

Standard License Condition FAQs

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Q.1: What's the new language?

A.1: The following language will be included on every license issued by the Bureau of Industry and Security (BIS): "Unless limited by a condition set forth below, the export, reexport or transfer (in-country) authorized by this license is for the item(s), end-use(s), and parties described in the license application and any letters of explanation. The applicant is responsible for informing the other parties identified on the license, such as ultimate consignees and end-users, of the license's scope and of the specific conditions applicable to them. BIS has granted this license in reliance on representations the applicant made in the license application, letters of explanation, and other documents submitted."

Q.2: What is the purpose of the new standard language on BIS's licenses?

A.2: The Bureau of Industry and Security (BIS), in coordination with our interagency partners, made the change as part of our ongoing efforts to rationalize and make more consistent the use of conditions on BIS licenses. The purpose of the change is to eliminate, to the greatest extent possible, the inclusion of requirements and prohibitions included in the Export Administration Regulations (EAR) as conditions on validated licenses. BIS is eliminating conditions specifying requirements and prohibitions included in the EAR from licenses because the EAR's conditions and requirements are applicable to all exports, reexports and transfers (in-country) of items subject to the EAR as a matter of law; inclusion of such conditions on licenses is redundant

Q.3: When did BIS start putting this new language on its licenses?

A.3: BIS began issuing license with the language on December 8, 2014.

Q.4: What will be the biggest change on licenses as a result of the new language?

A.4: As the new language will eliminate the need to include license conditions specifying requirements and prohibitions included in the EAR, BIS expects that licenses issued after December 8, 2014 will generally have a smaller number of conditions as compared to licenses issued before December 8, 2014

Q.5: What is the impact of the new language on license applicants?

A.5: The new language will allow BIS and its interagency partners to process license applications more efficiently, thereby facilitating business activities. License applicants should note that the new language clarifies that BIS's licenses authorize the transaction(s) described in the license application and any letters of explanation. Therefore, license applications submitted with specific and detailed information will be processed more efficiently than those submitting general or incomplete information.

Additionally, the new language specifies that license applicants are required to inform the other parties to the license of the license's scope and of any license condition(s) applicable to the individual party. License applicants who have not routinely informed other parties to the license of such information should implement procedures to ensure that such notifications occur for all licenses.

Q.6: FAQ #5 says that BIS will process license applications submitted with “specific and detailed information” more efficiently. What does “specific and detailed” information mean?

A.6: Generally speaking, the use of imprecise language on a license application causes processing delays and/or the inclusion of additional conditions. Imprecise language (e.g., phrases such as "including but not limited to") creates the impression that the license applicant is unsure or undecided about the details of the proposed transaction, therefore creating a requirement for BIS and its interagency partners to impose restrictions (in the form of conditions) on the license in order to protect the United States' national security and foreign policy interests.

The inclusion of specific information on license applications for transactions involving especially sensitive items or proposed for shipment to sensitive locations is helpful in facilitating BIS's processing. For example, before processing license applications for the export of satellites, BIS and its interagency partners need to know the name and address of the organization or company facilitating the satellite's launch. Exporters who are unsure about what specific information should be included to facilitate a license application for a specified item or to a specified location should contact BIS.

Q.7: If I include precise information on my license application, will my application be processed in less than forty days?

A.7: Not necessarily. Including precise information increases the chance that your license will be issued more quickly and with fewer conditions than it otherwise would be

Q.8: Can you provide some examples of conditions that were included on licenses before but won't be after November 10?

A.8: Selected examples are as follows:

Conditions no longer in general use after December 8, 2014:	Why isn't BIS using these conditions anymore?
No reexport without prior authorization from the U.S. Government, unless elsewhere authorized under the EAR.	This condition is an existing prohibition under the EAR: <i>See</i> : § 736.2(b)(1) of the EAR – General Prohibition One and therefor does not generally need to be included on licenses. The condition will be included under certain circumstances, including if a license applicant requests reexport authorization and the request is denied.
Stated end use and end user(s) only	This limitation in scope is included in the EAR; it is redundant to include it as a license condition (<i>See</i> : § 750.7(a) of the EAR).
No military end use	As stated in §750.7(a) of the EAR, licenses authorize only the transaction(s) described in the license application and the license application support documents. Therefore, if you did not include a military end use in your license application or license application support documents, such an end use is not authorized under the license. The condition may be used if the license applicant does not specify the scope of the intended end-use within the license application (and the end-use could be either civil or military).
Civil end use only	As stated in §750.7(a) of the EAR, licenses authorize only the transaction(s) described in the license application and the license application support documents. Therefore, a condition requiring “civil end use only” is not required unless a military end use is requested in the license application or license application support documents but is not authorized by BIS.
Access/use is not granted to [embargoed destination(s)] nationals	As stated in §750.7(a) of the EAR, licenses authorize only the transaction(s) described in the license application and

	the license application support documents. Therefore, if you did not specifically request access or use by persons who are nationals of an embargoed destination in your license application or license application support documents, access or use by such nationals is not authorized under the license.
No resale or transfer without prior authorization from the U.S. Government.	As stated in §750.7(a) of the EAR, licenses authorize only the transaction(s) described in the license application and the license application support documents. Therefore, if you did not specifically request authorization to resell or transfer the items authorized for shipment in your license application or license application support documents, resale or transfer is not authorized under the license.
Applicant must inform consignee of all license conditions.	The requirement for the applicant to inform other parties to the license of the license conditions is stated in §750.7(d) of the EAR as well as in the new boilerplate language (which also requires applicants to inform the appropriate parties to the transaction of the license's scope).

Q.9: I received a license authorizing me to export equipment. There aren't any conditions on the license that prohibit me from shipping technology. Can I send the technology necessary to maintain the equipment?

A.9: No, not if the technology is subject to the EAR, requires a license for export to the planned destination, and is not eligible for shipment under a license exception. Licenses issued by BIS authorize the export, reexport or transfer (in-country) of only the items specifically listed on the license

Q.10: I received a license to ship equipment to three end users. There aren't any conditions on my license that prohibit me from shipping it to other end users. Can I ship the equipment to end users not specified on my license?

A.10: If the equipment is not eligible for shipment without a license (i.e., "no license required" or NLR) or under a license exception to end users not specified on your license, you may not ship to the additional end users without additional authorization from BIS.

Q.11: Does this change impact the licenses issued by BIS prior to December 8, 2014?

A.11: No, it does not

Q.12: December 8, 2014, BIS seems to be using riders on its licenses more often. What's the difference between a condition and a rider?

A.12: Since A license condition is a requirement on the parties to the transaction named on the license. Violation of a license condition is a violation of the EAR and may be subject to administrative or criminal penalties.

A license rider consists of clarifying or explanatory language added to a license by BIS. Although license riders are not requirements, BIS sometimes uses riders to remind license parties of requirements under the EAR. Exporters should note that BIS's inclusion of a rider on a license puts the exporter on notice regarding the specific knowledge, including requirements under the EAR, provided in the rider.

Q.13: I want to make sure I understand exactly what is authorized by my BIS license. Who can help me?

A.13: Please call BIS's Export Counseling Division at (202) 482-4811, BIS's Western Regional Office at (949) 660-0144 or BIS's Northern California branch office at (408) 998-8806. You may also send an e-mail to ECDOEXS@bis.doc.gov. Please include a telephone number for call-back purposes within your e-mail