

§ 752.10

15 CFR Ch. VII (1-1-04 Edition)

this part for procedures on changed circumstances).

(3) *Support documentation*—(i) *General information*. BIS will validate all approved support documentation with the Department of Commerce seal and date of validation.

(ii) *Form BIS-752, Form BIS-752-A, and Form BIS-748P-B*. With the approved SCL, you will receive two validated copies of each approved Form BIS-752, Statement by Consignee in Support of Special Comprehensive License and, if applicable, Form BIS-752-A, Reexport Territories, and Form BIS-748P-B, End-User Appendix. You must retain one copy, and send one copy to the approved consignee. You must also attach a letter to each approved Form BIS-752 that includes each of the following elements:

(A) A description of all recordkeeping requirements of the EAR applicable to the activities of the consignee;

(B) Information on any applicable re-export restrictions on items received by the consignee under the SCL;

(C) A description or copy of § 752.16 of this part, listing administrative actions that may be taken for improper use of, or failure to comply with, the SCL and its required procedures;

(D) A description of any special conditions or restrictions on the license applicable to the consignee, including approved lists of customers, countries, and items, when required;

(E) A description of the elements of the SCL holder's ICP relevant to the SCL consignee;

(F) A copy of the high risk customer profile contained in § 752.11(c)(13)(i) of this part, when required;

(G) A copy of the Denied Persons List currently in effect and notification that you will send the consignee regular updates to this list;

(H) A notice that the consignee, in addition to other requirements, may not sell or otherwise dispose of any U.S. origin items when it knows that the items will be used in the activities prohibited by part 744 of the EAR;

(I) A requirement that the consignee acknowledge, in writing, receipt of this letter of transmittal outlining their obligations under the SCL, and certify that it will comply with all of the requirements, including implementation

of an ICP if required by § 752.11 of this part; and

(J) A description of any special documentation requirements for consignees reexporting items to destinations having such requirements.

(4) *Special license conditions*. BIS may place special conditions on your SCL, such as restrictions on eligible items, countries, end-uses, end-users or activities, or a requirement that certain sales or transfers of items under the SCL are subject to prior reporting to BIS. Such special conditions will be listed on your SCL or in a letter from BIS to the SCL holder. You must inform all relevant consignees of all license conditions prior to making any shipments under the SCL.

(b) *Denial of SCL applications*. (1) If BIS intends to deny your SCL application, you will be notified and have opportunity to respond according to the procedures in § 750.6 of the EAR.

(2) BIS may at any time prohibit the sale or transfer of items under the SCL to specified individuals, companies, or countries. In such cases, the SCL holder must inform all consignees, and apply for a license described in part 748 of the EAR for subsequent transactions with such excluded parties.

(3) If a consignee is not approved, Form BIS-752 will be returned to the SCL holder with a letter explaining the reason for denial.

(4) If a particular destination is not approved, it will be removed from the appropriate Form BIS-752-A.

(c) *Return without action*. BIS may determine to return the SCL application without action. Under such circumstances, the application and all related documents will be returned to you along with a letter stating the reason for return of the license application, explaining the deficiencies or additional information required for reconsideration, or advising you to apply for a license described in part 748 of the EAR. BIS may return your entire application or merely documents pertaining to a specific consignee request.

[61 FR 12835, Mar. 25, 1996, as amended at 62 FR 25464, May 9, 1997]

§ 752.10 Changes to the SCL.

(a) *General information*. Certain changed circumstances regarding the

SCL require prior approval from BIS before you make such changes, while others require only notification to BIS. Changes and notifications of license holder information must be initiated by submitting Form BIS-748P. Changes and notifications of consignee information must be initiated by submitting Form BIS-752.

(b) *Changes requiring prior written approval from BIS.* The following circumstances require prior written approval by BIS. Such requests must be submitted by the SCL holder, and changes are not effective until BIS approves the request. Upon approval of a change described in this paragraph, BIS will return to the SCL holder a validated copy of the request, indicating any changes that may have been made to your request, or any special conditions that may have been imposed.

(1) *Change of SCL holder company name.* You must submit to BIS Form BIS-748P, Multipurpose Application, for any change in the name of the SCL holder company. Complete Blocks 1, 2, 3, and 4. Mark "Special Comprehensive License" in Block 5, and "other" in Block 8. In Block 9, include your SCL number. Briefly indicate the purpose of the change in Block 24 (i.e., a change in company name). Enter the new information in the relevant Blocks, and complete Block 25. The SCL holder must send a copy of the validated Form BIS-748P to each approved consignee, and advise them to attach the copy of the validated form to their validated Form BIS-752.

(2) *Change in consignee name or address.* You must submit to BIS Form BIS-752, Statement by Consignee in Support of Special Comprehensive License, when requesting a change in consignee name, or if the consignee moves out of the country. The consignee must complete Block 3, mark "change an existing consignee" and provide the new consignee information in Block 4. In Block 9, explain change of address from "Address A" to "Address B". Also, complete Block 10 and the SCL holder signature Block information.

(3) *Addition of new consignee.* You must submit to BIS Form BIS-752 for requests to add consignees to an SCL.

Complete Form BIS-752 in accordance with the instruction in Supplement No. 3 to this part, marking "Add a New Consignee" in Block 3. Use Block 9 to describe the proposed consignee's role in the activities authorized by the SCL. Form BIS-752 is not required if the proposed new consignee is a foreign government agency and the items will not be reexported. If Form BIS-752 is not required, the SCL holder may submit the request to add the foreign government agency to the SCL on company letterhead. You must include the proposed consignee's complete street address.

(4) *Change in reexport territories.* You must submit to BIS Form BIS-752 and Form BIS-752-A to add a country to a consignee's approved reexport territory. Upon approval of change in reexport territory, BIS will return to the SCL holder two validated copies of Form BIS-752 and Form BIS-752-A, Reexport Territories, along with any special conditions that may have been imposed.

(i) *Form BIS-752.* Complete Block 3 by marking "Change an Existing Consignee". In Block 4, enter the consignee name and consignee number. In Block 5, enter the SCL number. In Block 9, enter "to add a country to the reexport territory". Complete Block 10 and the SCL holder signature block information.

(ii) *Form BIS-752-A.* Complete Blocks 2 and 3. Mark each country that you are adding to your reexport territory.

(5) *Adding items to your SCL.* The following procedures apply to requests to add items to your SCL. Upon approval, BIS will send you a validated Form BIS-748P and, if applicable, Form BIS-748P-A. The SCL holder must send a copy of each validated form to all applicable consignees and attach a copy to their Form BIS-752.

(i) *Adding one item.* You must submit to BIS Form BIS-748P to request the addition of a single item to your SCL. Complete Blocks 1, 2, 3, and 4. Mark an "x" in the "Special Comprehensive License" box in Block 5, and "other" in Block 8. Include your SCL number in Block 9. In Block 24, enter "add ECCN". Complete items (a) and (j) in Block 22 and in Block 25.

(ii) *More than one item.* You must submit to BIS Form BIS-748P and Form BIS-748P-A to request to add more than one item to your SCL. Complete Form BIS-748P according to the instructions in paragraph (b)(5)(i) of this section. In Block 24, insert the phrase “add ECCNs on attached Form BIS 748P-A. Complete Block 1 on Form BIS-748P-A by including the “Application Control Number” (found on Form BIS-748P). Complete Block 21 and 24, if needed, to describe any special circumstances (i.e., the new item will only be exported to specific consignees and will not be reexported).

(6) *Changes to add end-users.* You must submit to BIS Form BIS-752 and Form BIS-748P-B to add or change end-users to consignee authorizations. When you request multiple “types of requests” (i.e., additions or changes) on a single Form BIS-752; you must specify in Block 9, the type of request for each end-user. Example: end-user XXX is to be “added” and end-user AAA is to be “changed” from “end-user AAA” to “end-user ABA”.

(i) *Form BIS-752.* On Form BIS-752, complete Block 3.B, “change an existing consignee”. Include the consignee number in Block 4. Include the SCL number in Block 5. In Block 9 insert the phrase “To add an end-user” or the phrase “To change an end-user”. Complete Block 10 and include the SCL holder signature block information.

(ii) *Form BIS-748P-B.* On Form BIS-748P-B, complete Blocks 1 and 19. In Block 21, cite the end-user requirement or condition (i.e., end-user XXX is requested in compliance with § 752.5(c)(8)(ii) of this part, which requires prior authorization to reexport chemicals under the SCL). Also, list the items (by ECCN and by description) that each end-user will receive and for what purpose, if approved by BIS.

(c) *Changes that do not require prior approval from BIS.* The following changes regarding your SCL do not require prior approval from BIS, however, such changes must be submitted on the appropriate forms no later than 30 days after the change has occurred. BIS will validate the forms, and return one copy to you for your records.

(1) *Change of SCL holder address, export contact information, or total value of*

license. You must submit to BIS Form BIS-748P, Multipurpose Application, for any change in the SCL holder’s address, export contact information, or total value of the license. Complete Blocks 1, 2, 3, and 4. Mark “Special Comprehensive License” in Block 5, and “other” in Block 8. In Block 9, include your SCL number. Briefly indicate the purpose of the change in Block 24. Enter the new information in the relevant Blocks. Complete Block 25. The SCL holder must send a copy of the validated Form BIS-748P to each approved consignee, and advise each approved consignee to attach the copy of the validated form to their validated Form BIS-752.

(2) *Deletion of consignees.* You must submit to BIS Form BIS-752 if you remove a consignee from your SCL. Complete Block 3.C. Indicate your consignee number in Block 4 and your SCL case number in Block 5. Explain the reason for the action in Block 9. Complete Block 10 and the SCL holder signature information. You must notify all remaining consignees if any consignee is no longer eligible to receive items under the SCL.

(3) *Changes in ownership or control of the SCL holder or consignee.*—(i) *SCL holder.* You must notify BIS of changes in ownership or control by submitting to BIS Form BIS-748P. Complete Blocks 1, 2, 3 and 4, mark “Special Comprehensive License” in Block 5. Mark and “x” in “other” in Block 8 and indicate the SCL number in Block 9. Include the SCL holder information number in Block 14, and describe the change in Block 24, indicating the circumstances necessitating the change (i.e., mergers), and changes in persons who have official signing authority. Also complete Block 25.

(ii) *Consignee.* You must notify BIS of changes in ownership or control of the consignee company by submitting to BIS Form BIS-752. Complete Block 1. Mark and “x” in “change an existing consignee” in Block 3.B, and complete Blocks 4 and 5. In Block 9, describe the change, indicating the circumstances necessitating the change (i.e., mergers), and changes in persons who have official signing authority. Complete Block 10 and the SCL holder signature block information.

(iii) *Transfers and SCLs after control changes.* Note that under § 750.10(a) of the EAR you may not transfer a license—including a Special Comprehensive License—except with the prior written approval of BIS. In addition, BIS reserves the right to modify, revoke, or suspend an SCL in the event of a change in control of the previously approved SCL holder or consignee(s). In reviewing requests to transfer an SCL or consignee authority under an SCL and in reviewing changes in control of an SCL holder or approved consignee, BIS will consider the reliability of the new parties.

(4) *Remove reexport territories.* If you remove a country from a consignee's approved reexport territory, you must submit to BIS Form BIS-752 and Form BIS-752-A. You cannot add and delete countries on the same forms. Upon review of the change in reexport territory, BIS will return to the SCL holder two validated copies of Form BIS-752 and Form BIS-752-A.

(i) *Form BIS-752.* Complete Block 1. Complete Block 3 by marking "change an existing consignee". In Block 4, enter the consignee name and consignee number. In Block 5, enter the SCL number. Complete Block 10 and the SCL holder signature block information.

(ii) *Form BIS-752-A.* Complete Blocks 1, 2, 3, and 5. Mark each country that you are removing from the reexport territory with an "x". Mark an "x" in "Other Specify" and insert "delete".

(5) *Remove items from your SCL.* The following procedures apply if you remove an item from your SCL. After review of the change by BIS, BIS will send you a validated Form BIS-748P and Form BIS-748P-A, if applicable. The SCL holder must send a copy of each validated form to all applicable consignees and attach a copy to their BIS-752.

(i) *Removing one item.* You must submit to BIS Form BIS-748P if you remove a single item from your SCL. Complete Blocks 1, 2, 3 and 5. Mark "Special Comprehensive License" in Block 5 and mark "other" in Block 8. Include your SCL number in Block 9. State "delete ECCN" in Block 24. Complete items (a) and (j) in Block 22 and Block 25.

(ii) *Removing more than one item.* You must submit to BIS Form BIS-748P and Form BIS 748P-A if you remove more than one item from your SCL. Complete Form BIS-748P according to the instructions in paragraph (a)(5)(i) of this section, except in Block 24, state "delete ECCNs on attached BIS-748P-A". Complete Form BIS 748P-A by including the "application control number" (found on Form BIS-748P) in Block 1. Complete items (a) and (j) in Block 22 for each item you are removing from your SCL.

(6) *Remove end-users from your SCL.* You must submit to BIS Form BIS-752 if you remove end-users from consignee authorizations. (Use Form BIS-748P-B, if additional space is needed.) After review by BIS, BIS will return to the SCL holder two validated copies of Form BIS-752 and Form BIS-748P-B, which will include any special instructions that may be necessary. You must send one copy of Forms BIS-752 and BIS-748P to the relevant consignee.

(i) *Form BIS-752.* On Form BIS-752, complete Block 1 and 3.B, "change an existing consignee". Include the consignee number in Block 4. Include the SCL case number in Block 5. In Block 9, include the phrase "to remove an end-user(s)" followed by the name/address information. Complete Block 10 and the SCL holder signature Block information.

(ii) *Form BIS-748P-B.* If there was not enough space on Form BIS-752, Block 9, you may continue the information on Form BIS-748P-B, in Block 24. Complete the information in Block 1. Do not complete Block 19. Block 19 is only used to add end-users.

(d) *Changes made by BIS.* If BIS revises or adds an ECCN to the CCL, or a country's eligibility already covered by the SCL changes, BIS will publish the change in the FEDERAL REGISTER. The SCL holder is responsible for immediately complying with any changes to the scope of the SCL.

[62 FR 25464, May 9, 1997]

§ 752.11 Internal Control Programs.

(a) *Scope—(1) Introduction.* It is through Internal Control Programs (ICPs) that the SCL holder and the consignee assure that exports and reexports are not made contrary to the