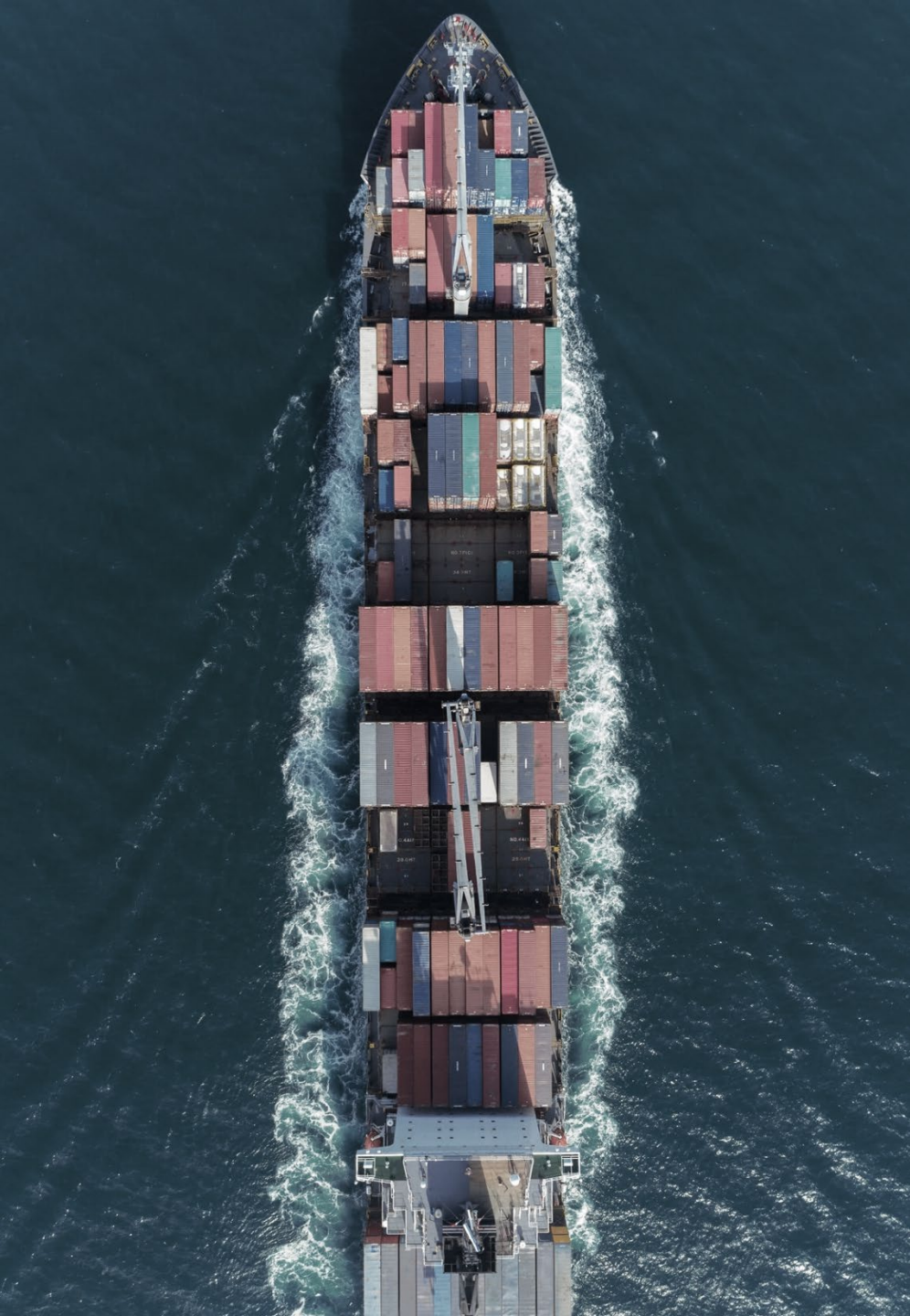


MINIMIZING EXPORT RISK



MOHAWK GLOBAL
TRADEADVISORS



Because...

Exporting is a **privilege**, not a right.

Non-compliance does have a **cost**.

Time is not on your side.



PENALTIES

WHAT CAN HAPPEN?

A California man was arrested and charged in federal court with illegally exporting cesium atomic clocks to Hong Kong.

20 years in prison, three years of supervised release and a **fine of \$1 million**. The charge of smuggling goods from the United States provides for a sentence of no greater than **10 years in prison**, three years of supervised release and a **fine of \$250,000**.

An electrical engineer has been found guilty of multiple federal criminal charges related to a scheme to illegally obtain integrated circuits with military applications that were exported to China without the required export license

To face a statutory maximum sentence of **219 years in federal prison**.

FLIR Systems, which makes infrared cameras and thermal imaging systems, violated the Arms Export Control Act by transferring defense items to Sanctioned employees of Iran, Iraq, Lebanon and Cuba.

To pay a civil **penalty of \$30 million**, conduct two external audits and improve its compliance program



What's An Export?

Ocean, Air, Land shipments

Hand Carry (documentation)

Deemed Exports

Re-exports

Technical Services

- training, meetings, repairs

EXPORT DUE DILIGENCE



What



Where



Who



End Use



License



END USE



**Where Is It
Going?**



Screening



Search the Consolidated Screening List

Search [the screening lists](#) at one time by filling in the search boxes below. If you get too many results, try including more information to the additional fields. If you get too few results, try searching one field at a time.

Keyword

Search for words in the name, alternative names (aliases), title of the entity, and additional remarks regarding the entity.

Name

Search for an entity's name or one of its alternative names.

Fuzzy Name

When set to off, the spelling of the Name you search for must be correct to get results. When set to on, the spelling for the Name you search for may be slightly off. Check the score for each result to determine how close a match it is to the entity's name or its alternative names. A score of 100 is an exact match. Results are returned with the highest scores first.

Address

Search for the street address, city, province, and postal code of an entity.

Sources

Choose which of the screening lists that you want to search.

Countries

Choose which countries that you want to search. Note, the Nonproliferation Sanctions and ITAR Debarred lists do not include the country with an entity. If you choose to search for entities by country then you will not be searching these two lists.

Make sure Fuzzy
Name is turned ON

Hefei Institutes of Physical Science, Chinese Academy of Sciences

[Shanghai Institute of Applied Physics, Chinese Academy of Sciences, 239 Zhangheng Road, Pudong District, Shanghai, China](#)

Source	Unverified List (UVL) - Bureau of Industry and Security
Name	Shanghai Institute of Applied Physics, Chinese Academy of Sciences, 239 Zhangheng Road, Pudong District, Shanghai, China
Score	80
Source List URL	http://bit.ly/1iwwTSJ
Source Information URL	http://bit.ly/1Qi4R7Z
Addresses	1. CN

[Shanghai Institute of Technical Physics, Chinese Academy of Sciences, 500 Yu Tian Road, Shanghai, China 200083](#)

Source	Unverified List (UVL) - Bureau of Industry and Security
Name	Shanghai Institute of Technical Physics, Chinese Academy of Sciences, 500 Yu Tian Road, Shanghai, China 200083
Score	80
Source List URL	http://bit.ly/1iwwTSJ
Source Information URL	http://bit.ly/1Qi4R7Z
Addresses	1. CN

Yunnan Observatories, Chinese Academy of Sciences (CAS)

Changchun Institute of Applied Chemistry, Chinese Academy of Sciences

Institute of Geology, Chinese Academy of Geological Sciences

Watch for **Red** Flags



KEEP YOUR EYES OPEN

Customer order has bill and ship to of the U.S. and is on Chinese letterhead

End user statement has party in Saudi Arabia; ship to is ABC Trading in the UAE

End user is a chemical plant in Canada with global presence including Iran

Order from Egypt includes installation and a note saying, “nationality of Israeli for technician prohibited”



Know Your Customer

BEST PRACTICES

- **Senior management: Show commitment**
- **Conduct training**
- **Document**
- **Correct jurisdiction and classification**
- **Use policies, procedures, and forms**
- **Monitor and follow-up on corrective action (internal and external)**
- **Report potential violations**



Questions?

Kristen Morneau, Senior Trade Advisor



(978) 430-7210

kmorneau@mohawkglobalta.com

www.mohawkglobalta.com

Kristen Morneau has worked in international trade compliance and logistics for over two decades. Her duties at MGTA include import and export gap analysis, compliance manual development, product classification, and ITAR licensing assistance.