



KSC Export Control Brief



<http://exportcontrol.ksc.nasa.gov/>

1st Quarter 2009

VISIT THE NEW KSC ECO IN 1105 HQ!

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INTRODUCTION

Welcome to this edition of the "KSC Export Control Brief". There have been a number of changes to report over the past few months.



Our annual export control training was presented by BSG Consulting through the Export Compliance Training Institute (ECTI). BSG and ECTI can be found on the web at tradecontrols.com. The forty attendees will attest that the knowledge of export control and humor injected into an otherwise dry subject made this year's training top notch. John Black and Maarten Sengers double-teamed to deliver three days of EAR and ITAR information, updates, and regulatory changes. This year's added bonus was an all-inclusive, export control, memory stick for participants to plug and play on the run. As you access links from the

stick, updates within the EAR, ITAR, etc. will be automatic with just a click of the mouse!

Mr. Bill Collins made a career change from the NASA Export Control Office to ASRC, one of KSC's contractors supporting the Constellation program. I wish Bill success with ASRC.

Last, but not least, Melanie Chan joined me when 1105 HQ became the new ECO. Melanie will continue to support the KT Directorate as well as the Associate Center Export Administrator duties. The synergy provided by this move will positively enhance the effectiveness of the export compliance program at Kennedy Space Center.

Thanks for your support, and remember to stay export aware!

-Wayne



EXPORT CONTROL REP SPOTLIGHT

Rebecca Simandira, Logistics Specialist, Yang



Growing up on the Space Coast in the 1950's and 60's was a great time for me with all sorts of rockets thundering into the sky at any given time of the day, leaving their contrails to blow away in the wind. My early memories are connected to the Space Program through my dad who supervised several maintenance crews at Port Canaveral, Cape Canaveral Air Force Station, and Kennedy Space Center. He often brought me to work with him on Saturdays so I saw homes being moved away from the LC-39 area on flatbed trailers, dozers building launch pad 39A, the first crawler before modifications for transporting Saturn rockets, and the Vehicle Assembly Building as it grew from a skeleton. Dad wrote many of the first maintenance procedures and one of his largest documents was for securing the base in preparation of hurricanes. He would sit me down at the kitchen table, have me read a procedure, and ask me to explain what it said. He later told me that he wrote in a way that if I could understand it, he was sure his crews could, too.

It was while living in Las Vegas that I saw the first Space Shuttles launch and learned that EG&G Florida had just won a contract with NASA providing base support at Kennedy Space Center. During that same period, I went to Salt Lake City to visit my brother and he talked me into moving there. It was great. I loved the change of seasons and learning to snow ski...until the temperature dropped to 20 degrees below zero and hung in a blanket of fog for 2 months. That's when I knew it was time to pack up and go back home.

I arrived in Cocoa on Valentine's Day, spent a week on the beach, then decided to go to the EG&G Florida employment office in search of a job. I started work the next day! 25 years later.... it seems just like yesterday that my career began in Logistics working in the Transportation/Traffic Management office. I just survived a transition through my fifth NASA contractor change, now working under the new EG&G Institutional Services Contract for Yang Enterprises, Inc..

A major portion of my duties in Transportation consists of supporting NASA and various NASA contractor Import/Export shipments. I seldom know what the next Import or Export will be because many are one-of-a kind. Items may be for a recruitment exposition, educational items for schools, electronics for repair or calibration and return to KSC, or Transatlantic Abort Landing Site support hardware and supplies for the Shuttle Program. Over the past year, I've been involved in a project with the Interstellar Boundary Exploration (IBEX) mission shipping NASA telemetry and communications items to Kwajalein Atoll in the Marshall Islands for an upcoming Pegasus launch. Part of my responsibility is ensuring that all items, whether documents or sophisticated electronics, are Export Control Classified so I work closely with Wayne Ranow and Melanie Chan in the NASA Export Control office and I work with Lesley Carroll of NASA Transportation for Import and Export shipping documents.

My other Traffic Management duties include reconciling Over, Short and Damage carrier shipments, preparing documents for domestic air and truck shipments, and tracing and expediting shipments for urgent customer needs. Whether expediting an urgent International shipment or assisting a customer filling out a Request for Shipping Document, each day brings new and exciting events and people into my life and it's still a great time for me knowing that I contribute support to the Space Port for the teams who launch rockets.



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NEWS ♦ REGS ♦ ALERTS

PHYSICIST ADMITS SENDING U.S. SPACE KNOW-HOW TO CHINA

Virginia physicist and president of AMAC International faces up to 25 years of jail time if convicted of violating the Arms Export Control Act and the FCPA. Shu Quan-Sheng, a 68 year old native of China and naturalized US citizen, is charged with the following:

- ▶ Unlawfully exporting a defense service to foreign persons without prior approval
- ▶ Unlawfully exporting a defense article
- ▶ Bribing, offering a bribe, and attempting to bribe a foreign government official



Shu provided technical assistance and foreign technology acquisition information to several PRC government entities involved in the design, development, engineering, and manufacture of a space launch facility in Hainan, China. Information included fueling system technology in the fields of cryogenic pumps, valves, transfer lines, and refrigeration equipment. Shu is also accused of offering payments to PRC officials in order to be awarded a contract worth \$4 million for the development of a hydrogen liquefier.

Since 2003 Shu has been involved in China's efforts to upgrade their space exploration and satellite technology capabilities, the expertise and data he offered required licenses from the State Department. Documents provide that Shu never obtained licenses or written approvals

approvals with respect to brokering, export of defense articles, or proposals to provide defense services to the PRC.

Shu's arrest and the publicity of this case has severely undercut the Chinese governments message that the country had come into its own as a mature, space-faring nation, and that it needs no outside assistance to achieve its goals.

AEROSPACE COMPANY PENALIZED FOR RELEASE OF TECHNICAL DATA TO FOREIGN EMPLOYEE

TFC Manufacturing Inc., a California-based aerospace fabrication facility, has been charged with violating the "deemed export" rule. The Commerce Department's Bureau of Industry and Security has required the company to pay a \$31,500 penalty.

From March to April 2006, TFC Manufacturing Inc. released unlicensed US technology for the production of aircraft parts classified under ECCN 9E991. The company gave the information to an employee who was a national of Iran. Under the Export Administration Regulations, this release of technology to an Iranian national is deemed to be an export and is prohibited without a license.

WHEN DO I NEED A 'COMMERCE' LICENSE?

The Bureau of Industry and Security (BIS) is responsible for implementing and enforcing the Export Administration Regulations (EAR).



The Department of Commerce defines any item that is sent from the USA to a foreign destination as an export. "Items" include commodities, software, or technology such as materials, circuit boards, blueprints, design plans, and technical information.

HOW an item is transported outside the United States does not matter in determining export licensing requirements. For example, an item can be sent by regular mail or hand-carried on an airplane. A set of schematics can be sent via fax to a foreign destination; software can be uploaded to or downloaded from an internet website; or technology can be transmitted via e-mail or during a telephone conversation.

An item is considered an export even if it is leaving

the U.S. temporarily, if it is leaving but not for sale, or if it is going to a wholly-owned U.S. subsidiary in a foreign country. A foreign-origin item exported from the U.S., that is transmitted or transshipped through the U.S., or being returned to its country of origin is also an export.

Finally, under the EAR, the release of technology or source code (subject to the EAR) to a foreign national in the U.S. is "deemed" to be an export to the home country of the foreign national.

A small percentage of total U.S. exports and reexports require a license from BIS. License requirements are dependent on an item's technical characteristics, the destination, the end-user, and the end-use. You, the exporter, must determine whether your export requires a license, by considering:

- ⇒ **What** are you exporting?
- ⇒ **Where** are you exporting?
- ⇒ **Who** will receive your item?
- ⇒ **What** will your item be used for?

Easy-to-read **INTRO TO COMMERCE EC guide** at <http://www.bis.doc.gov>



ARE YOU EXPORT COMPLIANT?

YOU SHOULD BE.... IT'S THE LAW!

TRAINING OPPORTUNITIES AT KSC

Basic Export Control (KSC-005-03) ⇒ MANDATORY for NASA employees

Available in SATERN at <https://satern.nasa.gov/elms/learner/login.do>

Log-in, then click on Catalog → Kennedy Space Center → Launch Content → Export Control Program Basic Training

Note: Complete 3 modules and the self tests

NASA EC Video ⇒ 13-Minute Overview by HQ of the NASA Export Program

<http://exportcontrol.ksc.nasa.gov>

Yes, We Have a Process! ⇒ KDP-KSC-P-2613 (Rev D)

https://tdksc.ksc.nasa.gov/servlet/dm.web.Fetch/KDP-KSC-P-2613_Rev_D_linked.pdf?gid=47961

Need to Release Scientific or Technical Information? ⇒ NASA Form 1676

<http://server-mpo.arc.nasa.gov/services/nefs/home.tml>

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For ECRs by directorate, go to

KSC EXPORT CONTROL WEBSITE

<http://exportcontrol.ksc.nasa.gov/>

BIS ONLINE TRAINING ROOM

BUREAU OF INDUSTRY AND SECURITY
DEPARTMENT OF COMMERCE

MODULES ON EXPORT ESSENTIALS

Export Control Basics (22:10)

Classifying and Licenses (20:24)

General Prohibitions (13:01)

License Exceptions (10:36)

License Application (9:19)

Export Recordkeeping (6:07)

DEEMED EXPORTS

Intro to BIS Deemed Export Policies (35:24)

ANTIBOYCOTT COMPLIANCE

Antiboycott Provisions of the EAR (15:19)

WEBINARS

Archived programs including Encryptions, Embargoes, Reexports, and more

<http://www.bis.doc.gov/seminarsandtraining/seminar-training.htm>



John F. Kennedy Space Center

Export Control Brief

Export Control Brief is published quarterly by the NASA Export Control Office for KSC civil servant and contractor employees.

Contributions are welcome. Submit at any time to Export Control Office, Wayne Ranow, Mail Code TA-A2. E-mail submissions may be sent to melanie.r.chan@nasa.gov