



September 2023

Export Control Compliance Statement

K. Lacey Ltd understands the importance of Export Compliance and takes its responsibility seriously, it is essential for the running of our business that we comply with legislation. Export Control regulations are in place throughout the world principally for the control of National Security, Proliferation and Terrorism.

Non-compliance would bring serious penalties for the Company and members of staff involved. Necessary licenses and checks will be performed prior to exporting listed products or technology. It is in all of our interests to be compliant and set effective controls and processes within our organizations to help make the world a safer place.

• Responsibility

The Managing Director is allocated overall responsibility for export control, assisted by one staff member, the Sales Manager and Director, who was given the task of working up and implementing a viable set of procedures. The Sales Support team and other administrative staff are also involved in this because of the benefits in checking for creditworthiness and export control/end-use at the same time, especially with new customers.

• Quality

As a part of its Total Quality Management programme, the company holds regular senior management meetings at which the subject of export control is a permanent agenda item.

• Staff awareness

All staff concerned with the administration of export orders has access to notes via our internal computer system covering:

- Identification of licensable products.
- Types of licenses and working practices.
- Production of shipping documents.
- Quotations.

• Identification of licensable goods

Only a relatively small proportion of the company's stock items are controlled and introduction of a 'Positive' licensing regime within the company was considered inappropriate. The order processing system therefore incorporated a suitable flagging process.

The flags highlight the need for a license.



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A quotation is sent to the customer with the appropriate Undertaking Template (e.g. concerning the consignee or end use). Where it is a new consignee, the Sales Support team refers the order to another Sales Support team member or the Sales Manager and Director for further checks as to the bona fides of the consignee and/or end-use. In view of the sensitivity of some of the countries supplied, the company maintains regular contact with the Export Control Organization.

- **Documentation**

Once any part of an order is identified as requiring an export license, the Sales Support team use the OGEL CHECKER TOOL to determine if we have an appropriate OGEL to use. If there is not a suitable OGEL then an application is processed on SPIRE for a license. Once received the order is updated with the License reference along with the Export Log, which is available to the ECO's Compliance Inspector when he or she Audits.

- **ITAR/EAR**

Only very small proportions of the company's stock items are subject to ITAR/EAR Controls. The sales processing system therefore incorporated a suitable flagging process.

The flags highlight that the item is subject to ITAR/EAR.

Where a customer requests this information either on an enquiry or order, subsequent information is requested from the appropriate supplier/manufacturer.

This information is then stored against the item in our document management system for reference and additional notes are entered against the item that will notify the customer on any paperwork provided by the system. Items are only flagged if the item is subject to the control.

Should we be notified by our suppliers that an item has been re-classified then the Sales Support team or the Sales Manager and Director will amend the system and inform all Customers who have purchased the product.

- **Shipping**

A close working relationship exists with the principal freight forwarders, with whom export licensing is regularly discussed. Direct routing is used wherever possible.

ROS ANDREWS
MANAGING DIRECTOR