

To: Our Clients and Friends

January 10, 2012

‘Tis the Season for Reporting and Commenting

The first quarter of 2012 brings with it several reporting deadlines required by the Directorate of Defense Trade Controls (“DDTC”), Bureau of Industry and Security (“BIS”) and Office of Antiboycott Compliance (“OAC”). While your company may not need to submit all of these reports, be sure to not miss any deadlines that do apply to your company. The list below is not exhaustive of all DDTC, BIS and OAC reporting requirements, but captures some of the reporting requirements coming up in the first quarter of 2012.

- **February 1, 2012:** Reporting deadline pursuant to 15 C.F.R. §742.15 for self-classification of encryption commodities, software and components exported or re-exported during calendar year 2011 (January 1 through December 31).
- **January 31, 2012:** Reporting deadline pursuant to 15 C.F.R. §760.5 for requests received to take certain actions to comply with, further, or support an unsanctioned foreign boycott the request was received in the United States (for the quarter consisting of October, November and December 2011). **February 29, 2012** is the deadline for reports for the same quarter of boycott requests received outside of the United States.
- **January 31, 2012:** Annual Brokering reports to DDTC are required for all companies and individuals registered as a broker at any time during the previous year.
- Annual Sales Reports to DDTC for Manufacturing License Agreements and Distribution Agreements. An electronic copy of the Annual Sales Report should be uploaded to the respective approved license for the base agreement; if you do calendar year reporting, this information should be gathered and submitted now.

In addition, there are several opportunities in the first quarter of 2012 to provide comments and feedback about how proposed rules recently issued by DDTC to amend the International Traffic in Arms Regulations (“ITAR”), will affect your company’s operations. Recently issued proposed rules from the Department of Commerce’s BIS to amend the Export Administration Regulations (“EAR”) also provide the same opportunity for comments and feedback in early 2012. Together, these proposed rules are part of the Administration’s Export Control Reform effort, and could bring dramatic changes to how products are classified under the U.S. Munitions List (“USML”) and Commerce Control List (“CCL”), as well as changes to ITAR brokering requirements.

Below you will find a summary of upcoming comments deadlines for DDTC and BIS:

- **January 20, 2012:** Deadline for comments to proposed State Department rule amending USML Category VII (ground vehicles) and corresponding Commerce Department proposed rule regarding controls under the CCL of items removed from the USML.
Department of State proposed rule (76 Fed. Reg. 76100):
<http://www.pmdtc.state.gov/FR/2011/76FR76100.pdf>
Department of Commerce proposed rule (76 Fed. Reg. 76085):
http://www.bis.doc.gov/federal_register/rules/2011/76fr76085.pdf

- January 20, 2012:** Deadline for comments to proposed State Department rule amending USML Category XIX. The proposed rule creates a new Category XIX for gas turbine engines previously covered by Categories VI, VII, and VIII, and the corresponding Commerce Department proposed rule regarding controls under the CCL of items removed from the USML

Department of State proposed rule (76 Fed. Reg. 76097):
<http://www.pmdtc.state.gov/FR/2011/76FR76097.pdf>

Department of Commerce proposed rule (76 Fed. Reg. 76072):
http://www.bis.doc.gov/federal_register/rules/2011/76fr76072.pdf
- February 6, 2012:** Deadline for comments to proposed State Department rule amending USML Category VI (vessels of war and special naval equipment) and corresponding Commerce Department proposed rule regarding controls under the CCL of items removed from the USML.

Department of State proposed rule (76 Fed. Reg. 80305):
<http://www.pmdtc.state.gov/FR/2011/76FR80305.pdf>

Department of Commerce proposed rule (76 Fed. Reg. 80282):
http://www.bis.doc.gov/news/2011/fr_12232011_1.pdf
- February 6, 2012:** Deadline for comments to proposed State Department rule amending USML Category XX (submersible vessels and related articles) and corresponding Commerce Department proposed rule regarding controls under the CCL of items removed from the USML.

Department of State proposed rule (76 Fed. Reg. 80305):
<http://www.pmdtc.state.gov/FR/2011/76FR80305.pdf>

Department of Commerce proposed rule (76 Fed. Reg. 80291):
http://www.bis.doc.gov/news/2011/fr_12232011_3.pdf
- February 17, 2012:** Deadline for comments to proposed rule amending Part 129 and other sections of the ITAR related to brokering and brokering activities.

<http://www.pmdtc.state.gov/FR/2011/76FR78578.pdf>

For further analysis of some of the proposed rules please see “[Next Steps in Export Control Reform: State and Commerce Departments Issue Proposed Rules Relating to Jurisdiction of Ground Vehicles, Aircraft, and Gas Turbine Engine](#),” dated December 8, 2011. [insert hyperlink to IRB No. 489](#), and “[Be Careful What you Wish For: DDTC Issues Proposed Brokering Revisions](#),” dated December 27, 2011. [insert hyperlink to IRB No. 491](#)

For more information, or to discuss the specific impact that the proposed rules may have on your day-to-day business operations, please contact a member of the Bryan Cave International Trade Client Service Group.

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