meet a listing, we will determine whether your impairment(s) medically equals a listing. (See § 416.926 of this chapter.) Genitourinary disorders may be associated with disorders in other body systems, and we consider the combined effects of multiple impairments when we determine whether they medically equal a listing. If your impairment(s) does not medically equal a listing, we will also consider whether it functionally equals the listings. (See § 416.926a of this chapter.) We use the rules in § 416.929a of this chapter when we decide whether you continue to be disabled.

106.01 Category of Impairments, Genitourinary Disorders

106.03 Chronic kidney disease, with chronic hemodialysis or peritoneal dialysis (see 106.00C1).

106.04 Chronic kidney disease, with kidney transplant. Consider under a disability for 1 year following the transplant; thereafter, evaluate the residual impairment (see 106.00C2).

106.05 Chronic kidney disease, with impairment of kidney function, with one of the following documented on at least two occasions at least 90 days apart during a consecutive 12-month period:

A. Serum creatinine of 3 mg/dL or greater; OR
B. Creatinine clearance of 30 ml/min/1.73m² or less; OR
C. Estimated glomerular filtration rate (eGFR) of 30 ml/min/1.73m² or less.

106.06 Nephrotic syndrome, with A and B:

A. Laboratory findings as described in 1 or 2, documented on at least two occasions at least 90 days apart during a consecutive 12-month period:

1. Serum albumin of 3.0 g/dL or less; or
2. Proteinuria of 40 mg/m²/hr or less;

AND

B. Anasarca (see 106.00C3) persisting for at least 90 days despite prescribed treatment.

106.07 Congenital genitourinary disorder (see 106.00C4) requiring urologic surgical procedures at least three times in a consecutive 12-month period, with at least 30 days between procedures. Consider under a disability for 1 year following the date of the last surgery; thereafter, evaluate the residual impairment.

106.08 Complications of chronic kidney disease (see 106.00C5) requiring at least three hospitalizations within a consecutive 12-month period and occurring at least 30 days apart. Each hospitalization must last at least 48 hours, including hours in a hospital emergency department immediately before the hospitalization.

* * * * *

[FR Doc. 2014–24114 Filed 10–9–14; 8:45 am]
BILLING CODE 4191–02–P
Unfunded Mandates Reform Act of 1995

This rulemaking does not involve a mandate that will result in the expenditure by State, local, and tribal governments, in the aggregate, or by the private sector, of $100 million or more in any year and it will not significantly or uniquely affect small governments. Therefore, no actions were deemed necessary under the provisions of the Unfunded Mandates Reform Act of 1995.

Small Business Regulatory Enforcement Fairness Act of 1996

For purposes of the Small Business Regulatory Enforcement Fairness Act of 1996, a “major” rule is a rule that the Administrator of the OMB Office of Information and Regulatory Affairs finds has resulted or is likely to result in (1) an annual effect on the economy of $100,000,000 or more; (2) a major increase in costs or prices for consumers, individual industries, federal, state, or local government agencies, or geographic regions; or (3) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and foreign markets.

The Department does not believe this rulemaking will have an annual effect on the economy of $100,000,000 or more. Articles that are being removed from coverage in the U.S. Munitions List categories contained in this rule will still require licensing for export, but not from the Department of Commerce. While the licensing regime of the Department of Commerce is more flexible than that of the Department of State, it is not expected that the change in jurisdiction of these articles will result in an export difference of $100,000,000 or more.

The Department also does not believe that this rulemaking will result in a major increase in costs or prices for consumers, individual industries, federal, state, or local government agencies, or geographic regions, or have significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic and foreign markets.

Executive Orders 12372 and 13132

This rulemaking will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, it is determined that this rulemaking does not have sufficient federalism implications to require consultations or warrant the preparation of a federalism summary impact statement. The regulations implementing Executive Order 12372 regarding intergovernmental consultation on Federal programs and activities do not apply to this rulemaking.

Executive Orders 12866 and 13563

Executive Orders 12866 and 13563 direct agencies to assess costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety effects, distributed impacts, and equity). These executive orders stress the importance of quantifying both costs and benefits, of reducing costs, of harmonizing rules, and of promoting flexibility. This rulemaking has been designated a “significant regulatory action,” although not economically significant, under section 3(f) of Executive Order 12866. Accordingly, this rule has been reviewed by the Office of Management and Budget (OMB).

Executive Order 12988

The Department of State has reviewed this rulemaking in light of sections 3(a) and 3(b)(2) of Executive Order 12988 to eliminate ambiguity, minimize litigation, establish clear legal standards, and reduce burden.

Executive Order 13175

The Department of State has determined that this rulemaking will not have tribal implications, will not impose substantial direct compliance costs on Indian tribal governments, and will not preempt tribal law. Accordingly, the requirements of Executive Order 13175 do not apply to this rulemaking.

Paperwork Reduction Act

This rule does not impose or revise any reporting or recordkeeping requirements subject to the Paperwork Reduction Act, 44 U.S.C. Chapter 35.

List of Subjects

22 CFR Parts 120 and 121

Arms and munitions, Classified information, Exports.

22 CFR Part 123

Arms and munitions, Exports, Reporting and recordkeeping requirements.

22 CFR Part 126

Arms and munitions, Exports.

22 CFR Part 130

Arms and munitions, Campaign funds, Confidential business information, Exports, Reporting and recordkeeping requirements.

Accordingly, the Department of State amends 22 CFR chapter I as follows:

PART 120—PURPOSE AND DEFINITIONS

1. The authority citation for part 120 continues to read as follows:


2. Section 120.6 is revised to read as follows:

§ 120.6 Defense article.

Defense article means any item or technical data designated in § 121.1 of this subchapter. The policy described in § 120.3 is applicable to designations of additional items. This term includes technical data recorded or stored in any physical form, models, mockups or other items that reveal technical data directly relating to items designated in § 121.1 of this subchapter. It also includes forgings, castings, and other unfinished products, such as extrusions and machined bodies, that have reached a stage in manufacturing where they are clearly identifiable by mechanical properties, material composition, geometry, or function as defense articles. It does not include basic marketing information on function or purpose or general system descriptions.

3. Section 120.10 is amended by revising paragraph (a)(4) to read as follows:

§ 120.10 Technical data.

(a) * * *

(4) Software (see § 120.45(f)) directly related to defense articles.

* * * * * *

4. Section 120.41 is amended by revising paragraph (a) introductory text, paragraph (a)(2), and the note to paragraph (b), to read as follows:

§ 120.41 Specially designed.

(a) Except for commodities or software described in paragraph (b) of
unlimited to the system functional design, logic flow, algorithms, application programs, operating systems, and support software for design, implementation, test, operation, diagnosis and repair. A person who intends to export only software should, unless it is specifically enumerated in §121.1 of this subchapter (e.g., USML Category XIII(b)), apply for a technical data license pursuant to part 125 of this subchapter.

(g) A system is a combination of parts, components, accessories, attachments, firmware, software, equipment, or end-items that operate together to perform a function.

Note to paragraph (g): The industrial standards established by INCOSE and NASA provide examples for when commodities and software operate together to perform a function as a system. References to these standards are included in this note to provide examples for when commodities or software operate together to perform a function as a system. See the INCOSE standards for what constitutes a system at: http://g2sebok.incose.org/app/mss/asset.cfm?ID=INCOSE%2602g2SEBOK %20200%20ST=F, and in INCOSE SE Handbook v3.1 2007; ISO/IEC 15288:2008. See the NASA standards for examples of what constitutes a system in NASA SE Handbook SP–2007–6105 Rev 1.

(h) Equipment is a combination of parts, components, accessories, attachments, firmware, or software that operate together to perform a function of, as, or for an end-item or system. Equipment may be a subset of an end-item based on the characteristics of the equipment. Equipment that meets the definition of an end-item is an end-item. Equipment that does not meet the definition of an end-item is a component, accessory, attachment, firmware, or software.

PART 121—THE UNITED STATES MUNITIONS LIST

6. The authority citation for part 121 continues to read as follows:


7. Section 121.1 is amended by:

a. Revising the section heading;

b. Revising the final sentence of paragraph (b)(2), in two places in paragraph (i) of Category I, in two places in paragraph (k) of Category II, in two places in paragraph (e) of Category III, in one place in paragraph (i) of Category IV, in one place in Note 1 to paragraph (i) of Category VI, in one place in Note to paragraph (h)(1) of Category VIII, in one place in paragraph (e) of Category IX, in one place in paragraph (d) of Category XI, in two places in paragraph (f) of Category XII, in two places in paragraph (l) of Category XIII, in two places in paragraph (m) of Category XIV, in two places in paragraph (f) of Category XV, in one place in paragraph (e) of Category XVI, in two places in paragraph (f) of Category XVIII, in one place in paragraph (g) of Category XIX, in one place in paragraph (d) of Category XX;

c. Removing the word “enumerated” in adding in its place the word “described” in paragraph (j) of Category V;

d. Revising paragraphs (a) and (b), and adding the note to paragraph (b)(4), and the note to paragraphs (a) and (b) in Category VI;

e. Revising paragraphs (a) introductory text, (b), (c), and (e), and adding the note to paragraph (c), and note 1, note 2, and note 3 to Category VII in Category VII;

f. Revising paragraphs (a) introductory text, (a)(9), (a)(11), (a)(12), (a)(13), adding paragraphs (a)(14), (a)(15), and (a)(16), revising paragraphs (b)(3), (b)(6), (b)(14), (b)(15), and (b)(23), adding note 1 and note 2 to paragraph (a)(11), and note 1 to paragraph (a), and redesigning the note to paragraph (a) as note 2 to paragraph (a) in Category VIII;

i. Revising the title of Category IX, removing the note to paragraph (e) of Category IX, and revising paragraph (e) of Category IX;

j. Adding note to paragraph (f)(1) in Category XIX; and

k. Revising paragraphs (a) introductory text, (a)(1), and (a)(4), redesignating paragraphs (a)(6), (a)(7), and notes 1 through 3 of paragraph (a)(7) as paragraphs (a)(6), (a)(8), and notes 1 through 3 of paragraph (a)(8), respectively, adding a new paragraph (a)(6) and revising paragraph (a)(7) in Category XX.

The revisions and additions read as follows:

§ 121.1 The United States Munitions List.

* * * * *
(2) * * * * Most U.S. Munitions List categories contain an entry on technical data (see § 120.10 of this subchapter) and defense services (see § 120.9 of this subchapter) related to the defense articles described in that U.S. Munitions List category.
* * * * *

**Category II—Guns and Armament**

*(a) Guns over caliber .50 (i.e., 12.7 mm), whether towed, airborne, self-propelled, or fixed, including but not limited to, howitzers, mortars, cannons, recoilless rifles, and grenade launchers.
* * * * *

**Category VI—Surface Vessels of War and Special Naval Equipment**

*(a) Warships and other combatant vessels (i.e., battleships, aircraft carriers, destroyers, frigates, cruisers, corvettes, littoral combat ships, mine sweepers, mine hunters, mine countermeasure ships, dock landing ships, amphibious assault ships), Coast Guard Cutters (with or equivalent to those with U.S. designsations WHC, WMEC, WMSL, or WPB for the purpose of this subchapter), or foreign-origin vessels specially designed to provide functions equivalent to those of the vessels listed above;
(b) Other vessels not controlled in paragraph (a) of this category, as follows:
(1) High-speed air cushion vessels for transporting cargo and personnel, ship-to-shore and across a beach, with a payload over 25 tons;
(2) Surface vessels integrated with nuclear propulsion plants or specially designed to support naval nuclear propulsion plants;
(3) Vessels armed or specially designed to be used as a platform to deliver munitions or otherwise destroy or incapacitate targets (e.g., firing lasers, launching torpedoes, rockets, or missiles, or firing munitions greater than .50 caliber); or
(4) Vessels incorporating any mission systems controlled under this subchapter.

*Note to paragraph (b)(4): “Mission systems” are defined as “systems” (see § 120.45(g) of this subchapter) that are defense articles that perform specific military functions, such as by providing military communication, target designation, surveillance, target detection, or sensor capabilities.
* * * * *

**(b) Ground vehicles (not enumerated in paragraph (a) of this category) and trailers that are armed or are specially designed to be used as a firing or launch platform to deliver munitions or otherwise destroy or incapacitate targets (e.g., firing lasers, launching rockets, firing missiles, firing mortars, firing artillery rounds, or firing other ammunition greater than .50 caliber) (MT if specially designed for rockets, space launch vehicles, missiles, drones, or unmanned aerial vehicles capable of delivering a payload of at least 500 kg to a range of at least 300 km).
(c) Ground vehicles and trailers equipped with any mission systems controlled under this subchapter (MT if specially designed for rockets, space launch vehicles, missiles, drones, or unmanned aerial vehicles capable of delivering a payload of at least 500 kg to a range of at least 300 km).

d Note to paragraph (c): “Mission systems” are defined as “systems” (see § 120.45(g) of this subchapter) that are defense articles that perform specific military functions, such as by providing military communication, target designation, surveillance, target detection, or sensor capabilities.
* * * * *

*(e) Armored support vehicles capable of off-road or amphibious use specially designed to transport or deploy personnel or materiel, or to move with other vehicles over land in close support of combat vehicles or troops (e.g., personnel carriers, resupply vehicles, combat engineer vehicles, recovery vehicles, reconnaissance vehicles, bridge launching vehicles, ambulances, and command and control vehicles).

*Note 1 to Category VII: Ground vehicles specially designed for military applications that are not identified in this category are subject to the EAR under ECCN 6A606, including any armoured ground vehicles, regardless of origin or designation, manufactured prior to 1950 and unmodified since 1949. Vehicles with modifications made to incorporate safety features required by law, are cosmetic (e.g., different paint), or that add parts or components otherwise available prior to 1950 are considered “unmodified” for the purposes of this paragraph. ECCN 0A606 also includes unarmed vehicles derived from otherwise EAR99 civilian vehicles that have been modified or otherwise fitted with materials to provide ballistic protection, including protection to level III (National Institute of Justice Standard 0108.01, September 1985) or better and that do not have reactive or electromagnetic armor.

Note 2 to Category VII: Armored ground vehicles are (i) ground vehicles that have integrated, fully armored hulls or cabs, or (ii) ground vehicles on which add-on armor has been installed to provide ballistic protection to level III (National Institute of Justice Standard 0108.01, September 1985) or better. Armored support vehicles do not include those that are merely capable of being equipped with add-on armor.

Note 3 to Category VII: Ground vehicles include any vehicle meeting the definitions or control parameters regardless of the surface (e.g., highway, off-road, rail) upon which the vehicle is designed to operate.
* * * * *

**Category VIII—Aircraft and Related Articles**

(a) Aircraft, as follows:
* * * * *

(9) Air refueling aircraft;
* * * * *

(11) Aircraft incorporating any mission system controlled under this subchapter:

*Note 1 to paragraph (a)(11): “Mission systems” are defined as “systems” (see § 120.45(g) of this subchapter) that are defense articles that perform specific military functions such as by providing military communication, electronic warfare, target designation, surveillance, target detection, or sensor capabilities.

Note 2 to paragraph (a)(11): This does not include tethered aerostats. Mission systems incorporated on otherwise EAR-controlled aerostats are controlled as the mission systems themselves just as if they were mounted, for example, on a tower or a pole.

(12) Aircraft capable of being refueled in flight including hover-in-flight refueling (HIFR);

*(13) Optionally Piloted Vehicles (OPV) (i.e. aircraft specially designed to operate with and without a pilot physically located in the aircraft) (MT if the OPV has a range equal to or greater than 300km);
(14) Aircraft with a roll-on/roll-off ramp, capable of airlifting payloads over 35,000 lbs. to ranges over 2,000 nm without being refueled in-flight, and landing onto short or unimproved airfields;

*(15) Aircraft not enumerated in paragraphs (a)(1) through (a)(14) as follows:

(i) U.S.-origin aircraft that bear an original military designation of A, B, E, F, K, M, P, R, or S; or

(ii) Foreign-origin aircraft specially designed to provide functions equivalent to those of the aircraft listed in paragraph (a)(15)(i) of this category; or

(16) are armed or are specially designed to be used as a platform to deliver munitions or otherwise destroy targets (e.g., firing lasers, launching rockets, firing missiles, dropping bombs, or strafing);

Note 1 to paragraph (a): Aircraft specially designed for military applications that are not identified in paragraph (a) of this section are subject to the EAR and classified as ECCN 9A610, including any unmarked military aircraft, regardless of origin or designation, manufactured prior to 1956 and unmodified since manufacture. Aircraft with modifications made to incorporate safety of flight features or other FAA or NTSB modifications such as transponders and air data recorders are considered “unmodified” for the purposes of this paragraph.

* * * * *

(h) * * *

(3) Tail boom folding systems, stabilator folding systems or automatic rotor blade folding systems, and specially designed parts and components therefor;

* * * * *

(6) Bomb racks, missile launchers, missile rails, weapon pylons, pylon-to-launcher adapters, unmanned aerial vehicle (UAV) airborne launching systems, external stores support systems for ordinance or weapons, and specially designed parts and components therefor (MT if the bomb rack, missile launcher, missile rail, weapon pylon, pylon-to-launcher adapter, UAV airborne launching system, or external stores support system is for a UAV, drone, or missile that has a “range” equal to or greater than 300 km);

* * * * *

(13) Aircraft Lithium-ion batteries that provide greater than 38VDC nominal;

* * * * *

(15) Integrated helmets incorporating optical sights or slewing devices, which include the ability to aim, launch, track, or manage munitions (e.g., Helmet Mounted Cueing Systems, Joint Helmet Mounted Cueing Systems (JHMCS), Helmet Mounted Displays, Display and Sight Helmets (DASH)), and specially designed parts, components, accessories, and attachments therefor;

* * * * *

(23) Electricity-generating fuel cells specially designed for aircraft controlled in this category or controlled in ECCN 9A610;

* * * * *

Category IX—Military Training Equipment and Training

* * * * *

(e) Technical data (see § 120.10 of this subchapter) and defense services (see § 120.9 of this subchapter):

(1) Directly related to the defense articles enumerated in paragraphs (a) and (b) of this category:

(2) Directly related to the software and associated databases enumerated in paragraph (b)(4) of this category even if no defense articles are used or transferred; or

(3) Military training (see, § 120.9(a)(3) of this subchapter) not directly related to defense articles or technical data enumerated in this subchapter.

* * * * *

Category XIX—Gas Turbine Engines and Associated Equipment

* * * * *

(f) * * *

(1) * * *

Note to paragraph (f)(1): Specially designed (see § 120.41(b)(3)(ii) of this subchapter) does not control parts, components, accessories, and attachments that are common to engines enumerated in paragraph (a) through (d) of this category but not identified in paragraph (f)(1), and those identified in paragraph (f)(1). For example, a part common to only the F110 and F136 is not specially designed for purposes of the ITAR. A part common to only the F119 and F135—two engine models identified in paragraph (f)(1)—is specially designed.

* * * * *

Category XX—Submersible Vessels and Related Articles

(a) Submersible and semi-submersible vessels that are:

*(1) Submarines specially designed for military use;

* * * * *

(4) Armed or are specially designed to be used as a platform to deliver munitions or otherwise destroy or incapacitate targets (e.g., firing torpedoes, launching rockets, firing missiles, deploying mines, deploying countermeasures) or deploy military payloads;

* * * * *

(6) Integrated with nuclear propulsion systems;

(7) Equipped with any mission systems controlled under this subchapter; or

Note to paragraph (a)(7): “Mission system” is defined as a “system” (see § 120.45(g) of this subchapter) that are defense articles that perform specific military functions such as by providing military communication, electronic warfare, target designation, surveillance, target detection, or sensor capabilities.

* * * * *

8. Sections 121.2, 121.3, 121.4, 121.8, 121.10, 121.14, and 121.15 are removed and reserved.

PART 123—LICENSES FOR THE EXPORT AND TEMPORARY IMPORT OF DEFENSE ARTICLES

9. The authority citation for part 123 continues to read as follows:


10. Section 123.1 is amended by removing the word “enumerated” and adding in its place the word “described” in one place in paragraph (b)(1).

11. Section 123.16 is amended by revising paragraph (b)(4) to read as follows:

§ 123.16 Exemptions of general applicability.

* * * * *

(b) * * *

(4) Port Directors of U.S. Customs and Border Protection shall permit the export without a license, of unclassified models or mock-ups of defense articles, provided that such models or mock-ups are inoperable and do not reveal any technical data in excess of that which is exempted from the licensing requirements of § 125.4(b) of this subchapter and do not contain components (see § 120.45(b) of this subchapter) covered by the U.S. Munitions List (see § 121.1 of this subchapter). Some models or mockups built to scale or constructed of original materials can reveal technical data. U.S. persons who avail themselves of this exemption must provide a written certification to the Port Director of U.S. Customs and Border Protection that these conditions are met. This exemption does not imply that the
Directorate of Defense Trade Controls will approve the export of any defense articles for which models or mocks-ups have been exported pursuant to this exemption.

**PART 126—GENERAL POLICIES AND PROVISIONS**

12. The authority citation for part 126 continues to read as follows:

**§ 126.1 [Amended]**

[*An “X” in the chart indicates that the item is excluded from use under the exemption referenced in the top of the column. An item excluded in any one row is excluded regardless of whether other rows may contain a description that would include the item.*]

<table>
<thead>
<tr>
<th>USML Category</th>
<th>Exclusion</th>
<th>(CA) § 126.5</th>
<th>(AS) § 126.16</th>
<th>(UK) § 126.17</th>
</tr>
</thead>
<tbody>
<tr>
<td>I–XXI ..........</td>
<td>Classified defense articles and services. See Note 1</td>
<td>X X X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>Defense articles listed in the Missile Technology Control Regime (MTCR) Annex</td>
<td>X X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>U.S. origin defense articles and services used for marketing purposes and not previously licensed for export in accordance with this subchapter.</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>Defense services for or technical data related to defense articles identified in this supplement as excluded from the Canadian exemption.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>Any transaction involving the export of defense articles and services for which congressional notification is required in accordance with §123.15 and §124.11 of this subchapter.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>U.S. origin defense articles and services specific to developmental systems that have not obtained written Milestone B approval from the U.S. Department of Defense milestone approval authorities. See Note 14.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>Nuclear weapons strategic delivery systems and all components, parts, accessories, and attachments specifically designed for such systems and associated equipment.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>Defense articles and services specific to the existence or method of compliance with anti-tamper measures, where such measures are readily identifiable, made at originating Government direction.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>Defense articles and services specific to reduced observables or counter low observables in any part of the spectrum. See Note 2.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>Defense articles and services specific to sensor fusion beyond that required for display or identification correlation. See Note 3.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>Defense articles and services specific to the automatic target acquisition or recognition and cueing of multiple autonomous unmanned systems.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>Nuclear power generating equipment or propulsion equipment (e.g., nuclear reactors), specifically designed for military use and components therefor, specifically designed for military use. See also §123.20 of this subchapter.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>Libraries (parametric technical databases) specially designed for military use with equipment controlled on the USML. See Note 13.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>Defense services or technical data specific to applied research as defined in §125.4(c)(3) of this subchapter, design methodology as defined in §125.4(c)(4) of this subchapter, engineering analysis as defined in §125.4(c)(5) of this subchapter, or manufacturing know-how as defined in §125.4(c)(6) of this subchapter. See Note 12.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>I–XXI ..........</td>
<td>Defense services other than those required to prepare a quote or bid proposal in response to a written request from a department or agency of the United States Federal Government or from a Canadian Federal, Provincial, or Territorial Government; or defense services other than those required to produce, design, assemble, maintain or service a defense article for use by a registered U.S. company, or a U.S. Federal Government Program, or for end-use in a Canadian Federal, Provincial, or Territorial Government Program. See Note 14.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I ..........</td>
<td>Firearms, close assault weapons, and combat shotguns</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>II(k) ..........</td>
<td>Manufacturing know-how related to USML Category II(d), See Note 5</td>
<td>X X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>III ..........</td>
<td>Ammunition for firearms, close assault weapons, and combat shotguns listed in USML Category I</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>III ..........</td>
<td>Defense articles and services specific to ammunition and fuse setting devices for guns and armament controlled in USML Category II.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>III(e) ..........</td>
<td>Manufacturing know-how related to USML Category III(d)(1) or III(d)(2) and their specially designed components. See Note 5.</td>
<td>X X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>III(e) ..........</td>
<td>Software source code related to USML Category III(d)(1) or III(d)(2), See Note 4</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>IV ..........</td>
<td>Defense articles and services specific to man-portable air defense systems (MANPADS). See Note 6.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>IV ..........</td>
<td>Defense articles and services specific to rockets, designed or modified for non-military applications that do not have a range of 300 km (i.e., not controlled on the MTCR Annex).</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>IV ..........</td>
<td>Defense articles and services specific to torpedoes</td>
<td>X</td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>IV ..........</td>
<td>Defense articles and services specific to anti-personnel landmines. See Note 15</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>


13. Section 126.1 is amended by removing the word “enumerated” and adding in its place the word “described” in one place in paragraph (c).
## SUPPLEMENT NO. 1*—Continued

*An “X” in the chart indicates that the item is excluded from use under the exemption referenced in the top of the column. An item excluded in any one row is excluded regardless of whether other rows may contain a description that would include the item.*

<table>
<thead>
<tr>
<th>USML Category</th>
<th>Exclusion</th>
<th>(CA) § 126.5</th>
<th>(AS) § 126.16</th>
<th>(UK) § 126.17</th>
</tr>
</thead>
<tbody>
<tr>
<td>IV(i)</td>
<td>Software source code related to USML Category IV(a), IV(b), IV(c), or IV(g). See Note 4</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>IV(i)</td>
<td>Manufacturing know-how related to USML Category IV(a), IV(b), IV(d), or IV(g) and their specially designed components. See Note 5.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>V</td>
<td>The following energetic materials and related substances:</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. TATB (triaminotrinobenzene) (CAS 3058–38–6);</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Explosives controlled in USML Category V(a)(38);</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>c. Iron powder (CAS 7439–89–6) with particle size of 3 micrometers or less produced by reduction of iron oxide with hydrogen;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>d. BOBB–8 (bis(2-methylaziridinyl)(2-(2-hydroxypropanoxy) propylamino phosphine oxide), and other MAPO derivatives;</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>e. N-methyl-p-nitroaniline (CAS 100–15–2); or</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td></td>
<td>f. Trinitrophenylmethyltrinitramine (tetryl) (CAS 479–45–8)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>V(a)(13)</td>
<td>ANF or ANAzF as described in USML Category V(a)(13)(iii) and (iv)</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>V(a)(23)</td>
<td>Difluorinated derivative of RDX as described in USML Category V(a)(23)(iii)</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>V(c)(7)</td>
<td>Pyrotechnics and pyrophorics specifically formulated for military purposes to enhance or control radiated energy in any part of the IR spectrum.</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>V(d)(3)</td>
<td>Bis-2, 2-dinitropropyl nitrate (BDNPN)</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>VI(v)</td>
<td>Developmental explosives, propellants, pyrotechnics, fuels, oxidizers, binders, additives, or precursors thereof, funded by the Department of Defense via contract or other funding authorization in accordance with notes 1 to 3 for USML Category VI(v). This exclusion does not apply if such export is pursuant to a written solicitation or contract issued or awarded by the U.S. Department of Defense for an end-use identified in paragraph (e)(1), (e)(2), or (e)(4) of § 126.16 or § 126.17 of this subchapter and is consistent with other exclusions of this supplement.</td>
<td></td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>VI(d)</td>
<td>Defense articles and services specific to superconductive electrical equipment (rotating machinery and transformers) specially designed or configured to be installed in a vehicle for military ground, marine, airborne, or space applications, capable of operating while in motion. This, however, does not include direct current hybrid homopolar generators which have single-pole normal metal armatures which rotate in a magnetic field produced by superconducting windings, provided those windings are the only superconducting component in the generator.</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VI(e)</td>
<td>Nuclear powered vessels</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>VI(g)</td>
<td>Software source code related to USML Category VI(a) or VI(c). See Note 4</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>VII</td>
<td>Defense articles and services specific to cryogenic equipment, and specially designed components or accessories thereof, specially designed or configured to be installed in a vehicle for military ground, marine, airborne or space applications, capable of operating while in motion.</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>VII</td>
<td>Defense articles and services specific to superconductive electrical equipment (rotating machinery and transformers) specially designed or configured to be installed in a vehicle for military ground, marine, airborne or space applications, capable of operating while in motion. This, however, does not include direct current hybrid homopolar generators which have single-pole normal metal armatures which rotate in a magnetic field produced by superconducting windings, provided those windings are the only superconducting component in the generator.</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>VIII</td>
<td>Defense articles and services specific to cryogenic equipment, and specially designed components or accessories thereof, specially designed or configured to be installed in a vehicle for military ground, marine, airborne or space applications, capable of operating while in motion. This, however, does not include direct current hybrid homopolar generators which have single-pole normal metal armatures which rotate in a magnetic field produced by superconducting windings, provided those windings are the only superconducting component in the generator.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>VIII(a)</td>
<td>All USML Category VIII(a) items</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>VIII(f)</td>
<td>Developmental aircraft parts, components, accessories, and attachments identified in USML Category VIII(f).</td>
<td></td>
<td></td>
<td>X</td>
</tr>
<tr>
<td>VIII(i)</td>
<td>Manufacturing know-how related to USML Category VIII(a) or VIII(e), and specially designed parts or components thereof. See Note 5.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>VIII(i)</td>
<td>Software source code related to USML Category VIII(a) or VIII(e). See Note 4</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>IX</td>
<td>Training or simulation equipment for Man Portable Air Defense Systems (MANPADS). See Note 6</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>IX(e)</td>
<td>Software source code related to USML Category IX(a) or IX(b). See Note 4</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>IX(e)</td>
<td>Software that is both specifically designed or modified for military use and specifically designed or modified for modeling or simulating military operational scenarios.</td>
<td></td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>
**SUPPLEMENT NO. 1*—Continued**

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<th>(AS) § 126.16</th>
<th>(UK) § 126.17</th>
</tr>
</thead>
<tbody>
<tr>
<td>X(e)</td>
<td>Manufacturing know-how related to USML Category X(a)(1) or X(a)(2), and specially designed components therefor. See Note 5.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>X(l)</td>
<td>Defense articles and services specific to countermeasures and counter-countermeasures See Note 9.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>X(a)</td>
<td>High Frequency and Phased Array Microwave Radar systems, with capabilities such as search, acquisition, tracking, moving target indication, and imaging radar systems. See Note 16.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XI(b)</td>
<td>Defense articles and services specific to naval technology and systems relating to acoustic spectrum control and awareness. See Note 10.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XI(c)</td>
<td>Defense articles and services specific to USML Category XI (b) (e.g., communications security (COMSEC) and TEMPEST).</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XI(d)</td>
<td>Software source code related to USML Category XI(a). See Note 4</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XI(e)</td>
<td>Manufacturing know-how related to USML Category XI(a)(3) or XI(a)(4), and specially designed components therefor. See Note 5.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XII</td>
<td>Defense articles and services specific to countermeasures and counter-countermeasures. See Note 9.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XII(c)</td>
<td>Defense articles and services specific to USML Category XII(c) articles, except any 1st- and 2nd-generation image intensification tubes and 1st- and 2nd-generation image intensification night fighting equipment. End-items in USML Category XII(c) and related technical data limited to basic operations, maintenance, and training information as authorized under the exemption in § 125.4(b)(5) of this subchapter may be exported directly to a Canadian Government entity (i.e., federal, provincial, territorial, or municipal) consistent with § 126.5, other exclusions, and the provisions of this subchapter.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XII(f)</td>
<td>Technical data or defense services for night vision equipment beyond basic operations, maintenance, and training data. However, the AS and UK Treaty exemptions apply when such export is pursuant to a written solicitation or contract issued or awarded by the U.S. Department of Defense for an end-use identified in paragraph (e)(1), (e)(2), or (e)(4) of § 126.16 or § 126.17 of this subchapter and is consistent with other exclusions of this supplement.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XII(f)</td>
<td>Manufacturing know-how related to USML Category XII(d) and specially designed components therefor. See Note 5.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XII(g)</td>
<td>Software source code related to USML Category XII(a), XII(b), XII(c), or XII(d). See Note 4</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XII(h)</td>
<td>Defense articles and services specific to USML Category XII(b) (Military Information Security Assurance Systems, cryptographic devices, software, and components).</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XII(i)</td>
<td>Carbon/carbon billets and preforms which are reinforced in three or more dimensional planes, specifically designed, developed, modified, configured or adapted for defense articles.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XII(l)</td>
<td>Defense articles and services specific to armored plate manufactured to comply with a military standard or specification or suitable for military use. See Note 11.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XIII</td>
<td>Defense articles and services related to concealment and deception equipment and materials</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XIII(a)</td>
<td>Energy conversion devices other than fuel cells</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XIII(b)</td>
<td>Defense articles and services related to hardware associated with the measurement or modification of system signatures for detection of defense articles as described in Note 2.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XIII(c)</td>
<td>Software source code related to USML Category XIII(a). See Note 4</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XIV</td>
<td>Defense articles and services related to toxicological agents, including chemical agents, biological agents, and associated equipment.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XIV(a)</td>
<td>Chemical agents listed in USML Category XIV(a), (d) and (e), biological agents and biologically derived substances in USML Category XIV(b), and equipment listed in USML Category XIV(f) for dissemination of the chemical agents and biological agents listed in USML Category XIV(a), (b), (d), and (e).</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XV(a)</td>
<td>Defense articles and services specific to spacecraft/satellites. However, the Canadian exemption may be used for commercial communications satellites that have no other type of payload.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XV(b)</td>
<td>Defense articles and services specific to ground control stations for spacecraft telemetry, tracking, and control. Defense articles and services are not excluded under this entry if they do not control the spacecraft. Receivers for receiving satellite transmissions are also not excluded under this entry.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XV(c)</td>
<td>Defense articles and services specific to GPS/PPS security modules</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XV(e)</td>
<td>Defense articles controlled in USML Category XV(c) except end-items for end-use by the Federal Government of Canada exported directly or indirectly through a Canadian-registered person.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XV(e)</td>
<td>Anti-jam systems with the ability to respond to incoming interference by adaptively reducing antenna gain (nulling) in the direction of the interference.</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XV(e)</td>
<td>Antennas having any of the following: a. Aperture (overall dimension of the radiating portions of the antenna) greater than 30 feet; b. All sidelobes less than or equal to -35 dB relative to the peak of the main beam; or c. Designed, modified, or configured to provide coverage area on the surface of the earth less than 200 nautical miles in diameter, where “coverage area” is defined as that area on the surface of the earth that is illuminated by the main beam width of the antenna (which is the angular distance between half power points of the beam).</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
<tr>
<td>XV(e)</td>
<td>Optical intersatellite data links (cross links) and optical ground satellite terminals</td>
<td>X</td>
<td>X</td>
<td>X</td>
</tr>
</tbody>
</table>
### USML Category | Exclusion | (CA) | (AS) | (UK)
--- | --- | --- | --- | ---
XV(e) | Spaceborne regenerative baseband processing (direct up and down conversion to and from baseband equipment). | X | | |
XV(e) | Propulsion systems which permit acceleration of the satellite on-orbit (i.e., after mission orbit injection) at rates greater than 0.1 g. | | | X |
XV(e) | Attitude control and determination systems designed to provide spacecraft pointing determination and control or payload pointing system control better than 0.02 degrees per axis. | | | X |
XV(e) | All specifically designed or modified systems, components, parts, accessories, attachments, and associated equipment for any USML Category XV(a) items, except when specifically designed or modified for use in commercial communications satellites. | | | |
XV(e) | Defense articles and services specific to spacecraft and ground control station systems (only for telemetry, tracking and control as controlled in USML Category XV(b)), subsystems, components, parts, accessories, attachments, and associated equipment | | | |
XV(f) | Technical data and defense services directly related to the other defense articles excluded from the exemptions for USML Category XV. | X | X | X |
XVI | Defense articles and services specific to design and testing of nuclear weapons | X | X | X |
XVII | Classified articles, and technical data and defense services relating thereto, not elsewhere enumerated. See Note 1. | X | X | X |
XVIII | Defense articles and services specific to directed energy weapon systems | X | X |
XIX(e) | Defense articles and services specific to gas turbine engine hot section components and to Full Authority Digital Engine Control Systems (FADEC) or Digital Electronic Engine Controls (DEEC). See Note 8. | | X | |
XIX(g) | Technical data and defense services for gas turbine engine hot sections. (This does not include hardware). See Note 8. | | X | X |
XX | Defense articles and services related to submersible vessels, oceanographic, and associated equipment. | | X | X |
XX | Defense articles and services specific to naval technology and systems relating to acoustic spectrum control and awareness. See Note 10. | | X | X |
XX | Defense articles specific to cryogenic equipment, and specially designed components or accessories thereof, specially designed or configured to be installed in a vehicle for military ground, marine, airborne or space applications, capable of operating while in motion and of producing or maintaining temperatures below 103 K (~170°C). | | X | X |
XX | Defense articles specific to superconductive electrical equipment (rotating machinery and transformers) specially designed or configured to be installed in a vehicle for military ground, marine, airborne, or space applications and capable of operating while in motion. This, however, does not include direct current hybrid homopolar generators that have single-pole normal metal armatures which rotate in a magnetic field produced by superconducting windings, provided those windings are the only superconducting component in the generator. | | X | X |
XX(a) | Nuclear powered vessels | | X | X |
XX(b) | Defense articles and services specific to nuclear propulsion equipment. See Note 7 | | X | X |
XX(c) | Defense articles and services specific to submarine combat control systems | | X | X |
XX(d) | Software source code related to USML Category XX(a). See Note 4 | | X | X |
XXI | Articles, and technical data and defense services relating thereto, not otherwise enumerated on the USML, but placed in this category by the Director, Office of Defense Trade Controls Policy. | | X | X |

**Note 1:** Classified defense articles and services are not eligible for export under the Canadian exemptions. U.S. origin articles, technical data, and services controlled in USML Category XVII are not eligible for export under the UK Treaty exemption. U.S. origin classified defense articles and services are not eligible for export under either the UK or AS Treaty exemptions except when being released pursuant to a U.S. Department of Defense written request, directive, or contract that provides for the export of the defense article or service.

**Note 2:** The phrase “any part of the spectrum” includes radio frequency (RF), infrared (IR), Electro-optical, visual, ultraviolet (UV), acoustic, and magnetic. Defense articles related to reduced observables or counter reduced observables are defined as:

- **Signature reduction (radio frequency (RF), infrared (IR), Electro-Optical, visual, ultraviolet (UV), acoustic, magnetic, RF emissions) of defense platforms, including systems, subsystems, components, materials (including dual-purpose materials used for Electromagnetic Interference (EM) reduction), technologies, and signature prediction, test and measurement equipment and software, and material transmissivity/reflectivity prediction codes and optimization software.**

- **Electronically scanned array radar, high power radars, radar processing algorithms, periscope-mounted radar systems (Patriot), Ladar, multistatic and IR focal plane array-based sensors, to include systems, subsystems, components, materials, and technologies.**

**Note 3:** Defense articles and services related to sensor fusion beyond that required for display or identification correlation is defined as techniques designed to automatically combine information from two or more sensors/sources for the purpose of target identification, tracking, design, or passing of data in support of surveillance or weapons engagement. Sensor fusion involves sensors such as acoustic, infrared, electro-optical, frequency, etc. Display or identification correlation refers to the combination of target detections from multiple sources for association of common target track designation.

**Note 4:** Software source code beyond that source code required for basic operation, maintenance, and training for programs, systems, and/or subsystems is not eligible for use of the UK or AS Treaty exemptions, unless such export is pursuant to a written solicitation or contract issued or awarded by the U.S. Department of Defense for an end-use identified in paragraph (e)(1), (e)(2), or (e)(4) of §126.16 or §126.17 of this subchapter and is consistent with other exclusions of this supplement.

**Note 5:** Manufacturing know-how, as defined in §125.4(c)(6) of this subchapter, is not eligible for use of the UK or AS Treaty exemptions, unless such export is pursuant to a written solicitation or contract issued or awarded by the U.S. Department of Defense for an end-use identified in paragraph (e)(1), (e)(2), or (e)(4) of §126.16 or §126.17 of this subchapter and is consistent with other exclusions of this supplement.
In order to utilize the authorized defense services under the Canadian exemption, the following must be complied with:

Note 13: Defense services or technical data specific to applied research (§ 125.4(c)(3) of this subchapter), design methodology (§ 125.4(c)(4) of this subchapter), engineering analysis (§ 125.4(c)(5) of this subchapter), or manufacturing know-how (§ 125.4(c)(6) of this subchapter) are not eligible for export under the Canadian exemptions. However, this exclusion does not include defense services or technical data specific to build-to-print as defined in § 125.4(c)(1) of this subchapter, build/design-to-specification as defined in § 125.4(c)(2) of this subchapter, or basic research as defined in § 125.4(c)(3) of this subchapter, or maintenance (i.e., inspection, testing, calibration or repair, including overhaul, reconditioning and one-to-one replacement of any defective items parts or components, but excluding any modification, enhancement, upgrade or other form of alteration or improvement that changes the basic performance of the item) of non-excluded defense articles which may be exported subject to other exclusions or terms of the Canadian exemptions.

Note 14: In order to utilize the authorized defense services under the Canadian exemption, the following must be complied with:

(a) The Canadian contractor and subcontractor must certify, in writing, to the U.S. exporter that the technical data and defense services being exported will be used only for an activity identified in Supplement No. 1 to part 126 of this subchapter and in accordance with § 126.5 of this subchapter; and
(b) A written arrangement between the U.S. exporter and the Canadian recipient must:

(1) Limit delivery of the defense articles being produced directly to an identified manufacturer in the United States registered in accordance with part 122 of this subchapter; a department or agency of the United States Federal Government; a Canadian-registered person authorized in writing to manufacture defense articles by and for the Government of Canada; a Canadian Federal, Provincial, or Territorial Government;

(2) Prohibit the disclosure of the technical data to any other contractor or subcontractor who is not a Canadian-registered person;

(3) Provide that any subcontract contain all the limitations of § 126.5 of this subchapter;

(4) Require that the Canadian contractor, including subcontractors, destroy or return to the U.S. exporter in the United States all of the technical data exported pursuant to the contract or purchase order upon fulfillment of the contract, unless for use by a Canadian or United States Government entity that requires in writing the technical data be maintained. The U.S. exporter must be provided written certification that the technical data is being retained or destroyed; and
SUPPLEMENT NO. 1*—Continued

[An “X” in the chart indicates that the item is excluded from use under the exemption referenced in the top of the column. An item excluded in any one row is excluded regardless of whether other rows may contain a description that would include the item.]

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<td></td>
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</tr>
<tr>
<td></td>
<td>(AS) § 126.16</td>
</tr>
<tr>
<td></td>
<td>(UK) § 126.17</td>
</tr>
</tbody>
</table>

(5) Include a clause requiring that all documentation created from U.S. origin technical data contain the statement that, “This document contains technical data, the use of which is prohibited, in accordance with, and is subject to the limitations specified in § 126.5 of the International Traffic in Arms Regulations (ITAR). By accepting this data, the consignee agrees to the requirements of the ITAR.”

(c) The U.S. exporter must provide the Directorate of Defense Trade Controls a semi-annual report regarding all of their on-going activities authorized under § 126.5 of this subchapter. The report shall include the article(s) being produced; the end-user(s); the end-item into which the product is to be incorporated; the intended end-use of the product; and the names and addresses of all the Canadian contractors and subcontractors.

Note 15: This exclusion does not apply to demining equipment in support of the clearance of landmines and unexploded ordnance for humanitarian purposes. As used in this exclusion, “anti-personnel landmine” means any mine placed under, on, or near the ground or other surface area, or delivered by artillery, rocket, mortar, or similar means or dropped from an aircraft and which is designed to be detonated or exploded by the presence, proximity, or contact of a person; any device or material which is designed, constructed, or adapted to kill or injure and which functions unexpectedly when a person disturbs or approaches an apparently harmless object or performs an apparently safe act; any manually-emplaced munition or device designed to kill, injure, or damage and which is actuated by remote control or automatically after a lapse of time.

Note 16: The radar systems described are controlled in USML Category XI(a)(3)(i) through (v). As used in this entry, the term “systems” includes equipment, devices, software, assemblies, modules, components, practices, processes, methods, approaches, schema, frameworks, and models.

PART 130—POLITICAL CONTRIBUTIONS, FEES AND COMMISSIONS

15. The authority citation for part 130 continues to read as follows:


16. Section 130.8 is amended by revising the introductory text of paragraph (a) to read as follows:

§ 130.8 Vendor.

(a) Vendor means any distributor or manufacturer who, directly or indirectly, furnishes to an applicant or supplier defense articles valued in an amount of $500,000 or more which are end-items or major components as defined in § 120.45 of this subchapter. It also means any person who, directly or indirectly, furnishes to an applicant or supplier defense articles or services valued in an amount of $500,000 or more when such articles or services are to be delivered (or incorporated in defense articles or defense services to be delivered) to or for the use of the armed forces of a foreign country or international organization under:

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Rose E. Gottemoeller,
Under Secretary, Arms Control and International Security, Department of State.

[FR Doc. 2014–23792 Filed 10–9–14; 8:45 am]

BILLING CODE 4710–05–P

DEPARTMENT OF THE TREASURY

31 CFR Part 34

RIN 1505–AC49

Gulf Coast Restoration Trust Fund

AGENCY: Office of the Fiscal Assistant Secretary, Treasury.

ACTION: Interim final rule.

SUMMARY: The Department of the Treasury is issuing regulations concerning the amounts available to eligible Louisiana parishes from the Gulf Coast Restoration Trust Fund, a fund established by the Resources and Ecosystem Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012 (RESTORE Act). These regulations amend an interim final rule for the RESTORE Act published on August 15, 2014.

DATES: Effective October 14, 2014.

FOR FURTHER INFORMATION CONTACT: Please send questions by email to RESTORErule@treasury.gov or contact Janet Vail, 202–622–6873.

SUPPLEMENTARY INFORMATION:

I. Background

The RESTORE Act makes funds available for the restoration and protection of the Gulf Coast region through a new trust fund in the Treasury of the United States, known as the Gulf Coast Restoration Trust Fund. The trust fund will contain 80 percent of the administrative and civil penalties paid after July 6, 2012, under the Federal Water Pollution Control Act in connection with the Deepwater Horizon oil spill. One component of the Act, the Direct Component, sets aside 35 percent of the penalties paid into the trust fund for grants to the State of Alabama, the State of Mississippi, the State of Texas, the State of Louisiana and 20 Louisiana parishes, and 23 Florida counties. The Direct Component provides an equal amount to each of the five Gulf Coast States, and allocates 30 percent of Louisiana’s share to the 20 eligible parishes.

On September 6, 2013, Treasury proposed a rule to implement the Direct Component and four other components in the RESTORE Act. Among its provisions, the proposed rule identified the 20 Louisiana parishes eligible to receive funds under the Direct Component, but not the share of each parish. Treasury requested public comments on the data and methodology for calculating these shares, and received comments from the State of Louisiana and one Louisiana parish. On July 31, 2014, Treasury proposed a rule identifying the share of each Louisiana parish under the Direct Component, based on formula in the RESTORE Act and data from the United States Census Bureau and the United States Coast Guard. 79 FR 44325. Treasury considered the comments submitted previously, and opened a new public comment period for 30 days. Treasury received two substantive comments.

After considering public comments, Treasury now issues the regulations as an interim final rule. The rule for Louisiana parishes amends the RESTORE Act rule published on August 15, 2014 (79 FR 48039), which covers...