

## **BIS Deemed Exports Module**

### **Slide 1:**

Thank you for joining the Bureau of Industry and Security's Slide Presentation Series on Commerce Export License Requirements.

This series is designed to give people who are new to exporting, and, in particular, new to export controls, a general understanding of our Export Administration Regulations and how to use them. However, nothing provided here can substitute for consulting the Export Administration Regulations.

This module will address the topic of deemed exports, which are the release of controlled technology to foreign nationals inside the United States.

### **Slide 2:**

This presentation will begin with an examination of the foundations of export controls and will include information about conducting deemed exports. In addition to these concepts, we will specifically address fundamental research, publicly available technology, EAR99 technology and the definition under the Export Administration Regulations of "use" technology.

We will go over the license exceptions available in deemed export transactions, as well as the necessary support documentation needed need to submit an application for a license prior to conducting a deemed export.

### **Slide 3:**

Before you can begin to determine what your export control requirements are for your transaction, you first need to have four pieces of information on hand – what is the item,

where is it going, who will receive it and what will be the end-use. Before you can make a deemed export, you need to be able to answer these same questions.

While a relatively small percentage of total U.S. exports and reexports require a license from the BIS, this information must be considered in reviewing your export control obligations in every export transaction. Should a deemed export license prove necessary, the documentation and record keeping requirements are a little different than a conventional export, but the review begins with the same type of information.

**Slide 4:**

Let's take a moment to cover some important terms.

Generally, any item subject to the **Export Administration Regulations (EAR)** that is shipped or transmitted from the United States to a foreign destination is an export. The method of sending the item outside of the United States does not matter in determining export license requirements. For example, an item can be sent by regular mail or hand-carried on an airplane. A set of schematics can be sent by email to a foreign destination, software can be uploaded to or downloaded from an Internet site, or technology can be transmitted via e-mail [**or during an international telephone conversation**]. Regardless of the method used for the transfer, the transaction is considered an export for export control purposes.

An export may also include the release of source code or technology subject to the EAR to foreign nationals in the United States. This type of export is the focus of this presentation. A reexport occurs when an item subject to the EAR is shipped or transmitted from one foreign destination to another.

A reexport may also occur when source code or technology subject to the EAR are released to foreign nationals outside of the U.S.

An “item” may be a commodity, software or technology, such as clothing, building materials, circuit boards, automotive parts, blue prints, off the shelf software, and technical information. Deemed export controls only apply to source code and technology **subject to the EAR.**

**Slide 5:**

The **EAR, which implements the Export Administration Act of 1979, as amended (EAA)**, do not govern all goods, services, and technologies. BIS is responsible for administering and enforcing the EAA and the Export Administration Regulations, which regulate the export and reexport of most commercial items. We often refer to the items that BIS regulates as "dual-use" - items that have both commercial and military or proliferation applications - but purely commercial items without an obvious military use are also subject to the EAR.

Other U.S. government agencies regulate exports of other types of items as well as services in some instances. For example, the U.S. Department of State has authority over defense articles and defense services.

Besides the Department of State, other Federal Agencies which regulate exports or reexports include the Department of Treasury, Nuclear Regulatory Commission and Department of Energy.

BIS provides a link on its homepage to other agencies involved in exports. Look for “Resource Links” on the homepage.

**Slide 6:**

This is an overview of the steps that you should take to determine your deemed export license requirements under the EAR. These determinations include whether your item is subject to the EAR; the item’s classification; the reason for control, and using the country

chart to obtain the license requirement. It also includes determining if a license exception is available, screening the parties to the transaction, and ensuring there are no prohibited end-uses or activities. Finally, it includes using the information to export under the proper authorization.

**Slide 7:**

Items and activities that are subject to the EAR include:

**All items in the United States regardless of origin;**

U.S. origin items, wherever located; Certain foreign made items containing U.S. origin items;

Certain foreign made direct products of U.S. origin technology or software;

Certain activities of U.S. persons including those in support of proliferation related activities; and

Releases of source code and technology subject to the EAR to foreign nationals in the U.S. or abroad – also know as Deemed exports and reexports.

**Slide 8:**

**When considering releasing source code or technology to a foreign national in the U.S. (or abroad),** follow this flow chart to determine if you need to apply for a deemed export or reexport license before **doing so**. It is important to note here that many types of source code and technology located **inside (or outside)** the United States are not subject to the EAR and therefore are outside the scope of the deemed export rule. This includes information subject to the exclusive jurisdiction of another federal agency, but also technology which is in the public domain such as technology resulting from fundamental research.

**Slide 9:**

An export or reexport is “deemed” to take place when technology or source code is released to a foreign national within the United States or abroad. This release is considered to be an export or reexport to that person’s home country. Note that this does not apply to U.S. citizens or certain other individuals such as those who hold green cards. You can release source code or technology to foreign nationals when you make the source code or technology available for visual inspection such as reading technical specifications, plans, or blueprints; when you have a verbal exchange; or when you provide guidance to a foreign national through practice or application.

**Slide 10:**

Here are three graphic examples of types of exports:

The first example is a conventional export and reexport. The exporter sends an item from the United States to Spain, an export, which is then subsequently sent to Italy, a re-export.

The second example illustrates a deemed export, in this example a release of technology **subject to the EAR** inside the United States to a foreign national **of Spain (or Spanish foreign national)**. The second oval illustrates a deemed reexport, which would be the release of technology **subject to the EAR** to an **Italian foreign national (or foreign national of Italy)** in Spain.

The last bullet point **highlights the difference between** a deemed export, which **occurs** domestically, and a technology export which follows the pattern of a conventional export as discussed in the first bullet.

**Slide 11:**

Now that we have looked at what is Subject to the EAR, let’s take a look at what is not Subject to the EAR.

Besides items that are under the jurisdiction of another agency, certain other items are not Subject to the EAR

These include literary publications such as printed books and newspapers.

It also includes publicly available technology and software such as information that is published or will be published, information arising during or as the result of fundamental research, educational information provided in a catalog course and certain patent applications.

In addition, foreign made items with less than the *de minimis* percentage of controlled U.S. content is not subject to the EAR.

**Slide 12:**

The EAR use precisely defined terms because BIS has broad jurisdiction, but very **specific license requirements**.

“Subject to the EAR” means your transaction falls under BIS jurisdiction. It is crucial to recognize that being “subject to the EAR” does not mean the same thing as having to apply for a license. Understanding the difference between technology (or source code) that is “subject to the EAR” and the technology (or source code) that is not, is an important first step in determining your obligations under the EAR.

**Generally speaking**, only technology not subject to the exclusive jurisdiction of another Federal Agency but also not in the public domain or the result of fundamental research is subject to the **EAR’s** deemed export **rule**.

**Slide 13:**

Once you have determined that your item is subject to the EAR, the next step is to determine if an export license is required for your transaction.

An export license requirement can be triggered two different ways.

The first way a license may be required is based on the item and the country of ultimate destination – in other words, what the item is and where it is being exported. You must know the Export Control Classification Number (ECCN) of the item to make this license determination.

The second way a license may be required is based on the end-user and end-use of the item – in other words, who is involved in the transaction and what the item will be used for.

We will now go into more detail in determining license requirements based on the first two questions “What is my item and where is it going?”

**Slide 14:**

A key in determining whether an export license is needed from BIS is knowing whether the item you are intending to export has a specific Export Control Classification Number, also known as ECCN.

The ECCN is an alpha-numeric code, such as 3A001, which describes a particular commodity, software or technology and the related technical parameters. The ECCN also indicates the types of controls placed on that item.

ECCN entries make up the Commerce Control List, also referred to as the CCL.

If your item falls under Commerce jurisdiction and is not specifically described on the CCL by an ECCN, it is designated as EAR99.

EAR99 items generally consist of **low-level**, non-sensitive items and do not require a license in many situations. We will further discuss EAR99 in a few minutes.

**Slide 15:**

Technology ECCNs almost always follow the pattern: “This ECCN controls the ‘development’ of technology controlled under a different ECCN.” This exercise will follow the process to classify a robot as well as the technology to develop that robot. In the next series of slides you will see how to determine whether a robot falls under a particular ECCN, what reasons for control apply to that robot, and whether any license exceptions are available to export that robot. Since not all robots are the same, we will also show you what to do if your robot is not defined in a particular ECCN. Since deemed exports **apply to** the software and technology product groups, D & E, respectively, you will then see how to classify the appropriate technology, reasons for control which restrict the deemed export of that technology, and any license exceptions that may be available.

2B007 describes “Robots” having any of the following characteristics described in the List of Items Controlled and specially designed controllers and “end-effectors” therefor.

**Slide 16:**

From the ECCN, an exporter can determine the reasons these robots are controlled. In this case reasons for control include national security, nuclear proliferation and anti-terrorism.

**Slide 17:**

It is important to read the ECCN entry carefully. An incorrect read of the ECCN would lead an exporter to believe all 2B007 robots are controlled for nuclear proliferation (NP) reasons. A correct reading of the ECCN indicates this is not the case. The exporter needs to reference NP Column 1 on the Commerce country chart only if their robot has the technical characteristics listed under sub-paragraphs b and c. The **text associated with these** subparagraphs are not visible in this slide, but you will see where they are located in a moment.

**Slide 18:**

The ECCN continues at the top of the left-hand side of the page with the available list-based license exceptions. License exception LVS is available for shipments under \$5000 which are not controlled for nuclear proliferation reasons under subparagraphs b and c. The specific requirements for the License Exception LVS eligibility are specified in Part 740 of the EAR.

**Slide 19:**

The green arrow shows you where you'll find the technical characteristics that differentiate the robots controlled under this entry. This is where you find the text all of subparagraphs a, b, c and d which make up the List of items controlled in this ECCN entry.

**Slide 20:**

If the robot being classified does not meet any of these characteristics listed in the subparagraphs, the next step is to check the related controls, indicated here by the yellow and green highlight.

**Slide 21:**

For this exercise, assume the robot met one of the technical thresholds listed under 2B007. Since this presentation is on deemed exports, the next step of the classification exercise is to classify the technology associated with the robot. As noted in the related controls section of ECCN 2B007, ECCN 2E001 controls "development" technology, ECCN 2E002 controls "production" technology, and ECCN 2E201 controls "use" technology.

Assume the deemed export is for robot “development” technology.

**Slide 22:**

2E001 is a good example why it is important to understand the relationship between commodity, software and technology ECCNs. As this ECCN shows, you cannot classify the technology without first knowing the classification of the related software or commodity. This ECCN barely mentions 2B007 and does not mention robots at all. Instead, you see how the technology controls all reference some type of controlled commodity. The small 2B circled here is what includes robot development technology under this ECCN.

**Slide 23:**

In our example, the “2B” circled here indicates that “development” technology for 2B007 robot equipment is controlled under ECCN 2E001.

**Slide 24:**

This ECCN also lists many reasons for control.

**Slide 25:**

A correct reading shows 2B007 is included in this range, from 2B001 to 2B009. This indicates our robot development technology is controlled for NS column 1 reasons.

**Slide 26:**

Although not shown here, you’ll find similar references for NP and AT controls.

**Slide 27:**

Column NS 1 has an X in the box for every destination (i.e. nationality with respect to deemed exports) other than Canada. However, before you submit an application, remember to check for license exceptions.

**Slide 28:**

License exception TSR authorizes exports to many countries without a license. If you determine you need a license based on the ECCN and Commerce Country Chart, you should then check the requirements to use License Exception TSR, including the requirement for Letter of Assurance and country scope eligibility in Part 740.6 of the EAR. You should also be aware of the restrictions that apply to all License Exceptions in Part 740.2 of the EAR. We will now talk about using the Commerce Control List to determine if a license is required to a specific destination.

**Slide 29:**

Once you know your item's reason or reasons for control, the next step is to review the Commerce Country Chart. The Country Chart contains license requirements based on destination and reason for control. In combination with the reason for control of an item, the Country Chart allows you to determine whether a license is required for an item on the Commerce Control List to most countries in the world.

**Slide 30:**

The first column of the Country Chart lists all the countries in alphabetical order

**Slide 31:**

Stretching out to the right are horizontal headers identifying most of the various Reasons for Control.

**Slide 32:**

To use the Commerce Country Chart, you match the country of destination with the specific Reason for Control of the item. If there is an “X” in the box, a license is required based on that Reason for Control. If there is no “X” in the box, a license is not required based on the Reason for Control.

In the example of 2E001, if an item were controlled for NS Column 1 Reason for Control, a license would be required to Albania as there is an X in the box. Albania would not be eligible for License Exception TSR as it does not meet the country scope requirements identified in Part 740.6 of the EAR. On the other hand, Afghanistan would be eligible for License Exception TSR because it does meet the country scope requirements.

**Slide 33:**

If you find an “X” in the box for any reason for control and the country of destination, a license is required for your transaction, unless the transaction is eligible for a License Exception and no other restrictions apply, such as an export to an end-user or end-use of concern.

If there is no “X” in the box for any of the reasons for the country of destination, a license is not required, unless other restrictions apply, such as an export to an end-user or end-use of concern.

**Slide 34:**

Deemed export controls focus on the release of dual-use **source code or** technology **subject to the EAR** to foreign nationals inside the United States. Such releases are “deemed” to be an export to the home country of the foreign national. This is a sampling

of events in which such a release could occur. As was discussed in earlier slides, the requirements to determine deemed export licensing are the same as conventional exports. In the next few slides, deemed export topics will be examined in greater depth.

**Slide 35:**

All foreign nationals are subject to the deemed export rule except for naturalized U.S. citizens, permanent residents, and protected individuals.

**Slide 36:**

Sometimes a foreign national will possess more than one citizenship or country of permanent residence. The policy guideline states that BIS will base the license requirements of a foreign national on his or her most recently established country of citizenship or permanent residency. There is expanded guidance at this link.

**Slide 37:**

Very large portions of the intangible items, i.e. software source code and technology, inside the United States, are not subject to the EAR and consequently outside the regulatory jurisdiction of the Bureau of Industry and Security. Such information includes publicly available information, such as items in libraries, published in periodicals or released in open conferences. Another category is information resulting from fundamental research, which is defined as basic and applied research where the resulting information is ordinarily published and broadly shared within the scientific community.

**Slide 38:**

Educational information released to foreign national by way of a catalog course or in the teaching laboratories associated with academic institutions are also outside the

jurisdiction of BIS and not subject to the EAR and consequently is also not subject to the “deemed export rule.”

There is also information contained in certain types of patent applications which is not subject to the EAR.

**Slide 39:**

Fundamental Research is basic and applied research in science and engineering where the information arising during or resulting from such research is ordinarily published and shared broadly within the scientific community. Such resulting information is not subject to the EAR and consequently is also outside the scope of deemed export licensing controls. Indeed, information arising during or resulting from fundamental research is covered by a Presidential Policy Directive, NSDD – 189, that states that such research, to the maximum extent feasible, should not be regulated, except by classification or pursuant to statute.

**Slide 40:**

BIS policy aligns with NSDD – 189 by stating that **information arising during or resulting from** Fundamental Research is outside the scope of BIS jurisdiction and not subject to export controls. BIS policy is that information an organization or individual withholds from publication is subject to the EAR. An organization’s proprietary technology (i.e. trade secrets) **falls within** the scope of the EAR and may require authorization from BIS before being released to a foreign national.

**Slide 41:**

If preexisting technology subject to the EAR is the basis of a research endeavor, it may be necessary to receive authorization from BIS before involving foreign nationals in that research.

**Slide 42:**

This chart illustrates when there might be deemed export implications in a research environment. It is important to remember that in a research environment, there may be instances where proprietary technology, specifically, technology that the researcher is not free to publish, is required to conduct the research. In those instances, or instances where there is resulting technology that will not be published, researchers must consider deemed export licensing requirements.

**Slide 43:**

Just as with a conventional export, the correct classification for technology and source code subject to the EAR is vital when considering a deemed export. If the technology is subject to the EAR, but does not meet the technical parameters of any ECCN, it is designated as EAR99. EAR99 technology can be released in the United States without additional authorization to foreign nationals from most countries.

**Slide 44:**

As was discussed earlier, technology ECCNs describe the know-how to produce, develop or use controlled hardware. It should be emphasized that the EAR controls “required” technology. This is the threshold-achieving portion of the technology, or that portion which is peculiarly responsible for meeting or exceeding a parameter that causes an item to be identified by an ECCN on the Commerce Control List.

This is a good place to emphasize that simple operation of technology **subject to the EAR** is not a deemed export. Deemed exports occur only when technology **subject to the EAR** is released.

**Slide 45:**

After lengthy discussions with the public, BIS affirmed its existing policy regarding the interpretation of the term “use.” The “use” technology threshold is only met when all six elements of “use” as enumerated in the EAR are present. “Use” does not simply mean operation. Rather, information which would permit a person to operate, install, maintain, repair, overhaul and refurbish must be present in order to meet the threshold for use technology to exist.

**Slide 46:**

A License Exception is an authorization which allows you to export or reexport under stated conditions, items that would otherwise require a license based on the Reason for Control and country of destination.

When using a License Exception, you are certifying that the terms, provisions and conditions for use of the License Exception have been met. In most cases, nothing is required from BIS prior to using a license exception.

**Slide 47:**

There are three list-based license exceptions which apply to deemed exports. License exception CIV, which authorizes the export of dual-use technology to civil end-users for civil end-uses, is available for the export of 3E002 technology. Prior to using this license exception, the exporter must submit a foreign national review application. This application is very similar to an export license application, but once authorization is received, eligibility does not expire as long as the scope of the technology does not exceed the parameters of the ECCN.

License exception TSR authorizes that certain technology and source code can be released to foreign nationals inside the United States provided that the recipient provides

the exporter with a letter of assurance (as described in the EAR) that certain subsequent disclosures will not occur.

License exception APP authorizes the release of national security controlled high performance computer technology and source code. This license exception also follows the foreign national review procedure and does not expire.

**Slide 48:**

If your item falls under Commerce jurisdiction and is not listed by an ECCN on the CCL, it is designated as EAR99. EAR99 is a designation for items not specified under any CCL entry.

EAR99 items generally consist of low-technology commercial goods and do not require a license in many situations. However, if your proposed export of an EAR99 item is to an embargoed country, to an end-user of concern or in support of a prohibited end-use, you may be required to **apply for** a license. EAR99 technology (**e.g.** trade secrets which do not meet the technical threshold of any ECCN) can be **released as** deemed exports to most foreign nationals.

**Slide 49:**

We have just covered determining your export license requirements based on what your item is and where it is going. We looked at the Commerce Control List, Export Control Classification Numbers, Reasons for Control and the Commerce Country Chart.

**Slide 50:**

Now, let's take a closer look at the second way a license may be required – specifically end-user and end-use controls.

**Slide 51:**

End-user and end-use controls may apply to any item under the jurisdiction of the regulations. These controls require an exporter to submit an export license application if the exporter “knows” or “is informed” that an export is for end-uses involving nuclear, chemical, and biological weapons, or related missile delivery systems including certain rocket systems and unmanned air vehicles.

It is important to understand that these export license requirements apply to both items on the CCL as well as items that are EAR99. Also, these export license requirements apply to transactions that otherwise meet the eligibility for export under a License Exception or No License Required designation.

**Slide 52:**

Certain individuals and organizations are prohibited from receiving U.S. exports. Others may only receive **items** if they have been licensed, even for items that do not normally require a license based on the ECCN and Commerce Country Chart or based on an EAR99 designation.

For example, the Denied Persons List is a list of individuals and entities that have been denied export privileges. Any dealings with a party on this list that would violate the terms of its denial order is prohibited.

The Entity List is a list of individuals and entities whose presence in a transaction can trigger a license requirement under the EAR. The list specifies the license requirements that apply to each listed individual or entity. This is primarily a compilation of end-users that have been determined to present an unacceptable risk of diversion to the development of Weapons of Mass Destruction or their means of delivery. These license requirements are in addition to any license requirements imposed on the transaction by other provisions of the regulations.

The above lists may be relevant to your export or reexport transaction and is discussed in more detail in Module 3.

**Slide 53:**

BIS's Know Your Customer and Red Flag guidance helps you identify and avoid situations that might violate the EAR.

Abnormal circumstances indicating that the export may be destined for an inappropriate end-use, end-user, or destination are referred to as "red flags." An example of a red flag is an order for items which are inconsistent with the needs of the purchaser or a customer declining installation and testing when included in the sales price.

When red flags are raised, you have a duty to check out the suspicious circumstances and inquire about the end-use, end-user, or ultimate country of destination. However, absent red flags (or an express requirement in the EAR), there is no affirmative duty upon exporters to inquire, verify, or otherwise "go behind" the customer's representations. It's important not to cut off the flow of information that comes to your firm in the normal course of business. This could be regarded as self blinding. For example, do not instruct the sales force to tell potential customers to refrain from discussing the actual end-use, end-user and ultimate country of destination for the product your firm is seeking to sell.

**Slide 54:**

To counter the proliferation of weapons of mass destruction, the EAR restrict the involvement of U.S. persons anywhere in the world in exports of U.S. or foreign-origin items, or in providing services or support, such as financing or forwarding, if the person knows that the items or activity may contribute to such proliferation.

This means that even if you are involved in a transaction related to an item that is not subject to the EAR, your activity may be subject to the EAR and require an export license.

Note that the EAR also restrict technical assistance by U.S persons with respect to encryption commodities or software.

A U.S. person includes any person in the United States; U.S. citizens, permanent resident aliens, or protected individuals wherever located; and U.S. organized firms and their foreign branches

**Slide 55:**

Although a relatively small percentage of all U.S. exports and reexports require an export license, virtually all exports and many reexports to embargoed destinations and countries designated as supporting terrorist activities require a license. These countries are Cuba, Iran, North Korea, Sudan, and Syria.

Part 746 of the EAR describes embargoed destinations and refers to certain additional controls imposed by the Office of Foreign Assets Control of the Treasury Department. Cuban foreign nationals are restricted from receiving EAR99 technology and source code, and a deemed export of EAR99 technology or source code to a Cuban national requires a license.

**Slide 56:**

Deemed export license applications are submitted via SNAPR and follow the same licensing guidelines as a conventional export but include some additional supporting documents.

**Slide 57:**

Deemed exports are evaluated according to many factors. Such factors include the licensing policy of the technology to that foreign country (i.e. presumption of approval, case-by-case, etc.), the applicant's purpose in releasing that technology and its plan to

prevent the unauthorized release, and whether the foreign national has any long term interest in staying in the United States. Implicit in deemed export policy is a desire to attract and retain the best and brightest from around the world, so, all things being equal, a foreign national with an interest in remaining in the US may receive a license that a disinterested foreign national may not.

**Slide 58:**

The letter of explanation is a detailed explanation of the who, what, when, where, why, and how of the deemed export. Be specific in the explanations of the technology and purpose of its release.

**Slide 59:**

The foreign national's resume is important to establishing that person's bona fides. The resume should contain no gaps of greater than thirty consecutive days, and should include all post-secondary education, military service (if appropriate) and past employment. In addition, abstracts of publications which establish the foreign national's technical reputation assists BIS in verifying the qualifications of the foreign national.

**Slide 60:**

The technology control plan is a detailed description of how the foreign national will be given access to controlled technology as well as what measures are taken to prevent unauthorized access. A model technology control plan would begin with a corporate commitment to export compliance, should include a physical and information security architecture, training and awareness and a self-evaluation to verify that the plan works.

**Slide 61:**

Deemed export license authorizations follow a similar interagency review process as conventional exports, but also includes an FBI review of the foreign national. This is not the same as a security clearance, but does help to verify the foreign national is not a malicious actor or known criminal.

**Slide 62:**

Once you have determined that you can export using an export license issued by BIS, a License Exception or under No License Required designation, and that no other restrictions, such as end-user or end-use prohibitions apply, you would ordinarily include this export control authorization information on your shipping documents.

In the case of deemed exports, there are no shipping documents. Once the export authorization, either in the form of a license or license exception is received, the foreign national is authorized to receive the controlled technology or software source code. Clear record keeping is part of a robust technology control plan.

**Slide 63:**

There are recordkeeping provisions under the EAR that you as an exporter should be aware of and you may be asked to produce such records.

Records required to be retained include export control documents and other documentation such as correspondence related to an export transaction.

All records required to be kept generally must be retained for five years from date of export, reexport or other activity such as financing or transporting by a U.S. person in violation of section 744.6 of the EAR.

Originals must be maintained unless you meet the conditions of reproduction of original records.

**Slide 64:**

If you have any questions, feel free to contact the Deemed Exports and Electronics Division.

**Slide 65:**

Thank you for taking the time to view the Deemed Exports Module.

This module has provided you with an overview of the steps used in determining your deemed export license requirements. These include determining the jurisdiction of your item and if it is subject to the EAR, classifying your item, identifying its reasons for control, using the Country Chart to determine your license requirements. It also covered the concept of License Exceptions, screening of parties to the transaction as well as prohibited end-uses and activities. Finally it provided an overview of using the proper authorization for export clearance and recordkeeping purposes.