



August 11, 2006

New Restrictions on Exports to China

The Department of Commerce announced a proposed rule to its export regulations that will have a severe effect across several industries that trade with the People's Republic of China ("China"). The proposed rule will require export licenses and other documentation for forty seven new commodities, technologies and software if the exporter has knowledge that such items are destined for a military end-use in China.

This development is significant because currently, none of the forty seven identified items are controlled for export to China for any end-use at all. In addition, the proposed rule imposes new requirements relating to End-User Certificates that exporters must obtain in advance of any export transaction from the Chinese Government.

The commodities and technologies affected include: chemicals and composite materials and technology; materials processing items including certain bearings and bearing systems, machine tools and other equipment; electronics design and development items; computers; telecommunications test equipment, information security hardware and software; sensors and lasers; navigation and avionics equipment; marine systems; and certain aircraft and related components, among others.

The proposed rule is open for public comment until November 3, 2006. The Department of Commerce plans to conduct a series of meetings nationwide regarding the rule, on the dates and in the locations detailed below.

- August 15, 2006 - 12:00 pm, Boston, Massachusetts
- August 17, 2006 - 10:30 am, Chicago, Illinois
- August 21, 2006 - 9:00 am, Houston, Texas
- August 22, 2006 - 8:30 am, La Jolla, California

For comments or further information, please contact the following Greenberg Traurig attorneys:

Fred Shaheen | Tysons Corner | 703-749-1355 | shaheenf@gtlaw.com

Natalia Geren | Tysons Corner | 703-749-1367 | gerenn@gtlaw.com

Kara Bombach | Tysons Corner | 703-749-1388 | bombachk@gtlaw.com

Julia Sorrentino | Tysons Corner | 703-903-7586 | sorrentinoj@gtlaw.com

www.gtlaw.com Albany Dallas Los Angeles Philadelphia Tokyo Amsterdam Delaware Miami Phoenix Tysons
Corner Atlanta Denver New Jersey SACRAMENTO Washington, D.C. Boca Raton Fort Lauderdale New York Silicon
Valley West Palm Beach Boston Houston Orange County Tallahassee ZURICH Chicago Las Vegas Orlando TaMPA

This Greenberg Traurig ALERT is issued for informational purposes only and is not intended to be construed or used as general legal advice. The hiring of a lawyer is an important decision. Before you decide, ask for written information about the lawyer's legal qualifications and experience. Greenberg Traurig is a trade name of Greenberg Traurig, LLP and Greenberg Traurig, P.A. ©2006 Greenberg Traurig, LLP. All rights reserved.