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ECCO MEMBERS AND GUESTS

SUBJECT: SUMMARY MINUTES OF THE FOURTH ECCO MEETING

The fourth meeting of the Export Control Coordinators Organization (ECCO) was held April 24-25, 1990, at the Marriott Hotel in Gaithersburg, MD. The conference was held in the Washington, DC, area, as was the third meeting in October 1989, again because of the ready-availability of government and private experts in export control that could be invited as speakers. This worked out well, as representatives for DOC, DOS, DOE, National Laboratories, and the private sector spoke about various aspects of export control.

The next ECCO meeting is planned for late October, and will be held in Washington, DC, one more time before moving it to the west coast. I believe that by 1991, or 1992 at the latest, an annual ECCO conference will be sufficient.

Enclosed are a list of the conference attendees, a summary of the speakers' presentations, and the April 3, 1990, GUS authorization letter from the Export Enforcement office.

Sincerely yours,

James E. Mitchell
Senior Counsel for
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/bc

Encs. a/s

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SPEAKERS' PRESENTATION SUMMARIES

ECCO CONFERENCE
Gaithersburg, MD
April 24-25, 1990

A. **Billy D. Hill, International Research Development Policy Office**
"International Affairs" - Mr. Hill reviewed the "other side" of export control: unclassified technical exchange agreements for cooperation in nuclear energy.

He noted signals from Congress that the time may come when the flow of information and technology are controlled to reduce the disparity, even for non-sensitive (militarily) information with commercial value.

We should look at each international cooperative program to see if the balance of benefit (in all aspects) supports its establishment.

Mr. Hill offered to provide copies of unclassified agreements. He provided FTS #686-6777 to call to request the person who deals with the country of interest. Listed below are contacts for various subjects:

Magnetic fusion	-	Michael Roberts/Arthur Katz, DOE/HQ
Nuclear reactors	-	Sol Rosen/Ken Horton
Fossil	-	Miles Greenbaum
Nuclear Waste	-	Frank Falci/Leo Duffy
Health Physics	-	Robert Wood - Germantown
Solar	-	Bob SanMartin or Gene Delatorre/ Lou Divone - CE
Nuclear Weapons	-	John Rudolph
Canadian	-	Wanda Klimkiewicz

In response to Jim Mitchell's question, Mr. Hill said there is no authority for a Laboratory to sign an "Agreement" with a foreign government. They can sign an "Arrangement" under an existing "Agreement" signed on a government-to-government basis.

The Office of Science and Technology Policy in the White House Science Advisor's office is issuing new rules on patents: The country where an invention is made will own all the rights, and no cross licensing will be permitted. Billy thinks that approach is extremely short-sighted because we will soon face a united Europe and a powerful Japan.

B. **Anstruther Davidson, Office of Assistant Secretary of Commerce for Export Enforcement - "Enforcement of the Export Administrative Act and Compliance Programs"** Mr. Davidson said the top five export items of value are:

1. Aircraft
2. Auto Parts
3. Computer Equipment & Parts
4. Computers
5. Semiconductors

These items total $113 billion per year.

Four out of the top five export items are heavily export controlled, which aggravates the balance of the trade problem.

General License BAGGAGE only applies if it is your personal property. It does not apply to company property even if it accompanies you.

Project License authorizes different commodities for the same consignee.

Mr. Davidson distributed a booklet on "Internal Control Guidelines." It is dated December 1986 and was reprinted in February 1990. It contains good information; just remember, it is old. You are not required to have an internal compliance program.

Some common problems are:

1. Unfaithful/co-opted employees.
2. Licensing advice from the wrong person.
3. Regulations changes.
4. Computers.
5. Foreign Subsidiaries (also distributors).
6. G-DEST is okay, but remember Country Groups S and Z don't qualify.
7. Denied parties.

Mr. Davidson gave some suggestions on a program to comply with the regulations of their office. **First**, someone high up in the organization must decide that export control compliance is important and give resources and backing to the export control unit. **Secondly**, someone in your organization must be responsible and in charge of export control (just like you have to have an accountant in charge of your taxes). It is very important this person be identified and have the expertise and ability to do the job. **Finally**, it is necessary to review and audit the program. The program will not work unless everyone realizes that it will be audited. It is better that you find your problems rather than have someone else find them.

Mr. Davidson said that this summer the commodity controls for COCOM will be slashed from the hundreds now in existence to only 16 categories such as missile technology.

Themes in the Export Regulations:

1. The applicant (exporter), not the freight forwarder, is strictly responsible.
2. There is liability for knowing participation.
3. There is a requirement for accurate representations.
4. There is prohibition on retroactive licensing.
5. Recordkeeping is important, so that you can show what went out.

In response to Jim Mitchell's question, requests for quotation/proposals that are given freely to any potential bidders are exportable under GTDA. If difficult problems arise, consult Gene Christiansen.

C. **Alan Rither, Battelle - "Domestic Licensing of Technology which is ECI, if Exported"** - Mr. Rither said that, often, in our desire to prevent a wrong, there is a tendency to look for ways to prevent that wrong, only to discover we have created a new situation that requires readjustment. That seems to be true when it comes to the case of licensing technology domestically that if exported would be export-controlled information.

The Atomic Energy Act is the legal basis for controlling information and provides the authority to restrain the export of certain kinds of information. However, it also places limitations on that restriction. Section 146 says the Commission shall have no power to control or restrict the control or dissemination of information other than that granted by this or any other law. Therefore, in order to prevent dissemination of information which is unclassified, there must be statutory authority. That authority is present in the case of Unclassified Controlled Nuclear Information under Section 148 of the Atomic Energy Act. However, the authority to restrict access to U.S. citizens and Permanent Resident Aliens is not present in all forms of ECI. Rather, authority must be found in the Nuclear Non-Proliferation Act of 1978, or in the Defense Authorization Act of 1984, Public Law 98-94, or the National Competitiveness Technology Transfer Act of 1989.

The basic policy of the Export Administration Act is to **encourage** exports. It provides a right to export and says no authority or permission to export may be required under this Act, except to carry out the policies set forth. The Act provides for certain national security authorities determined by the President that prohibit transfer of certain kinds of information even within the U.S. But that information is

information that is given to either foreign-controlled entities in the U.S. or embassies of foreign powers in the U.S. It is **not** intended to prevent American citizens from sharing information with other Americans.

It is contrary to both law and executive order for DOE laboratories to hinder private organizations and commercial entities within the United States from receiving ECI technology and information. Again, the EO does mention the subject of export controls, but only in the context of entering into licensing arrangements with foreign entities. In that case, it directs the head of each agency to consider whether that foreign entity is in a country that has export-control procedures in place to prevent further dissemination of the information into the wrong hands.

A provision for an exceptional circumstance determination by the head of an Agency does exist. This provision allows the head of an agency to determine that certain information is too sensitive to be disclosed. However, that authority is limited to only a few areas. In answer to Mr. Rither's question, Mr. Davidson stated that the Export Administration Act does not prohibit individuals within the United States from disclosing export-controlled information to other U.S. citizens. Mr. Rither believes that a law or regulation is needed which would prevent the government from restricting the flow of desirable information as well as prevent it from forcing the flow of undesirable information.

The National Competitiveness Technology Transfer Act (NCTTA) provides a specific exemption from the Freedom of Information Act for up to five years for information developed by government contractors' national laboratories if that information would be considered commercial proprietary information, had it been developed by a private party.

Unfortunately, DOE has chosen to define what it considers a cooperative research and development agreement (ACRADA) so narrowly that exemption is available to only a small portion of laboratory research and development that may have commercial significance. Strict adherence to the FOIA has permitted undesirable flows of information to domestic and foreign competitors.

Mr. Rither suggests broadening the NCTTA exemption to apply to any information that has commercial relevance developed by the national laboratories regardless of whether or not it was developed under ACRADA. When an FOIA request is made, release of information can be refused unless it has become a part of an agency record (DOE actually has the information in its records).

Mr. Rither further stated that the practice at PNL, when it comes to licensing technology, is to provide notice to the applicant that PNL considers the information to be export-controlled information. PNL then inserts an indemnity to protect it against liability from the acts of the applicant. Mr. Rither included two sample clauses in the handout of his speech. The first clause is intended for application where the technology being licensed is not considered sensitive nuclear technology. Technology of this type is considered exportable to COCOM countries under GTTR, but does not require, in most cases, a validated license to export it. The second clause should be used in the rare instances when the technology is sensitive, and the licensee should know that is should be extremely careful not to allow this information to get outside the U.S.

Mr. Rither emphasized the importance of knowing that the party with whom you are dealing has a good reputation, has not been placed on the debarred or suspended bidders' list, and has not been prohibited from entering into these types of transactions. It is also essential that you have no knowledge that the party plans to export the technology. In the absence of such knowledge, a reasonable person should not be able to conclude that the party planned to export the information illegally. Use common prudence and "make sure they have enough assets to pay the bill."

D. <u>Ed Dyson, Baker & McKenzie</u> - **"Future of Export Controls"** - Because U.S. controls are unique with respect to the extraterritorial application of our laws, Mr. Dyson emphasized jurisdiction. He also talked about embargoes that the U.S. has imposed as well as recent developments in Eastern Europe addressing pending legislation. He brought along Mr. Nick Coward, one of his partners in the Washington Office, to discuss the State Department side.

Mr. Dyson said that technical data or commodities, or the direct product thereof, are jurisdictionally covered by U.S. export controls. There is a 25% de minimus exemption for a foreign-manufactured end product containing U.S.-origin parts and materials (for the free world) and a 10% across-the-board exemption for embargoed countries.

How do you know when a product has entered into a country? Mr. Dyson gave the example of drilling equipment in the bow of a vessel not owned by the U.S., but the equipment and the title are still U.S. The vessel is going to drill off shore Vietnam and outside the territorial limit, but within the economic zone. Countries have rights to the minerals that are in the continental shelf off shore. So an economics one may extend out 200 miles where normally its territorial limit is 12 miles.

This is a situation of a non-U.S. vessel, with U.S.-titled equipment which the U.S. Company is not going to operate for this particular transaction, and we are debating whether or not we have an export for Vietnam. Three agencies are involved: the Congress, State and Treasury Departments.

Mr. Dyson recommends a documented compliance program. (He referred to an article in the April 23, 1990, issue of the WASHINGTON POST on the importance of having a compliance program.)

The proposed revisions to the Technical Data Regulations are just that -- "proposed." For example, current rules say that U.S. Technical Data never loses its identity as U.S. technical data. There is no de minimus rule for commingled data.

Since 1988, when the Omnibus Trade Act was passed, all the unilateral (non-COCOM) technical data controls were rescinded. Information that was proprietary, but non-National Security, is no longer under GTDR, but is now under GTDA.

Activities with Cuba, Vietnam, North Korea (except pharmaceuticals), and Kampuchea are subject to licensing by both the Commerce and Treasury Departments.

There is a total import ban on items from Iran.

You cannot make loans or extend credit to South Africa.

Some of the various rules we have to deal with that are still on the books are found in the Export Administration Act. The DOE rules in some cases, and the ITAR in some cases. You have to at least resort to them and see if they might be covered. Foreign Access Control regulations cover Vietnam, North Korea, and Cambodia; and, basically, these rules are also the ultimate in extraterritorial application. The rules apply to any U.S. person and any owned or controlled foreign affiliate that engages in any transaction, no matter how indirect, with those three countries. Jurisdiction, or the origin of the goods, is irrelevant in those three countries.

No U.S. citizen can do business with Libya.

General License GFW has made countries in Country Codes T and W available to many commodities.

The future is to control fewer things but to be more stringent in enforcement, sort of equivalent to what someone said, "building higher fences around smaller yards." Items that were not even THINKABLE for Eastern Europe a few months ago are now permissible, according to what he is hearing at the Department of Commerce.

There's a whole lot going on. More offices are being opened up. Four or five bills are now pending. The Export Administration Act is due to expire this year. Industry wants a complete rewrite, while the Administration just wants to watch and see how events unfold.

E. **Nick Coward, Baker & McKenzie** - The Office of Munitions Control has been reorganized and is called The Center for Defense Trade. It now includes two sections; the equivalent of the old OMC is now called the Office of Defense Trade Control, and a new section has been added called the Office of Defense Trade Policy.

The Center for Defense Trade has primary jurisdiction over any item that is specially designed for military application. To determine whether an item is placed on the Munitions List, the Center for Defense Trade uses a simple test. If the item has substantial military use rather than substantial commercial use, it is placed on the Munitions List. If there is any doubt as to whether an item is on the Munitions List, submit a commodity classification request. Twenty-three licensing personnel have been added to expedite processing of license applications.

The Center for Defense Trade is encouraging the use of commodity jurisdiction requests. Mr. Coward said commodity jurisdiction determinations should take no more than two to three months, if you keep following up by phone. Usually the substantive decision "only" takes a month, but getting the letter typed could take another several months.

Jim Mitchell asked if we need to get Treasury Department approval to export a device (such as a radioactive counter) to Cuba or North Korea in compliance with the IAEA Treaty. In response, Nick said, just because an inspector might use it in an embargoed country, we don't need to get approval from the Treasury Department. Ed Dyson said the Treasury law only applies to transactions by U.S. citizens. The Commerce Department's Export Regulations apply to any commodity "previously exported from the U.S." Ed mentioned that the fact the items are being used BY THE U.S. GOVERNMENT may give us an exemption, but not if we, as contractors, do the exporting.

F. **Edward T. Fei, Office of Classification - "The Role of DOE Office of Classification & Technology Policy"** - The two people who are mainly involved in looking at Commerce Department licenses are Gordon Washburn and Ed Fox (who also works on COCOM). They receive as many as 8,000 referrals annually.

Other contacts are: Zan Hollander - ECI; Dave Carr - RIDS, Visits & Assignments; Nataly Martin - NRC licenses; Meridian Corporation personnel - database maintenance. Ed concentrates on issues that involve nuclear nonproliferation. The IE group focuses on IAEA policy. DP-40 is being organized by a former Congressman.

The purpose of nuclear export controls is to allow diplomacy to work by slowing proliferation. Previous attempts to prevent nuclear proliferation by adopting fuel cycle controls have not worked. In fact, the CIA predicts that five or six nations have piles of sufficient fissile material to make a nuclear bomb. India, Israel, South Africa, and Pakistan are all rumored to be advanced in weapon production. Brazil, Argentina, Libya, Iraq, and Iran (all signatory to the Non-Proliferation Treaty (NPT) which will expire in 1995) are reported to be close to producing nuclear weapons.

Mr. Fei also stressed the need for nuclear export controls due to the fact that he feels nuclear weapons will be used by terrorist groups in the future. This is especially dangerous because countries traditionally have had no way to retaliate against terrorist groups.

Article I of the NPT applies to nuclear weapons countries (the U.S., UK, China, the Soviet Union, and France). Article I states that these countries may not assist "in any way" non-weapon countries in developing nuclear explosives. In accordance with Article I, the U.S. should not assist Pakistan in developing nuclear weapons (including unclassified information).

Non-nuclear countries which are party to the treaty are obliged to apply safeguards on items that are specially design-prepared. Specially design-prepared items are those which (1) are unique to bombs and have no other use; (2) may have other uses, but are known to the manufacturer to be used for nuclear bombs because the items are so specialized; (3) are specially prepared, but the manufacturer would not necessarily know that the items could be used for making nuclear bombs.

Countries which have information about weapons activities based upon intelligence sources can use the International Demarche Process to complain.

The Zangger Committee considers items and technology specially designed for nuclear weapons, which can only be exported under full-scale safeguards. This committee prepares the "trigger lists" on technologies that trigger full-scale safeguards.

The Nuclear Suppliers Group was created after India blew up its "device" in 1974. It included France, which is not a signatory to the NPT. The NSG disbanded around 1978.

A lot is going on now with COCOM. What happens on controls to East Germany and Eastern Europe? They are talking about reducing the list to 40 items (down from 180 items). A lot of high-level meetings at the White House have taken place which John Rooney has attended.

The ACDA people have a "critical mass" of multidisciplinary specialists who deal with nuclear non-proliferation.

The Subgroup on Nuclear Export Coordination (SNEC) considers the tough cases. DOE is the Executive Secretary to the SNEC. It draws up the agenda, etc. Usually, DOE and DOS favor exports of supercomputers, ACDA and DOD are against export of supercomputers, and DOE will look at where and how supercomputers are being used (even though Ed doesn't believe such controls work).

G. **David Carr, Technology Policy Div., Office of Classification - "Requests for Information Database System (RIDS)"** - Jim Corey is the Program Manager of the RIDS program at Sandia National Laboratories. Dave Carr heads up the program at Headquarters. RIDS, initiated in 1986 at the behest of GAO, is a tracking system to standardize requests for information from foreign nationals. GAO felt it needed tighter controls on information requests by other countries due to the fact that there is a possibility that sensitive information has been provided to other countries. The need for tighter controls of proliferation information is also apparent. Since DOE is a unique repository of sensitive information, GAO recommended that DOE develop a tracking system, establish oversight at Headquarters, and issue guidance to the Defense Program Complex for use in identifying and limiting dissemination of UCNI.

Why do foreign nationals seek DOE information? DOE Complex is a depository for classified and unclassified sensitive information. It contains nuclear weapon and naval nuclear propulsion programs; nuclear reactor, enrichment, reprocessing and heavy water programs; non-nuclear energy applications; technical experts; facilities and equipment; state-of-the-art and emerging technologies; and R&D capabilities.

Mechanisms for Information Distribution include: 1) requests directly to DOE Headquarters, Field Offices, Laboratories or employees; 2) International Technical Exchange Programs; 3) conferences, meetings, workshops; 4) "Dear Colleague" requests; 5) formal requests to Office of Scientific and Technical Information (OSTI); 6) formal requests to National

Technical Information Service (NTIS); and 7) formal requests to National Energy Software Center (NESC).

Some problem areas include: 1) thousands of documents and computer codes are generated each year; 2) requests from both allies and sensitive countries for documents; 3) national security, non-proliferation, economic and foreign policy concerns.

Current efforts on implementation of RIDS are contemplated at LANL and LLNL, and briefings at other sites have occurred to initiate implementation. There is a plan to implement RIDS throughout the DOE Complex as promised to GAO by the Secretary.

Countries of concern are Pakistan, South Africa, Iraq, Argentina, Libya, India, Iran, Israel, Brazil, North Korea, the USSR, and the People's Republic of China.

H. **Zan Hollander, Office of Classification - "Exports Under 10 CFR 810"** - How to administer Part 810 regulations is greatly disputed and subject to interpretation and you are bound by precedent. 10 CFR 810 does not apply to DOE or its contractors, except where SNT (Sensitive Nuclear Technology) is concerned -- unclassified information that relates to uranium enrichment, heavy water, or reprocessing. The key to making an SNT determination is "what is the importance to the recipient?"

The DOE's M&O contractors are subject to this control on SNT. If DOE determines information is SNT, it would be subject to control under 10 CFR 810. However, because many countries are more advanced than we are, DOE can interpret our assistance as not being IMPORTANT to the recipient country's nuclear activities.

When you are transferring information and make an ECI determination, you must consider how you will disseminate the information.

John Rooney commented that, if we apply the SNT definition uniformly across-the-board to any country, we would have to prevent U.S. business from all uranium enrichment, heavy water, and reprocessing activities in any country. NRC, on the other hand, defines SNT as the complete plants and major components thereof.

ECI -- Guidelines from Troy Wade -- January 19, 1989
By determining that something is ECI, you help preserve the commercial value of information. Don't transfer information without warning the private firm that it is ECI, and it is responsible for obeying the law on export.

When asked what percentage of foreign ownership would be too much, Zan said John Hnatio should be consulted. He also said DOE will not "send the hounds" after an M&O contractor who is doing the best he can and has made a good-faith effort, even if you don't always succeed.

By ECI, DOE does not mean any kind of export-controlled information, but only that information which would require a validated export license.

He commended Argonne National Laboratory for marking reports with a NOTICE (OADR) containing ECI, and identifying the pages containing ECI. He said the Sandia people are probably even further along.

Dave Pickering, PNL, commented on the fact that 10 CFR 1019 on UCNI does not prohibit disclosure to Permanent Resident Aliens if they are employees of a DOE contractor. Zan said that also applies to ECI, but you wouldn't want to do so if you had reason to believe that they were "going home to Pakistan tomorrow."

In response to a question about an open meeting on glovebox technology, John Rooney and Ed Fei both commented on the importance of keeping ECI from assisting the "bad guys" such as India or Pakistan. Just because it is published doesn't mean the bad guys who need it, have it. Don't do them any favors. Don't send it. Ed Fei said a conference on Space Power, attended by the Soviets, was re-directed to modify six papers, change two displays, and hold a restricted-attendance session at the end. John said it is the policy of the President and the Secretary of Energy not to help, directly or indirectly, the nuclear programs of the sensitive countries.

I. **Gene Christiansen, Department of Commerce - Technical Data -** He said that technical data is a part of every export. A conversation with a foreign national other than a green-card-carrying foreign national is a deemed export. There is tangible and intangible technical data. The intangible is more difficult to cope with. Any kind of release of data to a foreign national other than one with a green card is an export, no matter where it takes place. It doesn't have to cross the border, only the nationality boundary.

GTDR/GTDA update - 15 CFR 779.4, Supplement 3 -- No design, production or manufacturing information can be exported under GTDR (General Technical Data Restricted) (to information controlled by A-suffix items on the CCL). Note, you can ship technical data along with the export of equipment for operation and maintenance purposes. In the future, when it is re-written you will be able to ship technical data beyond the current one-

year period as long as it is used for operation and maintenance purposes.

If we have an especially difficult item, we can give it to DOE and we're off the hook if they export it. If DOE is shipping something that needs a Validated License, they need to obtain an export license from the Department of Commerce. As a "captive laboratory," he said, we can **probably** do the Tech Data transfer under their export license, without needing a license of our own.

Currently, the DOC is updating the ECCN listing to weave in the technical data relevant to each one. In three or four weeks, DOE will publish something on software -- just a small part. This major change will probably be put into the Federal Register by August/September.

GTDA is public domain information, It is what you present at an open conference, information you can freely have access to. No controls on the information at all.

Validated Licenses -- Two-year period plus possibility for extension. Gene has one license with a 30-year period. Emergency licenses can be issued within 48 hours.

An application for a Validated License for Technical Data must have a Letter of Explanation (15 CFR 779.5(d)) and a Letter of Assurance (779.5(e)(2)). The Department of Commerce wants to see a "saving clause" because, theoretically, it is good forever. That way, when the contract expires, the obligations of the Letter of Assurance live on.

The Letter of Explanation is to help the export licensing officer know what, how, where, and why the information is being transferred. Harmonize the data for the purpose for which it will be used.

Jim Mitchell said the Federally Funded Research and Development Centers (FFRDC's) can mutually agree on what constitutes "fundamental research."

Foreign availability -- may be useful to demonstrate to Commerce Department.

Start with the ECCN for Tech Data which has been commingled with Commodities. The rest is still in 15 CFR 779.

Always give the Commerce Department the name and phone number of a technical contact so he can ask them questions, so there won't be delays.

J. **Sarah Heath (LANL), Paul Betten (ANL), Duane Landa (Sandia) - "Lessons Learned"** - Sarah explained how they handle exports of commodities. They are also imports to another country, so she works both sides. She frequently deals with freight forwarders and embassies.

Paul Betten, Argonne, explained how the university culture makes it very difficult to accept export controls that are, seemingly, applied to basic research, but not to applied research. They shipped 72 items last year plus 10 tons of mail for a cost of over $100,000. Japan, the UK, and France each got about 15% of the items.

Their motivation for control has been to support their Technology Transfer program. This vested interest will ensure that the labs take care of protecting premature release of technical data that should be export controlled. Paul said Argonne paid $50,000 last year for royalties to inventors, who share 25% of net royalties. Their system is changing from the patent side down, rather than the compliance side up. While they research foreign marketability, they keep it confidential.

They mark "Export Controlled Information" on publications they issue that need to be protected.

Duane said Dan Cook, Bureau of Export Administration, signed a letter saying that the National Labs can use General License GUS. It is good for any destination as long as you or another U.S. Government agency has possession. Sandia is trying to get Dan Cook of BXA to issue a General License "G-SAFEGUARDS" that would apply only to items and technical data to IAEA and EURATOM at their prime locations.

Duane explained the frustrations they are having when dealing with the Department of State over items on the Munitions List. Beware of items for satellites. Sandia had to register as an Arms Dealer, while Los Alamos (because the University of California doesn't want the adverse publicity) has chosen to use the exemption for R&D organizations.

Arms Control verification is an emerging area of interest involving export control. Duane described Sandia's process for exporting such equipment (called Portal) going to the U.S.S.R. They put it on an Air Force plane at Kirtland AFB and let the U.S. Air Force be the exporter of record!

Sarah explained their recent discovery of their salvage operation. They found crytrons about to be excessed, and pulled them. Dave Pickering mentioned that we discovered all kinds of software and files on hard disks that should have been de-Gaussed to prevent disclosure of proprietary information and violation of software licensing agreements.

Jim Mitchell said the Department of Commerce also recently approved use of General License GTS (to complement GUS, which only applies to Government employees and GOCO M&O contractor employees). GTS can be applied to foreign collaborators and contractors/consultants (not eligible for GUS), but must be returned to the U.S. within one year.

Ed Fei mentioned that, under 15 CFR 778.3, any export involving Sensitive Nuclear Technology and which will be used for nuclear weapons, enrichment, etc., requires a Validated License, even if it would otherwise be exportable under a General License.