

# STS Security, LLC

## International Traffic in Arms Regulations

for Ships Operations Cooperative Program

“Security is often viewed as an expense necessary to mitigate the consequences of an incident, rather than as an investment to ensure the integrity of business operations through the supply chain”.

Ronald Thomason  
VP, Strategic Programs  
Maritime Security Council (MSC)

**Department of State- AECA/ITAR**

- TAA
- DSP73/74
- AES
- Provisos
- Voluntary Disclosure
- Export Compliance Program

**Department of Commerce**

- EAR

**Food and Drug Administration (Laser Devices)**

Methods of .....  
**COMPLIANCE**



# U.S. Export Controls – *Defense Articles*

## Department of State

- Permanent vs. Temporary
- Licensing Documentation
- U.S. or Foreign Load Outs

ITAR  
Munitions List  
Arms Export Control Act



# ITAR Certification

- If you manufacture, export, import, transfer **any defense article or defense service** listed on the United States Munitions List (USML), you must register with the Directorate of Defense Trade Controls (DDTC)
- The act of registering your company is a self-certification to the DDTC that you understand and will comply with the International Traffic in Arms Regulations (ITAR).
- Upon registering your company with the DDTC, you must have an export compliance program in place that effectively controls the defense articles and technology that your company deals with.
- A violation of the export laws and regulations can result in a severe monetary penalty, loss of exporting privileges and possible jail time.

## The U.S. Government views exporting as a privilege, not a right



**The International Traffic in Arms Regulations is a complex set of parameters set forth by the U.S. Government that dictate how the manufacture, brokering and exporting of defense articles is handled. Like all laws in the U.S., the responsibility falls on you to comply.**

**These Regulations protect our National Security!**

# Compliance Procedures and Policy

- Trade Compliance is a high risk business environment. Be wary of generic/boilerplate policies and procedures, just to put a shiny new compliance statement on your website and company letterhead.
- Due to the complexities of export regulations, a “**check in the box**” approach has left many companies vulnerable, by not really understanding the implications or properly mitigating risk.
- The most efficient approach is to implement a customized **export compliance program** that you have created specifically for the way you do business.
- General **employee awareness training** has its’ place, but it is important to train each department and each job function on the detailed points of their individual place in the overall export compliance puzzle.

# U.S. Export Compliance Program

- If you are dealing with ITAR or EAR controlled items, you are required to have a program in place that outlines how you are controlling those products with regards to U.S. law.
- Review your Company's products, technologies, software and services which will be involved in export transactions and/or disclosed to foreign nationals. Determine if they are listed on the:
  - **U.S. Munitions List**
  - **Commerce Control List**
  - **or otherwise subject to U.S. export control requirements**

With this information, your Compliance Administrator can then begin the process of organizing the Company's export compliance activities. The Compliance Administrator can then follow the other requirements set forth in the ITAR to develop/implement a compliance program as appropriate, based upon your Company's business activities.

# **Agreements, Offshore Procurement and Other Defense Services**

**... Limited delivery of the defense articles to be produced only to the person in the U.S. or a U.S. government agency.**

- *Primarily pertaining to the manufacture of defense articles for defense industry contractors and suppliers.*

**...Agreements between U.S. persons and foreign persons for warehousing and distribution of defense articles must be approved (DSP74).**

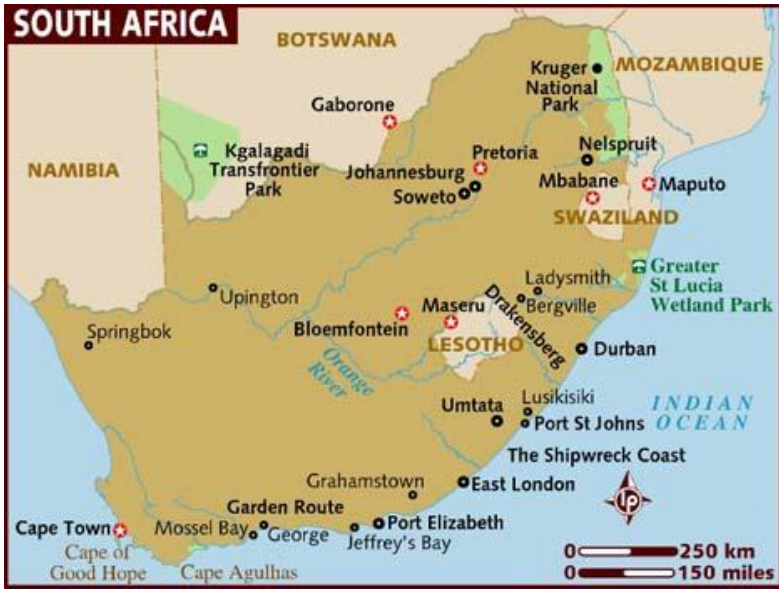
- *Must be unclassified defense articles.*
- *End use conditions and reporting requirements may apply.*



# Foreign Port Requirements

PASSPORT

A black passport cover with the word "PASSPORT" embossed in gold, resting on a world map. The map shows various geographical features like mountains, rivers, and lakes, with labels such as "Lake Tanganyika" and "MALAHARI DESERT". The passport is positioned diagonally across the bottom right of the frame.



# South Africa (Fly-Away)

STS Armed Security Team making an Air to Sea Transition:

STS Embarkment Point; Durban, S.A.

STS Disembarkment Point; Shuaiba, Kuwait

Vessel schedule indicates port call

STS and agent prepare all import & export permits and declarations Law firm reviews

Review country guidelines with agents and legal representation in South Africa

DSP-73 application & approval

Gear prepared

Itemized list of defense articles submitted to AES

Once AES authorizes - gear departs facility with STS Team

STS Team flew from Norfolk to JFK to Johannesburg to Durban with gear bags tagged to foreign final destination

DSP-73 decremented in JFK

STS Team met by South African agent & legal rep at Durban airport and escorted by "Authorized Transport Agent" to the Vessel in port

STS Team boards vessel; intro, VA/SA/RA, crew briefing and training begins

Vessel destination Kuwait

Gear discharges in Baltimore via Vessel

Baltimore customs decrements license to show re-importation of defense material on DSP 73

STS personnel return gear to STS facility



# STS

SECURITY, LLC



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