

# Empowered Officials Are Necessary For ITAR Compliance

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The International Traffic in Arms Regulations (ITAR) requires companies to appoint Empowered Officials. See 22 CFR § 120.25. Failure to take this requirement seriously can be costly – as one company recently found out. Here's what you need to know.

An Empowered Official must be a lawful permanent US resident that:

- (1) Your company or its subsidiary directly employs in a position of authority pertaining to your company's policy or management;
- (2) This person must be given written legal authority to sign license applications or other such requests for your company;
- (3) This person must understand the relevant export control regimes, including the criminal, civil and administrative penalties for violations of both ITAR and the Arms Export Control Act; and
- (4) This person must have independent authority to:
  - (i) Make inquiries into your company's export, import and brokering activity;
  - (ii) Verify the legality of transactions and accuracy of information submitted on behalf of your company; and
  - (iii) Refuse to sign license applications or other requests without penalty or repercussion.

As you can see, the U.S. Government takes this requirement seriously. So your company's decision to appoint an Empowered Official should be carefully made and this person needs to be given the requisite authority and training to fulfill your company's responsibilities under the statute.

For additional information contact Mark Hamilton.