



Global Trade Advisory Alert

DDTC publishes FAQs related to transfers by or for the United States Government under section 126.4 of the ITAR

On 11 May 2020, the Directorate of Defense Trade Controls (“DDTC”) published frequently asked questions (“FAQs”) to address common questions regarding the transfer of ITAR controlled items by or for the US Government (“USG”) under the section 126.4 license exemption of the International Traffic in Arms Regulations (“ITAR”).

The FAQs cover the following topics related to ITAR section 126.4:

- Exchanges of ITAR technical information during meetings and conversations that lack written approval by a relevant government agency;
- Exports of defense articles by US contractors supporting USG programs;
- Transfers of classified items, including defense articles, defense services, and technical data;
- DDTC’s handling of requests for a determination or advisory opinions;

- Acceptability of verbal authorizations;
- Distinctions in exemption requirements based on the person that is undertaking the transfer;
- Filing, recordkeeping, and certification requirements; and
- Applicability to items on the United States Munitions List (“USML”).

In the FAQs, DDTC further clarifies the following:

- ITAR technical data exchanged during conversations or meetings is subject to ITAR section 126.4;
- ITAR section 126.4 can be utilized to conduct classified transfers;
- USG contractors are not authorized under ITAR section 126.4; and
- ITAR section 126.4 does not provide determinations or advisory opinions relating to exemption qualifications.

How we can help

Deloitte’s Global Trade Advisory specialists are part of a global network of professionals who can provide specialized assistance to companies seeking to navigate DDTC’s regulations and requirements by:

- Supporting clients in reviewing export compliance strategies in order to adapt to upcoming changes;
- Guiding the improvement and implementation of recordkeeping and documentation processes;
- Providing training and insights into export compliance to leadership and employees; and
- Supporting modifications to trade processes and automation that require updates resulting from regulatory changes.

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