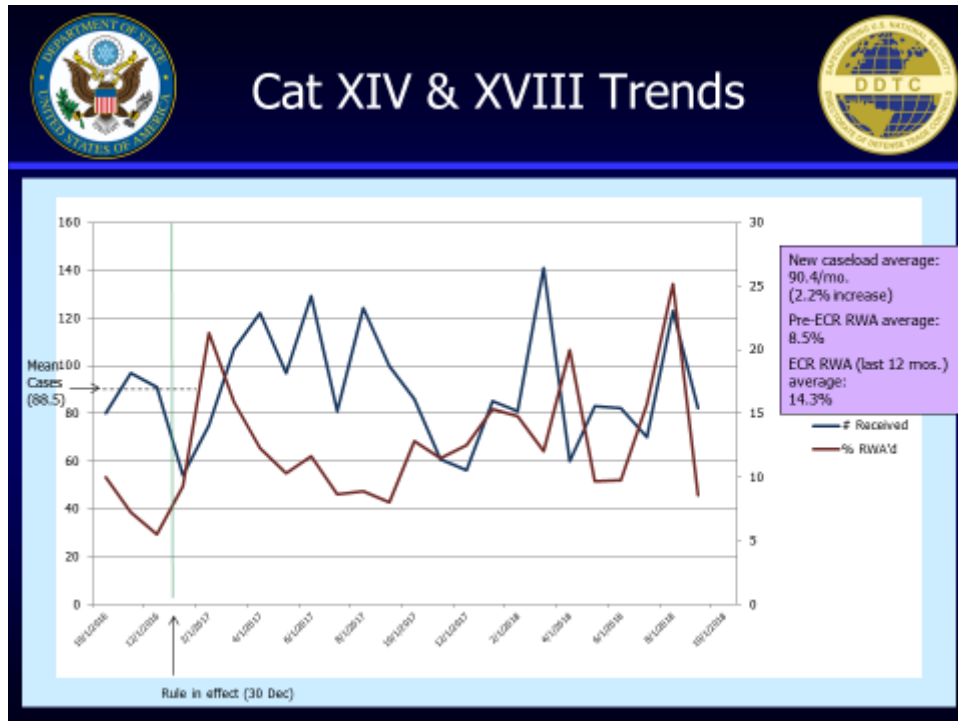


## License Applications and Exports

### The Sixth USML to CCL Regulatory Change Toxicological Agents

December 31, 2016 to September 30, 2018

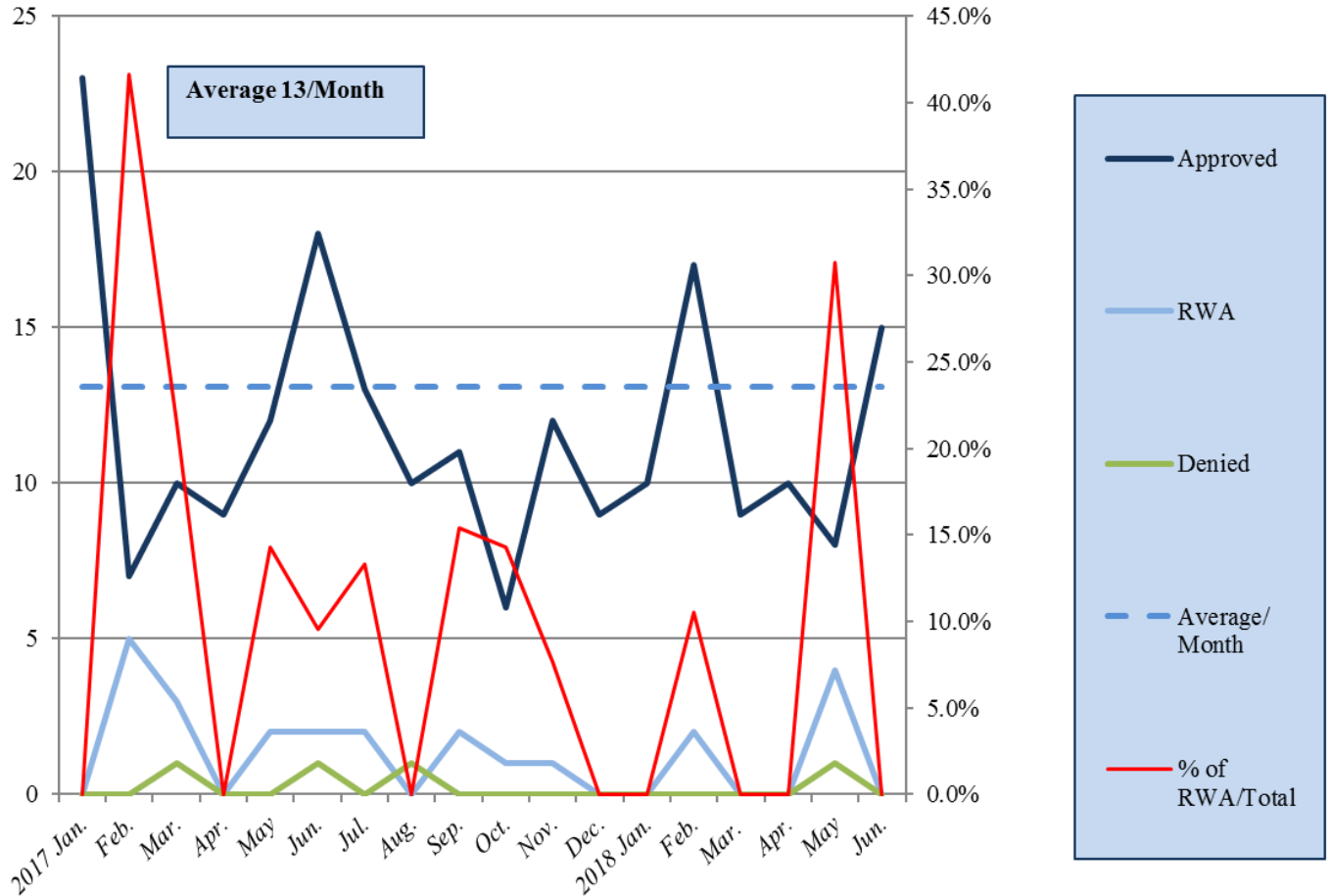
Contrary to the trend of decreasing license applications for all other USML to CCL regulatory changes, the license applications for items in category XIV – Toxicological Agents and Category XVIII – Directed Energy Weapons of the United States Munitions List (USML) have **increased** 2.2% from an average of 89 to 90 per month through September 30, 2018 since the Sixth USML to CCL Regulatory change became effective on December 30, 2016.



Source: The Directorate of Defense Trade Controls of the U.S. Department of State, October 26, 2018

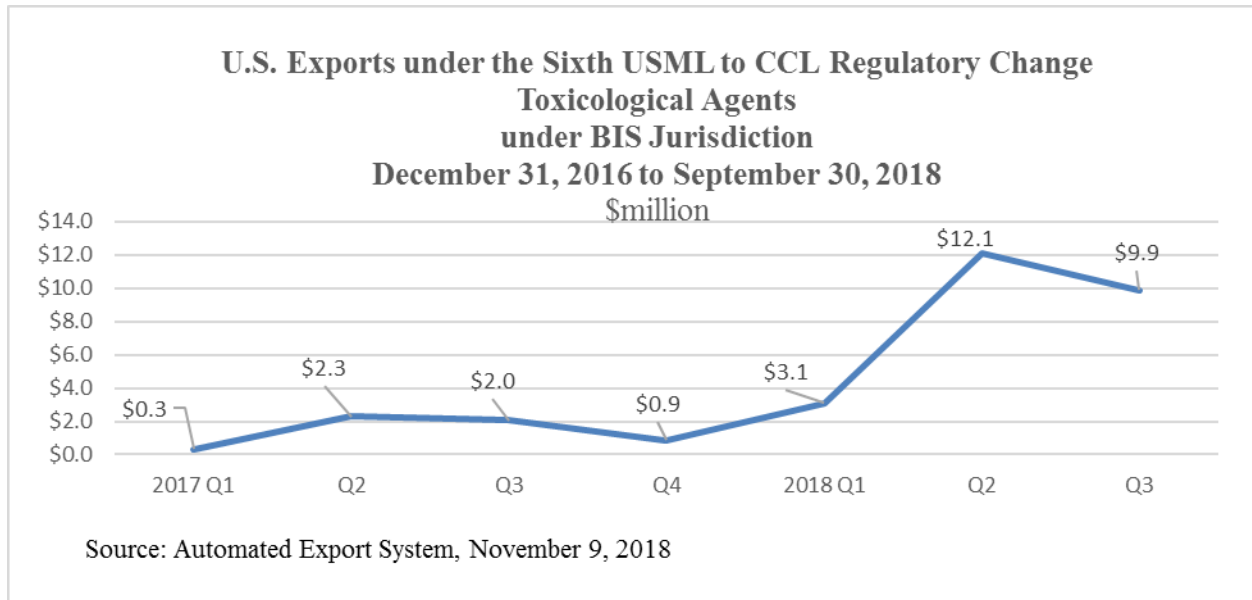
Since the sixth USML to CCL regulatory change became effective on December 31, 2016, the average number of BIS license applications for the eight 600-Series items created by this rule is 13 per month through September 30, 2017. The approval rate is 87.3%.

**BIS License Applications for the Sixth USML to CCL Regulatory Change**  
 December 31, 2016 to September 30, 2018



Source: Commerce U.S. Exports Exporter Support System, October 3, 2018

From the effective date of December 31, 2016 to September 30, 2018, U.S. exports of items in the sixth USML to CCL regulatory change –Toxicological Agents items (1x607) under BIS jurisdiction totaled 464 shipments for \$30.6 million.

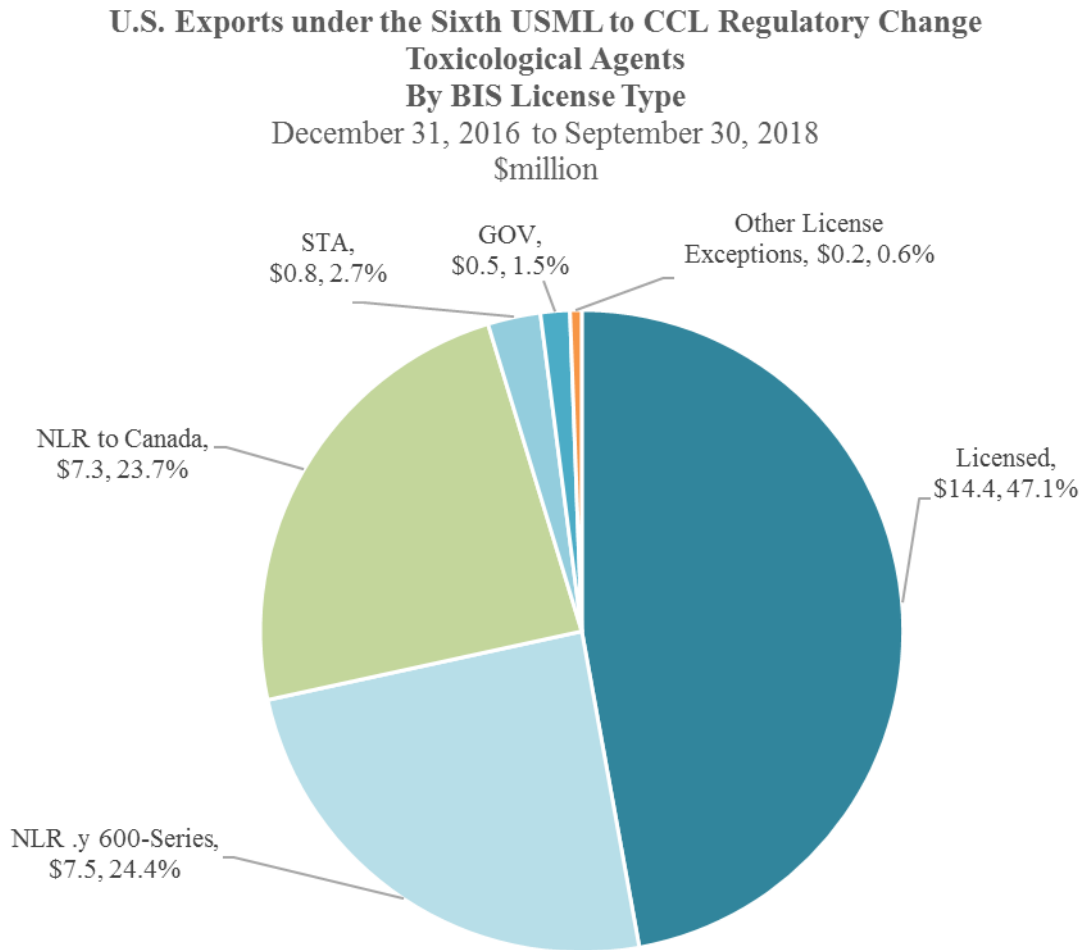


**The Sixth USML to CCL Regulatory Change - Toxicological Agents**  
 Top 10 Destinations of U.S. Exports under BIS Jurisdiction by Value  
 December 31, 2016 to September 30, 2018

| Country                              | Shipment Count | % of Total Shipment Count | Value \$million | % of Total Value |
|--------------------------------------|----------------|---------------------------|-----------------|------------------|
| Switzerland                          | 17             | 3.7%                      | \$11.9          | 39.0%            |
| Israel                               | 22             | 4.7%                      | \$6.4           | 21.0%            |
| Honduras                             | 7              | 1.5%                      | \$1.8           | 6.0%             |
| Japan                                | 11             | 2.4%                      | \$1.3           | 4.4%             |
| Turkey                               | 8              | 1.7%                      | \$1.0           | 3.1%             |
| Canada                               | 83             | 17.9%                     | \$0.9           | 2.8%             |
| China                                | 5              | 1.1%                      | \$0.6           | 2.1%             |
| Tunisia                              | 2              | 0.4%                      | \$0.6           | 2.0%             |
| Australia                            | 41             | 8.8%                      | \$0.6           | 1.9%             |
| Mexico                               | 11             | 2.4%                      | \$0.6           | 1.8%             |
| <b>Top 10 Total</b>                  | <b>207</b>     |                           | <b>\$25.7</b>   |                  |
| <b>Top 10 Total/<br/>Grand Total</b> |                | <b>44.6%</b>              |                 | <b>84.1%</b>     |
| <b>Grand Total</b>                   | <b>464</b>     |                           | <b>\$30.6</b>   |                  |

Source: Automated Export System, November 9, 2018

Of the \$30.6 million in U.S. exports of 600-series items in the sixth USML to CCL regulatory change under BIS jurisdiction from December 30, 2014 to September 30, 2018, licensed exports totaled \$14.4 million (47.1% of the total); No License Required for .y 600-series items totaled \$7.5 million (24.4%); and No License Required to Canada totaled \$7.3 million (23.7%).



Source: Automated Export System, November 9, 2018

BIS License Exceptions:

NLR: No License Required

STA: Strategic Trade Authorization

GOV: Governments, international organizations, international inspections under the Chemical Weapons Convention, and the International Space Station