

SHIPPING

TEN QUESTIONS TO ASK YOURSELF BEFORE YOU EXPORT FROM THE U.S.

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the right permits and forms

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If you are new to the exporting process, or you are exporting new goods for the first time, it can be difficult to determine what documents, permits, and information to include with your shipment. The wrong documentation could mean delays or denial at the border, and hefty monetary penalties. To ensure that you are including all of the necessary information with your shipment, ask yourself these 10 questions before you export goods from the United States:

1

What am I exporting?

If you are not the manufacturer of the item you intend to export, you must be certain that you have complete and accurate information about the product. Ask the manufacturer for information about the product's origin, function and intended uses before you export it. This information must include the country of manufacture, the Schedule B number or 10-digit Harmonized Tariff Schedule (HTS) number and the Export Commodity Classification Number (ECCN).

2

Is my export shipment subject to export controls?

With certain exceptions, most exports from the United States are subject to export controls. To find out if your shipment is subject to these regulations, you need to determine the ECCN using the Commerce Control List (CCL), a document which helps exporters figure out licensing requirements for their products.

The export of most commercial goods is controlled by the Export Administration Regulations (EAR) which are administered and enforced by the Department of Commerce, Bureau of Industry and Security (BIS). EAR also regulates "dual-use" goods, which are goods that may have both a commercial and military purpose.



Ensure that you are prepared to ship your goods from the U.S. without hassle by having the right permits, forms, and information.

The export of defense articles and services are controlled by the International Traffic in Arms Regulations (ITAR) which is administered and enforced by the Department of State, Directorate of Defense Trade Controls (DDTC).

The export of certain other goods may be controlled by other government agencies such as the Food and Drug Administration, the Drug Enforcement Agency, or the Department of Energy.



3

Does my export require a license?

A relatively small percentage of total U.S. exports require a license. License requirements are dependent upon an item's technical characteristics, the destination, the end-user and the end-use. As the exporter, you must determine whether or not your export requires a license.

Knowing whether the item you intend to export has a specific Export Commodity Classification Number (ECCN) is key in determining whether an export license is needed. The ECCN in conjunction with the CCL will identify any license requirements or exceptions.

Most commercial goods are classified as EAR99 which means that they do not require a license unless you are exporting the item to certain countries.

4

Where am I exporting to?

Restrictions vary from country to country. The most restricted destinations are the embargoed countries and those countries designated as supporting terrorist activities. Some examples of prohibited or restricted destinations include: Cuba, Iran, North Korea, Sudan and Syria.

There are, however, restrictions on some products that apply, regardless of the destination country. You must be certain that you are not exporting your goods to a prohibited or restricted destination without the proper license, license exception, or other prior approval from the U.S. government agency which has jurisdiction over your export.

5

Who will receive/use my product?

Certain individuals and organizations are prohibited from receiving U.S. exports and others may only receive goods if they have been licensed. The Departments of Commerce, State, and Treasury all maintain lists of "denied parties". These lists must be consulted each time an export shipment is contemplated to ensure that you are not violating the laws or regulations which govern such exports.

6

How will the product be used?

Some end-uses are prohibited, while others may require a license. For example, you may not export to certain entities involved in the proliferation of weapons of mass destruction (e.g., nuclear, biological, chemical) and the missiles to deliver them, without specific authorization, no matter what your item is.

7 Do I need to report my export?

Most exports from the U.S. require the reporting of Electronic Export Information (EEI) through the Automated Export System (AES). However, there are certain exemptions to these requirements. As the exporter, it is your responsibility to know whether or not your export requires the filing of a complete and accurate EEI.

8 Are my export documents complete and correct?

Generally speaking, your export documents should be annotated with the following information:

- The Export Commodity Classification Number (ECCN) or the Export Administration Regulation “EAR99” (EAR99 = No License Required).
- Internal Transaction Number (ITN) associated with the AES filing.
- If required, the export license number.
- If applicable, the appropriate exemption code such as “NLR” for No License Required.
- When required, the following declaration must appear on the export documents: “These commodities, technology or software were exported from the United States in accordance with the Export Administration Regulations. Diversion contrary to U.S. law is prohibited.”

9 Am I in compliance with recordkeeping requirements?

Exporters are required to maintain records of their export transactions for a period of five years. These records must be retrievable, and are subject to examination and/or copying by any U.S. government agency with jurisdiction over the export transaction.

10 Do I need assistance from an expert?

If you are having difficulty answering the above questions, you may want to consider consulting with an expert. Getting your export documentation right is crucial if you want to avoid incurring costly fines or border delays. A licensed customs broker, notably one with freight forwarding experience, is the best choice for assistance with export compliance.

Contact Livingston

Have questions or need help with your shipments? Contact your account executive, write to us at: simplify@livingstonintl.com or give us a call at **1-800-837-1063**