



METAL SHAPED SOLUTIONS

Connecticut Spring & Stamping

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Management Policy Statement

DATE: January 14, 2021

TO: All Employees

FROM: Steve Dicke, President

SUBJECT: CSS Compliance Policy Including the Serialization of Defense items

The United States has a statutory and regulatory system within the Department of State (**DOS**) for controlling and monitoring the movement of ITAR controlled goods, information, and technologies. Among other things, the system is designed to minimize the risk of diverting such items to persons or locations that are not in the best interests of the United States.

CSS manufactures various items used for military purposes, making them ITAR controlled items. Some items have both civilian and military applications and are EAR controlled. These items are governed by U.S. export regulations, requiring special controls and licenses be put in place to proceed with this type of business. These regulations are in place to prevent the distribution of goods, information, and technologies that can compromise national security. In some cases, even the unauthorized transfer of low-level goods, information, or technology can potentially jeopardize national security or further the development of weapons of mass destruction.

The Bureau of Alcohol, Tobacco, Firearms, and Explosives (**ATF**) is the Federal agency primarily responsible for administering and enforcing the criminal and regulatory provisions of the Federal laws include the investigation and prevention of federal offenses involving the unlawful use, manufacture, and possession of firearms and explosives. The ATF also regulates via an FFL license, the sale, possession, and transportation of **serialized firearms**, ammunition, and explosives in interstate commerce.

CSS manufactures parts that the ATF considers an actual firearm when we produce serialized receivers. The processes we have put into place regarding these parts are in line with the ATF regulations of generating, marking, securing, tracking, destruction, or final shipment of each of them. CSS maintains Acquisition & Disposition books (**A&D**) for each of our facilities (28 & 48 Spring Lane), which must document the movement and transfer of parts to outside vendors, other CSS buildings and customers. I cannot impress strongly enough that communication regarding these parts remains fluid between all departments and Gia Zarrella-Brown, Director of Compliance.

It is of the utmost importance to CSS that the laws and regulations of each of the governing agencies (**DOS & ATF**) are consistently adhered. This allows CSS to maintain its good corporate citizenship status, avoid inadvertent violations, costly errors, and the possible disruption of business or loss of licensing, or our export privileges.



CSS's policy is to comply with all laws and regulations 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 personnel are required to be familiar with, the **CSS Export Management 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 CSS 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.

The regulations are 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 either program by any other employee.

The CSS Compliance Program is exercised daily & noncompliance is very costly. All CSS employees, are required to comply with the policies and procedures outlined in our Export Management Compliance Program. Any employee, consultant or contractor 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 Gia Zarrella-Brown, the Director of Compliance (DOC). In Gia's absence, the matter can be brought to James Luis the Empowered Official (EO). In James' absence I would be his backup.

Violations of U.S. export laws can subject CSS and its employees, consultants and contractors individually to severe penalties, including fines, denial of export privileges, and even imprisonment. Any employee, consultant or contractor 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.

All questions regarding the CSS Compliance or Serialization program 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 Gia Zarrella-Brown, our Director of Compliance.

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

Steve Dicke
President
CSS (Connecticut Spring & Stamping)