

Frequently Asked Questions (FAQs)

UPDATE – Notice on License Support Documentation

Q: Does the seller identified in Block 19 have to be the applicant of the license request?

A: Per the guidance originally published on September 10, 2005, the purchase order must be addressed and directed to the registered U.S. party selling the defense articles and submitting the export license application. This requirement ensures the applicant is in a contractual position to fulfill all responsibilities of registered parties under the ITAR, including being knowledgeable of all elements of the transaction. This requirement is not applicable to submissions by foreign embassies who are issued authorizations on a case-by-case basis as a matter of exception.

Q: How is a purchase order issued to a subsidiary handled in the license application?

A: The parent company who is the holder of the registration code must be identified in the applicant section of the license application. If the supporting documentation is issued to or identifies a subsidiary of the parent, the subsidiary's information must be provided in the subsidiary section of the applicant block.

Q: Why does the purchase documentation have to be issued within one year?

A: This requirement ensures the current validity of the export request. To comply with this requirement it is recommended all purchase documentation must be dated. A letter of explanation must be provided for any purchase documentation not meeting this requirement.

Q: What if the exchange rate changes before shipments are made on the approved license?

A: Per 22 CFR 123.23, customs will authorize the value of a shipment up to ten percent above the approved value to allow for value changes. The new total including the ten percent overage cannot exceed the Congressional notification thresholds identified in 22 CFR 123.15. If the value exceeds the ten percent allowance a new export license must be obtained for the difference.

Q: Why does DDTC require full addresses for all parties to the transaction?

A: All parties listed on a license application are checked against DDTC's internal databases. In order to accurately review and verify the bona fides of the transaction the full address of the party is required. If this information is not available the applicant must explain the situation in a letter of explanation.

Q: What is the benefit of citing precedent cases?

A: Citing relevant precedent cases assists the Licensing Officer in reviewing the proposed application by providing license and staffing history. It is requested that the cited precedent be for the same commodity and same end-use/end-user of the proposed application.