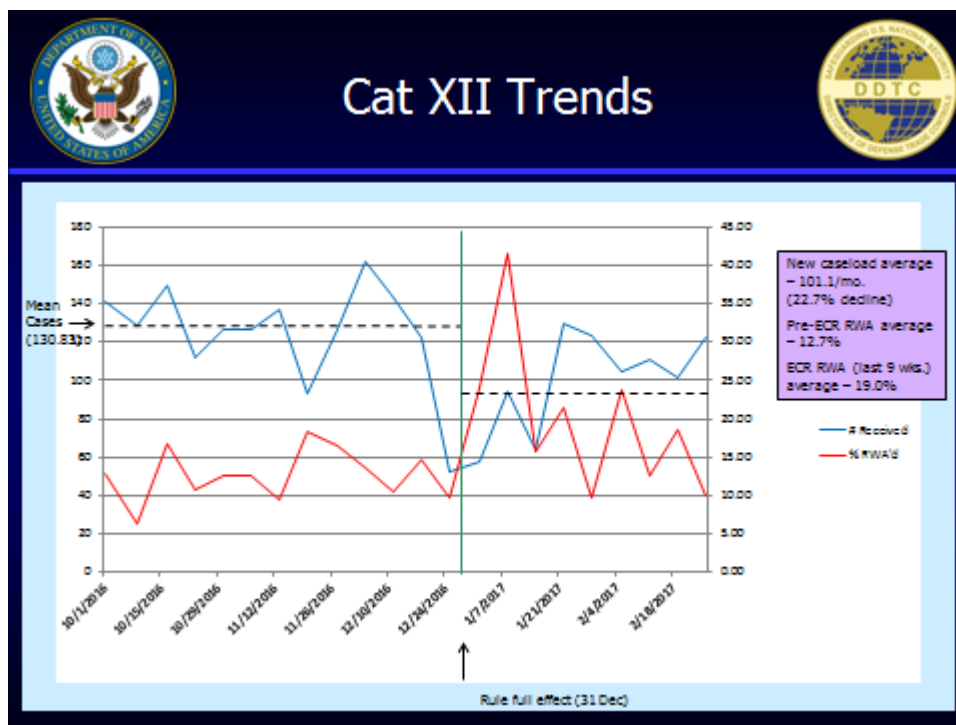


The Seventh ECR Transition Rule

Fire Control, Laser, Imaging and Guidance Equipment

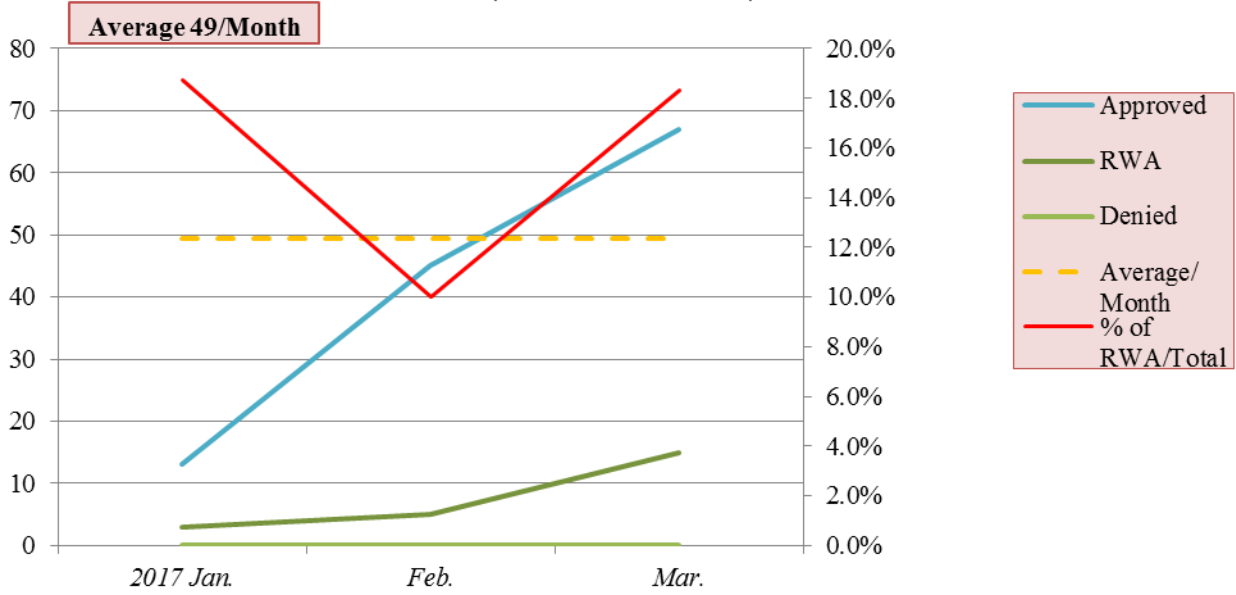
December 31, 2016 to March 31, 2017

The license applications for items in category XII – Fire Control, Laser, Imaging, and Guidance Equipment of the United States Munitions List (USML) have declined 22.7% from an average of 131 to 101 per month through March 31, 2017. The average monthly drop of 30 license applications is the result of certain items transitioning to the Commerce Control List (CCL) under Export Control Reform (ECR).



Source: The Directorate of Defense Trade Controls of the U.S. Department of State, April 2017

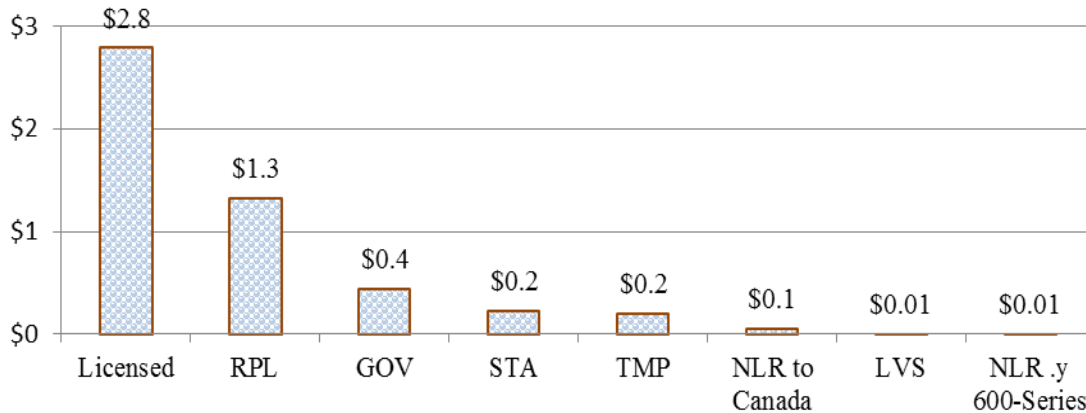
BIS License Applications for the Seventh ECR Transition Rule December 31, 2016 to March 31, 2017



Source: Commerce U.S. Exports Exporter Support System, July 2017

From the effective date of December 31, 2016 to March 31, 2017, U.S. exports of items in the Seventh ECR transition Rule – Fire Control items (7x611) under BIS jurisdiction totaled 182 shipments for \$5.1 million, mainly exported to Japan, France and the United Kingdom.

**U.S. Exports of the Seventh ECR Rule Items
Fire Control
by BIS License Type
December 31, 2016 to March 31, 2017
\$million**



Source: Automated Export System, July 2017

BIS License Exceptions:

RPL: Servicing and replacement of parts and equipment

GOV: Governments, international organizations, international inspections under the Chemical Weapons Convention, and the International Space Station

STA: Strategic Trade Authorization

TMP: Temporary imports, exports, reexports, and transfers (in-country)

NLR: No License Required

LVS: Shipments of limited value