



IMPORTANT NOTICE

Date: March 15, 2011

To: All Global Representatives, Distributors & Sales Staff

Subject: The U.S. Export Control Regulations

The Bureau of Industry and Security (BIS), and the Office of Foreign Assets Control (OFAC) regulate exports of U.S. products. These controls apply to all exports, including direct exports from Versa - Matic as well as the indirect exports or re-exports by our global representatives and distributors wherever located.

Before conducting business with a customer, it is necessary to verify that the customer is not listed on any government Denied Parties List (DPL). The BIS website has a comprehensive listing of DPL lists to check. Please review the following link to verify your party or parties are not listed: <http://www.bis.doc.gov/complianceand enforcement/liststocheck.htm>.

Before conducting business with a customer, it is also necessary to verify that the country of destination is not an Embargoed country. OFAC regulates embargoes. Currently the countries of **Cuba, Iran, Sudan** and **Syria** have total embargoes. Other countries have partial embargoes restricting military and crime control products. You should check the OFAC website for full current list of embargoes. Please view the following link to the OFAC website identifying all current sanctions <http://www.treas.gov/offices/enforcement/ofac/> .

U.S. products and U.S. persons wherever located are subject to anti-boycott regulations. These regulations prohibit participation in boycotts and require reporting of boycott requests and activities to the U.S. government. These regulations are enforced by the BIS. Please view the following BIS site:

<http://www.bis.doc.gov/complianceand enforcement/antiboycottcompliance.htm> .

Sale of U.S. products are also subject to anti-bribery regulations called the Foreign Corrupt Practices Act (FCPA). These regulations prohibit certain activities to gain or sustain business in a foreign country. The U.S. Department of Justice (DOJ) and the U.S. Security and Exchange

Commission (SEC) enforce these regulations. Please review the following link to the DOJ website: <http://www.usdoj.gov/criminal/fraud/docs/dojdocb.html>.

As a seller of our products, you are required to comply with U.S. export regulations. We expect our representatives to be knowledgeable about export regulations, and to be diligent in complying with these regulations.

Please forward this letter to all concerned people in your organization and feel free to contact me personally if you have questions.

Thanks for your understanding and cooperation.

Sincerely,

Monica Sleek
Export Compliance Administrator