

Product Export Facts Document

The following is a brief description of the regulatory processes required for Cloud Cap Technology, Inc. (CCT) to export our products. Certain CCT products are export controlled under US Dept of State ITAR rules and others are controlled under US Dept of Commerce EAR regulations. CCT is committed to ensuring that the company maintains compliance with all applicable rules and regulations related to export law.

Domestic customers are informed of the applicable export rules, and are responsible for meeting any and all export control rules related to re-export of the CCT products. Other manufacturers of similar products are required to follow the same steps and reviews.

Department of State Controls

- CCT policies and procedures are intended to meet International Traffic in Arms Regulations (ITAR) as defined and implemented in 22 CFR Parts 120-130. If you have questions about export control issues, go to the US Department of State (DoS), and Directorate of Defense Trade Controls (DDTC) official web site at <http://www.pmddtc.state.gov/>.
- All Piccolo autopilot and TASE gimbal camera options are controlled by the office of Defense Trade Controls, who implements the International Traffic in Arms Regulations (ITAR). Piccolo products are classified as Category VIII, and Gimbals are classified as Category XII equipment.
- If you're an international (Non USA) company and wish to purchase the Piccolo or Gimbal products then a *US Department of State License is required* as both products are controlled under the International Traffic in Arms Regulations (ITAR).
- Although the license application is an additional step in the export process, it should not delay your product delivery as it can be run in parallel with your order. The export license application is very simple and Cloud Cap will assist you through each step making it a very smooth and easy process.
- All that is required from you is to fill out an export application on a website link we provide to you. The questionnaire at this link will ask for information about your company, the type of aircraft or equipment the products will be used on, and what the end-use application will be. It will also ask if there are any other parties or companies that will be involved with the use or handling of the equipment. For example: Integrators, consultants, customs clearing agents or purchasing entities.
- Once you have filled out the questionnaire then Cloud Cap will be in contact to confirm the data and compile the information into a license request for the US Department of State. The license is then submitted and results are usually received within 4-6 weeks.
- This is not a difficult process and Cloud Cap works with you to make it as simple as possible. There is no guarantee that the license will be approved by the DDTC. CCT will work with the government review offices to facilitate the review, but cannot predict the ultimate outcome.

Department of Commerce Controls

- Crista IMU and Navigator GPS/INS products are classified as items on the Commerce Control List (CCL) by the DoC as Commerce Control Number (CCN) 7A994. US Department of Commerce official web site for export controls at <http://www.bis.doc.gov/>.
- For many cases a license is not required for IMU sales. If a license is required, the application / review process time averages 1 to 3 months for CCT applications. After receipt of a purchase order and complete user letter, the applications can be submitted for review.
- For all DoC exports, CCT requires an end-use letter from customers that define their end-use for the product and acknowledge responsibility to follow US export control laws. A boilerplate letter will be provided to assist in this simple documentation step. End-use letters will be kept in CCT records. In some cases, a form BIS-711 may be required.