

## *Export Control Basics*

Exporting — that is, the shipment or transmission of items or material outside of the U.S. — is heavily regulated by federal laws and regulations referred to collectively as "export controls." These controls affect the export of commodities (goods and materials), technology (technical data and know-how) and software from the U.S. to a foreign country. They also affect the re-export of any such U.S. items from one foreign country to another, as well as products made outside the U.S. by or for a U.S. company.

In recent years, the government has stepped up its enforcement of export controls — 50% in 2007 alone. At the same time, the government has increased penalties dramatically. Fines for intentional violations have jumped from \$50,000 to \$1 million per violation, while fines for other violations have increased from \$11,000 to the greater of \$250,000 per violation or twice the value of the improper export transaction.

### Course Summary

This 35-minute course provides an overview of U.S. export controls and the most common "red flags" — situations presenting a risk of export-control violations. It includes pop-quizzes, news clippings and a final quiz highlighting real-world compliance issues that employees should learn to recognize and deal with appropriately.

The topics covered in the course include —

- Overview of export controls
- Export control agencies
- What is an "export"?
- Defense exports under the ITAR
- Commercial exports under the EAR
- Anti-boycott and embargo rules
- Recordkeeping and reporting
- Red-flag issues
- Penalties