
Compliance with Export/Import Controls and Economic Sanctions

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A. SUMMARY

The U.S. government and many governments control the international movement of certain commodities, technical data and services and some maintain full or partial trade embargoes or economic sanctions on certain targeted countries, entities and individuals in order to safeguard national security, reduce proliferation of weapons of mass destruction and missile delivery systems, protect scarce national resources and advance other foreign policy objectives. For example, the U.S. government regulates the following:

1. Exports from the United States of controlled commodities, technical data and defense or nuclear-related services;
2. Exports to and reexports from foreign countries, of the controlled commodities, technical data or services, if they are of U.S. origin, have more than *de minimis* U.S. content or are derived from U.S. technology;
3. Written, verbal and visual communications with foreign nationals (including communications via phone, fax and e-mail), whether these occur in the United States or abroad, if the communications involve controlled technical data;
4. Dealings with certain persons or entities that are (i) subject to export “denial orders”, (ii) are listed as “blocked persons”, “specially designated nationals”, “specially designated terrorists” and “specially designated narcotics traffickers”, or (iii) are engaged in sensitive nuclear, missile, chemical or biological weapons activities; and
5. Dealings with countries (including, in some cases, the countries’ citizens, residents and companies) that are subject to full or partial trade embargoes or economic sanctions, including, but not limited to, financial transactions, investments and export and import trade;

Failure to comply with applicable laws and regulations can result in civil or criminal penalties, including fines, imprisonment, and/or other sanctions.

B. APPLICABILITY

This Policy applies to Carrier Enterprise, LLC (Carrier Enterprise) and all of its subsidiaries, wherever located, that engage in activities relating to the international movement of raw materials, manufactured products, other commodities, technical data and services or that do business with countries or entities subject to full or partial trade embargoes or economic sanctions.

C. POLICY

1. Carrier Enterprise will comply with all applicable laws and regulations pertaining to export/import controls and economic sanctions.
2. Carrier Enterprise will arrange, approve and execute the export and import of controlled commodities, technical data and services only if:
 - a) There is authority under applicable laws and regulations to make the export or import;
 - b) The intended recipient and all intermediaries are authorized to receive the exported

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- item, technical data or service, or the imported item; and
- c) All required documents are complete and accurate.
3. Carrier Enterprise will engage in business dealings involving countries (including their citizens, residents and companies) that are subject to a full or partial trade embargo or economic sanctions only if there is authority under applicable laws and regulations to engage in the activity or transaction.
 4. Carrier Enterprise's subsidiaries are expected to know and comply with the export/import and economic sanction laws and regulations in countries where they operate and which otherwise apply to them (such as those of the United States in certain instances).

D. RESPONSIBILITES

1. Carrier Enterprise employees must comply with this Policy and associated procedures.
2. The CEO of Carrier Enterprise will establish and maintain a program to ensure compliance with all applicable laws and regulations pertaining to export/import controls and economic sanctions. Responsibility for compliance on these matters will be assigned to a manager who is independent of the sales and marketing function within the relevant portion of the business.
3. Managers appointed pursuant to paragraph 2 above shall inform and periodically remind Carrier Enterprise employees whose duties involve exports and other international business activities (including marketing, engineering, purchasing, and product/customer support) of their responsibilities under pertinent laws and regulations.