

USPPI RESPONSIBILITY INFORMATION SHEET

November 6, 2022 Page 1 / 2

WHAT IS AN EXPORT

Any item that is sent from the United States to a foreign destination is an export. "Items" include commodities, software or technology, such as clothing, building materials, circuit boards, automotive parts, blue prints, design plans, retail software packages, and technical information.

AM I THE U.S. PRINCIPAL PARTY IN INTEREST ("USPPI")?

The USPPI, as defined in the Foreign Trade Regulations ("FTR"), is the person in the United States that receives the primary benefit, monetary or otherwise, of the export transaction. In other words, if you are the recipient of the purchase order from the overseas party for cargo that is exported and you are invoicing them for the product, you are the USPPI no matter what the terms of sale are.

WHAT ARE MY RESPONSIBILITIES AS THE USPPI?

- **Determine Commodity Jurisdiction:** Which U.S. Government Agency controls my product? Are my products subject to the Export Administration Regulations ("EAR"), the U.S. Department of State' Directorate of Defense Controls ("DDTC") International Traffic and Arms Regulations ("ITAR") and/or other government agency such as the Nuclear Regulatory Commission ("NRC"), Drug Enforcement Administration ("DEA"), or Bureau of Alcohol and Tobacco & Firearms ("ATF")?
- **"Know Your Customer":** Do due diligence on the end user(s); know their intended end use; ensure that no party to the export transaction is on any of the U.S. Government's lists of restricted parties with whom U.S. companies and U.S. Persons cannot do business without proper U.S. Government authorization.
- **Classify Products for Statistics** (Schedule B or the US Harmonized Tariff Schedule - "USHTS") **and License Determination:** Commerce Control List ("CCL") ECCN or EAR99, or US Munitions List ("USML"). License requirements are dependent upon an item's classification, technical characteristics, ultimate destination, end- user, and end-use. Exporters must determine whether or not the product being exported requires a license or whether it qualifies for a license exception.
- **File Electronic Export Information ("EEI")** into the Automated Export System ("AES") or authorize your forwarder to file on your behalf by signing a Power of Attorney ("POA") or other written authorization such as a Shipper's Letter of Instruction ("SLI"). POAs should specify the responsibilities of the parties with particularity and should state that the forwarder has the authority to act on behalf of the Principal Party in Interest as its true and lawful agent for purpose of filing the Electronic Export Information ("EEI") in accordance with the laws and regulations of the U.S. Note: On "Routed Export Transactions", authorization is the responsibility of the Foreign Principal Party in Interest ("FPPI").
- Provide The Forwarder With Complete And Accurate Export Information including licensing information necessary for filing the EEI. In the case of a "Routed Export Transaction", the USPPI is still responsible to provide this information to their forwarder.
 - Name and address of the USPPI
 - USPPI Tax ID Number (EIN or DUNS)
 - Point of Origin
 - Schedule B (or USHTS) Number
 - Generic Commodity Description
 - Schedule B / USHTS Quantity and Unit of Measure
 - Value by Schedule B / USHTS
 - Domestic (D) or Foreign (F) Indicator
 - ECCN (or EAR99 if commodities are not on the Commerce Control List)
 - NLR, EAR License Exception Code, ITAR Exemption or License Number

USPPI RESPONSIBILITY INFORMATION SHEET

- Maintain Shipment Records according to the regulations of the controlling Government Agency; typically 5 years from the date of export.

WHAT ARE THE FORWARDER'S RESPONSIBILITIES?

- Obtain written authorization from the appropriate principal party in interest.
- Check government lists of restricted parties. This does not remove the responsibility from the USPPI.
- Complete and file Electronic Export Information ("EEI") via the Automated Export System ("AES") based on the information provided by the USPPI, if requested to do so by one of the principal parties. The forwarder relies on the accuracy of the information provided by the USPPI, but is responsible to question any information that might be incomplete or seemingly contradictory to U.S. Export regulations.
- On request, provide the USPPI with a copy of the information transmitted to AES on their behalf. We recommend that the USPPI ask their forwarder for this information.

USPPI CHECKLIST

- ☒ Are my products on the U.S. Munitions List (USML)?
- ☒ Are my products subject to the EAR - Export Administration Regulations?
- ☒ Are my products on the Commerce Control List (CCL)? If yes, they will have an Export Control Classification Number (ECCN).
- ☒ Do general prohibitions apply?
- ☒ Do you know the end user and end use of the product?
- ☒ Am I shipping to a destination of concern?
- ☒ Do I need a BIS (Dept. Of Commerce) License? or...
- ☒ Does my shipment qualify for a License Exception?
- ☒ Is there any indication of restrictive trade practices or boycott language?
- ☒ Did I provide my Forwarder with complete and accurate information required to file EEI, or an ITN (Internal Transaction Number) if I filed my own EEI?
- ☒ Did I provide my Forwarder with written authorization to file AES on my behalf? *Note: authorization is the responsibility of the FPPI on "Routed Export Transactions".*
- ☒ Did I request and receive a copy of the AES data transmission from my Forwarder?

"This document is intended to provide guidance and information only. It reflects the Forwarder's position on and interpretation of the applicable laws or regulations from the Code of Federal Regulations and does not in any way replace or supersede those laws or regulations. If it has any questions, USPPI should consult its counsel."