



SSI Technologies, Inc.

EXPORT COMPLIANCE & REGULATORY AFFAIRS

It is the policy of SSI Technologies, Inc. (SSI) to comply with all U.S. international trade laws. Among these laws are export control laws and embargo laws. The export laws regulate the exportation and re-exportation of SSI products. The embargo laws regulate dealings by all U.S. citizens, U.S. residents and U.S. businesses (wherever located) and prohibit transactions with specified countries, entities and individuals around the world.

The following information is provided so that customers may view SSI's compliance information at any time. The following report is not intended to replace the Export Administration Regulations ("EAR", 15 Code of Federal Regulations) but is intended as an accommodation to assist you, in conjunction with the EAR, in the export of products sold by SSI.

CLASSIFICATION OF SSI PRODUCTS/EMBARGOED COUNTRIES

All SSI products are currently classified as "EAR99" which is a generic category for many mass-market products. Typically, EAR99 products may be delivered to most end-users worldwide without obtaining a license except for embargoed destinations and countries designated as supporting terrorist activities. Those countries listed in Part 746 of the EAR as embargoed destinations requiring a license are Cuba, Iran, North Korea, Sudan and Syria. The compliance information provided above is "AS IS" and SSI makes no representation or warranty as to the accuracy or reliability of such classifications.

In addition, all transactions must undergo a compliance check to ensure that none of the parties to an order are listed on the United States Denied Persons/Restricted Parties list (see discussion below).

DENIED PERSONS/RESTRICTED PARTIES LISTS

SSI products may not be delivered to individuals or entities listed on the US Government's Denied Persons/Restricted Parties Lists without first obtaining a license. Please review the lists at the Bureau of Industry and Security (BIS) URL:

<http://www.bis.doc.gov/ComplianceAndEnforcement/ListsToCheck.htm>.

INTRODUCTION TO COMMERCE DEPARTMENT EXPORT CONTROLS

The BIS (Bureau of Industry and Security) website provides U.S. export guidance at the following URL: <http://www.bis.doc.gov/licensing/exportingbasics.htm>.

RE-EXPORT OF SSI ITEMS

Non-US and US companies re-exporting SSI products or technology must comply with both their local export regulations and with the US re-export regulations. Guidance regarding re-exports and other offshore transactions involving U.S. origin items can be found at:

<http://www.bis.doc.gov/Licensing/ReExportGuidance.htm>.

ANTI-BOYCOTT LAW COMPLIANCE

It is the policy of SSI to comply with all U.S. laws directed against foreign restrictive trade practices or boycotts as embodied in the Export Administration Act of 1979 (as amended), the Tax Reform Act of 1976 and all regulations and guidelines issued thereunder.

Conduct that may be penalized or prohibited under the Export Administration Regulations (“EAR”) includes:

- Agreements to refuse, or actual refusal, to do business with or in Israel or with blacklisted companies.
- Agreements to discriminate, or actual discrimination, against other persons based on race, religion, sex, national origin or nationality.
- Agreements to furnish, or actual furnishing of, information about business relationships with or in Israel or with blacklisted companies.
- Agreements to furnish, or actual furnishing of, information about the race, religion, sex, or national origin of another person.
- Implementing letters of credit containing prohibited boycott terms or conditions.

The EAR requires U.S. persons to report requests they have received to take certain actions to comply with, further, or support an unsanctioned foreign boycott.

Additional information, including a link to the anti-boycott regulations, examples of recent boycott requests, etc., are available on the web site of the BIS’s Office of Anti-boycott Compliance at <http://www.bis.doc.gov/antiboycottcompliance/default.htm>. In addition, the BIS also posts to its Web site (<http://www.bis.doc.gov/>) press releases of actions it takes against U.S. companies for violations of its anti-boycott regulations.