

What's the Scenario?

2018 Fall International Trade Export Licensing
& Compliance Conference

Crystal Gateway Marriott | Arlington, Virginia

October 22-23, 2018

Register now at www.siaed.org



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October 22-23, 2018 | Crystal Gateway Marriott | Arlington, Virginia

Learning by example—both good and bad—is often one of the most effective learning methods. With that in mind, this conference is oriented towards addressing real-life scenarios, pitfalls and best practices on topics that are at the forefront of defense trade today. We are pleased to offer an agenda that touches on a number of timely issues, including: recent regulatory developments, understanding gray areas like FMS shipping requirements and exporting classified materials, making greater use of EAR exceptions, DDTC and BIS voluntary disclosure trends, trade show compliance, staffing your trade compliance team, and more. Attendees will hear insights from U.S. Government officials, in concert with experienced industry leaders, on U.S. export controls and learn effective techniques for improving compliance programs. We hope that you will take advantage of this unique professional development and networking opportunity.

SIA President: Marc Binder, International Trade Compliance Strategies

Board Liaison: Carmella Thompson-Bowden, Knowledge International LLC.

Conference Director: Fred Helmstetter, L3 Technologies, Inc.

Conference Committee Chairs: Speaker Co-Chair: Alicia Banks, Engility Corporation
Speaker Co-Chair: Michael Lowell, Reed Smith LLP
Hotel Chair: Cindy Hollohan, UTC Aerospace Systems
Publications/Audio Visual Chair: Jennifer McGinn, General Dynamics
Registration: Jill Garrison, SIA

2018 Fall International Trade Export Licensing & Compliance Conference

EARLY BIRD REGISTRATION FEES

available up to August 31, 2018

Non-Members \$800

Members \$700

Government \$550

CONFERENCE REGISTRATION FEE

as of September 1, 2018

Non-Members \$900

Members \$800

Government \$650

Payments will not be accepted at event.

Online registration is required.

The registration site is

<http://siaed.org/event-2672590>

SIA accepts payment by

credit card, check or wire transfer.

Your registration is not confirmed until payment is received.

Registration fees include: continental breakfasts, lunches, breaks, reception, and course materials.

Cancellation Policy: Cancellations must be received by Friday, October 12, 2018 to be eligible for a refund. There is a \$35 fee for all cancellations and bank returned checks. *Refunds will not be provided for cancellation requests received after October 12, 2018.*

NOTE: SIA will host a 1-day Information Technology and Export Controls Seminar on Wednesday, October 24th at the Crystal Gateway Marriott. The Fall Conference registration does not include registration/attendance to the IT Seminar. This requires a separate registration and fee. Please go to www.siaed.org/event-3013294 to register for the IT Seminar.

Please make checks payable to:

Society for International Affairs or "SIA"

Mail checks to:

Society for International Affairs

Attn: Jill Garrison, 2018 SIA Fall Conference

95 Delphinium Way

Stafford, VA 22556

HOTEL ACCOMMODATIONS

Crystal Gateway Marriott
1700 Jefferson Davis Highway
Arlington, VA 22202

A block of rooms has been reserved at the Crystal Gateway Marriott for the dates of the conference. The SIA room rate is \$244 per night plus tax (single/double occupancy). Reservations may be made online through the link on SIA's website under the 2018 Fall Conference webpage or by contacting Reservations at 1-800-228-9290 or 703-920-3230 (ask for the 2018 SIA Conference rate). *The room block has been reserved until Saturday, September 29, 2018, or until sold out, whichever occurs first.*

Attire for the conference is business.

TRANSPORTATION

Taxi and Super Shuttle: Information to/from Reagan National, Dulles and BWI - <http://www.marriott.com/hotels/maps/travel/wasgw-crystal-gateway-marriott/#m-parking-section>.

Hotel shuttle: Complimentary to/from Reagan National Airport.

Parking: On-site Self-Parking is available for \$37/day and Valet Parking is \$41/day.

Crystal City Metro Station: Enter hotel through the underground entrance.

Register early... seating is limited!

Conference information
and registration at

siaed.org/event-2672590

THE SOCIETY FOR INTERNATIONAL AFFAIRS

Background & Purpose

The Society for International Affairs, Inc. (SIA) is a volunteer, nonprofit, educational organization that was jointly formed in 1967 by US Government and Industry. SIA provides a forum for the exchange of information related to export and import licensing. SIA interests cover the entire spectrum of licensing pertaining to the Departments of Commerce, Defense, State, Treasury, and Homeland Security.

Activities

Business luncheon meetings are held regularly and feature guest speakers who address regulatory and policy issues affecting exporting and importing. Conferences and seminars are presented on a regular basis to educate and instruct the export community on all aspects of defense and commercial exports and technology transfers.

Code of Conduct

The meetings and functions of SIA are designed to facilitate the free exchange of ideas and information. Information from these sessions is not for attribution or publication. Recording devices may not be used. SIA members and attendees are expected to uphold the highest standards of personal conduct at all SIA functions and must abide by the Code of Conduct.

Membership

Membership is comprised of over 2,000 members consisting of Industry, U.S. Government, and embassies. Information about SIA membership is available at www.siaed.org.

What's the Scenario?

DAY ONE – Monday, October 22, 2018

7:00 Registration & Continental Breakfast

8:00 Opening Remarks

Marc Binder, International Trade Compliance Strategies, SIA President
Fred Helmstetter, L3 Technologies, Inc., Conference Director

8:15 Keynote Address

Marik String, Deputy Assistant Secretary of State for Political-Military Affairs

9:00 Recent and Upcoming Rule Changes

Bill Wade, L3 Technologies, Inc. (Moderator)
Sarah Heidema, Office of Defense Trade Controls Policy
Nancy Kook, Regulatory Policy Division, Bureau of Industry and Security

- 22 CFR 126.4(a) Exemption
- Proposed Changes to USML Categories V, X, and XI
- Corresponding BIS rule changes
- Task Force Clean Up Rule

Q&A

10:00 Break

10:30 Defense Services Involving Products of Mixed Jurisdiction

Renata Rice, Northrop Grumman Corporation (Moderator)
Sarah Heidema, Office of Defense Trade Controls Policy
Catherine Hamilton, Office of Defense Trade Controls Licensing
Tom DeFee, Munitions Control Division, Bureau of Industry and Security

- What's the status of the ITAR definition changes to defense services?
- How does the EAR treat services?
- Discussion of licensing scenarios involving ITAR and EAR items:
 - Servicing items transitioned to the EAR; Integrating EAR items into ITAR articles; Integrating EAR items into EAR items on an ITAR platform; Servicing EAR items on an ITAR platform; Firearms training

Q&A

12:00 Lunch

1:00 Managing EAR Items Related to an FMS Case, a Panel Discussion

Candace Goforth, Goforth Trade Advisors LLC (Moderator)
Anthony Dearth, Chief of Staff, Directorate of Defense Trade Controls
Todd Hughes, Defense Security Cooperation Agency
Alexandra (Ola) Craft, Munitions Control Division, Bureau of Industry and Security
Jenny Hoang, Bureau of Political Military Affairs, Regional Security and Arms Transfer

- ECR Background
- Explanation of EAR Part 734.3
- Challenges and licensing scenarios faced by contractors

Q&A

2:30 Exporting Classified Materials—Requirements, Pitfalls, and Best Practices

Terry Davis, Office of Defense Trade Controls Licensing
Tamara Overton, Lockheed Martin Corporation

- Requirements for agreement applications involving U.S. classified vs. foreign classified
- Responsibility for sending agreements to DSS
- Preparing, submitting, and amending the DSP-85
- DDTC process for sending DSP-85s to DSS with a copy to applicant
- Role of DSS and company security departments
- Preparing the transportation plan
- NISPOM requirement for written certifications by EO regarding scope of license
- Processes between agencies (NRO, NSA, etc.)
- Disclosures and reporting under the NISPOM and ITAR

Q&A

3:30 Break

4:00 The World Beyond STA: EAR Exceptions Other Than STA—Overview, Pitfalls, and Best Practices

Alexandra (Ola) Craft, Munitions Control Division, Bureau of Industry and Security
Kelly Hubbard, GKN Aerospace
Kent Bossart, SES Americom, Inc.

- BIS Overview of list-based and transaction based exceptions
- BIS recap of some commonly used exceptions by Aerospace and Defense Contractors, e.g. GOV, RPL, TMP, TSU, TSR
- Industry pitfalls and best practices

Q&A

5:00 Adjourn

5:15 Hosted Reception

- 7:15

What's the Scenario?

DAY TWO – Tuesday, October 23, 2018

7:30 Continental Breakfast

8:30 Opening Remarks

Fred Helmstetter, L3 Technologies, Inc., Conference Director

8:35 Trends and Best Practices in DDTC and BIS Voluntary Self-Disclosures

Marissa Cloutier, Office of Defense Trade Controls Compliance

Doug Hassebrock, Office of Export Enforcement, Bureau of Industry and Security

Steven Pelak, Holland & Hart LLP

- DDTC:
 - Current disclosure statistics—number of voluntary and directed disclosures, processing times
 - Trends in particular types of violations
 - Status of change to electronic submission
- BIS:
 - Current voluntary self-disclosure statistics—number of disclosures and processing times, number and amount of penalty cases
 - Trends in particular types of violations
 - Role of OEE Field Agents
 - Are enforcement patterns changing, can industry expect larger Consent Agreement style settlements?
 - ZTE settlement
 - Observations from DTCC and BIS on best practices in voluntary disclosure submissions

Q&A

9:30 Managing Your Third-Party Channel Partners—USG concerns, Due Diligence and Risk Management Scenarios

Mike Lowell, Reed Smith LLP (Moderator)

Michael A. Grant, Bechert LLC

John Sonderman, Office of Export Enforcement, Bureau of Industry and Security

Lauren Dickerson, Harris Corporation

- Common compliance issues arising in third-party channel relationships
- Diversion trends and recent examples; real-world examples of third-party channel diversions
- Conducting due diligence on in-country sales and distribution partners and representatives
- Compliance challenges and best practices
 - Structure and approach for your third-party compliance program
 - Identifying and addressing red flags
 - Soliciting input from USG
 - Contract provisions, audit rights, and follow-through
 - Unique challenges – Russia, China, etc.
 - Overlapping and intersecting risks and best practices for integration of compliance efforts (e.g., FCPA and Part 129/130; Sanctions and ITAR/EAR)

Q&A

10:30 Break

11:00 Best Practices for Integrating Trade Compliance Throughout Other Functions/ Departments

David Ring, Wiggin and Dana LLP

Cliff Strabel, Esterline Corporation

Patty Dudley, General Dynamics Corporation

- Mergers, acquisitions, and strategic transactions
- Business Development
- Contracts
- Procurement
- Human Resources
- Technical support and service; help-desk
- Information Technology
- Security

Q&A

12:00 Lunch

1:00 Trade Shows: Ensuring Compliance and Protecting Assets—USG Expectations and Industry Best Practices

Dara Sanders, Munitions Control Division, Bureau of Industry and Security

Ken Oukrop, Director, Licensing Directorate,

Defense Technology Security Administration

Marissa Cloutier, Office of Defense Trade Controls Compliance

Christine Sheedy, Meggitt-USA Services, Inc.

- Observations on espionage activities at trade shows
- USG observations on lessons learned from recent compliance cases
- Understanding and complying with trade show related provisos
- Can industry expect more stringent provisos on trade show licenses?
- USG expectations on protecting technology and securing assets during trade shows
- Sensitizing industry to EAR technology exposure risks
- Industry best practices on asset and technology protection

Q&A

2:00 Controlled Unclassified Information Markings

Kate Fuster, Office of the Deputy Under Secretary of Defense for Intelligence

Devin Casey, Information Security Oversight Office,

National Archives and Records Administration

Leanne Chesler, BAE Systems

- What are Controlled Unclassified Information Markings?
- Correlation to legacy DoD Distribution Statements
- Relevance to jurisdiction and classification and export control markings
- What's the CUI implementation plan for DoD?
- What are the potential implications for DoD contractors?

2:45 Break

What's the Scenario?

DAY TWO – continued

3:15 Staffing Your Global Trade Compliance Team

Rita Ledonne, Raytheon Company

Debi Davis, Esterline Corporation

- Trends and best practices for the organization of a global trade compliance function
- Centralized and Decentralized approaches
- Benchmarking and meeting expectations—assessing how much staff is enough and addressing budgetary pressures
- Grooming the next generation of leaders
- Development plans for trade compliance staff

Q&A

4:15 Other Government Agencies and Trade Compliance—What Does Industry Need to Know?

Katie Strangis, Office of Nonproliferation and Arms Control,

National Nuclear Security Administration, Department of Energy

Lauren Mayros, Nuclear Regulatory Commission

- Overview of Dept. of Energy and NRC Export Controls
- Export classification process
- Licensing process and best practices

Q&A

5:00 Adjourn



Conference information
and registration at
siaed.org/event-2672590