



THE GILL CORPORATION

To: All Employees and Contractors
From: Stephen E. Gill, C.E.O. and Chairman of the Board
Date: January 3, 2023
Subject: Export Compliance Policy Statement

The Departments of Commerce, State, and Treasury have a statutory and regulatory system for controlling and monitoring the movement of certain goods and technologies. Among other things, the system is designed to minimize the risk of diverting such items to locations which are not in the best interests of the United States.

It is of the utmost importance to The Gill Corporation that the laws and regulations governing the movement of these goods and technologies be followed. This will allow The Gill Corporation to maintain its good corporate citizenship status, avoid inadvertent violations, costly errors, and the possible disruption of business.

The regulations governing exports are:

- The Arms Export Control Act (AECA)
- The International Traffic in Arms Regulations (ITAR)
- The Export Administration Regulations (EAR)

The primary U.S. Government control body is the Directorate of Defense Trade Controls (DDTC) of the Department of State. The Export Administration Regulations fall under the purview of the Department of Commerce, Bureau of Industry and Security (BIS).

It is the policy of The Gill Corporation to fully comply with all laws and regulations, including requirements governing the export of its products, services, software and technical data. Each employee, therefore, must be dedicated to ensuring such compliance with government regulations. All sales, service, shipping, engineering, operations, accounting, quality and other personnel are required to be familiar with, and review regularly, The Gill Corporation Export Management and Compliance Program. Particular attention must be taken when releasing technical information to foreign nationals, electronic transmission of data and/or software, and the shipment of products outside the United States.

No transactions are to be conducted by or on behalf of The Gill Corporation contrary to U.S. export control laws and regulations, including the Export Administration Regulations (EAR) and the International Traffic in Arms Regulations (ITAR). Under no circumstances shall these laws and regulations be compromised for commercial gain. Neither sales nor shipments are to be made to any

individual or firm appearing on any of the Denied Parties Lists, or to any firms owned by or associated with the individuals or firms therein listed.

Some of The Gill Corporation goods and technologies can be adapted or used for military purposes. Other goods and technologies have both civilian and military applications. Some of these goods and technologies are governed by U.S. export regulations. These regulations are in place to prevent the distribution of goods and technologies that can compromise national security. The regulations are very precise, and compliance with them is mandatory, not voluntary. No employee has the authority to act contrary to this program, nor direct, authorize, or condone violations of the program by any other employee.

It is important to recognize that terms like “classification” and “classified,” when used in conjunction with this program, do not refer to military designations for Classified, Secret or Top Secret work. Instead, “classification” in this program is used to describe the process by which The Gill Corporation identifies the status of work being performed, relative to the ITAR or the EAR. Separate controls and precautions should be taken when handling Classified or Secret work. Export compliance is a daily exercise. All Gill Corporation employees are required to comply with the policies and procedures outlined in this Export Management and Compliance Program. Any employee who has knowledge of facts or incidents, which he or she believes may violate U.S. export regulations or this program, whether intentional or accidental, is required to report the matter promptly to his supervisor or other manager or, if necessary, to Stephen Gill, personally.

Violations of U.S. export laws can subject The Gill Corporation and its employees to severe penalties, including fines, denial of export privileges, and even imprisonment. In the event of a violation of U.S. export control law, both the company and the individuals involved in the violation may be liable. The Gill Corporation and the individual employees involved may be subject to severe administrative and civil sanctions as well as criminal penalties. For example, “knowing” violations of the EAR are punishable by a fine of up to five times the value of the exports involved, or \$50,000, whichever is greater. “Willful” violations can result in penalties of up to \$1 million per violation. Exports are subject to a strict liability standard, so even negligent exports can trigger fines of \$10,000 to \$120,000 per violation. In addition to fines, individuals may be imprisoned for intentional violations. Penalties can also include the denial of export privileges and debarment from contracting with the federal government. Most enforcement actions are public. Any employee who violates such laws, or who knowingly permits a subordinate to violate such laws, will be subject to appropriate disciplinary action, up to and including termination.

Procedures for export compliance controls ensure that we have no inadvertent violations. In the meantime, all questions regarding export compliance and how it impacts your job, as well as any question concerning the legitimacy of any transaction, violation, or potential violation should be immediately referred to Daniel Kalina, X2525.

I ask each of you to take this matter very seriously and support this effort.



Stephen E. Gill
C.E.O. and Chairman of the Board
The Gill Corporation