Technology Control Plan

with Facility Control Procedures
Technology Control Plan

Employee Name: [type name] Citizen of: [country]

I. SCOPE

The procedures contained in this plan apply to all elements of RENK Systems Corporation (“RSC”), 8880 Union Mills Dr., Camby IN 46113.

Disclosure of classified or unclassified technical data to foreign persons, as defined by ITAR § 120.10, in the course of employment or on extended visitor status is considered an export under ITAR and is subject to a Department of State (DOS) license or agreement. (Note: there is no classified information at RSC at the present time.)

II. PURPOSE

The purpose of this Technology Control Plan is to delineate and inform employees and visitors of RSC the controls necessary to ensure that no transfer of technical information or data or a defense service (as defined in ITAR paragraphs § 120.10 & § 120.9) occurs unless authorized by the Directorate Defense Trade Controls (DDTC).

III. BACKGROUND

RSC designs and manufactures state-of-the-art test systems for industry. RSC turnkey test stands provide reliable, powerful, and versatile solutions to high-end test requirements for research & development, quality assurance, production, or re-manufacturing. RSC test stands support the world's leading automotive, aerospace, railway, wind-power manufacturers and OEMs, as well as petroleum, military, government, and academic research laboratories. In addition to turnkey systems, RSC also offers replacement parts, upgrades, preventive maintenance, and repair service for existing test systems.

For export-compliance purposes, most of RSC export activity falls under the jurisdiction of the Export Administration Regulations (“EAR”), as administered by the Department of Commerce. Prior to the extensive rewriting of the U.S. export regulations from 2013 through 2017, much more of RSC work was under the export jurisdiction of the International Traffic in Arms Regulations (“ITAR”). Nowadays, except for classified work that proceeds under the NISPOM, most of our projects have moved from the ITAR to the EAR for export purposes. Drivetrain work associated with “developmental” sea vessels is the principle current exception to that trend, since the ITAR’s U.S. Munitions List (“USML”) retains jurisdiction over components specially designed for such vessels. Thus, for USML Category VI(c) drivetrains, we continue under the ITAR system of Technology Assistance Agreements (“TAA”), DSP-5 licenses for hardware or foreign-person employee disclosure coverage. But once a developmental vessel transitions to normal procurement rules and rate production, even that work will transition from the ITAR to the EAR for export authorizations.

IV. FOREIGN PERSONS

No Foreign Person will be given access to unclassified and/or classified material on any project or program that involves the disclosure of technical data as defined in ITAR paragraph 120.10 until that individual’s license authority has been approved by the Department of State or Commerce, as appropriate.
RSC employees who have the supervisory responsibility for foreign persons must receive an export control/licensing briefing that addresses relevant ITAR requirements as they pertain to classified and controlled unclassified information.

Foreign persons employed by, assigned to (extended visit) or visiting RSC, shall receive a briefing that addresses the following items:

- Prior to the release of classified material or controlled unclassified information to a foreign person an export authorization issued by DTCL needs to be obtained by RSC.
- Ensure foreign persons adhere to the RSC’s security rules, policies and procedures and in-plant personnel regulations.
- Outline the specific information that has been authorized for release to them.
- Address RSC’s in-plant regulations for the use of facsimile, automated information systems and reproduction machines.
- Any classified information they are authorized to have access and need to forward overseas will be submitted to RSC’s security department for transmission through government-to-government channels.
- Information received at RSC for the foreign national and information that the foreign national needs to forward from RSC shall be prepared in English.
- Violations of security procedures and in-plant regulations committed by foreign nationals are subject to RSC sanctions.

V. ACCESS CONTROLS FOR FOREIGN NATIONALS

RSC has devised a set of controls to insure that foreign nationals do not obtain unauthorized access to any classified or controlled unclassified information. The principal features are:

- Badges: All visitors are required to wear a badge during their visit. Foreign-person badges shall be uniquely marked in Red. Foreign persons shall not be permitted access to restricted areas without security examination of this badge and visual verification that the badge belongs to the holder. Employees must be informed of the limitations and restrictions imposed for each different badge type.
- Escorts: It shall be the responsibility of the RSC host employee to escort, or arrange for an escort of a foreign person visiting RSC facilities at all times. The RSC escorting employee shall confirm with the Company Empowered Official the facility locations that the foreign person can visit and make sure that there shall be no exposure to controlled unclassified information. (NOTE: RSC supervisors of foreign persons shall ensure that foreign nationals are escorted in accordance with U.S. Government and RSC regulations.)
- Segregated work area(s): The segregated area at RSC includes **[describe space, for example: "... a secure and clearly labeled room with controlled cardkey access. Cardkey access is only provided to employees that are US Persons." Make sure this is consistent with what you put at ¶ 7.6, above. It should be accurate, as opposed to what I just invented in those quotation marks. Then delete this red-font bracket. I think we agreed that your conference room where we spent our time is suitable for this purpose.] At all locations, visitors shall sign the entry log-sheet and display proof of US citizenship or permanent residency. There shall be no exceptions to this rule. All visitors shall be escorted at all times.
VI. EXPORT-CONTROLLED INFORMATION

The specific elements of unclassified information (there is no classified information at RSC at the present time) will involve technical information about any item that has been defined as an ITAR or controlled-for-export EAR item, and similar systems being developed, including such items as Interface Control Documents, source code for defense article sensor drivers etc.

VII. NON-DISCLOSURE STATEMENT

All foreign persons shall sign a non-disclosure statement (specified by DTCL) that acknowledges that classified and controlled unclassified information will not be further disclosed, exported or transmitted by the individual to any foreign national or foreign country unless DDTC authorizes such a disclosure and the receiving party is appropriately cleared in accordance with its government’s personnel security system.

VIII. SUPERVISORY RESPONSIBILITIES

Supervisors of cleared personnel and foreign national employees and foreign national visitors shall ensure that the employees and visitors are informed of and cognizant of the following:

- Technical data or defense services that require an export authorization is not transmitted, shipped, mailed, hand-carried (or any other means of transmission) unless an export authorization has already been obtained by RSC and the transmission procedures follow U.S. Government regulations.
- Individuals are cognizant of all regulations concerning the handling and safeguarding of classified information and controlled unclassified information.
- Individuals execute a technology control plan (TCP) briefing form acknowledging that they have received a copy of the TCP and were briefed on the contents of the plan.
- U.S. citizen employees are knowledgeable of the information that can be disclosed or accessed by foreign nationals.

Point of contact for this TCP:
Signature: ____________________________
Name & Date: _________________________ / _____ / ______

Senior Management Official:
Signature: ____________________________
Name & Date: _________________________ / _____ / ______

DSS Official: [does RSC have one?]
Signature: ____________________________
Name & Date: _________________________ / _____ / ______

Facility Security Officer: [does RSC have one?]
IX. EMPLOYEE RESPONSIBILITIES

All RSC employees who interface with foreign nationals shall receive a copy of the TCP and a briefing that addresses the following:

- Documents under their jurisdiction that contain technical data are not released to or accessed by any employee, visitor, or subcontractor who is a foreign national unless an export authorization has been obtained by RSC in accordance with the ITAR or the Export Administration Regulations (EAR).
- If there is any question as to whether or not an export authorization is required, contact the Facility Security Officer promptly.
- Technical information or defense services cannot be forwarded or provided to a foreign national regardless of the foreign nationals location unless an export authorization has been approved by DDTC and issued to RSC.

By signature below I certify that I have read the above Technology Control Plan and have been briefed on its contents, and I agree to abide by the stated terms and conditions to the best of my ability.

Employee: 
[** Insert name**]: Signature and Date: _________________________   _____/_____/_______

Technology Control Plan Attachments

TCP Attachment A:  Facility Control Procedures
TCP Attachment B:  Foreign-Person Employee Non-Disclosure Agreement
TCP Attachment C:  Foreign-Person Employee Checklist & Briefing Record
TCP Attachment D:  Employee ITAR/EAR Out-Processing Form (for all employees)
TCP Attachment A: Facility Control Procedures

<table>
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<th>Date</th>
<th>Author</th>
<th>Summary of Changes</th>
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<tr>
<td>**9/??/2017</td>
<td>Kerstin Buchheister</td>
<td>Initial release.</td>
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1.1 **PURPOSE**

This document provides procedures for protecting export-controlled items and data while in-house at RENK Systems Corporation ("RSC"), as well as guidelines for the marketing and sales of export-controlled items.

This Facility Control Procedures document (FCP) delineates and informs employees of the controls necessary to ensure that no export of controlled items occurs unless authorized by the appropriate authorities.

1.2 **APPLICATION**

The procedures contained in this FCP apply to all RSC work locations.

**Responsibility**

It is the responsibility of the Export Compliance Officer to maintain this document and to ensure it is adhered to.

The Export Compliance Officer (ECO) is responsible for implementation of this FCP and control of all export-related documents and forms. The ECO is also responsible for issuing keys, Access Cards, combinations and passwords to export-controlled areas of the facility.

All employees are responsible for understanding this FCP and for taking the necessary precautions to prevent disclosure of export-controlled items.

1.3 **DEFINITIONS**

The following definitions are applicable to this FCP.

**Defense Article** - Any item or technical data designated in the United States Munitions List (USML) (ITAR paragraph 121.1). It includes technical data recorded or stored in any physical form, models, mockups or other items that reveal technical data directly relating to items designated in the USML.

**EAR** - Export Administration Regulations

**Export** (according to the ITAR) - (1) sending or taking a defense article out of the U.S. in any manner, except by mere travel outside of the U.S. by a person whose personal knowledge includes technical data; or (2) transferring registration, control, or ownership to a foreign person of any aircraft, vessel, or satellite covered by the USML, whether in the U.S. or abroad; or (3) disclosing (including oral or visual disclosure) or transferring in the United States any defense article to an embassy, any agency or subdivision of a foreign government (e.g., diplomatic missions); or (4) disclosing (including oral or visual disclosure) or transferring technical data to a foreign person, whether in the U.S. or abroad; or (5) performing a defense service on behalf of, or for the benefit of, a foreign person, whether in the U.S. or abroad.
Export (according to the EAR) - actual shipment or transmission of items subject to the EAR out of the U.S., or release of technology or software subject to the EAR to a foreign person in the U.S.

Export-Controlled Item - any items subject to the controls of the ITAR or EAR.

Foreign Person - Any natural person who is not a US Citizen or a lawful permanent resident of the U.S. or who is not a protected individual (political asylee). It also means any foreign corporation, business association, partnership, trust, society or any other entity or group that is not incorporated or organized to do business in the U.S., as well as international organizations, foreign governments and any agency or subdivision of foreign governments (e.g., diplomatic missions).

ITAR - International Traffic in Arms Regulations

Significant Military Equipment - Articles for which special export controls are warranted because of their capacity for substantial military utility or capability (see items in section 121.1 of the ITAR).

Technical Assistance Agreement (TAA) – U.S. State Department approved document that allows the export of technical information, services, and possibly some equipment.

Technical Data - information which is required for the design, development, production, manufacture, assembly, operation, repair, testing, maintenance, or modification of defense articles; classified information related to defense articles; information covered by an invention secrecy order; software directly related to defense articles.

U.S. Person - Any natural person who is US Citizen, a lawful permanent resident of the U.S. (Green Card holder), or who is a protected individual. It also means any corporation, business association, partnership, trust, society or any other entity, organization or group that is incorporated to do business in the U.S. It also includes any governmental (federal, state or local) entity.

1.4 REFERENCES

Export Administration Regulations (EAR)

Export Briefing Acknowledgement (in New Employee Orientation Checklist)

International Traffic in Arms Regulations (ITAR) (22 CFR 120-130)

1.5 PROCESS

1.5.1 INTERNAL PROCEDURES

1.5.1.1 PERSONNEL IDENTIFICATION **[THIS IS A BEST-PRACTICE MODEL; RSC CAN ADJUST TO FIT. WE CAN DISCUSS THIS, BUT SOME VERSION OF THIS SHOULD BE IMPLEMENTED]

1.5.1.1.1 All RSC employees, on-site contractors and visitors are required to wear badges at all times while on RSC premises. Badges shall be displayed at the waist or above and be visible at all times so that identification is easily determined. A full escort is required while in a RSC ITAR/EAR restricted area. Please check with the Company Empowered Official.

1.5.1.1.2 A WHITE badge with facility access indicates that an individual is a RSC employee U.S. person as defined above. This badge allows for full access to ITAR/EAR controlled technical information relating to all projects.

1.5.1.1.3 A YELLOW badge with NO facility access indicates that an individual is a RSC visitor U.S. person as defined above. This badge allows for full access to ITAR/EAR
controlled technical information relating to all projects. Escort is still required while at RSC facilities.

1.5.1.1.4 A RED badge with NO facility access indicates that an individual is a RSC visitor foreign person as defined above. This badge does not allow any access to ITAR/EAR controlled technical information and requires full escort while at RSC facilities.

1.5.1.1.5 A BLUE badge with facility access indicates that an individual is a RSC employee foreign person working under an approved DSP-5 or DOC employee license, or documented license exemption/exception. Such badge will be clearly marked with the words “ITAR/EAR Authorized”. This badge allows access to ITAR/EAR controlled technical information as specifically approved by the individual license(s). Please check with the Company Empowered Official.

1.5.1.1.6 A BLUE badge with NO facility access will be issued to an individual that is a RSC visitor foreign person who is covered by an approved State Department TAA. Such badge will be clearly marked with the words “TAA Approved”. This badge allows access to ITAR/EAR controlled technical information as specifically approved by a TAA and relating to a specific project only. Full escort is still required while in RSC ITAR/EAR restricted facility areas. Please check with the Company Empowered Official, who must confirm that the proper parties and scope are present in that TAA.

1.5.1.2 VISITORS

All visitors are required to sign in upon arrival and obtain an appropriate badge from the reception desk. It is the responsibility of a visitor's host to ensure the visitor is a U.S. person prior to disclosing export-controlled information. Although the badge is assigned based on the citizenship indicated on the sign in card, the visit host or receptionist may request proof of citizenship and/or permanent resident status if deemed necessary. Visitors must be escorted at all times.

1.5.1.3 EXPORT-CONTROL DETERMINATION

The Export Compliance Manager, with guidance from Contracts Administration and the Project Manager, shall determine what, if any, export regulations are applicable to a project. This determination will be based on specific contract language and using the ITAR and EAR. Any engineering data or designs created from items determined to be export-controlled shall also be considered export-controlled.

1.5.1.4 FOREIGN PERSONS POLICY

Foreign persons will not be employed on any work that involves the disclosure of export-controlled information until license authority has been granted by the appropriate government agency.

1.5.1.5 NON-DISCLOSURE STATEMENT OF ACKNOWLEDGMENT

Foreign persons to whom technical data will be disclosed under license by DDTC, will be required to sign an appropriate non-disclosure statement. A signed and dated copy of that non-disclosure statement will be kept on file with the company empowered official, noting the referenced license number.

1.5.1.6 EMPLOYEE AWARENESS

Employees shall be briefed during the new employee orientation that some of the company's work is subject to export controls and unless there is an export license in place, this information shall not be disclosed to foreign persons.
All employees shall sign an export-briefing acknowledgement to indicate they understand the company policy on handling export-controlled items.

The Facility Security Officer and the Empowered Official are available as a resource to company employees for answering questions and clarifying this FCP, the ITAR and the EAR regulations.

1.5.1.7 WORK AREAS

Work on export-controlled items shall be performed in an area that excludes unauthorized foreign persons. Signs shall be posted stating that export-controlled work is in progress. If a foreign person needs to enter an export-controlled area, they shall coordinate with the project manager responsible for that area. The project manager shall ensure all export-controlled items are out of sight and all conversation relating to export-controlled items has ceased prior to allowing access to the foreign person.

1.5.1.8 TECHNICAL DATA

1.5.1.8.1 MARKING

Each page of export-controlled technical data shall be marked with appropriate statements to indicate export-control sensitivity.

1.5.1.8.2 STORAGE AREAS

Areas used for storing export-controlled items shall be marked as such. These areas shall be protected from unauthorized personnel at all times.

1.5.1.8.3 NETWORK

Access to areas on RSC’s network containing export-controlled information is limited to authorized personnel only. Permissions will be communicated by the company Empowered Official to RSC’s IT department on a case-by-case basis.

1.5.1.9 RECEIPT OF EXPORT-CONTROLLED ITEMS

All incoming export-controlled items will be brought to the attention of the appropriate project manager. The project manager is responsible for maintaining/tracking export-controlled items related to his project. At the end of a project, retention/disposal of export-controlled items will be determined at contract closeout.

1.5.1.10 TRANSMITTAL OF EXPORT-CONTROLLED ITEMS

No employee or other person acting on behalf of RSC shall ship, mail, carry or transmit export-controlled items from the U.S. or within the U.S. with the knowledge or intent that the item/information will be shipped or transmitted from the U.S. to a foreign destination without proper government approvals/licenses. Obtaining appropriate governmental approval for all exports or disclosures shall be coordinated through the ECO.

1.5.1.11 BUSINESS DEVELOPMENT ACTIVITIES

1.5.1.11.1 PUBLICITY

Publicity for RSC’s technology comes in many forms - web-site postings, product information and presentations to customers, and air show data sheets, handouts, and the display booth. Technical data and pictures should be reviewed by the ECO prior to posting or dissemination.

Note that although RSC may be involved with programs that are not specifically classified or ITAR sensitive they may be competition sensitive or company proprietary. RSC must be cognizant of this and exercise conservatism where appropriate when making announcements, posting pictures on the web site, and preparing presentations.
1.5.1.11.2 PUBLIC SHOWS

Participation in public shows is an excellent opportunity to introduce RSC and their technology to a significant number of potential customers. In addition, relationships can be built and fostered in an environment not as formal. Competitor information can also be gathered, however, this is equally true for RSC’s technology and product development activities.

In support of public shows, RSC may take product models or mock-ups to display and show potential customers. These models and mock-ups may be subject to export restrictions and procedures for carrying or sending these models/mock-ups out of the country must be followed. Any exports should be coordinated through the ECO.

1.5.1.11.3 SALES AND MARKETING

If any foreign company approaches RSC, discussions can take place, however it must be made clear that RSC’s technology is subject to export restrictions and detailed technical discussions will only take place subsequent to approvals by the U.S. State Department under a DSP-5 or a Technical Assistance Agreement (TAA), as appropriate. Contact the ECO for details on obtaining a TAA.

1.5.1.12 VIOLATIONS

Any perceived violations of this FCP or other export-control regulations (ITAR, EAR) shall be immediately reported to the ECO, who will generate a report and provide it to the Export Compliance Officer for final disposition.

1.5.1.13 DOCUMENTATION

The ECO shall maintain all forms and documentation related to exporting activities.
TCP Attachment B: Non-Disclosure Agreement for Foreign-Person Employees

Access to ITAR-Controlled Defense Articles by Foreign Person Employees

I, [name of foreign person], acknowledge and understand that any technical data related to a defense article covered by the U.S. Munitions List to which I have access per authorization by the U.S. Department of State, Directorate of Defense Trade Controls (DDTC) under [state relevant export license/authorization number**] and disclosed to me in my employment by RENK Systems Corporation ("RSC"), is subject to the export controls of the International Traffic in Arms Regulations (ITAR) (Title 22, Code of Federal Regulations, Parts 120-130), particularly the 22 CFR 124.8 clauses.

1. This authorization shall not enter into force, and shall not be amended or extended, without the prior written approval of the Department of State of the U.S. Government.

2. This authorization is subject to all United States laws and regulations relating to exports and to all administrative acts of the U.S. Government pursuant to such laws and regulations.

3. The parties to this authorization agree that the obligations contained in this authorization shall not affect the performance of any obligations created by prior contracts or subcontracts which the parties may have individually or collectively with the U.S. Government.

4. No liability will be incurred by or attributed to the U.S. Government in connection with any possible infringement or privately owned patent or proprietary rights, either domestic or foreign, by reason of the U.S. Government's approval of this authorization.

5. The technical data or defense services exported from the United States in furtherance of this authorization and any defense article which may be produced or manufactured from such technical data or defense service may not be transferred to a person in a third country or to a national of a third country except as specifically authorized in this authorization unless the prior written approval of the Department of State has been obtained.

6. All provisions in this authorization which refer to the United States Government and the Department of State will remain binding on the parties after the termination of the authorization.

During my employment with RENK Systems Corporation (“RSC”), I am authorized to interact and participate in discussions with other U.S. and foreign person, and disclose technical data as necessary, while performing my job duties covered under DDTC [**case number]. It will be the responsibility of my employer, RSC, to notify other U.S. and foreign persons of my status as a foreign national employee prior to my interaction.

I also acknowledge and understand that should I inadvertently receive technical data or defense articles for which I have not been granted access authorization by DDTC, or if I inadvertently export technical data or defense articles received during my employment to an unauthorized recipient, I will report such unauthorized transfer and acknowledge the transfer to be a violation of U.S. Government regulations.
In furtherance of the above, I hereby certify that all defense articles, including related technical data, to which I have access will not be used for any purpose other than that authorized by DDTC and will not be further exported, transferred, disclosed via any means (e.g., oral disclosure, electronic, visual access, facsimile message, telephone) whether in its original form, modified, or incorporated in any other form, to any other foreign person or any foreign country without the prior written approval of DDTC.

______________________________  ____________________________
Signature – Foreign Person (Employee)  Date

______________________________  ____________________________
Signature – U.S Person (Employer)  Date

**Please leave sufficient space to enter the DDTC case number once approval is received.**
### TCP Attachment C: Foreign-Person Employee Checklist / Briefing Record

<table>
<thead>
<tr>
<th>Description</th>
<th>Initials</th>
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<tbody>
<tr>
<td>Name of Employee: __________________________________________________________</td>
<td></td>
</tr>
<tr>
<td>Signature: __________________ Date: ________</td>
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<tr>
<td>Name of Supervisor:</td>
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</tbody>
</table>

A Human Resources representative shall review the items on this checklist with the new employee on his/her first day at work. When all of the items on this checklist have been completed and checked, including QA and Safety, the signed original will be placed in the employee’s personnel file.

- [ ] Provide copy of the Employee Handbook including Drug Free Workplace Program and Equal Employment Policy
- [ ] Intranet Tutorial
  - Company Management Procedures & Policies (MPPs), System Level Procedures
  - Corporate Information
  - Timesheets
  - Contacts/Schedules: Phone list, Telephone & Voicemail instructions
  - Human Resources: Benefit Summary Plan Descriptions, EAP, 401K, Payroll forms, Training Forms, Performance Review forms
  - Export Compliance: Dedicated Intranet ITAR/EAR training modules, new employee and annual updates
- [ ] Explain the company procedure regarding the following:
  - Timesheets - completion on a daily basis
  - Overtime
  - How and to whom to report absences
  - Vacation scheduling
  - Early departures
  - Signature Authority List (see Intranet)
- [ ] Explain Performance Reviews now include a focus on export compliance
  - Senior management with ITAR-related responsibilities: ITAR compliance is a critical element of review.
  - All other employees involved in export compliance: ITAR compliance is considered in performance review.
- [ ] Explain hours of work:
  - Normal working hours
  - Definition of Company workweek
- [ ] Lunch time:
  - Amount of time
  - Time scheduled
- [ ] Introduce employee to mentor; explain mentor program
- [ ] ITAR/EAR/Security Briefings ___________________________ (signature Export Compliance Officer)
  - Note: Special export compliance briefing for foreign-person officers, managers _______ (initials Export Compliance Officer)
- [ ] Employee has read the Technology Control Plan provided by company, and has discussed the procedures with company, understands procedures and agrees to comply with its requirements.
- [ ] Quality Assurance Briefing ___________________________ (sig. Quality Systems rep)
- [ ] Shop Safety Briefing (if applicable) ________________________(sig. Director of Manufac.)

The above was accomplished by __________________________(HR Rep) on ____________ (Date)
TCP Attachment D: Employee ITAR/EAR Out-Processing Form (for all employees)

ITAR / EAR Out-Processing Statement

RE: Employee Name: __________________________________________

I certify that I have returned to RSC any and all items belonging to RSC, specifically including technical data, in any form, regarding defense articles. I understand that I am still bound by rules of confidentiality after employment by RSC. Furthermore, I understand that the restrictions against unauthorized disclosure of technical data regarding defense articles are a function of U.S. law, not just of the Non-Disclosure Statement I signed with RSC. I have been advised that the International Traffic in Arms Regulations ("ITAR") and the Export Administration Regulations ("EAR") provide for civil and criminal sanctions for such unauthorized disclosures.

Signature: __________________________________ Date: _______/_______/2017
Employee

Signature: __________________________________ Date: _______/_______/2017
Kerstin Buchheister
Company Empowered Official