) If your transaction requires the support of a PRC End-User Statement, you must ensure that the following information is included on the PRC End-User Statement signed by an official of the Department of Mechanic, Electronic and High Technology Industries, Export Control Division I, of the PRC Ministry of Commerce (MOFCOM), with MOFCOM's seal affixed to it:

- (i) Title of contract and contract number (optional);
- (ii) Names of importer and exporter;
- (iii) End-User and end-use;
- (iv) Description of the item, quantity and dollar value; and
- (v) Signature of the importer and date.

Note to paragraph (c) of this section: You should furnish the consignee with the item description contained in the CCL to be used in applying for the Import or End-User Statement. It is also advisable to furnish a manufacturer's catalog, brochure, or technical specifications if the item is new.

(d) Where to obtain Import and End-User Certificates

See Supplement No. 4 to this part for a list of the authorities administering the Import Certificate/Delivery Verification and End-User Certificate Systems in other countries.

(e) Triangular symbol on International Import Certificates

(1) In accordance with international practice, the issuing government may stamp a triangular symbol on the International Import Certificate (IIC). This symbol is notification that the importer does not intend to import or retain the items in the country issuing the certificate, but

that, in any case, the items will not be delivered to any destination except in accordance with the export regulations of the issuing country.

(2) If you receive an IIC bearing a triangular symbol, you must identify all parties to the transaction on the license application, including those located outside the country issuing the IIC. If the importer declines to provide you with this information, you may advise the importer to provide the information directly to BIS, through a U.S. Foreign Commercial Service office, or in a sealed envelope to you marked "To be opened by BIS only".

(f) Multiple license applications supported by one certificate

An Import or End-User Certificate may cover more than one purchase order and more than one item. Where the certificate includes items for which more than one license application will be submitted, you must include in Block 24 on your application, or in an attachment to each license application submitted against the certificate, the following certification:

I (We) certify that the quantities of items shown on this license application, based on the Certificate identified in Block 13 of this license application, when added to the quantities shown on all other license applications submitted to BIS based on the same Certificate, do not total more than the total quantities shown on the above cited Certificate.

(g) Submission of Import Certificates and End-User Statements

Certificates and Statements must be retained on file by the applicant in accordance with the recordkeeping provisions of part 762 of the EAR, and should not be submitted with the license application. For more information on what Import Certificate and End-User Statement information must be included in license applications, refer to

§748.9(c) of the EAR. In addition, as set forth in §748.12(e), to assist in license reviews, BIS will require applicants, on a random basis, to submit specific original Import Certificate and End-User Statements.

(h) Alterations

After an Import or End-User Certificate is issued by a foreign government, no corrections, additions, or alterations may be made on the Certificate by any person. If you desire to explain any information contained on the Certificate, you may attach a signed statement to the Certificate.

(i) Request for Delivery Verification

BIS will, on a selective basis, require Delivery Verification documents for shipments supported by Import Certificates. You will be notified if Delivery Verification is required at the time of issuance of the license. Please refer to §748.13 of this part for detailed information on these procedures.

(j) Retention procedures

You must retain on file the original copy of any certificate issued in support of a license application submitted to BIS, unless the original is submitted with the license application. All recordkeeping provisions contained in part 762 of the EAR apply to this requirement, except that reproductions may not be substituted for the officially authenticated original in this instance.

§748.11

**STATEMENT BY ULTIMATE
CONSIGNEE AND PURCHASER**

***(a) Exceptions to completing a Statement by
Ultimate Consignee and Purchaser***

A Statement by the Ultimate Consignee and/or Purchaser involved in a transaction must be completed unless:

(1) An International Import Certificate, a People's Republic of China End-User Certificate, an Indian Import Certificate, or a Bulgarian, Czech, Hungarian, Polish, Romanian or Slovak Import Certificate is required in support of the license application;

(2) The applicant is the same person as the ultimate consignee, provided the required statements are contained in Block 24 on the license application. This exemption does not apply where the applicant and consignee are separate entities, such as parent and subsidiary, or affiliated or associated firms;

(3) The application is valued at \$5000 or less, and is not part of a larger transaction; or

(4) The transaction meets one of the exemptions stated in §748.9(a) of this part.

***(b) Submission of the Statement by Ultimate
Consignee and Purchaser***

A copy of the statement must be submitted with your license application if the country of ultimate destination is listed in either Country Group D:2, D:3, or D:4 (See Supplement No. 1 to part 740 of the EAR). The copy submitted by the applicant must be of sufficient quality to ensure all assertions made on the statement are legible and that the signatures are sufficiently legible to permit identification of the signature as that of the signer. The applicant must receive the manually-signed

original within 60 days from the date the original is signed by the ultimate consignee. The applicant must, upon receipt, retain the manually-signed original, and both the ultimate consignee and purchaser should retain a copy of the statement in accordance with the recordkeeping provisions contained in part 762 of the EAR.

(c) *Form or letter*

The ultimate consignee and purchaser must complete either a statement on company letterhead in accordance with paragraph (e) of this section or Form BIS-711, Statement by Ultimate Consignee and Purchaser. If the consignee and purchaser elect to complete the statement on letterhead and both the ultimate consignee and purchaser are the same entity, only one statement is necessary. If the ultimate consignee and purchaser are separate entities, separate statements must be prepared and signed. If the ultimate consignee and purchaser elects to complete Form BIS-711, only one Form BIS-711 (containing the signatures of the ultimate consignee and purchaser) need be completed. Whether your ultimate consignee and purchaser sign a written statement or complete Form BIS-711, the following constraints apply:

(1) Responsible officials representing the ultimate consignee and purchaser must sign the statement. “Responsible official” is defined as someone with personal knowledge of the information included in the statement, and authority to bind the ultimate consignee or purchaser for whom they sign, and who has the power and authority to control the use and disposition of the licensed items.

(2) The authority to sign the statement may not be delegated to any person (agent, employee, or other) whose authority to sign is not inherent in his or her official position with the ultimate consignee or purchaser for whom he or she signs. The signing official may be located in the U.S. or in a foreign country. The official title of the

person signing the statement must also be included.

(3) The consignee and/or purchaser must submit information that is true and correct to the best of their knowledge and must promptly send a new statement to the applicant if changes in the facts or intentions contained in their statement(s) occur after the statement(s) have been forwarded to the applicant. Once a statement has been signed, no corrections, additions, or alterations may be made. If a signed statement is incomplete or incorrect in any respect, a new statement must be prepared, signed and forwarded to the applicant.

(d) *Instructions for completing Form BIS-711*

Instructions on completing Form BIS-711 are contained in Supplement No. 3 to this part. The ultimate consignee and purchaser may sign a legible copy of Form BIS-711. It is not necessary to require your ultimate consignee and purchaser sign an original Form BIS-711, provided all information contained on the copy is legible.

(e) *Instructions for completing the statement on letterhead*

Information in response to each of the following criteria must be included in the statement. If any information is unknown, that fact should be disclosed in the statement. Preprinted information supplied on the statement, including the name, address, or nature of business of the ultimate consignee or purchaser appearing on the letterhead or order form is acceptable but will not constitute evidence of either the signer's identity, the country of ultimate destination, or end-use of the items described in the license application.

(1) Paragraph 1. One of the following certifications must be included depending on whether the statement is proffered in support of a

single license application or multiple license applications:

(i) *Single*. This statement is to be considered part of a license application submitted by [name and address of applicant].

(ii) *Multiple*. This statement is to be considered a part of every license application submitted by [name and address of applicant] until two years from the date this statement is signed.

(2) Paragraph 2. One or more of the following certifications must be included. Note that if any of the facts related to the following statements are unknown, this must be clearly stated.

(i) The items for which a license application will be filed by [name of applicant] will be used by us as capital equipment in the form in which received in a manufacturing process in [name of country] and will not be reexported or incorporated into an end product.

(ii) The items for which a license application will be filed by [name of applicant] will be processed or incorporated by us into the following product(s) [list products] to be manufactured in [name of country] for distribution in [list name of country or countries].

(iii) The items for which a license application will be filed by [name of applicant] will be resold by us in the form in which received for use or consumption in [name of country].

(iv) The items for which a license application will be filed by [name of applicant] will be reexported by us in the form in which received to [name of country or countries].

(v) The items received from [name of applicant] will be [describe use of the items fully].

(3) Paragraph 3. The following two certifications must be included:

(i) The nature of our business is [possible choices include; broker, distributor, fabricator, manufacturer, wholesaler, retailer, value added reseller, original equipment manufacturer, etc.].

(ii) Our business relationship with [name of applicant] is [possible choices include; contractual, franchise, distributor, wholesaler, continuing and regular individual business, etc.] and we have had this business relationship for [number of years].

(4) Paragraph 4. The final paragraph must include all of the following certifications:

(i) We certify that all of the facts contained in this statement are true and correct to the best of our knowledge and we do not know of any additional facts that are inconsistent with the above statements. We shall promptly send a replacement statement to [name of the applicant] disclosing any material change of facts or intentions described in this statement that occur after this statement has been prepared and forwarded to [name of applicant]. We acknowledge that the making of any false statement or concealment of any material fact in connection with this statement may result in imprisonment or fine, or both, and denial, in whole or in part, of participation in U.S. exports or reexports.

(ii) Except as specifically authorized by the U.S. Export Administration Regulations, or by written approval from the Bureau of Industry and Security, we will not reexport, resell, or otherwise dispose of any items approved on a license supported by this statement:

(A) To any country not approved for export as brought to our attention by the exporter; or

(B) To any person if there is reason to believe that it will result directly or indirectly in

disposition of the items contrary to the representations made in this statement or contrary to the U.S. Export Administration Regulations.

(iii) We understand that acceptance of this statement as a support document cannot be construed as an authorization by BIS to reexport the items in the form in which received even though we may have indicated the intention to reexport, and that authorization to reexport is not granted in an export license on the basis of information provided in the statement, but as a result of a specific request in a license application.

§748.12

SPECIAL PROVISIONS FOR SUPPORT DOCUMENTS

(a) Grace periods.

Whenever the requirement for an Import Certificate or End-User Statement or Statement by Ultimate Consignee or Purchaser is imposed or extended by a change in the regulations, the license application need not conform to the new support documentation requirements for a period of 45 days after the effective date of the regulatory change published in the Federal Register.

(1) Requirements are usually imposed or extended by virtue of one of the following:

(i) Addition or removal of national security controls over a particular item; or

(ii) Development of an Import Certificate/Delivery Verification or End-User Certificate program by a foreign country; or

(iii) Removal of an item from eligibility under the Special Comprehensive License described in part 752 of the EAR, when you hold such a

special license and have been exporting the item under that license.

(2) License applications filed during the 45 day grace period must be accompanied by any evidence available to you that will support representations concerning the ultimate consignee, ultimate destination, and end use, such as copies of the order, letters of credit, correspondence between you and ultimate consignee, or other documents received from the ultimate consignee. You must also identify the regulatory change (including its effective date) that justifies exercise of the 45 day grace period. Note that an Import Certificate or End-User Statement will not be accepted, after the stated grace period, for license applications involving items that are no longer controlled for national security reasons. If an item is removed from national security controls, you must obtain a Statement by Ultimate Consignee and Purchaser as described in § 748.11 of this part. Likewise, any item newly controlled for national security purposes requires support of an Import Certificate or End-User Statement as described in § 748.10 of this part after expiration of the stated grace period.

(b) Reexports

If a support document would be required for an export from the United States, the same document would be required for reexport to Country Group D:1 and E:2 (see Supplement No. 1 to part 740 of the EAR).

(c) Granting of exceptions to the support documentation requirement

An exception to obtaining the required support documentation will be considered by BIS, however, an exception will not be granted contrary to the objectives of the U.S. export control program. A request for exception may involve either a single transaction, or where the reason necessitating the request is continuing in nature, multiple transactions. If satisfied by the evidence presented, BIS may waive the support document

requirement and accept the license application for processing. Favorable consideration of a request for exception generally will be given in instances where the support document requirement:

- (1) Imposes an undue hardship on you and/or ultimate consignee (e.g., refusal by the foreign government to issue an Import or End-User Certificate and such refusal constitutes discrimination against you); or
- (2) Cannot be complied with (e.g., the items will be held in a foreign trade zone or bonded warehouse for subsequent distribution in one or more countries); or
- (3) Is not applicable to the transaction (e.g., the items will not be imported for consumption into the named country of destination).

(d) Procedures for requesting an exception

(1) Requests for exception must be submitted with the license application to which the request relates. Where the request relates to more than one license application it should be submitted with the first license application and referred to in Block 24 on any subsequent license application. The request for exception must be submitted in writing on the applicant's letterhead.

(2) In instances where you are requesting exception from obtaining an Import or End-User Certificate, the request must be accompanied by a manually-signed original Statement by Ultimate Consignee and Purchaser as described in §748.11 of this part.

(3) At a minimum, the letter request must include:

- (i) Name and address of ultimate consignee;
- (ii) Name and address of purchaser, if different from ultimate consignee;

(iii) Location of foreign trade zone or bonded warehouse if the items will be exported to a foreign trade zone or bonded warehouse;

(iv) Type of request, i.e., whether for a single transaction or multiple transactions;

(v) Full explanation of the reason(s) for requesting the exception;

(vi) Nature and duration of the business relationship between you and ultimate consignee and purchaser shown on the license application;

(vii) Whether you have previously obtained and/or submitted to BIS an Import or End-User Certificate issued in the name of the ultimate consignee and/or purchaser, and a list of the Application Control Number(s) to which the certificate(s) applied; and

(viii) Any other facts to justify granting an exception.

(4) Action by BIS.

(i) *Single transaction request.* Where a single transaction is involved, BIS will act on the request for exception at the same time as the license application with which the request is submitted. In those instances where the related license application is approved, the issuance of the license will serve as an automatic notice to the applicant that the exception was approved. If any restrictions are placed on granting of the exception, these will appear on the approval. If the request for exception is not approved, BIS will advise you by letter.

(ii) *Multiple transactions request.* Where multiple transactions are involved, BIS will advise you by letter of the action taken on the exception request. The letter will contain any conditions or restrictions that BIS finds necessary to impose (including an exception termination date if appropriate). In addition, a written acceptance of

these conditions or restrictions may be required from the parties to the transaction.

(e) Availability of original

The original certificate or statement must be kept on file, and made available for inspection in accordance with the provisions of part 762 of the EAR. To ensure compliance with this recordkeeping requirement, BIS will require applicants, on a random basis, to submit specific original certificates and statements that have been retained on file. Applicants will be notified in writing of any such request.

§748.13

DELIVERY VERIFICATION (DV)

(a) Scope

(1) BIS may request the licensee to obtain verifications of delivery on a selective basis. A Delivery Verification Certificate (DV) is a document issued by the government of the country of ultimate destination after the export has taken place and the items have either entered the export jurisdiction of the recipient country or are otherwise accounted for by the importer to the issuing government. Governments that issue DVs are listed in Supplement No. 4 to this part.

(2) If BIS decides to request verification of delivery, the request will appear as a condition on the face of the license. If the license is sent directly to a party other than the applicant authorized to receive the license (e.g., agent, forwarder, broker, etc.), such party is responsible for notifying the licensee immediately in writing that a DV is required.

(b) Exception to obtaining Delivery Verification

The DV requirement for a particular transaction is automatically canceled if, subsequent to the issuance of a license, the item is no longer controlled for national security reasons. In this instance, the licensee must send a letter to BIS at the address listed in §748.2(c) of this part, stating that the items on the license are no longer controlled for national security reasons, and accordingly, the request for DV will not be fulfilled by the licensee.

(c) Procedure for obtaining Delivery Verification

When notified that a DV is required by BIS, the licensee must transmit to the importer a written request for a DV at the time of making each shipment under the license (whenever possible, this request should be submitted together with the related bill of lading or air waybill). The request must include the number of the Import or End-User Certificate for the transaction referred to on the license, and notify the importer that this same Import or End-User Certificate number should be shown on the DV.

(1) The importer must obtain the DV from the appropriate government ministry identified in Supplement No. 4 to this part, and forward the completed DV to the licensee. The DV must cover the items described on the license that have been shipped. Note that BIS must be able to relate the description provided in the DV to the approved license. In order to ensure the same terminology is used, the licensee should provide the importer with the description as it appears on the license.

(2) The original copy of the DV must be sent to BIS within 90 days after the last shipment has been made against the license. If verification of delivery is required for items covered by a license against which partial shipments have been made, the licensee shall obtain the required DV for each

partial shipment, and retain these on file until all shipments have been made against the license. Once all shipments against the license have been made (or the licensee has determined that none will be), the licensee must forward, in one package, all applicable DVs to BIS at the address listed in §748.2(c) of this part.

(3) The documents must be forwarded with a dated letter giving the license number, the name, title and signature of the authorized representative, and one of the following statements:

(i) The total quantity authorized by license number _____ has been exported, and all delivery verification documents are attached.

(ii) A part of the quantity authorized by license number _____ will not be exported. Delivery verification documents covering all items exported are attached.

(iii) No shipment has been made against this license, and none is contemplated.

(d) Inability to obtain Delivery Verification Certificates

If a licensee is unable to obtain the required DV (within the time frame stated above, or at all) from the importer, the licensee must promptly notify BIS and, upon request, make available all information and records, including correspondence, regarding the attempt to obtain the DV.

§748.14

**IMPORT CERTIFICATE FOR FIREARMS
DESTINED FOR ORGANIZATION OF
AMERICAN STATES MEMBER
COUNTRIES**

(a) Scope

Consistent with the OAS Model Regulations, BIS requires from all OAS member countries an Import Certificate issued by the government of the importing country for items classified as ECCNs 0A984, 0A986, or 0A987. For those OAS member countries that have not yet established or implemented an Import Certificate procedure, BIS will accept an equivalent official document (e.g., import license or letter of authorization) issued by the government of the importing country as supporting documentation for the export of firearms. This section describes the requirements for Import Certificates or official equivalents in support of license applications submitted to BIS for firearms items that are identified by “FC Column 1” in the “License Requirements” section of the Commerce Control List.

(b) Import Certificate Procedure

An Import Certificate or equivalent official document must be obtained from the government of the importing OAS member country for firearms items classified as ECCNs 0A984, 0A986, or 0A987. Except as provided by §748.9(a) of the EAR, the applicant must obtain and retain on file either the original or certified copy of the Import Certificate, or an original or certified copy of equivalent official document issued by the government of the importing country in support of any license application for export of firearms items classified as 0A984, 0A986, or 0A987. All the recordkeeping provisions of part 762 of the EAR apply to this requirement. The applicant must clearly note the number and date of the Import Certificate or equivalent official document on all export license applications (BIS Form 748P,

Multipurpose Application Form, Block 13) supported by that Certificate or equivalent official document. The applicant must also indicate in Block 7 of the application that the Certificate or equivalent official document has been received and will be retained on file. However, the applicant may submit an application before obtaining the original or certified copy of the Import Certificate, or the official original or certified copy of the equivalent document, provided that:

(1) The applicant has received a facsimile of the Import Certificate or equivalent official document at the time the license application is filed; and

(2) The applicant states on the application that a facsimile of the Import Certificate or equivalent official document has been received and that no shipment will be made against the license prior to obtaining the original or certified copy of the Import Certificate or the original or certified copy of the equivalent official document issued by the importing country and retaining it on file. Generally, BIS will not consider any license application for the export of firearms items if the application is not supported by an Import Certificate or its official equivalent. If the government of the importing country will not issue an Import Certificate or its official equivalent, the applicant must supply the information described in paragraphs (g)(2)(i) and (g)(2)(vi) through (viii) of this section on company letterhead.

(c) Countries to which firearms controls apply

The firearms controls apply to all OAS member countries: Antigua and Barbuda, Argentina, the Bahamas, Barbados, Belize, Bolivia, Brazil, Canada, Chile, Colombia, Costa Rica, Dominica, Dominican Republic, Ecuador, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, Mexico, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad

and Tobago, the United States, Uruguay, and Venezuela.

(d) Items/Commodities

An Import Certificate or equivalent official document is required for items controlled under Export Control Classification Numbers (ECCNs) 0A984, 0A986, or 0A987.

(e) Use of the Import Certificate

An Import Certificate or equivalent official document can only be used to support one BIS Form-748P, Multipurpose Application. The BIS Form-748P, Multipurpose Application, must include the same items as those listed on the Import Certificate or the equivalent official document.

(f) Validity Period

Import Certificates or equivalent official documents issued by an OAS member country will be valid for a period of one year or less. Although licenses generally are valid for two years, your ability to ship may be affected by the validity of the Import Certificate or equivalent official document.

(g) How to obtain an Import Certificate for firearms items destined to OAS member countries

(1) Applicants must request that the importer (e.g., ultimate consignee or purchaser) obtain the Import Certificate or an equivalent official document from the government of the importing country, and that it be issued covering the quantities and types of items that the applicant intends to export. Upon receipt of the Import Certificate or its official equivalent, the importer must provide the original or a certified copy of the Import Certificate or the original or a certified copy of the equivalent official document to the applicant. The applicant shall obtain the required documents prior to

submitting a license application, except as provided in paragraphs (b)(1) and (b)(2) of this section.

(2) The Import Certificate or its official equivalent must contain the following information:

(i) Applicant's name and address. The applicant may be either the exporter, supplier, or order party.

(ii) Import Certificate Identifier/Number.

(iii) Name of the country issuing the certificate or unique country code.

(iv) Date the Import Certificate was issued, in international date format (e.g., 24/12/98 (24 December 1998), or 3/1/99 (3 January 1999)).

(v) Name of the agency issuing the certificate, address, telephone and facsimile numbers, signing officer name, and signature.

(vi) Name of the importer, address, telephone and facsimile numbers, country of residence, representative's name if commercial or government body, citizenship, and signature.

(vii) Name of the end-user(s), if known and different from the importer, address, telephone and facsimile numbers, country of residence, representative's name if commercial (authorized distributor or reseller) or government body, citizenship, and signature. Note that BIS does not require the identification of each end-user when the firearms items will be resold by a distributor or reseller if unknown at the time of export.

(viii) Description of the items approved for import including a technical description and total quantity of firearms, parts and components, ammunition and parts.

NOTE to paragraph (g)(2)(viii): You must

furnish the consignee with a detailed technical description of each item to be given to the government for its use in issuing the Import Certificate. For example, for shotguns, provide the type, barrel length, overall length, number of shots, the manufacturer's name, the country of manufacture, and the serial number for each shotgun. For ammunition, provide the caliber, velocity and force, type of bullet, manufacturer's name and country of manufacture.

(ix) Expiration date of the Import Certificate in international date format (e.g., 24/12/98) or the date the items must be imported, whichever is earlier.

(x) Name of the country of export (i.e., United States).

(xi) *Additional information.* Certain countries may require the tariff classification number, by class, under the Brussels Convention (Harmonized Tariff Code) or the specific technical description of an item. For example, shotguns may need to be described in barrel length, overall length, number of shots, manufacturer's name and country of manufacture. The technical description is not the Export Control Classification Number (ECCN).

(h) Where to obtain Import Certificates

See Supplement No. 6 to this part for a list of the OAS member countries' authorities administering the Import Certificate System.

(i) Alterations

After an Import Certificate or official equivalent document is used to support the issuance of a license, no corrections, additions, or alterations may be made on the Certificate by any person. If you desire to explain any information contained on the Import Certificate or official equivalent document, you may attach a signed statement to the Import Certificate or official equivalent.

(j) Request for return of Import Certificates

A U.S. exporter may be requested by a foreign importer to return an unused Import Certificate. Refer to §748.9(j) of this part for procedures and recordkeeping requirements for returning an Import Certificate retained by the applicant.

§748.15**AUTHORIZATION VALIDATED
END-USER (VEU)**

Authorization Validated End-User (VEU) permits the export, reexport, and transfer to validated end-users of any eligible items that will be used in a specific eligible destination. Validated end-users are those who have been approved in advance pursuant to the requirements of this section. To be eligible for authorization VEU, exporters, reexporters, and potential validated end-users must adhere to the conditions and restrictions set forth in paragraphs (a) through (f) of this section. If a request for VEU authorization for a particular end-user is not granted, no new license requirement is triggered. In addition, such a result does not render the end-user ineligible for license approvals from BIS.

(a) Eligible end-users

The only end-users to whom eligible items may be exported, reexported, or transferred under VEU are those validated end-users identified in Supplement No. 7 to Part 748, according to the provisions in this section and those set forth in Supplement Nos. 8 and 9 to this part that have been granted VEU status by the End-User Review Committee (ERC) according to the process set forth in Supplement No. 9 to this part.

(1) Requests for authorization must be submitted in the form of an advisory opinion request, as described in §748.3(c)(2), and should include a list of items (items for purposes of authorization

VEU include commodities, software and technology, except as excluded by paragraph (c) of this section), identified by ECCN, that exporters or reexporters intend to export, reexport or transfer to an eligible end-user, once approved. To ensure a thorough review, requests for VEU authorization must include the information described in Supplement No. 8 to this part. Requests for authorization will be accepted from exporters, reexporters or end-users. Submit the request to:

The Office of Exporter Services
Bureau of Industry and Security
U.S. Department of Commerce
14th Street and Pennsylvania Avenue, NW.
Room 2705
Washington, DC 20230

Mark the package “Request for Authorization Validated End-User.”

(2) In evaluating an end-user for eligibility under authorization VEU, the ERC will consider a range of information, including such factors as: the entity's record of exclusive engagement in civil end-use activities; the entity's compliance with U.S. export controls; the need for an on-site review prior to approval; the entity's capability of complying with the requirements of authorization VEU; the entity's agreement to on-site reviews to ensure adherence to the conditions of the VEU authorization by representatives of the U. S. Government; and the entity's relationships with U.S. and foreign companies. In addition, when evaluating the eligibility of an end-user, the ERC will consider the status of export controls and the support and adherence to multilateral export control regimes of the government of the eligible destination.

(3) The VEU authorization is subject to revision, suspension or revocation entirely or in part.

(4) Information submitted in a VEU request is deemed to constitute continuing representations of

existing facts or circumstances. Any material or substantive change relating to the authorization must be promptly reported to BIS, whether VEU authorization has been granted or is still under consideration.

(b) Eligible destinations

Authorization VEU may be used for the following destinations:

- (1) The People's Republic of China.
- (2) India.

(c) Item restrictions

Items controlled under the EAR for missile technology (MT) and crime control (CC) reasons may not be exported or reexported under this authorization.

(d) End-use restrictions

Items obtained under authorization VEU may be used only for civil end-uses and may not be used for any activities described in part 744 of the EAR. Exports, reexports, or transfers made under authorization VEU may only be made to an end-user listed in Supplement No. 7 to this part if the items will be consigned to and for use by the validated end-user. Eligible end-users who obtain items under VEU may only:

- (1) Use such items at the end-user's own facility located in an eligible destination or at a facility located in an eligible destination over which the end-user demonstrates effective control;
- (2) Consume such items during use; or
- (3) Transfer or reexport such items only as authorized by BIS.

Note to paragraph (d): Authorizations set forth in Supplement No. 7 to this part are

country-specific. Authorization as a validated end-user for one country specified in paragraph (b) of this section does not constitute authorization as a validated end-user for any other country specified in that paragraph.

(e) Certification and recordkeeping

Prior to an initial export or reexport to a validated end-user under authorization VEU, exporters or reexporters must obtain certifications from the validated end-user regarding end-use and compliance with VEU requirements. Such certifications must include the contents set forth in Supplement No. 8 to this part. Certifications and all records relating to VEU must be retained by exporters or reexporters in accordance with the recordkeeping requirements set forth in part 762 of the EAR.

(f) Reporting and review requirements

(1) (i) Reports. Reexporters who make use of authorization VEU are required to submit annual reports to BIS. These reports must include, for each validated end-user to whom the exporter or reexporter exported or reexported eligible items:

- (A) The name and address of each validated end-user to whom eligible items were reexported;
- (B) The eligible destination to which the items were reexported;
- (C) The quantity of such items;
- (D) The value of such items; and
- (E) The ECCN(s) of such items.

(ii) Reports are due by February 15 of each year, and must cover the period of January 1 through December 31 of the prior year. Reports must be sent to:

Office of Exporter Services

Bureau of Industry and Security
U.S. Department of Commerce
14th Street and Constitution Avenue, NW
Room 2705
Washington, DC 20230

Mark the package “Authorization Validated
End-User Reports”.

(2) Reviews. Records related to activities covered by authorization VEU that are maintained by exporters, reexporters, and validated end-users who make use of authorization VEU will be reviewed on a periodic basis. Upon request by BIS, exporters, reexporters, and validated end-users must allow review of records, including on-site reviews covering the information set forth in paragraphs (e) and (f)(1) of this section.

**BIS-748P, BIS-748P-A: ITEM APPENDIX, AND BIS-748P-B: END-USER APPENDIX;
MULTIPURPOSE APPLICATION INSTRUCTIONS**

All information must be legibly typed within the lines for each Block or Box, except where a signature is required. Enter only one typed line of text per Block or line. Where there is a choice of entering telephone numbers or facsimile numbers, and you wish to provide a facsimile number instead of a telephone number, identify the facsimile number with the letter “F” immediately after the number (e.g., 022-358-0-123456F). If you are completing this form to request classification of your item, you must complete Blocks 1 through 5, 14, 22(a), (b), (c), (d), and (i), 24, and 25 only.

Block 1: **Contact Person.** Enter the name of the person who can answer questions concerning the application.

Block 2: **Telephone.** Enter the telephone number of the person who can answer questions concerning the application.

Block 3: **Facsimile.** Enter the facsimile number, if available, of the person who can answer questions concerning the application.

Block 4: **Date of Application.** Enter the current date.

Block 5: **Type of Application.** *Export.* If the items are located within the United States, and you wish to export those items, mark the Box labeled “Export” with an (X). *Reexport.* If the items are located outside the United States, mark the Box labeled “Reexport” with an (X). *Classification.* If you are requesting BIS to classify your item against the Commerce Control List (CCL), mark the Box labeled “Classification Request” with an (X).

Encryption Review. If you are requesting encryption review under License Exception ENC (§740.17 of the EAR) or “mass market” encryption provisions (§742.15(b)(2) of the EAR), mark the Box labeled “Classification Request” with an (X).

Special Comprehensive License. If you are submitting a Special Comprehensive License application in accordance with the procedures described in part 752 of the EAR, mark the Box labeled “Special Comprehensive License” with an (X).

Block 6: **Documents submitted with Application.** Review the documentation you are required to submit with your application in accordance with the provisions of part 748 of the EAR, and mark all applicable Boxes with an (X).

Mark the Box “Foreign Availability” with an (X) if you are submitting an assertion of foreign availability with your license application. See part 768 of the EAR for instructions on foreign availability submissions.

Mark the “Tech. Specs.” box with an (X) if you are submitting descriptive literature, brochures, technical specifications, etc. with your application.

Block 7: **Documents on File with Applicant.** Certify that you have retained on file all applicable documents as required by the provisions of part 748 by placing an (X) in the appropriate Box(es).

- Block 8: **Special Comprehensive License.** Complete this Block only if you are submitting an application for a Special Comprehensive License in accordance with part 752 of the EAR.
- Block 9: **Special Purpose.** Complete this Block for certain items or types of transactions only if specifically required in Supplement No. 2 to this part.
- Block 10: **Resubmission Application Control Number.** If your original application was returned without action (RWA), provide the Application Control Number. This does not apply to applications returned without being registered.
- Block 11: **Replacement License Number.** If you have received a license for identical items to the same ultimate consignee, but would like to make a modification that is not excepted in §750.7(c) of the EAR, to the license as originally approved, enter the original license number and complete Blocks 12 through 25, where applicable. Include a statement in Block 24 regarding what changes you wish to make to the original license.
- Block 12: **Items Previously Exported.** This Block should be completed only if you have marked the “Reexport” box in Block 5. Enter the license number, License Exception symbol (for exports under General Licenses, enter the appropriate General License symbol), or other authorization under which the items were originally exported, if known.
- Block 13: **Import/End-User Certificate.** Enter the name of the country and number of the Import or End User Certificate obtained in accordance with provisions of this part.
- Block 14: **Applicant.** Enter the applicant's name, street address, city, state/country, and postal code. Provide a complete street address. P.O. Boxes are not acceptable. Refer to §748.5(a) of this part for a definition of “applicant”. If you have marked “Export” in Block 5, you must include your company's Employer Identification Number unless you are filing as an individual or as an agent on behalf of the exporter. The Employee Identification Number is assigned by the Internal Revenue Service for tax identification purposes. Accordingly, you should consult your company's financial officer or accounting division to obtain this number.
- Block 15: **Other Party Authorized to Receive License.** If you would like BIS to transmit the approved license to another party designated by you, complete all information in this Block, including name, street address, city, country, postal code and telephone number. Leave this space blank if the license is to be sent to the applicant. Designation of another party to receive the license does not alter the responsibilities of the applicant.
- Block 16: **Purchaser.** Enter the purchaser's complete name, street address, city, country, postal code, and telephone or facsimile number. Refer to §748.5(c) of this part for a definition of “purchaser”. If the purchaser is also the ultimate consignee, enter the

complete name and address. If your proposed transaction does not involve a separate purchaser, leave Block 16 blank.

Block 17: **Intermediate Consignee.** Enter the intermediate consignee's complete name, street address, city, country, postal code, and telephone or facsimile number. Provide a complete street address, P.O. Boxes are not acceptable. Refer to §748.5(d) of this part for a definition of "intermediate consignee". If this party is identical to that listed in Block 16, enter the complete name and address. If your proposed transaction does not involve use of an intermediate consignee, enter "None". If your proposed transaction involves more than one intermediate consignee, provide the same information in Block 24 for each additional intermediate consignee.

Block 18: **Ultimate Consignee.** This Block must be completed if you are submitting a license application. Enter the ultimate consignee's complete name, street address, city, country, postal code, and telephone or facsimile number. Provide a complete street address, P.O. Boxes are not acceptable. The ultimate consignee is the party who will actually receive the item for the end-use designated in Block 21. Refer to §748.5(e) of this part for a definition of "ultimate consignee". A bank, freight forwarder, forwarding agent, or other intermediary may not be identified as the ultimate consignee. Government purchasing organizations are the sole exception to this requirement. This type of entity may be identified as the government entity that is the actual ultimate consignee in those instances when the items are to be transferred to the government entity that is the actual

end-user, provided the actual end-user and end-use is clearly identified in Block 21 or in the additional documentation attached to the application.

If your application is for the reexport of items previously exported, enter the new ultimate consignee's complete name, street address, city, country, postal code, and telephone or facsimile number. Provide a complete street address, P.O. Boxes are not acceptable. If your application involves a temporary export or reexport, the applicant should be shown as the ultimate consignee in care of a person or entity who will have control over the items abroad.

Block 19: **End-User.** Complete this Block only if the ultimate consignee identified in Block 18 is not the actual end-user. If there will be more than one end-user, use Form BIS-748P-B to identify each additional end-user. Enter each end-user's complete name, street address, city, country, postal code, and telephone or facsimile number. Provide a complete street address, P.O. Boxes are not acceptable.

Block 20: **Original Ultimate Consignee.** If your application involves the reexport of items previously exported, enter the original ultimate consignee's complete name, street address, city, country, postal code, and telephone or facsimile number. Provide a complete street address, P.O. Boxes are not acceptable. The original ultimate consignee is the entity identified in the original application for export as the ultimate consignee or the party currently in possession of the items.

Block 21: **Specific End-Use.** This Block must be completed if you are submitting a license application. Provide a complete and detailed description of the end-use intended by the ultimate consignee and/or end-user(s). If you are requesting approval of a reexport, provide a complete and detailed description of the end-use intended by the new ultimate consignee or end-user(s) and indicate any other countries for which resale or reexport is requested. If additional space is necessary, use Block 21 on Form BIS-748P-A or B. Be specific—such vague descriptions such as “research”, “manufacturing”, or “scientific uses” are not acceptable.

Block 22: For a license application you must complete each of the sub-blocks contained in this Block. If you are submitting a classification request, you need not complete Blocks (e), (f), (g), and (h). If you wish to export, reexport or have BIS classify more than one item, use Form BIS-748P-A for additional items.

- (a) **ECCN.** Enter the Export Control Classification Number (ECCN) that corresponds to the item you wish to export or reexport. If you are asking BIS to classify your item, provide a recommended classification for the item in this Block.
- (b) **CTP.** You must enter the “Adjusted Peak Performance” (“APP”) in this Block if your application includes a digital computer or equipment containing a computer as described in Supplement No. 2 to this part. Instructions on calculating the APP are contained in a Technical Note at the end of Category 4 in the CCL.

- (c) **Model Number.** Enter the correct model number for the item.
- (d) **CCATS Number.** If you have received a classification for this item from BIS, provide the CCATS number shown on the classification issued by BIS.
- (e) **Quantity.** Identify the quantity to be exported or reexported, in terms of the “Unit” identified for the ECCN entered in Block 22(a). If the “Unit” for an item is “\$ value”, enter the quantity in units commonly used in the trade.
- (f) **Units.** The “Unit” paragraph within each ECCN will list a specific “Unit” for those items controlled by the entry. The “Unit” must be entered on all license applications submitted to BIS. If an item is licensed in terms of “\$ value”, the unit of quantity commonly used in trade must also be shown on the license application. This Block may be left blank on license applications only if the “Unit” for the ECCN entered in Block 22(a) is shown as “N/A” on the CCL.
- (g) **Unit Price.** Provide the fair market value of the items you wish to export or reexport. Round all prices to the nearest whole dollar amount. Give the exact unit price only if the value is less than \$0.50. If normal trade practices make it impractical to establish a firm contract price, state in Block 24 the precise terms upon which the price is to be ascertained and from which the contract price may be objectively determined.
- (h) **Total Price.** Provide the total price of the item(s) described in Block 22(j).
- (i) **Manufacturer.** Provide the name only of the manufacturer, if known, for each
of

the items you wish to export, reexport, or have BIS classify, if different from the applicant.

- (j) **Technical Description.** Provide a description of the item(s) you wish to export, reexport, or have BIS classify. Provide details when necessary to identify the specific item(s), include all characteristics or parameters shown in the applicable ECCN using measurements identified in the ECCN (e.g., basic ingredients, composition, electrical parameters, size, gauge, grade, horsepower, etc.). These characteristics must be identified for the items in the proposed transaction when they are different than the characteristics described in promotional brochure(s).

Block 23: Total Application Dollar Value.

Enter the total value of all items contained on the application in U.S. Dollars. The use of other currencies is not acceptable.

- Block 24: Additional Information.** Enter additional data pertinent to the application as required in the EAR. Include special certifications, names of parties of interest not disclosed elsewhere, explanation of documents attached, etc. Do not include information concerning Block 22 in this space.

If your application represents a previously denied application, you must provide the Application Control Number from the original application.

If you are requesting BIS to classify your product, use this space to explain why you believe the ECCN entered in Block 22(a) is appropriate. This explanation must contain an analysis of the item in terms of the technical control parameters specified in the appropriate ECCN. If you have not identified a recommended classification in Block 22(a), you must state the reason you cannot determine the appropriate classification, identifying anything in the regulations that you believe precluded you from determining the correct classification.

If additional space is necessary, use Block 24 on Form BIS-748P-A or B.

- Block 25:** You, as the applicant or duly authorized agent of the applicant, must manually sign in this Block. Rubber-stamped or electronic signatures are not acceptable. If you are an agent of the applicant, in addition to providing your name and title in this Block, you must enter your company's name in Block 24. Type both your name and title in the space provided.

UNIQUE APPLICATION AND SUBMISSION REQUIREMENTS

In addition to the instructions contained in Supplement No. 1 to part 748, you must also ensure that the additional requirements for certain items or types of transactions described in this supplement are addressed in your license application. All other blocks not specifically identified in this supplement must be completed in accordance with the instructions contained in Supplement No. 1 to part 748. The term “Block” used in this supplement relates to Form BIS-748P, unless otherwise noted.

(a) Chemicals, medicinals, and pharmaceuticals

If you are submitting a license application for the export or reexport of chemicals, medicinals, and/or pharmaceuticals, the following information must be provided in Block 22.

- (1) Facts relating to the grade, form, concentration, mixture(s), or ingredients as may be necessary to identify the item accurately, and;
- (2) The Chemical Abstract Service Registry (C.A.S.) numbers, if they exist, must be identified.

(b) Communications intercepting devices

If you are required to submit a license application under §742.13 of this part, you must enter the words “Communications Intercepting Device(s)” in Block 9. The item you are requesting to export or reexport must be specified by name in Block 22(j).

(c) Computers, telecommunications, information security items, and related equipment

If your license application includes items controlled by both Category 4 and Category 5,

your license application must be submitted under Category 5 of the Commerce Control List (§774.1 of the EAR) - see Category 5 Part 1 Notes 1 and 2 and Part 2 Note 1. License applications including computers controlled by Category 4 must identify an “Adjusted Peak Performance” (“APP”) in Block 22(b). If the principal function is telecommunications, an APP is not required. Computers, related equipment, or software performing telecommunication or local area network functions will be evaluated against the telecommunications performance characteristics of Category 5 Part 1, while information security commodities, software and technology will be evaluated against the information security performance characteristics of Category 5 Part 2.

(1) Requirements for license applications that include computers. If you are submitting a license application to export or reexport computers or equipment containing computers to destinations in Country Group D:1 (See Supplement No. 1 to part 740 of the EAR), or to upgrade existing computer installations in those countries, you must also include technical specifications and product brochures to corroborate the data supplied in your license application, in addition to the APP in Block 22(b).

(2) Security Safeguard Plan requirement. The United States requires security safeguards for exports, reexports, and in-country transfers of High Performance Computers (HPCs) to ensure that they are used for peaceful purposes. If you are submitting a license application for an export, reexport, or in-country transfer of a high performance computer to or within a destination in Computer Tier 3 (see §740.7(c)(1) of the EAR) or to Cuba, Iran, North Korea, Sudan, or Syria you must include with your license application a security safeguard plan signed by the end-user, who may also be the ultimate consignee. This requirement also applies to exports, reexports,

and in-country transfers of components or electronic assemblies to upgrade existing “computer” installations in those countries. A sample security safeguard plan is posted on BIS's webpage at <http://www.bis.doc.gov/hpcs/SecuritySafeguardPlans.html>.

(d) Gift parcels; consolidated in a single shipment

If you are submitting a license application to export multiple gift parcels for delivery to individuals residing in a foreign country, you must include the following information in your license application. NOTE: Each gift parcel must meet the terms and conditions described for *gift parcels* in License Exception GFT (see §740.12(a) of the EAR).

- (1) In Block 16, enter the word “None”;
- (2) In Block 18, enter the word “Various” instead of the name and address of a single ultimate consignee;
- (3) In Block 21, enter the phrase “For personal use by recipients”;
- (4) In Block 22(e), indicate a reasonable estimate of the number of parcels to be shipped during the validity of the license;
- (5) In Block 22(j), enter the phrase “Gift Parcels”; and
- (6) In Block 23, indicate a reasonable value approximation proportionate to the quantity of gift parcels identified in Block 22(e).

(e) Intransit through the United States

If you are submitting a license application for items moving intransit through the United States that do not qualify for the *intransit* provisions of License Exception TMP (see §740.9(b)(1) of the EAR), you must provide the following

information with your license application:

- (1) In Block 9, enter the phrase “Intransit Shipment”;
- (2) In Block 24, enter the name and address of the foreign consignor who shipped the items to the United States and state the origin of the shipment;
- (3) Any available evidence showing the approval or acquiescence of the exporting country (or the country of which the exporter is a resident) for shipments to the proposed ultimate destination. Such evidence may be in the form of a Transit Authorization Certificate; and
- (4) Any support documentation required by §748.9 of this part for the country of ultimate destination.

(f) Intransit outside of the United States

If you are submitting a license application based on General Prohibition Eight stated in §736.2(b)(8) of the EAR and identification of the intermediate consignee in the country of unloading or transit is unknown at the time the license application is submitted, the country of unloading or transit must be shown in Block 17.

(g) Nuclear Nonproliferation items and end-uses

(1) Statement requirement. If a license is required to export or reexport items described in §742.3 of the EAR, or any other item (except those controlled for short supply reasons) where the item is intended for a nuclear end-use, prior to submitting a license application, you must obtain a signed written statement from the end-user certifying the following:

- (i) The items to be exported or replicas thereof (“replicas” refers to items produced abroad based on physical examination of the item originally

exported, matching it in all critical design and performance parameters), will not be used in any of the activities described in §744.2(a) of the EAR; and

(ii) Written authorization will be obtained from the BIS prior to reexporting the items, unless they are destined to Canada or would be eligible for export from the United States to the new country of destination under NLR based on Country Chart NP Column 1.

(2) License application requirements. Along with the required certification, you must include the following information in your license application:

(i) In Block 7, place an (X) in the box titled “Nuclear Certification”;

(ii) In Block 9, enter the phrase “NUCLEAR CONTROLS”;

(iii) In Block 21, provide, if known, the specific geographic locations of any installations, establishments, or sites at which the items will be used;

(iv) In Block 22(j), if applicable, include a description of any specific features of design or specific modifications that make the item capable of nuclear explosive activities, or of safeguarded or unsafeguarded nuclear activities as described in §744.2(a)(3) of the EAR; and

(v) In Block 24, if your license application is being submitted because you know that your transaction involves a nuclear end-use described in §744.2 of the EAR, you must fully explain the basis for your knowledge that the items are intended for the purpose(s) described §744.2 of the EAR. Indicate, if possible, the specific end-use(s) the items will have in designing, developing, fabricating, or testing nuclear weapons or nuclear explosive devices or in designing, constructing, fabricating, or operating

the facilities described in §744.2(a)(3) of the EAR.

(h) Numerical control devices, motion control boards, numerically controlled machine tools, dimensional inspection machines, direct numerical control systems, specially designed assemblies and specially designed software

(1) If you are submitting a license application to export, reexport, or request BIS to classify numerical control devices, motion control boards, numerically controlled machine tools, dimensional inspection machines, and specially designed software you must include the following information in your license application:

(i) For numerical control devices and motion control boards:

(A) Make and model number of the control unit;

(B) Description and internal configuration of numerical control device. If the device is a computer with motion control board(s), then include the make and model number of the computer;

(C) Description of the manner in which a computer will be connected to the CNC unit for on-line processing of CAD data. Specify the make and model of the computer;

(D) Number of axes the control unit is capable of simultaneously controlling in a coordinated contouring mode, and type of interpolation (linear, circular, and other);

(E) Minimum programmable increment;

(F) A description and an itemized list of all software/firmware to be supplied with the control device or motion control board, including software/firmware for axis interpolation function and for any programmable control unit or device

to be supplied with the control unit;

(G) Description of capabilities related to “real time processing” and receiving computer aided-design.

(H) A description of capability to accept additional boards or software that would permit an upgrade of the electronic device or motion control board above the control levels specified in ECCN 2B001; and

(I) Specify if the electronic device has been downgraded, and if so can it be upgraded in future.

(ii) For numerically controlled machine tools and dimensional inspection machines:

(A) Name and model number of machine tool or dimensional inspection machine;

(B) Type of equipment, e.g., horizontal boring machine, machining center, dimensional inspection machine, turning center, water jet, etc.;

(C) Description of the linear and rotary axes capable of being simultaneously controlled in a coordinated contouring mode, regardless of the fact that the coordinated movement of the machine axis may be limited by the numerical control unit supplied by the machine tool;

(D) Maximum workpiece diameter for cylindrical grinding machines;

(E) Motion (camming) of the spindle axis measured in the axial direction in one revolution of the spindle, and a description of the method of measurement for turning machine tools only;

(F) Motion (run out) of the spindle axis measured in the radial direction in one revolution of the spindle, and a description of the method of measurement;

(G) Overall positioning accuracy in each axis, and a description of the method for measurement; and

(H) Slide motion test results.

(i) Parts, components, and materials incorporated abroad into foreign-made products

BIS will consider license applications to export or reexport to multiple consignees or multiple countries when an application is required for foreign produced direct product containing parts and components subject to the EAR in §732.4(b) of the EAR and to General Prohibition Two stated in §736.2(b)(2) of the EAR. Such requests will not be approved for countries listed in Country Group E:2 (See Supplement No. 1 to part 740 of the EAR), and may be approved only in limited circumstances for countries listed in Country Group D:1.

(1) License applications for the export of parts and components. If you are submitting a license application for the export of parts, components, or materials to be incorporated abroad into products that will then be sent to designated third countries, you must enter in Block 21, a description of end-use including a general description of the commodities to be manufactured, their typical end-use, and the countries where those commodities will be marketed. The countries may be listed specifically or may be identified by Country Groups, geographic areas, etc.

(2) License applications for the reexport of incorporated parts and components. If you are submitting a license application for the reexport of parts, components, or materials incorporated abroad into products that will be sent to designated third countries you must include the following information in your license application:

(i) In Block 9, enter the phrase “Parts and

Components”;

(ii) In Block 18, enter the name, street address, city and country of the foreign party who will be receiving the foreign-made product. If you are requesting approval for multiple countries or consignees enter “Various” in Block 18, and list the specific countries, Country Groups, or geographic areas in Block 24;

(iii) In Block 20, enter the name, street address, city, and country of the foreign party who will be exporting the foreign-made product incorporating U.S. origin parts, components or materials;

(iv) In Block 21, describe the activity of the ultimate consignee identified in Block 18 and the end-use of the foreign-made product. Indicate the final configuration if the product is intended to be incorporated in a larger system. If the end-use is unknown, state “unknown” and describe the general activities of the end-user;

(v) In Block 22(e), specify the quantity for each foreign-made product. If this information is unknown, enter “Unknown” in Block 22(e);

(vi) In Block 22(h), enter the digit “0” for each foreign-made product;

(vii) In Block 22(j), describe the foreign-made product that will be exported, specifying type and model or part number. Attach brochures or specifications, if available. Show as part of the description the unit value, in U.S. dollars, of the foreign-made product (if more than one foreign-made product is listed on the license application, specify the unit value for each type/model/part number). Also include a description of the U.S. content (including the applicable Export Control Classification Number(s)) and its value in U.S. dollars. If more than one foreign-made product is identified on the license application, describe the U.S. content and specify the U.S. content value for each foreign-made product. Also, provide sufficient

supporting information to explain the basis for the stated values. To the extent possible, explain how much of the value of the foreign-made product represents foreign origin parts, components, or materials, as opposed to labor, overhead, etc. When the U.S. content varies and cannot be specified in advance, provide a range of percentage and value that would indicate the minimum and maximum U.S. content;

(viii) Include separately in Block 22(j) a description of any U.S. origin spare parts to be reexported with the foreign-made product, if they exceed the amount allowed by §740.10 of the EAR. Enter the quantity, if appropriate, in Block 22(e). Enter the ECCN for the spare parts in Block 22(a) and enter the value of the spare parts in Block 22(h);

(ix) In Block 23, enter the digit “0”;

(x) If the foreign-made product is the direct product of U.S. origin technology that was exported or reexported subject to written assurance, a request for waiver of that assurance, if necessary, may be made in Block 24. If U.S. origin technology will accompany a shipment to a country listed in Country Group D:1 or E:2 (see Supplement No. 1 to part 740 of the EAR) describe in Block 24 the type of technology and how it will be used.

(j) Ship stores, plane stores, supplies, and equipment

(1) Vessels under construction. If you are submitting a license application for the export or reexport of items, including ship stores, supplies, and equipment, to a vessel under construction you must include the following information in your license application:

(i) In Block 18, enter the name, street address, city, and country of the shipyard where vessel is being constructed;

(ii) In Block 22(j), state the length of the vessel for a vessel under 12 m (40 ft) in length. For a vessel 12 m (40 ft) in length or over, provide the following information (if this information is unknown, enter “Unknown” in this Block):

(A) Hull number and name of vessel;

(B) Type of vessel;

(C) Name and business address of prospective owner, and the prospective owner's nationality; and

(D) Country of registry or intended country of registry.

(2) Aircraft under construction. If you are submitting a license application for the export or reexport of items, including plane stores, supplies, and equipment, to an aircraft under construction you must include the following information in your license application:

(i) In Block 18, enter the name and address of the plant where the aircraft is being constructed;

(ii) In Block 22(j), enter the following information (if this information is unknown, enter “Unknown” in this Block):

(A) Type of aircraft and model number;

(B) Name and business address of prospective owner and his nationality; and

(C) Country of registry or intended country of registry.

(3) Operating vessels and aircraft. If you are submitting a license application for the export or reexport of items, including ship or plane stores, supplies, and equipment to an operating vessel or aircraft, whether in operation or being repaired, you must include the following information in your license application:

(i) In Block 18, enter the name of the owner, the name of the vessel, if applicable, and port or point where the items will be taken aboard;

(ii) In Block 18, enter the following statement if, at the time of filing the license application, it is uncertain where the vessel or aircraft will take on the items, but it is known that the items will not be shipped to a country listed in Country Group D:1 or E:2 (see Supplement No. 1 to part 740 of the EAR):

Uncertain; however, shipment(s) will not be made to Country Groups D:1 or E:2.

(iii) Provide information as described in paragraph (j)(1)(ii) of this supplement for vessels or information contained in paragraph (j)(2)(ii) of this supplement for aircraft.

(k) Regional stability controlled items

If you are submitting a license application for the export or reexport of items controlled for regional stability reasons and subject to licensing under RS Column 1 on the Country Chart, your license application must be accompanied by full technical specifications.

(l) Reexports

If you know that an item that requires a license to be exported from the United States to a certain foreign destination will be reexported to a third destination also requiring approval, such a request must be included on the license application. The license application must specify the country to which the reexport will be made in Block 24. If the export does not require a license but the reexport does, you may apply for a license for the reexport, or you may export without a license and notify the consignee of the requirement to seek a license to reexport.

(m) Robots

If you are submitting a license application for the export or reexport of items controlled by ECCNs 2B007 or 2D001 (including robots, robot controllers, end-effectors, or related software) the following information must be provided in Block 24:

- (1) Specify if the robot is equipped with a vision system and its make, type, and model number;
- (2) Specify if the robot is specially designed to comply with national safety standards for explosive munitions environments;
- (3) Specify if the robot is specially designed for outdoor applications and if it meets military specifications for those applications;
- (4) Specify if the robot is specially designed for operating in an electro-magnetic pulse (EMP) environment;
- (5) Specify if the robot is specially designed or rated as radiation-hardened beyond that necessary to withstand normal industrial (i.e., non-nuclear industry) ionizing radiation, and its rating in grays (Silicon);
- (6) Describe the robot's capability of using sensors, image processing or scene analysis to generate or to modify robot program instructions or data;
- (7) Describe the manner in which the robot may be used in nuclear industry/manufacturing; and
- (8) Specify if the robot controllers, end-effectors, or software are specially designed for robots controlled by ECCN 2B007, and why.

(n) Short Supply controlled items

If you are submitting a license application for the export of items controlled for short supply

reasons, you must consult part 754 of the EAR for instructions on preparing your license application.

(o) Technology

(1) License application instructions. If you are submitting a license application for the export or reexport of technology you must check the box labeled “Letter of Explanation” in Block 6, enter the word “Technology” in Block 9, leave Blocks 22(e) and (i) blank, and include a general statement that specifies the technology (e.g., blueprints, manuals, etc.) in Block 22(j).

(2) Letter of explanation. Each license application to export or reexport technology must be supported by a comprehensive letter of explanation. This letter must describe all the facts for a complete disclosure of the transaction including, if applicable, the following information:

- (i) The identities of all parties to the transaction;
- (ii) The exact project location where the technology will be used;
- (iii) The type of technology to be exported or reexported;
- (iv) The form in which the export or reexport will be made;
- (v) The uses for which the data will be employed;
- (vi) An explanation of the process, product, size, and output capacity of all items to be produced with the technology, if applicable, or other description that delineates, defines, and limits the data to be transmitted (the “technical scope”); and
- (vii) The availability abroad of comparable foreign technology.

(3) Special provisions.

(i) *Technology controlled for national security reasons.* If you are submitting a license application to export technology controlled for national security reasons to a country *not* listed in Country Group D:1 or E:2 (see Supplement No. 1 to part 740 of the EAR), upon request, you must provide BIS a copy of the written letter from the ultimate consignee assuring that, unless prior authorization is obtained from BIS, the consignee will not knowingly reexport the technology to any destination, or export the direct product of the technology, directly or indirectly, to a country listed in Country Group D:1 or E:2 (see Supplement No. 2 to part 740 of the EAR). If you are unable to obtain this letter of assurance from your consignee, you must state in your license application why the assurances could not be obtained.

(ii) *Maritime nuclear propulsion plants and related items.* If you are submitting a license application to export or reexport technology relating to maritime nuclear propulsion plants and related items including maritime (civil) nuclear propulsion plants, their land prototypes, and special facilities for their construction, support, or maintenance, including any machinery, device, component, or equipment specifically developed or designed for use in such plants or facilities you must include the following information in your license application:

(A) A description of the foreign project for which the technology will be furnished;

(B) A description of the scope of the proposed services to be offered by the applicant, his consultant(s), and his subcontractor(s), including all the design data that will be disclosed;

(C) The names, addresses and titles of all personnel of the applicant, the applicant's consultant(s) and subcontractor(s) who will

discuss or disclose the technology or be involved in the design or development of the technology;

(D) The beginning and termination dates of the period of time during which the technology will be discussed or disclosed and a proposed time schedule of the reports the applicant will submit to BIS, detailing the technology discussed or disclosed during the period of the license;

(E) The following certification:

I (We) certify that if this license application is approved, I (we) and any consultants, subcontractors, or other persons employed or retained by us in connection with the project licensed will not discuss with or disclose to others, directly or indirectly, any technology relating to U.S. naval nuclear propulsion plants. I (We) further certify that I (we) will furnish to the Bureau of Industry and Security all reports and information it may require concerning specific transmittals or disclosures of technology under any license granted as a result of this license application.

(F) A statement of the steps that you will take to assure that personnel of the applicant, the applicant's consultant(s) and subcontractor(s) will not discuss or disclose to others technology relating to U.S. naval nuclear propulsion plants; and

(G) A written statement of assurance from the foreign importer as described in paragraph (o)(3)(i) of this Supplement.

(p) Temporary exports or reexports

If you are submitting a license application for the temporary export or reexport of an item (not eligible for the *temporary exports and reexports* provisions of License Exception TMP (see §740.9(a) of the EAR)) you must include the following certification in Block 24:

The items described on this license application are to be temporarily exported (or reexported) for (state the purpose e.g., demonstration, testing, exhibition, etc.), used solely for the purpose authorized, and returned to the United States (or originating country) as soon as the temporary purpose has ended, but in no case later than one year of the date of export (or reexport), unless other disposition has been authorized in writing by the Bureau of Industry and Security.

(q) Chemicals controlled for CW reasons under ECCN 1C350

In addition to any supporting documentation required by part 748, you must also obtain from your consignee an End-Use Certificate for the export of chemicals controlled for CW reasons by ECCN 1C350 to non-States Parties (destinations *not* listed in Supplement No. 2 to part 745 of the EAR). See §745.2 of the EAR. In addition to the End-Use Certificate, you may still be required to obtain a Statement by Ultimate Consignee and Purchaser (Form BIS-711P) as support documentation. Consult §§748.9 and 748.11 of the EAR.

• *(r) Encryption review requests*

Enter, in Block 9 (Special Purpose) of the BIS-748P, “License Exception ENC” if you are submitting an encryption review request for License Exception ENC (§740.17 of the EAR) or “mass market encryption” if you are submitting an encryption review request under the mass market encryption provisions (§742.15(b) of the EAR). If you seek an encryption review for another reason, enter “encryption - other”. Neither the electronic nor paper forms provide a separate Block to check for the submission of encryption review requests, therefore you must also, place an “X” in the box marked “Classification Request” in Block 5 (Type of Application) of Form BIS-748P or select “Commodity Classification” if filing

electronically. Failure to properly complete these items may delay consideration of your review request.

(s) Foreign National Review Request

(1) BIS-748P “Multipurpose Application” form. If you are submitting a Foreign National Review (FNR) request for the deemed export of technology or source code, you must include the following information on the BIS-748P “Multipurpose Application” form:

- (i) In Block 1 through 3, insert name, telephone, and facsimile of the person that is most knowledgeable about the foreign national;
- (ii) In Block 4 (Date of Application), enter the date;
- (iii) In Block 5 (Type of Application), place an “X” in the box marked “Other”;
- (iv) In Block 6 (Documents Submitted with Application), place an “X” in “Other” to signify that you are submitting the Foreign National Review Support Statement(s) with the BIS-748P, and place an “X” in “BIS-748P-B” if you are submitting this FNR for multiple foreign nationals;
- (v) In Block 9 (Special Purpose), insert the phrase “Foreign National Review (FNR)”;
- (vi) In Block 14 (Applicant), insert the name of the applicant;
- (vii) In Block 18 (Ultimate Consignee), insert the name and address of the Foreign National;
- (viii) In Block 21 (Specific End-Use), insert any information which may be of interest

regarding the export of the technology or source code;

- (ix) In Block 24 (Additional Information), insert contact email information;
- (x) In Block 25 (Signature), sign the BIS-748P, and insert the name and title of the signer; and
- (xi) All other Blocks on the application may be left blank.

(2) Multiple Foreign Nationals. If you are submitting a Foreign National Review Request for more than one individual, you may add other foreign nationals by completing and attaching form BIS-748P-B “End-User Appendix.”

***(t) Foreign National Review
Support Statement***

To request review of your FNR, you must submit to BIS a FNR support statement as set forth below on company letterhead, along with Form BIS-748P (Multipurpose Application), or its electronic equivalent. For FNRs that include multiple foreign nationals, an FNR support statement must be submitted for each foreign national.

- (1)** Case number (Z number): Zxxxxxx;
- (2)** Name, and all other names ever used;
- (3)** Date of birth: dd/mm/yyyy;
- (4)** Place of birth: city, state/province, and country;
- (5)** U.S. Address: street address, city, state, zip;
- (6)** Overseas Address: street address, city, province, country;
- (7)** Visa type (with expiration date and place issued, if available): type, dd/mm/yyyy, city,

country;

- (8)** I-94 No. xxxxxxxx, dd/ mm/ yyyy;
- (9)** Passport and Country of Issue: xxxxxxxx, country
- (10)** U.S. Education(schools, degrees, and dates received) (if any): degree, subject, university, city, state, country, month/year - month/year;
- (11)** Foreign Education: degree, subject, university, city, state, country, month/year - month/year;
- (12)** Employer (applicant) and address: company, street address, city, state, zip;
- (13)** Detailed explanation of position requirements and individual’s qualifications related to the position; and

- (14)** Prior Employment Record, (including overseas employment) addresses and dates; explain any periods of unemployment.

(u) Aircraft and vessels on temporary sojourn.

If the application is for an aircraft or a vessel traveling on a temporary sojourn, state the value of the aircraft or vessel as \$0 in box 22(g) (unit price) and 22(h) (total price). In box 23 (Total Application Dollar Value), insert the total value of items other than the aircraft or vessel that are included in the same application. If the application is only for the aircraft or vessel on temporary sojourn, insert \$0.

(v) In-country transfers.

To request an in-country transfer, you must specify “in-country transfer” in Block 9 (Special Purpose) and mark “Reexport” in Block 5 (Type of Application) of the BIS-748P “Multipurpose Application” form. The application also must specify the same foreign country for both the

original ultimate consignee and the new ultimate consignee.

BIS-711, STATEMENT BY ULTIMATE CONSIGNEE AND PURCHASER
INSTRUCTIONS

All information must be typed or legibly printed in each appropriate Block or Box.

Block 1: **Ultimate Consignee.** The Ultimate Consignee must be the person abroad who is actually to receive the material for the disposition stated in Block 2. A bank, freight forwarder, forwarding agent, or other intermediary is not acceptable as the Ultimate Consignee.

Block 2: **Disposition or Use of Items by Ultimate Consignee named in Block 1.** Place an (X) in “A.,” “B.,” “C.,” “D.,” and “E.,” as appropriate, and fill in the required information.

Block 3: **Nature of Business of Ultimate Consignee named in Block 1.** Complete both “A” and “B”.

Possible choices for “A” include: broker, distributor, fabricator, manufacturer, wholesaler, retailer, value added reseller, original equipment manufacturer, etc.

Possible choices for “B” include: contractual, franchise, distributor, wholesaler, continuing and regular individual business, etc.

Block 4: **Additional Information.** Provide any other information not appearing elsewhere on the form such as other

parties to the transaction, and any other material facts that may be of value in considering license applications supported by this statement.

Block 5: **Assistance in Preparing Statement.** Name all persons, other than employees of the ultimate consignee or purchaser, who assisted in the preparation of this form.

Block 6: **Ultimate Consignee.** Enter the requested information and sign the statement in ink. (For a definition of ultimate consignee, see §748.5(e) of this part.)

Block 7: **Purchaser.** This form must be signed in ink by the Purchaser, if the Purchaser is not the same as the Ultimate Consignee identified in Block 1. (For a definition of purchaser, see §748.5(c) of this part.)

Block 8: **Certification for Exporter.** This Block must be completed to certify that no correction, addition, or alteration on this form was made subsequent to the signing by the Ultimate Consignee in Block 6 and Purchaser in Block 7.

**AUTHORITIES ADMINISTERING IMPORT CERTIFICATE/DELIVERY VERIFICATION
(IC/DV) AND END-USER STATEMENT SYSTEMS IN FOREIGN COUNTRIES**

<i>Country</i>	<i>IC/DV Authorities</i>	<i>System Administered</i>
Argentina	Secretaria Ejecutiva de la Comision Nacional de Control de Exportaciones Sensitivas y Material Belico Balcarce 362 - 1er. piso - Capital Federal - CP 1064 Buenos Aires Tel. 334-0738, Fax 331-1618	IC/DV
Australia	Director, Strategic Trade Policy and Operations, Industry & Procurement Infrastructure Division, Department of Defence, Campbell Park 4-1-53, Canberra ACT 2600 Phone: +61 (0)2 6266 3717, Fax: +61 (0)2 6266 2997	IC/DV
Austria	Bundesministerium fur Handel Gewerbe und Industrie Landstr. Haupstr. 55-57, Vienna 1031	IC/DV
Belgium	Ministere Des Affaires Economiques, Administration Des Relations Economiques Rue General Leman, 60 1040 Bruxelles Phone: 02/206.58.16, Fax: 02/230.83.22	IC/DV
Bulgaria	Ministry of Trade 12 Al. Batenberg 1000 Sofia	IC/DV
China, People's Republic of	Ministry of Commerce Department of Mechanic, Electronic and High Technology Industries Export Control Division I Chang An Jie No. 2 Beijing 100731 China Phone: (86)(10) 6519 7366 or 6519 7390 Fax: (86)(10) 6519 7543 http://cys.mofcom.gov.cn/ag/ag.html	PRC End-User Statement

Czech Republic	Federal Ministry of Foreign Trade Head of Licensing Politických Veznu 20 112 49 Praha 1	IC/DV
Denmark	Handelsministeriets Licenskontor Kampmannsgade 1, DK 1604, Copenhagen V	IC/DV
	IC's also issued by Danmarks Nationalbank Holmens Kanal 17, Copenhagen K Custom-houses	DV
Finland	Helsingin Piiritullikamari, Kanavakatu 6 (or P.O. Box 168) 00161 Helsinki	IC/DV
France	Ministere de l'Economie et des Finances Direction Generale des Douanes et Droits Indirects Division des Affaires Juridiques et Contentieuses 8, Rue de la Tour des Dames, Bureau D/3, 75436, Paris Cedex 09	IC/DV
Germany	Bundesamt für gewerbliche Wirtschaft Frankfurter Strasse 29-31 65760 Eschborn	IC/DV
Greece	Banque de Greece, Direction des Transactions Commerciales avec l'Etranger Athens	IC/DV
Hong Kong	Trade Department, Ocean Centre, Canton Road, Tsimshatsui, Kowloon,	IC/DV
Hungary	Ministry of International Economic Relations Export Control Office 1054 Budapest P.O. Box 728 H-1365, Hold Str. 17	IC/DV
India	Deputy Director General of Foreign Trade Udyog Bhawan, Maulana Azad	Indian IC

	Road New Delhi 11011: For small scale industries and entities, and those not elsewhere specified	
	Directorate General of Technical Development, Udyog Bhawan, Maulana Azad Road, New Delhi 11011: For the “organized” sector, except for computers and related equipment	Indian IC
	Defense Research and Development Organization Room No. 224, “B” Wing Sena Bhawan, New Delhi 110011: For Defense organizations	Indian IC
	Department of Electronics, Lok Nayak Bhawan, New Delhi 110003: For computers and related electronic items	Indian IC
	Assistant Director, Embassy of India, Commerce Wing, 2536 Massachusetts Ave. NW, Washington D.C. 20008: For any of the above	Indian IC
Ireland, Republic of	Department of Industry, Trade, Commerce and Tourism, Frederick House, South Frederick Street, Dublin 2	IC/DV
Italy	Ministero del Commercio con l'Estero Direzione Generale delle Importazioni e delle Esportazioni, Div. III, Rome or: Dogana Italiana (the town where the import takes place)	IC/DV
Japan	Ministry of International Trade and Industry in: Fukuoka, Hiroshima, Kanmon (Kitakyushu-shi), Kobe, Nagoya, Osaka, Sapporo, Sendai, Shikoku (Takamatsu-shi), Shimizu, Tokyo, and Yokohama Japanese Customs Offices	IC DV

Applications (Classification, Advisory, and License) and Documentation**Supplement No. 4 to Part 748—page 4**

Korea, Republic of	Trade Administration Division Trade Bureau Ministry of Trade and Industry Jungang-Dong, Kyonggi-Do, Building 3 Kwachon	IC
	Republic of Korea Customs House	DV
Liechtenstein	Swiss Federal Office for Foreign Economic Affairs, Import and Export Division Zieglerstrasse 30, CH-3003 Bern	IC/DV
Luxembourg	Office des Licences Avenue de la Liberte, 10	IC/DV
Netherlands	Centrale Dienst voor In-en Uitvoer Engelse Kamp 2, Groningen	IC/DV
New Zealand	Comptroller for Customs P.O. Box 2218, Wellington	IC/DV
Norway	Handelsdepartementet Direktoratet for Eksport-og-Importregulering Fr. Nansens plass 5, Oslo	IC/DV
Pakistan	Chief Controller of Imports and Exports 5, Civic Center Islamabad	IC
	Joint Science Advisor, Ministry of Science and Technology, Secretariat Block 'S', Islamabad	DV
Poland	Ministry of Foreign Economic Relations Department of Commodities and Services Plac Trzech Krzyzy 5, Room 358 00-507 Warsaw	IC/DV

Portugal	Reparticao do Comercio Externo Direccao-Geral do Comercio Secretaria de Estado do Comercio Ministerio da Economia, Lisbon	IC/DV
Romania	National Agency for Control of Strategic Exports and Prohibition of Chemical Weapons, 13, Calea 13 Septembrie Casa (or P.O. Box 5-10) Republicii, Gate A1, Bucharest, Sector 5, Phone: 401-311-2083, Fax: 401-311-1265	IC/DV
Singapore	Controller of Imports and Exports, Trade Development Board World Trade Centre, 1 Maritime Square, Telok Blangah Road	IC/DV
Slovakia	Ministry of Foreign Affairs Licensing-Registration Department Spitalska 8, 813 15 Bratislava	IC
Spain	Secretary of State for Commerce Paseo la Cistellana 162, Madrid 28046	IC/DV
Sweden	The Association of Swedish Chambers of Commerce & Industry P.O. Box 16050, S-103 22 Stockholm Office: Vastra Tradgardsgatan 9	IC/DV
Switzerland	Swiss Federal Office for Foreign Economic Affairs, Import and Export Division, Zieglerstrasse 30 CH-3003 Bern	IC/DV
Taiwan	Board of Foreign Trade Ministry of Economic Affairs 1 Hu-Kou Street, Taipei Science-based Industrial Park Administration No. 2 Hsin Ann Road, Hsinchu	IC/DV

	Export Processing Zone Administration 600 Chiachang Road Nantz, Kaohsiung	
Turkey	Ministry of Commerce, Department of Foreign Commerce, Ankara	IC
	Head Customs Office at the point of entry	DV
United Kingdom	Department of Trade and Industry Export Licensing Branch Millbank Tower Millbank London, SW1P 4QU	IC
	H.M. Customs and Excise, King's Beam House, Mark Lane London, E.C. 3	DV

U.S. IMPORT CERTIFICATE AND DELIVERY VERIFICATION PROCEDURE

The United States participates in an Import Certificate/Delivery Verification procedure. Under this procedure, U.S. importers are sometimes required to provide their foreign suppliers with an U.S. International Import Certificate that is validated by the U.S. Government. This certificate tells the government of the exporter's country that the items covered by the certificate will be imported into the U.S. Economy and will not be reexported except as authorized by U.S. export control regulations. In addition, in some cases, the exporter's government may require a delivery verification. Under this procedure, the U.S. Customs Service validates a certificate confirming that the items have entered the U.S. economy. The U.S. importer must return this certificate to the foreign exporter.

This supplement establishes the procedures and requirements of BIS with respect to both of these programs. Paragraph (a) of this Supplement contains the requirements and procedures of the U.S. International Import Certificate procedure. Paragraph (b) of this Supplement contains the requirements and procedures of the Delivery Verification procedure.

(a) U.S. International Import Certificates

If you are a U.S. importer, a foreign supplier may request you to obtain a U.S. import certificate. The reason for this request is that the exporter's government requires a U.S. import certificate as a condition to issuing an export license. To obtain such a certificate you will have to fill in and execute the U.S. International Import Certificate form (Form BIS-645P/ATF-4522/DSP-53) and submit it to the U.S. government agency that has jurisdiction over the items you are importing. In doing so, you will be making a representation to the United States Government that you will import the items described in the certificate into the United States or if not so imported, you will

not divert, transship or reexport them to another destination with the explicit approval of the U.S. government agency that has jurisdiction over those items. (Representations that items will be entered into the U.S. do not preclude the temporary unloading of items in a foreign trade zone for subsequent entry into the economy of the U.S.) If the items described in the certificate are subject to U.S. Department of Commerce jurisdiction, the Department will validate the certificate and return it to you. You may then send the certificate to your foreign supplier. In this way the government of the exporting country is assured that the items will become subject to the export control laws of the United States.

(1) Items for which the U.S. Department of Commerce issues U.S. International Import Certificates and forms to use. The Department of Commerce issues U.S. International Import Certificates for the following types of items.

(i) *Items controlled for National Security reasons.* Items under the export licensing jurisdiction of BIS that are identified as controlled for national security reasons on the Commerce Control List (Supplement No. 1 to part 774 of the EAR). You will need submit in triplicate a completed Form BIS-645P/ATF-4522/DSP-53;

(ii) *Nuclear equipment and materials.* Items subject to the export licensing jurisdiction of the Nuclear Regulatory Commission for nuclear equipment and materials. (see 10 CFR part 110). You will need to submit in quadruplicate a completed Form BIS-645P/ATF-4522/DSP-53; and

(iii) *Munitions Items.* Items listed on the U.S. Munitions List (see 22 CFR part 121) that do not appear on the more limited U.S. Munitions Import List (27 CFR 47.21). You will need to submit in

triplicate a completed Form BIS-645P. For triangular transactions (See paragraph (a)(5) of this Supplement) involving items on the U.S. Munitions List, you must contact the Department of State, Office of Defense Trade Controls and use Form BIS-645P/ATF-4522/DSP-53. You should contact the Treasury Department, Bureau of Alcohol, Tobacco and Firearms for items appearing on the U.S. Munitions Import List. You will need to use Form ATF-4522.

(2) Where to submit forms. U.S. International Import Certificates and requests to amend certificates may be presented for validation either in person or by mail at the following locations.

(i) By courier to the Bureau of Industry and Security, Room 2705, 14th Street and Pennsylvania Ave., NW., Washington, DC 20230, Attn: Import Certificate Request; or

(ii) In person or by mail at one of the following Department of Commerce U.S. and Foreign Commercial Service District Offices:

Boston, MA
Buffalo, NY
Chicago, IL
Cincinnati, OH
Cleveland, OH
Dallas, TX
Detroit, MI
Houston, TX
Kansas City, MO
Los Angeles, CA
Miami, FL
New Orleans, LO
New York, NY
Philadelphia, PA
Phoenix, AZ
Pittsburgh, PA
Portland, OR
St. Louis, MO
San Francisco, CA
Savannah, GA
Seattle, WA

Trenton, NJ

(3) U.S. International Import Certificate validity periods. The U.S. International Import Certificate must be submitted to the foreign government within six months from the date of certification by the U.S. Department of Commerce. The expiration of this six-month period in no way affects the responsibility of the importer to fulfill the commitments made in obtaining the certificate. If the certificate is not presented to the government of the exporting country before the expiration of its validity period, the exporter must apply for a new certificate. The original unused U.S. International Import Certificate must be returned to BIS at the address specified in paragraph (a)(2)(i) of this supplement.

(4) Statements on the certificate or amendments are representations to the U.S. Government which continue in effect.

(i) All statements and representations made in a U.S. International Import Certificate or an amendment thereto, will be deemed to be continuing in nature until the transaction described in the certificate is completed and the items are delivered into the economy of the importing country.

(ii) Any change of fact or intention in regard to the transaction described in the certificate shall be promptly disclosed to BIS by the U.S. importer by presentation of an amended certificate. The amended certificate must describe all of the changes and be accompanied by the original certificate bearing the certification of BIS. If the original certificate has been transferred to the foreign exporter, you must, where possible, attempt to obtain the original certificate prior to applying for an amendment. If the original certificate is unobtainable because the foreign exporter has submitted it to the appropriate foreign government, or for any other reason, the you must submit a written statement with your

amendment giving the reasons for your failure to submit the original certificate.

(5) Certificates for Triangular transaction (items will not enter the U.S. or applicant is not sure that they will enter the United States).

(i) In accordance with international practice, BIS will, upon request, stamp the certificate with a triangular symbol as notification to the government of the exporting country that the U.S. importer is uncertain whether the items will be imported into the U. S. or knows that the items will not be imported into the U.S., but that, in any case, the items will not be delivered to any other destination except in accordance with the EAR.

(ii) The triangular symbol on a certificate U.S. International Import Certificate is not, in and of itself, an approval by BIS to transfer or sell items to a foreign consignee. Note that a triangular Certificate will not be issued covering foreign excess property sold abroad by the U.S. Department of Defense.

(6) Approval to export items to a foreign consignee prior to delivery under a U.S. International Import Certificate. The written approval of BIS is required before items covered by a U.S. International Import Certificate (whether or not bearing a triangular symbol) may be shipped to a destination other than the U.S. or Canada or sold to a foreign purchaser, and before title to or possession of such items may be transferred to a foreign transferee. This requirement does not apply after the items have been delivered in accordance with the undertaking set forth in the Certificate or if at the time of such shipment, sale, passage of possession or passage of title, a License Exception or a NLR provision of the EAR would authorize the transaction.

(i) If prior approval is required, a letter requesting authorization to release the shipment shall be submitted to BIS at the address listed in

paragraph (a)(2)(i) of this supplement.

(ii) The letter must contain the certificate number; date issued; location of the issuing office; names, addresses, and identities of all parties to the complete transaction; and the quantity, dollar value, and description of the items. The letter must be accompanied by the U.S. International Import Certificate, and all other documentation required by the EAR for the item and country of ultimate destination, as identified in part 748 of the EAR. If requirements stated in part 748 of the EAR do not apply to your transaction, you must identify the intended end-use of the items in your letter.

(iii) Where the letter request is approved and is supported by a foreign import certificate, no further approval from BIS is required for the purchaser or transferee to resell or again transfer the items. However, where BIS approves a request that was not supported by a foreign import certificate, the person to whom approval is granted is required to inform the purchaser or transferee, in writing, that the items are to be shipped to the approved destination only and that no other disposition of the items is permitted without the approval of BIS.

(iv) If the transaction is approved, a validated letter of approval will be sent to the U.S. purchaser for retention in his records. Where a DV or other official government confirmation of delivery is required, the letter will so indicate.

(v) If the items covered by a certificate have been imported into a destination other than the U.S. and the foreign exporter of the items requests a Delivery Verification, the person who obtained the certificate must obtain a DV from the person to whom the items were delivered in the actual importing country. (If a DV is unobtainable, other official government confirmation of delivery must be obtained.) The DV or other official government confirmation of delivery must be submitted to BIS together with

an explanatory letter giving the U.S. International Import Certificate number, date issued, and location of issuing office. BIS will then issue Form ITA-6008, Delivery Compliance Notice, in two copies, the original of which must be forwarded to the country of origin in order to serve as evidence to the exporting country that the requirements of the U.S. Government have been satisfied with respect to delivery of the items.

(vi) *Delivery, sale, or transfer of items to another U.S. purchaser.*

(A) Items covered by a U.S. International Import Certificate may not be sold, and title to or possession of such items may not be transferred, to another U.S. purchaser or transferee before the items are delivered to the U.S. (or to an approved foreign destination, as provided by paragraph (a)(5) of this Supplement), except in accordance with the provisions described in paragraph (a)(6) of this Supplement. The provisions of this paragraph do not apply after the items have been delivered in accordance with the undertaking set forth in the certificate.

(B) Resale or transfer to another U.S. purchaser or transferee requires the prior approval of BIS only in cases where the buyer or transferee is listed in Supplement No. 1 to part 766 of the EAR. However, you, as the person who obtained the certificate are required to notify BIS of any change in facts or intentions relating to the transaction, and in all cases you will be held responsible for the delivery of the items in accordance with the EAR. You are required in all cases to secure, prior to sale or transfer, and to retain in your files in accordance with the recordkeeping provisions contained in part 762 of the EAR, written acceptance by the purchaser or transferee of:

(I) All obligations undertaken by, and imposed under the EAR, upon the holder of the certificate; and

(2) An undertaking that all subsequent sales or transfers will be made subject to the same conditions.

(iii) The responsibility of the certificate holder for obtaining a DV also applies to those cases where the items are resold to a U.S. purchaser (See paragraph (b)(1) of this Supplement.)

(vii) *Reexport or transshipment of items after delivery to U.S.* Items imported into the U.S. under the provisions of a U.S. International Import Certificate may not be reexported to any destination under the *intransit* provisions of License Exception TMP (see §740.9(b)(1) of the EAR). However, all other provisions of the EAR applicable to items of domestic origin shall apply to the reexport of items of foreign origin shipped to the U.S. under a U.S. International Import Certificate.

(viii) *Lost or destroyed U.S. International Import Certificates.* If a U.S. International Import Certificate is lost or destroyed, a duplicate copy may be obtained by the person in the U.S. who executed the original U.S. International Import Certificate by submitting to any of the offices listed in paragraph (a)(2)(i) of this supplement new Form BIS-645P/ATF-4522/DSP-53 in the same way as an original request, except that the forms shall be accompanied by a letter detailing the circumstances under which the original certificate was lost or destroyed and certifying:

(A) That the original U.S. International Import Certificate No. _____, dated _____, issued to (name and address of U.S. importer) for import from (foreign exporter's name and address) has been lost or destroyed; and

(B) That if the original U.S. International Import Certificate is found, the applicant agrees to return the original or duplicate of the certificate to the Bureau of Industry and Security.

(ix) *Unused U.S. International Import*

Certificates. If the transaction will not be completed and the U.S. International Import Certificate will not be used, return the certificate for cancellation to BIS at the address listed in paragraph (a)(2)(i) of this supplement.

(b) Delivery Verification Certificate

U.S. importers may be requested by their foreign suppliers to furnish them with a certified Form BIS-647P, Delivery Verification Certificate, covering items imported into the U.S. These requests are made by foreign governments to assure that strategic items shipped to the U.S. are not diverted from their intended destination. In these instances, the issuance of an export license by the foreign country is conditioned upon the subsequent receipt of a Delivery Verification Certificate from the U.S. importer. Accordingly, your compliance with your foreign exporter's request for a Delivery Verification is necessary to ensure your foreign exporter fulfills its government obligations and is able to participate in future transactions with you. Failure to comply may subject your exporter to penalties that may prevent future trade.

(1) The responsibility of a person or firm executing a U.S. International Import Certificate for providing the foreign exporter with confirmation of delivery of the items includes instances where the items are resold or transferred to another U.S. person or firm prior to actual delivery to the U.S. or to an approved foreign destination. The person who executed the U.S. International Import Certificate shall secure in writing from the U.S. purchaser or transferee, and retain in your files in accordance with the recordkeeping provisions stated in part 762 of the EAR:

(i) Acceptance of the obligation to provide the purchaser or transferee with either the Delivery Verification (or other official government confirmation of delivery if a Delivery Verification is unobtainable) or assurance that

this document was submitted to BIS; and

(ii) An undertaking that each succeeding U.S. transferee or purchaser will assume the same obligation or assurance. In each case the seller or transferor must transmit to the U.S. purchaser or transferee the U.S. International Import Certificate number covering the export from the foreign country and request that they pass it on to any other U.S. purchasers or transferees.

(2) Completion and certification of Delivery Verification Certificates. If you are requested by your foreign exporter to provide a Delivery Verification, you must obtain Form BIS-647P from a U.S. customs office or one of the offices listed in paragraph (a)(2) of this supplement and complete all blocks (except those below the line titled "To be completed by U.S. Customs Service") on the form. The language used in the block titled "Description of Goods" must describe the items in the same terms as those shown on the applicable U.S. International Import Certificate. Upon completion Form BIS-647P must be presented, in duplicate, to a U.S. customs office. *The U.S. customs office will certify Form BIS-647P only where the import is made under a warehouse or consumption entry.*

(3) Disposition of certified Delivery Verification Certificates. The importer must send the original certified Delivery Verification Certificate to the foreign exporter or otherwise dispose of it in accordance with the instructions of the exporting country. The duplicate copy will be retained by the U.S. customs office.

(4)(i) Issuance of a U.S. Delivery Compliance Notice in lieu of a Delivery Verification Certificate. If you are requested to provide a Delivery Verification Certificate but do not wish to disclose the name of your customer to the foreign exporter (e.g., in the event that the items are resold or transferred to another person or firm before the items enter the U.S.), you may submit an originally completed Form BIS-647P together

with an explanatory letter requesting a Delivery Compliance Notice, to BIS at the address listed in (a)(2)(i) of this supplement.

(ii) BIS will provide you with a notice signifying that the items were imported into the U.S. and that a satisfactory DV has been submitted to BIS. You must then forward the original notice to your foreign exporter for submission to the foreign government. A copy of the notice should be retained in your files in accordance with the recordkeeping provisions stated in part 762 of the EAR.

(5)(i) Lost or destroyed Delivery Verification Certificate. When a Delivery Verification Certificate is lost or destroyed, the U.S. importer must submit a letter to BIS at the address listed in paragraph (a)(2)(i) of this supplement certifying that:

(A) The original Delivery Verification Certificate has been lost or destroyed;

(B) The circumstances under which it was lost or destroyed;

(C) The type of customs entry (warehouse or consumption), entry number, and date of entry; and

(D) The number and date of the related U.S. International Import Certificate.

(ii) BIS will, in applicable cases, notify the exporting government that a Delivery Verification Certificate been issued.

(c) Penalties and sanctions for violations

The enforcement provisions of part 764 and Supplement No. 2 to part 736 of the EAR apply to transactions involving imports into the U.S. covered by this supplement and to both foreign and U.S. parties involved in a violation of this supplement. Any provisions of part 764 and Supplement No. 2 to part 736 of the EAR which, by their terms, relate to “exports” or “exports from the U.S.” are also deemed to apply and extend to imports into the U.S., applications for U.S. International Import Certificates (Forms BIS-645P presented to U.S. Department of Commerce for certification), U.S. International Import Certificates, and Delivery Verification Certificates, described in this supplement. (Applications the documents described in this supplement, are included within the definition of export control documents provided in part 772 of the EAR.) Refer to §764.3 of the EAR for more information.

AUTHORITIES ISSUING IMPORT CERTIFICATES UNDER THE FIREARMS CONVENTION

[RESERVED]

[Status of Convention as of April 13, 1999 had not entered into force]

**AUTHORIZATION VALIDATED END-USER (VEU): LIST OF VALIDATED END-USERS,
RESPECTIVE ITEMS ELIGIBLE FOR EXPORT, REEXPORT AND TRANSFER, AND
ELIGIBLE DESTINATIONS**

<u>Validated End-User</u>	<u>Eligible Items (By ECCN)</u>	<u>Eligible Destination</u>
Applied Materials China, Ltd.	2B230; 2B350.g.3; 3B001.b.1; 3B001.c.2; 3B001.e; 3B001.f.3; 3C001; 3C002	<p>Applied Materials China, Ltd. - Shanghai Depot c/o Shanghai Applied Materials Technical Service Center 368 Zhang Jiang Road, Pudong Zhangjiang Hi-Tech Park Shanghai, China 201203</p> <p>Applied Materials China, Ltd. - Beijing Depot c/o Beijing Applied Materials Technical Service Center Bldg. 9, Area A, No. 1 North Di Sheng Street, BDA Beijing, China 100176</p> <p>Applied Materials China, Ltd. - Wuxi Depot c/o Sinotrans Jiangsu Group Fuchang Co. J5 A-B Wuxi Export Processing Zone 287 Gaolang Road, Wuxi New District Wuxi Jiangsu China 214028</p>
BHA Aerocomposite Parts Co., Ltd.	1A002.a; 1B001.f; 1C010.b; 1C010.e; 1D001 (limited to "software" specially designed or modified for the "development", "production" or "use" of equipment controlled by 1B001.f); 1E001 (limited to "technology" according to the General Technology Note for the "development" or "production" of items controlled by 1A002.a, 1B001.f, 1C010.b & .e, and 2B001.a);	BHA Aerocomposite Parts Co., Ltd. No. 4-388 Heibei Road Tanggu Tianjin, China

<u>Validated End-User</u>	<u>Eligible Items (By ECCN)</u>	<u>Eligible Destination</u>
	2B001.e.1.a; 2D001 (limited to "software," other than that controlled by 2D002, specially designed or modified for the "development", "production" or "use" of equipment controlled by 2B001.e.1.a); 2D002 (limited to "software" for electronic devices, even when residing in an electronic device or system, enabling such devices or systems to function as a "numerical control" unit, capable of coordinating simultaneously more than 4 axes for "contouring control" controlled by 2B001.e.1.a).	
National Semiconductor Corporation	3A001.a.5.a.1; 3A001.a.5.a.2; 3A001.a.5.a.3; 3A001.a.5.a.4; 3A001.a.5.a.5; 3A001.a.5.b.	<p>National Semiconductor Hong Kong Limited Beijing Representative Office Room 604, CN Resources Building No. 8 Jianguomenbei A Beijing, China 100005</p> <p>National Semiconductor Hong Kong Limited Shanghai Representative Office Room 903-905 Central Plaza No. 227 Huangpi Road North Shanghai, China 200003</p> <p>National Semiconductor Hong Kong Limited Shenzhen Representative Office Room 1709 Di Wang Commercial Centre Shung Hing Square 5002 Shenna Road East Shenzhen, China 518008</p>

<u>Validated End-User</u>	<u>Eligible Items (By ECCN)</u>	<u>Eligible Destination</u>
Semiconductor Manufacturing International Corporation	1C350.c.3; 1C350.d.7; 2B006.b.1; 2B230; 2B350.d.2; 2B350.g.3; 2B350.i.4; 3B001.a; 3B001.b; 3B001.c; 3B001.d; 3B001.e; 3B001.f; 3C001; 3C002; 3C004; 5B002; 5E002 (limited to "technology" according to the General Technology Note for the "production" of integrated circuits controlled by ECCN 5A002 that has been successfully reviewed under the encryption review process specified in §§ 740.17.b.2 or 740.17.b.3 and 742.15 of the EAR).	Semiconductor Manufacturing International (Shanghai) Corporation 18 Zhang Jiang Rd., Pudong New Area Shanghai, China 201203 Semiconductor Manufacturing International (Tianjin) Corporation 19 Xing Hua Avenue Xi Qing Economic Development Area Tianjin, China 300385 Semiconductor Manufacturing International (Beijing) Corporation No. 18 Wen Chang Road Beijing Economic-Technological Development Area Beijing, China 100176 Semiconductor Manufacturing International (Chengdu) Corporation Assembly and Testing (AT2) Facility 8-8 Kexin Road, Export Processing Zone (West Area) Chengdu, China 611731 Cension Semiconductor Manufacturing Corporation 3/F, 8-1 Kexin Road, Export Processing Zone (West Area) Chengdu, China 611731

<u>Validated End-User</u>	<u>Eligible Items (By ECCN)</u>	<u>Eligible Destination</u>
Shanghai Hua Hong NEC Electronics Company, Ltd.	1C350.c.3; 1C350.d.7; 2B230; 2B350.d.2 2B350.g.3 2B350.i.4; 3B001.c.2; 3C002; 3C004.	Headquarters and Fab. 1 of HHNEC No. 1188 Chuan Qiao Rd. Pu Dong, Shanghai, China 201206 Fab. 2 of HHNEC No. 668 Guo Shou Jing Rd. Zhang Jiang High Tech Park Pu Dong, Shanghai, China 201203

**INFORMATION REQUIRED IN REQUESTS FOR VALIDATED
END-USER (VEU) AUTHORIZATION**

VEU authorization applicants must provide to BIS certain information about the prospective validated end-user. This information must be included in requests for authorization submitted by prospective validated end-users, or exporters or reexporters who seek to have certain entities approved as validated end-users. BIS may, in the course of its evaluation, request additional information.

Required Information for Validated End-User Authorization Requests

(1) Name of proposed VEU candidates, including all names under which the candidate conducts business; complete company physical address (simply listing a post office box is insufficient); telephone number; fax number; e-mail address; company Web site (if available); and name of individual who should be contacted if BIS has any questions. If the entity submitting the application is different from the prospective validated end-user identified in the application, this information must be submitted for both entities. If the candidate has multiple locations, all physical addresses located in the eligible destination must be listed.

(2) Provide an overview of the structure, ownership and business of the prospective validated end-user. Include a description of the entity, including type of business activity, ownership, subsidiaries, and joint-venture projects, as well as an overview of any business activity or corporate relationship that the entity has with either government or military organizations.

(3) List the items proposed for VEU authorization approval and their intended end-uses. Include a description of the items; the ECCN for all items, classified to the subparagraph level, as appropriate; technical

parameters for the items including performance specifications; and end-use description for the items. If BIS has previously classified the item, the Commodity Classification Automated Tracking System (CCATS) number may be provided in lieu of the information listed in the foregoing provisions of this paragraph.

(4) Provide the physical address(es) of the location(s) where the item(s) will be used, if this address is different from the address of the prospective validated end-user provided in paragraph (1) of this supplement.

(5) If the prospective validated end-user plans to reexport or transfer the item, specify the destination to which the items will be reexported or transferred.

(6) Specify how the prospective validated end-user's record keeping system will allow compliance with the recordkeeping requirements set forth in §748.15(e) of the EAR. Describe the system that is in place to ensure compliance with VEU requirements.

(7) Include an original statement on letterhead of the prospective validated end-user, signed and dated by a person who has authority to legally bind the prospective validated end-user, certifying that the end-user will comply with all VEU requirements. This statement must include acknowledgement that the prospective end-user:

(i) Has been informed of and understands that the item(s) it may receive as a validated end-user will have been exported in accordance with the EAR and that use or diversion of such items contrary to the EAR is prohibited;

(ii) Understands and will abide by all authorization VEU end-use restrictions, including the requirement that items received under

authorization VEU will only be used for civil end-uses and may not be used for any activities described in part 744 of the EAR;

(iii) Will comply with VEU recordkeeping requirements; and

(iv) Agrees to allow on-site reviews by U.S. Government officials to verify the end-user's compliance with the conditions of the VEU authorization.

END-USER REVIEW COMMITTEE PROCEDURES

(1) The End-User Review Committee (ERC), composed of representatives of the Departments of State, Defense, Energy, and Commerce, and other agencies, as appropriate, is responsible for determining whether to add to, to remove from, or otherwise amend the list of validated end-users and associated eligible items set forth in Supplement No. 7 to this part. The Department of Commerce chairs the ERC.

(2) Unanimous vote of the Committee is required to authorize VEU status for a candidate or to add any eligible items to a pre-existing authorization. Majority vote of the Committee is required to remove VEU authorization or to remove eligible items from a pre-existing authorization.

(3) In addition to requests submitted pursuant to §748.15, the ERC will also consider candidates for VEU authorization that are identified by the U.S. Government. When the U.S. Government identifies a candidate for VEU authorization, relevant parties (i.e., end-users and exporters or reexporters, when they can be identified) will be notified, before the ERC determines whether VEU authorization is appropriate, as to which end-users have been identified as potential VEU authorization candidates. End-users are not obligated to accept the Government's nomination.

(4) The ERC will make determinations whether to grant VEU authorization to each VEU candidate no later than 30 calendar days after the candidate's complete application is circulated to all ERC agencies. The Committee may request additional information from an applicant or potential validated end-user related to a particular VEU candidate's application. The period during which the ERC is waiting for additional information from an applicant or potential validated end-user is not included in calculating the 30 calendar day deadline for the ERC's determination.

(5) If an ERC agency is not satisfied with the decision of the ERC, that agency may escalate the matter to the Advisory Committee on Export Policy (ACEP). The procedures and time frame for escalating any such matters are the same as those specified for license applications in Executive Order 12981, as amended by Executive Orders 13020, 13026 and 13117 and referenced in §750.4 of the EAR.

(6) A final determination at the appropriate decision-making level to amend the VEU authorization list set forth in Supplement No. 7 to this part operates as clearance by all member agencies to publish the amendment in the Federal Register.

(7) The Deputy Assistant Secretary of Commerce for Export Administration will communicate the determination on each VEU request to the requesting party and the end-user.