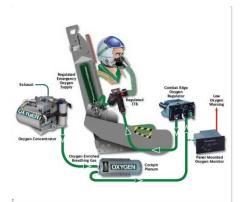
Scenario #1 – Direct product of "600 series" technology and *De minimis* "600 series"

- U.S. company exports <u>technology</u> for the production of a military aircraft emergency oxygen system (EOS) (ECCN 9E610.a).
- U.S. company sells the technology to the Israeli Ministry of Defense and exports it using a <u>BIS license</u>.
- The Israeli MoD <u>produces</u> the military aircraft emergency oxygen system (EOS) (ECCN 9A610) (Fair Market Value \$300) in Israel using all Israeli parts, except for:
- a *U.S. high/low pressure valve* specially designed for the system (FMV \$60 each)(ECCN 9A610.x).
- The Israeli MoD makes a sale of their system to the Jordan MoD.



Question: Is the Israeli aircraft *on-board emergency oxygen generating system* subject to the Export Administration Regulations (EAR)?

Analysis using the decision tool

Question 1: Is the non-U.S-made item produced from U.S. "600 series" or 9x515 technology or software, OR from a non-U.S-made manufacturing plant or major plant component (made from U.S. 600 series or 9x515 technology)?

Answer 1: Yes

The Israeli military aircraft emergency oxygen system (EOS) was produced from the U.S. exported technology (ECCN 9E610.a) for the production of an EOS (which, if made in the US, would be classified under ECCN 9A610.a).

Question 2: Are either of the following true (if it were classified using the U.S. Export Administration Regulations, Commerce Control List)?

The non-U.S-made direct product is classified under a "600 series" ECCN and is destined to a country listed in Country Group D:1, D:3, D:4, D:5, E:1 or E:2.

Or

The non-U.S-made direct product is classified under a 9x515 ECCN and is destined to a country listed in Country Group D:5, E:1 or E:2.

Answer 2: Yes

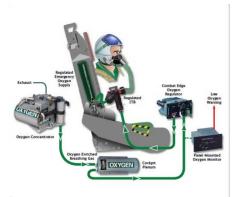
The Israeli produced *military aircraft emergency oxygen system (EOS)* would be classified under ECCN 9A610.a of the U.S. Export Administration Regulations, Commerce Control List, AND it is destined to Jordan, which is listed in Country Groups D:3 and D:4.

Conclusion: Non-U.S-made item is subject to the EAR and may require a license prior to export from abroad or reexport, see EAR to determine license requirements of the non-U.S-made item.

Click "Next" - Thank you for using the BIS Interactive Tool. Please feel free to contact us if you have any further questions.

Scenario #2 – Direct product of "600 series" technology and *De minimis* "600 Series" & Non-"600 series""

- U.S. Company sells technology (ECCN 9E610.a) for the production of an EOS (ECCN 9A610) to the Israeli Ministry of Defense and exports it using a BIS license
- Israeli MoD produces the EOS (Fair Market Value \$300) in Israel using all Israeli parts, except for a U.S. high/low pressure valve specially designed for the system (9a610.x, FMV \$60) AND a mask hose (ECCN 1A004.a) (FMV \$50).
- Israeli MoD makes a sale of their system to India MoD.



Question: Is the Israeli aircraft emergency *on-board oxygen generating system* subject to the Export Administration Regulations (EAR)?

Analysis using the decision tool

Question 1: Is the non-U.S-made item produced from U.S. "600 series" or 9x515 technology or software, OR from a non-U.S-made manufacturing plant or major plant component (made from U.S. 600 series or 9x515 technology)?

Answer 1: Yes

The Israeli military aircraft emergency oxygen system (EOS) was produced from the U.S. exported technology (ECCN 9E610.a) for the production of an EOS (which, if made in the US, would be classified under ECCN 9A610.a).

Question 2: Are either of the following true (if it were classified using the U.S. Export Administration Regulations, Commerce Control List)?

The <u>non-U.S-made direct product</u> is classified under a <u>"600 series"</u> ECCN and is destined to a country listed in Country Group D:1, D:3, D:4, D:5, E:1 or E:2.

Or

The non-U.S-made direct product is classified under a <u>9x515</u> ECCN and is destined to a country listed in Country Group D:5, E:1 or E:2.

Answer 2: No, India is not in Country Group D or E

Question 3: Does the <u>non-U.S-made item</u> contain U.S.-origin <u>see-through carve-out, "600 series"</u> or <u>9x515</u> items?

Answer 3: **Yes**, the EOS incorporates a U.S.-origin high/low pressure valve (FMV \$60), which was specially designed for the system, thus making it **ECCN 9A610.x**.

ECCN 9A610.x includes parts, components, accessories, and attachments that are specially designed for a commodity subject to control in this ECCN (9A610) or a defense article in USML Category VIII and not elsewhere specified on the USML or in ECCN 9A610.y

Question 4: Are all the U.S.-origin items .y items of a ""600 series" ECCN?

Answer 4: **No,** the U.S. valve is ECCN 9A610.x.

Question 5: Is the non-U.S.-made item destined to a country listed in Country Group D:5, E:1 or E:2?

Answer 5: **No,** the *military aircraft emergency oxygen system (EOS)* is destined to the India MoD. India is not listed in Country Groups D or E.

Question 6: Does the <u>non-U.S-made item</u> contain <u>non-"600 series"/non-9x515/non-see-through carveout</u> U.S.-origin items?

Answer 6: **Yes,** it contains a U.S.-origin mask hose (FMV \$50 each). The U.S. controlled content is classified under ECCN 1A004.a.

Question 7: Are any of the U.S.-origin non-"600 series"/non-9x515/non-see-through carve-out U.S.-origin items ineligible for *de minimis* treatment? (see 734.4(a) of the EAR)

Answer 7: No, the U.S.-origin mask hose under ECCN 1A004.a is not ineligible for de minimis treatment.

Question 8: Would any of the non-"600 series"/non-9x515/non-see-through carve-out U.S.-origin items require authorization from BIS if exported from the U.S. to the destination country of the non-U.S.-made item?

Answer 8: **Yes,** the U.S. mask hose is controlled under ECCN 1A004.a, for NS:2, which would require a license to India.

Question 9: Are **all** of the non-"600 series"/non 9x515/non-see-through carve-out U.S.-origin items eligible for <u>License Exception GBS</u>, if reexported in the form received to the destination country of the non-U.S.-made item?

Answer 9: **No,** the U.S. mask hose is controlled under ECCN 1A004.a, which is not eligible for License Exception GBS.

Question 10: Is the percentage of the \$ value of the U.S.-origin controlled content greater than 25%?

NOTE: The controlled content in this scenario includes the 600 series/9x515/see-through carve-out U.S. origin <u>as well as</u> the non-"600 series"/non 9x515/non-see-through carve-out U.S.-origin items NOT eligible for License Exception GBS (See Supp No. 2 to Part 734 of the EAR for calculation quidance)

Answer 10: Yes

The U.S. valve is classified under ECCN 9A610.x, controlled for NS:1 and RS:1, which would require a license to India if exported from the United States, therefore it is "controlled content." The U.S. mask hose is classified under ECCN 1A004.a, controlled for NS:2, which would require a license to India if exported from the United States, therefore it is "controlled content"

$$\frac{$60 \text{ (valve)} + $50 \text{ (hose)}}{$300 \text{ (EOS)}} = .36 \times 100 = 36\% \text{ which is greater than 25\%}.$$

Conclusion: Non-U.S-made item is subject to the EAR and may require a license prior to export from abroad or reexport, see EAR to determine license requirements of the non-U.S-made item.

Click "Next" - Thank you for using the BIS Interactive Tool. Please feel free to contact us if you have any further questions.

Scenario #3 –Direct product of Non-"600 series" technology and *De mimimis* "600 series"

- The U.S. company exports the following to a French company <u>under BIS licenses</u>:
 - Technology exported under <u>ECCN 1E001</u> for the production of a superconductive composite conductor (which would be classified under ECCN 1C005)
 - Ball bearings (classified under 2A001.a, not controlled for MT)
 - Electronic cooling fluid (flourocarbon electronic cooling fluid classified under 1C006.d)
 - The French company uses the U.S. technology (ECCN 1E001) for the production of a superconductive composite conductor (ECCN 1C005)
- The French company produces an electronic test stand (FMV \$1000) incorporating:
 - French made superconductive composite conductor;
 - U.S.-origin ball bearings (total FMV of \$60); and
 - U.S.-origin cooling fluid (FMV \$150).
- The French company then makes a sale of the electronic test stand to a company in Brazil.

Question: Is the French-made *electronic test stand* that is being sold to Brazil subject to the Export Administration Regulations?

Analysis using the decision tool

Question 1: Is the non-U.S.-made item produced from U.S. "600 series" or 9x515 technology or software OR from a non-U.S.-made manufacturing plant or major plant component (made from U.S. "600 series" or 9x515 technology)?

Answer 1: No, while the U.S. company did export technology to the French company, it was not a "600 series" technology. In addition, the non-U.S. made item that is being exported to Brazil is the electronic test stand and not a direct product of <u>any</u> U.S. technology that is being exported to the French company.

Question 2: Does the non-U.S.-made item contain U.S.-origin see-through carve-out, "600 series" or 9x515 items?

Answer 2: No

No, the only U.S. commodities exported fall under ECCNs 1C006.d and 2A001.a.

Question 3: Is the non-U.S.-made item produced from non-"600 series"/non-9x515 U.S. technology or software OR from a non-U.S.-made manufacturing plant or major plant component made from non-"600-series" or non-9x515 U.S. technology?

Answer 3: No, although the technology to produce a superconductive composite conductor was exported to the French company and is used in the production of a <u>part</u> that goes into the electronic test stand, <u>the technology used to produce the test stand</u> (being exported to Brazil) is French.

Question 4: Does the non-U.S.-made item contain non-"600 series"/non-9x515/non-see-through carve-out U.S.-origin items?

Answer 4: Yes, the U.S. company is exporting ball bearings (ECCN 2A001.a) and fluorocarbon electronic cooling fluid (ECCN 1C006.d) to France for incorporation into the French-made electronic test stand.

• Even though the **superconductive composite conductor**, is based on U.S. technology and may be subject to the EAR, it is **not U.S.-origin**. Only parts that are both U.S.-origin and controlled to the destination of the non-U.S.-made item must be counted in a *de minimis* calculation.

Question 5: Are any of the U.S.-origin items ineligible for *de minimis* treatment? [see 734.4(a) of the EAR]?

Answer 5: No, the U.S. origin items are not ineligible for *de minimis* treatment.

Question 6: Would any of the U.S.-origin items require authorization from BIS if exported from the U.S. to the destination country of the non-U.S.-made item?

Answer 6: Yes, the U.S.-origin items fall under ECCNs 2A001.a and 1C006.d. These items have a license requirement under NS:2 when being exported to Brazil, thus making them controlled content.

Question 7: Are **all** U.S.-origin items eligible for **License Exception GBS**, if reexported in the form received to the destination country of the non-U.S.-made item?

Answer 7: Yes, the electronic cooling fluid and the ball bearings are eligible for License Exception GBS (which is determined by looking at the List Based License Exceptions for the two ECCNs 1C006.d and 2A001.a).

Conclusion: Non-U.S-made item is NOT subject to the EAR.

Click "Next" - Thank you for using the BIS Interactive Tool. Please feel free to contact us if you have any further questions.

Scenario #4 – Direct product of "600 series" technology and *De minimis* "600 Series"

U.S. Air Safety Products exports technology for the production of a military aircraft emergency oxygen system (EOS).

Air Safety Products sells the technology to the Israeli Ministry of Defense and exports it using a BIS license. The technology is classified as ECCN 9E610.a (technology for the production of commodities controlled by ECCN 9A610).

The Israeli MoD produces the *military aircraft emergency* oxygen system (EOS) (Fair Market Value \$300) in Israel using all Israeli parts, except for a *U.S. high/low pressure valve* specially designed for the system (FMV \$60 each).



The *EOS* is classified as ECCN 9A610.a (i.e., aircraft not enumerated in the USML Cat VIII(a)). The *valve* is classified as ECCN 9A610.x [parts, components, accessories, and attachments that are specially designed for a commodity subject to control in this ECCN (9A610) or a defense article in USML Category VIII and not elsewhere specified on the USML or in ECCN 9A610.y.]

Γhe Israeli MoD makes a sale of t	their system to the India MoD.
-----------------------------------	--------------------------------

Question: Is the Israeli aircraft *on-board oxygen generating system* subject to the Export Administration Regulations (EAR)?

Analysis using the decision tool

Question 1: Is the non-U.S-made item produced from U.S. "600 series" or 9x515 technology or software, OR from a non-U.S-made manufacturing plant or major plant component (made from U.S. 600 series or 9x515 technology)?

Answer 1: Yes

This U.S. technology is required for the production of aircrew life support equipment for emergency escape from aircraft controlled by ECCN 9A610.a (i.e., aircraft not enumerated in the USML Cat VIII(a).

Therefore, the classification of the U.S. technology is ECCN 9E610.a (technology for the production of commodities controlled by ECCN 9A610).

Question 2: Are either of the following true (if it were classified using the U.S. Export Administration Regulations, Commerce Control List)?

The non-U.S-made direct product is classified under a "600 series" ECCN and is destined to a country listed in Country Group D:1, D:3, D:4, D:5, E:1 or E:2.

Or

The non-U.S-made direct product is classified under a 9x515 ECCN and is destined to a country listed in Country Group D:5, E:1 or E:2.

Answer 2: No

India is not in Country Group D or E

Question 3: Does the non-U.S-made item contain U.S.-origin see-through carve-out, "600 series" or 9x515 items?

Answer 3: Yes

The item contains a U.S. high/low pressure valve specially designed for the system (FMV \$60 each), thus making it ECCN **9A610.x** (parts, components, accessories, and attachments that are specially designed for a commodity subject to control in this ECCN (9A610) or a defense article in USML Category VIII and not elsewhere specified on the USML or in ECCN 9A610.y.)

Question 4: Are all the U.S.-origin items .y items of a ""600 series" ECCN?

Answer 4: No

The U.S. valve is ECCN 9A610.x.

Question 5: Is the non-U.S.-made item destined to a country listed in Country Group D:5, E:1 or E:2?

Answer 5: No

The military aircraft emergency oxygen system (EOS) is destined to the India MoD. India is not listed in Country Groups D:5 or E.

Question 6: Does the non-U.S-made item contain non-"600 series"/non-9x515/non-see-through carve-out U.S.-origin items?

Answer 6: No

It contains a U.S.-origin valve. The U.S. controlled content is classified under ECCN 9A610.x.

Question 7: Is the percentage of the \$ value of all U.S.-origin content greater than 25%?

NOTE: The controlled content in this scenario only includes the 600 series/9x515/see-through carve-out U.S. origin. (See Supp No. 2 to Part 734 of the EAR for calculation guidance)

Answer 7: No

ECCN 9A610.x would require a license to India if exported from the United States, therefore it is "controlled content."

$$\frac{$60}{$300}$$
 = .2 x 100 = 20% which is not greater than 25%.

NOTE: At this point, the de minimis analysis is complete. Now we continue with the direct product analysis to see if non-600/non 9x515 technology was utilized in the production of the non-U.S.-made item.

Question 8: Is the non-U.S-made item produced from non-"600 series"/non-9x515 U.S. technology or software OR from a non-U.S-made manufacturing plant or major plant component made from non-"600-series" or non-9x515 U.S. technology?

Answer 8: No

The military aircraft emergency oxygen system (EOS) is not produced from non-600 series U.S. technology or software. The technology is classified as ECCN 9E610.a (technology for the production of commodities controlled by 9A610).

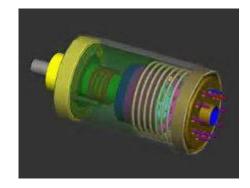
Conclusion: Non-U.S-made item is NOT subject to the EAR.

Click "Next" - Thank you for using the BIS Interactive Tool. Please feel free to contact us if you have any further questions.

Scenario #5 –Direct product of Non-"600 series" technology

A U.S. company sells technology for production of an *accelerometer* (ECCN 7E002) to Japan (the accelerometer would be controlled under ECCN 7A001.b); the technology is exported using a BIS license.

The Japanese company produces the accelerometer in Japan using all Japanese parts and makes a sale of this system to China.



Question: Is the Japanese-made *accelerometer* being sold to China subject to the Export Administration Regulations (EAR)?

Analysis using the decision tool

Question 1: Is the non-U.S.-made item produced from U.S. "600 series" or 9x515 technology or software OR from a non-U.S.-made manufacturing plant or major plant component (made from U.S. "600 series" or 9x515 technology)?

Answer 1: No

The classification of the U.S. technology is ECCN 7E002, which is NOT a "600 series" or 9x515 technology.

Question 2: Does the non-U.S.-made item contain U.S.-origin see-through carve-out, "600 series" or 9x515 items?

Answer 2: No

Only the technologies for production of the item are of U.S. origin, no components in the foreign-made item are of U.S. origin.

Question 3: Is the non-U.S.-made item produced from non-"600 series"/non-9x515 U.S. technology or software OR from a non-U.S.-made manufacturing plant or major plant component made from non-"600-series" or non-9x515 U.S. technology?

Answer 3: Yes

The U.S. technology required for the production of an accelerometer is ECCN 7E002 and is not 600-series or 9x515.

Question 4: Is the non-U.S.-made item destined to a country listed in Country Group D:1, E:1 or E:2 of Supplement No. 1 to Part 740 of the Export Administration Regulations (EAR)?

Answer 4: Yes

China is in Country Group D:1.

Question 5: Is the U.S. technology or software described on the Commerce Control List (CCL) of the EAR?

Answer 5: Yes

The technology for the production of an accelerometer is controlled under ECCN 7E002.

Question 6: Does the technology or software require a letter of written assurance for a license [see Supp No. 2 to art 748 paragraph (o)(3)(i)] or as a precondition of using License Exception TSR (see § 740.6 of the EAR)?

Answer 6: Yes

Yes, when the technology for the production of the accelerometer was exported to Japan, it required a letter of written assurance for a license as described in Supp No. 2 to Part 748 paragraph (o)(3)(i).

Question 7: Is the non-U.S.-made item described on the CCL of the EAR?

Answer 7: Yes

Yes, the accelerometer is captured under ECCN 7A001.b.

Question 8: Is national security (NS) listed under the reason for control paragraph of the ECCN for the non-U.S.-made item?

Answer 8: Yes

National Security (specifically, NS:1) is listed in the reason for control paragraph of ECCN 7A001.

Conclusion: Non-U.S-made item is subject to the EAR and may require a license prior to export from abroad or reexport, see EAR to determine license requirements of the non-U.S-made item.

Click "Next" - Thank you for using the BIS Interactive Tool. Please feel free to contact us if you have any further questions.

Scenario #6 -Direct product of Non-"600 series" technology

A U.S. company exports technology for the production of equipment that can detect a *concealed object* (ECCN 2E984). The U.S. company sells the technology to a French company and exports it using a BIS license.

The French company uses the U.S. technology to produce *concealed object detection equipment* (the concealed object detection equipment would be controlled under ECCN 2A984.) They sell the equipment to a company in China.

Question: Is the French-made *concealed object detection equipment* being exported to China subject to the EAR?

Analysis using the decision tool

Question 1: Is the non-U.S.-made item produced from U.S. "600 series" or 9x515 technology or software OR from a non-U.S.-made manufacturing plant or major plant component (made from U.S. "600 series" or 9x515 technology)?

Answer 1: No

The U.S. technology being exported is classified as ECCN 2E984, which is not "600 series" or 9x515.

Question 2: Does the non-U.S.-made item contain U.S.-origin see-through carve-out, "600 series" or 9x515 items?

Answer 2: No

Only technology is being exported.

Question 3: Is the non-U.S.-made item produced from non-"600 series"/non-9x515 U.S. technology or software OR from a non-U.S.-made manufacturing plant or major plant component made from non-"600-series" or non-9x515 U.S. technology?

Answer 3: Yes

The U.S. technology is being exported under ECCN 2E984 and is required for production of the concealed object detection equipment.

Question 4: Is the non-U.S.-made item destined to a country listed in Country Group D:1, E:1 or E:2 of Supplement No. 1 to Part 740 of the Export Administration Regulations (EAR)?

Answer 4: Yes

China is in Country Group D:1.

Question 5: Is the U.S. technology or software described on the Commerce Control List (CCL) of the EAR?

Answer 5: Yes

The technology to produce the concealed object detection equipment is controlled under ECCN 2E984.

Question 6: Does the technology or software require a letter of written assurance for a license [see Part 748 Supp 2 (o)(3)(i)] or as a precondition of using License Exception TSR (see § 740.6 of the EAR)?

Answer 6: Yes

Yes, when the technology for the production of the concealed object detection equipment was exported to France, it required a letter of written assurance for a license as described in Supp No. 2 to Part 748 paragraph (o)(3)(i).

Question 7: Is the non-U.S.-made item described on the CCL of the EAR?

Answer 7: Yes

Concealed object detection equipment is described in ECCN 2A984.

Question 8: Is the non-U.S.-made item subject to national security (NS) controls as designated on the applicable ECCN in the CCL?

Answer 8: No

The reasons for control for ECCN 2A984 are RS:2 and AT:1 controls, not NS.

Question 9: Does the non-U.S.-made item contain non-"600 series"/non-9x515/non-see-through carve-out U.S.-origin items?

Answer 9: No

Only technology is being exported.

Conclusion: Non-U.S-made item is NOT subject to the EAR.

Click "Next" - Thank you for using the BIS Interactive Tool. Please feel free to contact us if you have any further questions.

Scenario #7 –Direct product Non-"600 series" technology and *De mimimis* Non-"600 series" items

The U.S. company exports *technology* (ECCN 7E001) for the production of an accelerometer. They are also exporting two U.S.-made commodities, *magnetic bearing systems* (classified under ECCN 2A001.c) and *silahydrocarbon oils* (classified under ECCN 1C006.a) to a French company.

The French company uses the U.S. technology to manufacture an *accelerometer* (which, if made in the U.S., would be classified under ECCN 7A101) with a Fair Market Value of \$1000. The accelerometer uses the U.S.-origin commodities [magnetic bearing system (ECCN 2A001.c, FMV \$150) and silahydrocarbon oils (ECCB 1C006.a, FMV \$110)], as well as other French parts. The French company then makes a sale of accelerometer to a company in Russia.

Question: Is the French-made *accelerometer* that is being sold to Russia subject to the Export Administration Regulations?

Analysis using the decision tool

Question 1: Is the non-U.S.-made item produced from U.S. "600 series" or 9x515 technology or software OR from a non-U.S.-made manufacturing plant or major plant component (made from U.S. "600 series" or 9x515 technology)?

Answer 1: No

No, the technology being exported is classified as ECCN 7E001.

Question 2: Does the non-U.S.-made item contain U.S.-origin see-through carve-out, "600 series" or 9x515 items?

Answer 2: No

No, the U.S.-origin commodities include ECCNs 1C006.a and 2A001.c.

Question 3: Is the non-U.S.-made item produced from non-"600 series"/non-9x515 U.S. technology or software OR from a non-U.S.-made manufacturing plant or major plant component made from non-"600-series" or non-9x515 U.S. technology?

Answer 3: Yes

The U.S. company exported the technology to produce the accelerometer to the French company under ECCN 7E001.

Question 4: Is the non-U.S.-made item destined to a country listed in Country Group D:1, E:1 or E:2 of Supplement No. 1 to Part 740 of the Export Administration Regulations (EAR)?

Answer 4: Yes

Yes, Russia is in Country Group D:1.

Question 5: Is the U.S. technology or software described on the Commerce Control List (CCL) of the EAR?

Answer 5: Yes

Yes, the technology for the production of an accelerometer is controlled under ECCN 7E001.

Question 6: Does the technology or software require a letter of written assurance for a license [see Part 748 Supp 2 (o)(3)(i)] or as a precondition of using License Exception TSR (see § 740.6 of the EAR)?

Answer 6: Yes

Yes, when the technology for the production of the accelerometer was exported to France, it required a license because of the NS:1 control under ECCN 7E001. Also required is a letter of written assurance for a license as described in Supp No. 2 to Part 748 paragraph (o)(3)(i).

Question 7: Is the non-U.S.-made item described on the CCL of the EAR?

Answer 7: Yes

Yes, the accelerometer would be classified under ECCN 7A101 if produced in the U.S.

Question 8: Is the non-U.S.-made item subject to national security (NS) controls as designated on the applicable ECCN in the CCL?

Answer 8: No

The reasons for control for ECCN 7A101 are MT:1 and AT:1.

Question 9: Does the non-U.S.-made item contain non-"600 series"/non-9x515/non-see-through carve-out U.S.-origin items?

Answer 9: Yes

The accelerometer contains U.S.-origin magnetic bearing systems (ECCN 2A001.c) and silahydrocarbon oils (ECCN 1C006.a).

Question 10: Are any of the U.S.-origin items ineligible for *de minimis* treatment? [see 734.4(a) of the EAR]?

Answer 10: No

No, the magnetic bearing systems and silahydrocarbon oils are not ineligible for de minimis.

Question 11: Would any of the U.S.-origin items require authorization from BIS if exported from the U.S. to the destination country of the non-U.S.-made item?

Answer 11: Yes

Yes, the U.S.-origin commodities fall under ECCNs 2A001.c and 1C006.a. When exporting to Russia, 2A001.c has license requirements under NS:2 and MT:1 and 1C006.a has license requirements under NS:2 when being exported to Russia, thus making both U.S.-origin commodities controlled content.

Question 12: Are all U.S.-origin items eligible for License Exception GBS, if reexported in the form received to the destination country of the non-U.S.-made item?

Answer 12: No

No, License Exception GBS is not available for ECCNs 2A001.c or 1C006.a.

Question 13: Is the percentage of the \$ value of the U.S.-origin controlled content greater than 10%? (See Supp No. 2 to Part 734 of the EAR for calculation guidance)

Answer 13: Yes

$$\frac{\$150 \text{ (bearing system)} + \$110 \text{ (oils)}}{\$1000} = \frac{\$260}{\$1000} = 26\% \text{ which is greater than 10\%}.$$

Question 14: Is the non-U.S.- made item destined to a country listed in Country Group E:1 of Supp No. 1 to Part 740 of the EAR?

Answer 14: No

Russia is not in E:1.

Question 15: Is the percentage of the \$ value of the U.S.-origin controlled content greater than 25%? (See Supp No. 2 to Part 734 of the EAR for calculation guidance)?

Answer 15: Yes

The U.S.-origin controlled content (as calculated in a previous step) is 26%.

Conclusion: Non-U.S-made item is subject to the EAR and may require a license prior to export from abroad or reexport, see EAR to determine license requirements of the non-U.S-made item.

Click "Next" - Thank you for using the BIS Interactive Tool. Please feel free to contact us if you have any further questions.