



ITAR COMPLIANCE STATEMENT



November 12, 2015

Subject: International Traffic in Arms Regulations (ITAR) Statement

Although Inside Track Cabling is not currently registered with the U.S. Department of State, compliance to International Trade in Arms Regulations remains stringently controlled and maintained. Why ITAR?

- ITAR registration is required for any U.S. company to manufacture controlled defense articles, defined on the U.S. Munitions List (USML) under the U.S. Department of State, and is a precondition to apply for an export license or exemption.
- Currently ITC's products are NOT controlled on the USML. They are classified under the U.S. Department of Commerce as EAR99 - No License Required.
- ITC has previously held ITAR registration at the request of our military customers and will be required to do so should a customer request a specially designed (customized) cable assembly meeting the criteria of a controlled item.
- Under the Export Control Reform issued in April 2013, the definition of "specially designed" has changed and will likely exclude any customized designs that we might produce for controlled military applications, based on the performance characteristics, form, fit, and function of our cable assemblies.
- As the Export Control Reform is applied and understood throughout the marketplace, ITC will re-evaluate the necessity of renewing our ITAR registration in the future.

As mentioned above, our custom manufactured cabling solutions are currently classified under the U.S. Department of Commerce as EAR99 (Uncontrolled - No License Required). At the request of our customers who manufacture controlled defense items, we have pursued ITAR registration in the past as an added level of assurance that ITC can protect any controlled technology transferred to us during the development of specially designed cable assemblies. In addition, should a customer request a specially designed cable assembly that meets the criteria of a controlled item on the U.S. Munitions List (USML), ITC will attain ITAR registration prior to manufacturing the controlled item and is able to seek an export license or other approval, if required.

As a high quality cable and harness manufacturer for over 15 years, we have successfully demonstrated our ability to keep our customers' transferred technology, sensitive product documents, and order details secure from unauthorized individuals. A formal Export Control Policy (ECP) and Electronic Transmission and Data Storage Policy (ET/DSP) are in place to ensure the secure transmittal and storage of digital and hard copies of drawings, correspondence, etc., and our employees have been trained to prevent unauthorized exportation.

In accordance with the U.S. Department of Commerce Export Administration Regulations (EAR), an ECP is required to prevent unauthorized exportation of protected items or products, information, or technology deemed to be sensitive to national security or economic interests. A copy of our Export Control Policy and Electronic Transmission and Data Storage Policy are available upon request from our Sales Department.

Prior ITAR Registration Code: M34544

Sincerely,

A handwritten signature in blue ink that reads "David L. James". Below the signature, the words "Authorized Signatory" are printed in a blue, sans-serif font.

David L. James
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