

Cobham Export and Re-Export Country Guidance



Issued: October 3, 2016

Any queries on this list must be referred to: Export Official of the supplying Cobham business

Country	Cobham POLICY	
	Civil	Military
Knowledge, suspicion or disquiet that any product or service may be used for any weapon of mass destruction or missile purpose	ESCALATION / APPROVAL NEEDED IRRESPECTIVE OF BU LOCATION	
UK law requires licences for exports of Military items/services from the UK and between non-UK destinations irrespective of the relevant BU's location where a UK person or person carrying out activities in the UK does anything to facilitate, support or in any way involved in their supply or delivery between such non-UK destinations (incl if the BU GM or leadership team etc are UK nationals).		
ITAR controlled products require a licence for export from the U.S. and re-export from another jurisdiction		
Afghanistan		
Argentina		No sales allowed
Armenia		
Azerbaijan		
Belarus		No sales allowed
Benin		
Bosnia and Herzegovina		
Burkina Faso		
Burma (Myanmar)		
Burundi		
Cape Verde		
Central African Republic		
China		
Congo (Dem. Rep.)		
Cote d'Ivoire (Ivory Coast)		
Cuba	No sales allowed	
Cyprus		
Egypt		
Eritrea		No sales allowed
Fiji		
Gambia		
Ghana		
Guinea		
Guinea-Bissau		
Haiti		
Hong Kong		
India	Nuclear Only	
Iran	No sales allowed	
Iraq		
Kyrgyzstan		
Lebanon		
Libya		
Mali		
Niger		
Nigeria		
North Korea (embargoed 'terrorist' state)	No sales allowed	
Pakistan		
Russia		
Rwanda		
Senegal		
Sierra Leone		
Somalia		No sales allowed
Sri Lanka		
Sudan (embargoed 'terrorist' state)	No sales allowed	
South Sudan		
Syria (embargoed 'terrorist' state)	No sales allowed	
Togo		
Tunisia		

Ukraine
Venezuela
Vietnam
Yemen
Zimbabwe

Terms

COBHAM POLICY ON MILITARY USE / GOODS:

1) No Cobham company may enter into military (including dual use) sales, service or activity with countries the subject of a current UK or US arms embargo or specifically contrary to US or UK law or regulation (e.g., § 744.17 Restrictions on certain exports and reexports of general purposes microprocessors for "military end -uses" and to "military end-users", § 744.21 Restrictions on certain military end-uses in the PRC).
 2) Knowledge, suspicion or dis-quiet that any product or service "may" be used for any weapon of mass destruction or missile purpose must be escalated immediately

"Military" definition:

Commodities, products and/or services that are either:
 (1) specifically designed or modified for military end use;
 (2) installed in military applications/vehicles; or
 (3) are otherwise going to be used by the military

"Civil" definition:

Commercial commodities or services only that are not "Military" (as defined above) or otherwise restricted by ITAR, EAR or UK Military list

No sales allowed

As a result of the UK and U.S. governments' position on trade with these countries generally, but particularly in relation to military equipment, it is Cobham's policy not to participate in direct or indirect sales involving these countries.

Embargoes in place. **Escalate to Divisional VP Contracts & Commercial for authorisation before proceeding.** Note that non-UK BU's may be subject to UK export restrictions where UK persons (irrespective of location) or persons in the UK do anything to facilitate a sale by such BU to any of the territories listed in red and pink (under the UK columns) - these must be escalated to understand if UK licences are required in addition to any locally required licences (see "UK trafficking and brokering rules").

Restrictions in place. **Seek advice from local Empowered Official or escalate Divisional VP Contracts & Commercial before proceeding.** Note also that a UK licence may be required irrespective of Cobham BU location if UK persons (irrespective of location) or persons carrying out activities in the UK are aware or have reason to believe that a sale will be made to any of the territories listed in amber and help facilitate such a sale in any form whatsoever

No escalation required on Export grounds. May still require escalation if it triggers other criteria e.g. Limit of Liability, transfer of IPR, very high value, etc.

Important Note: **This guidance note does not negate BU's need to comply with local export regulations and procedures.**

This spreadsheet is accurate as of the above issue date but is subject to change. Sanctions and restrictions change regularly.

Brokering:

Please note that Cobham does not have to be trading itself to be caught by a jurisdiction's trade law and regulations. In the UK, facilitating or arranging trade of Military items between two third countries (even within the EU) will require a licence and may be sufficient to trigger rules in some other jurisdictions. Additionally, EU law restricts persons in the EU from facilitating or arranging trade of some dual use items (i.e. civil items with a potentially military application) between non-EU countries, where there are concerns about weapons of mass destruction end use. Further, any person who acts as an agent for others in negotiating or arranging contracts, purchases, sales or transfers of US defence articles or defence services in return for a fee, commission or other consideration is required under 22 CFR Part 129 to be registered with the US Department of State.

End User Undertakings:

Where products are exported under licence (such as a Standard Individual Export Licence (SIEL)), an undertaking needs to be obtained from the consignee or the end-user (depending on the circumstances of the transaction). In each case, the terms of the licence used should be reviewed in order to make sure that an appropriate form of an undertaking is obtained.

Even if the exported items are not controlled or a licence which is used to export the items does not require an undertaking to be obtained, it is Cobham's policy to obtain an End-User Undertaking (EUU) where Cobham is supplying products directly or indirectly to an end-user. In particular, an EUU should be obtained where Cobham is supplying into a country highlighted in red or yellow in the above table, where there is knowledge or suspicion of a military end-use or WMD end-use. In such circumstances an EUU should be signed by the end user.

Consignee Undertakings:

Where products are exported under an Open General Export Licence (OGEL) or an Open Individual Export Licence (OIEL), a consignee undertaking usually needs to be obtained from the customer. In each case, the terms of the licence used should be reviewed in order to make sure that the licence can be used on a specific transaction and that an appropriate form of an undertaking is obtained.

OFAC's 50% Rule: Under the U.S. sanctions regime, if an entity is owned in the aggregate, directly or indirectly, 50% or more by one or more blocked persons (such as individuals or entities on OFAC's Specially Designated Nationals (SDN) list), that entity is itself automatically blocked, regardless of whether or not it appears on OFAC's SDN list. OFAC's 50% rule is generally about ownership, not control. However, please note that OFAC sanctions also broadly prohibit transactions involving, directly or indirectly, a blocked individual, even if the blocked individual is acting on behalf of a non-blocked entity. Therefore, U.S. persons should be careful when conducting business with non-blocked entities in which blocked individuals are involved; U.S. persons may not, for example, enter into contracts that are signed by a blocked individual.

EU ownership and control rule: Under the EU sanctions regime, it is prohibited to make economic resources indirectly available to sanctioned entities or persons. This includes making resources available through persons or entities owned or controlled by the sanctioned entities or persons. Ownership means possession of more than 50% of the proprietary rights of an entity. Control is established by meeting certain criteria, including: having the right to appoint or remove a majority of the management; having the right to use all or part of the assets of the entity; managing the business on a unified basis; controlling the entity pursuant to an agreement with shareholders; having the right to exercise a dominant influence; sharing jointly and severally the financial liabilities of the entity, or guaranteeing them.

Please note that customers must also comply with the Policy and Guidance: