

Export Controls and Sanctions

Miller Canfield has a robust Export Controls and Sanctions Practice representing clients subject to export control laws. We represent clients in every industry sector, including:

Our attorneys have the experience necessary to confidently and practically navigate through (a) the International Traffic in Arms Regulations (**ITAR**) administered and enforced by the U.S. State Department's Directorate of Defense Trade Controls (**DDTC**), (b) the Export Administration Regulations (**EAR**) administered and enforced by the U.S. Commerce Department, Bureau of Industry and Security (**BIS**), (c) the nuclear trade controls as administered by the Nuclear Regulatory Commission (**NRC**) and (e) other regulations governing the possession, trade, and export of controlled assets and transactions, as well as the economic sanctions programs administered and enforced by the Office of Foreign Assets Controls (**OFAC**).

With our offices throughout the world, we are exceptionally capable at assisting clients with export control and sanctions matters from a global perspective, including our ability to draw from our own expert international resources. Miller Canfield is a recognized leader in advising and representing clients on the full range of export control and sanction laws on a worldwide basis.

What We Do on Export Controls & Sanctions

Registration. Assist clients with registering with the Defense Export Control and Compliance System (DECCS) under the ITAR or the BIS Simplified Network Application Processing (SNAP-R) under the EAR.

Controlled Asset and Technology Identification and Classification. Analyze company products, services, and technology portfolios to identify and classify items on the EAR Commerce Control List (CCL) and ITAR U.S. Munitions List (USML) and determine corresponding export controls.

Commodity Jurisdiction and Classification Requests. Draft commodity jurisdiction and classification requests for government classification determination by the BIS under the EAR or DDTC under the ITAR, when export control jurisdiction or classification is still at issue.

Export Control and Sanctions Compliance Programs. Assist clients with development, implementation, monitoring, and improvement of tailored compliance programs that facilitate compliance with export controls under ITAR and EAR and economic sanctions under OFAC, including IT and Facility Technology Controls Plans (TCPs).

Export Control and Sanctions Compliance Training. Conduct on-site training on the ITAR, EAR, OFAC, and other export control and economic sanctions laws.

Export License Applications. Prepare ITAR, EAR, and OFAC export license applications, integrated with supporting transmittal letters and required documentation, to permit the licensed export of controlled products, services, technology, and technical data.

TAA's, MLAs, and other Export Control-Compliant Collaboration Agreements. Draft export control collaboration agreements for government approval, such as Technical Assistance Agreements and Manufacturing License Agreements, to permit the authorized flow of controlled products, services, technology, and technical data between

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approved parties within the permitted scope.

Export Control License Exemptions and Exceptions. Advise on the availability and qualification for export control exemptions or license exceptions, including extent of scope, as well as documentation and recordkeeping requirements for reliance upon the exemption or license exception.

Export Control Audit and Benchmark Reports. Perform export control and sanction compliance audits and produce benchmark reports that: (a) show audited results in comparison to corresponding export control and sanction compliance benchmarks in each substantive area, (b) reveal potential violations and internal control weaknesses affecting export controls and sanctions compliance, and (c) set forth recommended action plans to enable clients to meet export controls and sanctions compliance benchmarks in each area.

Export Control Due Diligence for M&A Transactions. Perform targeted M&A due diligence to identify significant export controls or sanctions compliance concerns which may be unknown to prospective acquirers, and then assist parties to monetize potential penalties related to export control or sanctions violations by providing recommendations to adjust the acquisition price or secure additional legal protections that address export control and sanction risk exposure.

CFIUS and ITAR Notice Filings for M&A Transactions. Prepare, file, and execute ITAR and CFIUS notice filings mandated for foreign acquisition of a U.S. target company with export-controlled assets.

Export License, TAA, and MLA Transfer for M&A Transactions. Complete transfer of U.S. target company ITAR and EAR export control licenses, TAAs, and MLAs to acquirer. Prepare and fulfill DDTC acquisition-based registration transfer requirements, procuring the required DDTC approvals.

Facility Clearance FOCI Approval for M&A Transactions. Accomplish foreign acquisition (and continued clearance) of U.S. business facilities with DSS facility security clearance (FCL) under NISPOM rules of Foreign Ownership, Control, or Influence (FOCI).

Nuclear Trade Controls. Advise and assist on regulatory controls on nuclear technology administered by the Nuclear Regulatory Commission (NRC), including Part 810 of the regulations controlling the transfer of nuclear technology and assistance administered by the National Nuclear Security Administration (NNSA), and Part 100 of the regulations controlling the export and import of nuclear equipment administered by the NRC.

Voluntary Disclosures. Advise and assist on making voluntary disclosures to the DDTC, BIS, and/or OFAC for potential export control or sanctions violations discovered, draft corresponding disclosure submission and supporting documentation, and represent clients on government settlement of voluntary disclosures.

Agency Investigation and Enforcement. Represent companies and individuals on government-initiated export control and sanction compliance inquiries, subpoenas, investigations, and prosecutions on both the criminal and civil side of enforcement.

Deep Agency Contacts. We have significant contacts and know how to work with various U.S. administrative agencies, including the Department of State (DOS), Directorate of Defense Trade Controls (DDTC), Department of Commerce, Bureau of Industry and Security (BIS), Bureau of Alcohol, Tobacco, and Firearms (ATF), Department of Defense (DOD),

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Department of the Treasury, the Office of Foreign Assets Control (OFAC), and the Nuclear Regulatory Commission (NRC).

Representative Matters

Multinational OEM Defense Article Transfer

Advised multinational OEM as to the Austrian/EU requirements for an engineering center involved with the intra-community transfer of defense articles classified under EU Directive 2009/43/EC.

Multinational OEM Russian Sanction Advice

Advised multinational OEM as to the impact of the Ukraine-Russia related sanctions applicable to its affiliated Chinese joint-venture doing business in Russia.

Canadian Manufacturer Robot Technology U.S. Export Controls Classification

Assisted a Canadian technology company with a U.S. subsidiary to classify its robot technology under U.S. export controls, including robot components, software and technology, along with accompanying cameras, sensors and lasers.

Multinational Manufacturer Component Classification for Use on the International Space Station

Advised a multinational manufacturer as to the item-based restrictions for components manufactured for use on the International Space Station, considering the impact of both the Commerce Control List (CCL) and U.S. Munitions List (USML).

Global Technology Company Reclassification for Interfaces now using Controlled Microprocessors

Assisted a global technology company with analyzing the export control classification impact of using more strictly controlled microprocessors in its new network interface product designed to provide parallel access to multiple channels.

Tier 1 Auto Supplier Export Analysis of Technical Data through its IT System

Assisted a Tier 1 auto supplier in analyzing the data routes used by its Information Technology System, discussing the possible un-intended consequences of causing technical data exports from the United States based upon server location and data routing priorities.

Aerospace Company Export Control Reform Compliance

Classified the export-controlled components of an aerospace company for items transferring from the United States Munitions List (USML) to the new 600 Series of the Commerce Control List (CCL).

Aerospace Company International Supply Chain Management

Developed an export compliance strategy for an aerospace company with a multi-stage international manufacturing process for Gas Turbine engine components.

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Technology Company Encryption Software Classification Pre-Acquisition

Classified the proprietary export-controlled software of a technology company prior to the acquisition of said company, including the documentation and analysis of the software's encryption functionality and classification on the Commerce Control List (CCL).

Multinational Manufacturer EAR End-use Restriction Compliance

Advised a multinational manufacturer on the end-user and end-use restrictions under the Export Administration Regulations (EAR) for technology and components used within ballistic missile systems.

Automotive-Based Company Compliance with Syria Sanctions Regulations

Assisted U.S. automotive-based company in unwinding its business in Syria, as required by economic sanctions against Syria administered by the U.S. Office of Foreign Assets Control.

Software Programmer Compliance with Iranian Transactions and Sanctions Regulations

Assisted a social networking company in assessing the available exemptions to hire software programmers under the Iranian Transactions and Sanctions Regulations.

Military Supplier Export Control Audit and Benchmark Report

Conducted export control audit and compiled export control benchmark report for joint venture supplier of military vehicle safety systems and braking, co-owned by publicly traded U.S. commercial vehicle component supplier and German commercial vehicle component supplier.

Foreign Purchaser CFIUS Filing

Conducted the Committee for Foreign Investment in the United States (CFIUS) filing for a Swiss client purchasing a U.S. Business with ITAR-controlled assets.

Termination of Defense Security Service Facility Security Clearance

Coordinated the termination of a facility security clearance with the Defense Security Service (DSS) pursuant to responsibilities under the National Industrial Security Program Operating Manual (NISPOM) prior to the facility transfer to a foreign purchaser.

Foreign-Owned Subsidiary Directorate of Defense Trade Controls Registration and License Transfer

Conducted the transfer of the registration and licenses issued by the Directorate of Defense Trade Controls to a foreign-owned U.S. subsidiary for an acquisition.

Foreign Military Sales Release of Classified Material

Coordinated the release of classified material in support of foreign military sales.

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Publicly Traded Defense Contractor Export Control Audit and Benchmark Report

Conducted export control audit and compiled export control benchmark report for multi-subsiary armoring division of publicly traded defense contractor.

Tier 1 Auto Supplier Export Control Audit and Benchmark Report

Conducted export control audit and compiled export control benchmark report for a multinational Tier 1 automotive supplier.

Auto Export Company Export Control Violation Internal Investigation

Conducted an export control violation internal investigation for large automotive export company.

Auto Export Company Export Enforcement Coordination

Coordinated with a special agent from the U.S. Office of Export Enforcement for large automotive export company.