

DTAG Plenary Minutes May 9, 2013

Ms. Beth McCormick, Designated Federal Officer (DFO), declared the meeting open for the 2013 Spring/Summer Defense Trade Advisory Group (DTAG) Plenary, commencing at 1:00 PM. She thanked all for coming to the Plenary. Ms. McCormick turned the meeting over to Mr. Sam Sevier, Chairman of the DTAG, who declared the Plenary open.

Mr. Sevier said there were three topics to be addressed. The first was Technical Data with the intent of pulling the International Traffic in Arms Regulations (ITAR) and Export Administration Regulations (EAR) closer together on the definition of what constituted technical data. The next topic was Fundamental Research in which three different perspectives emerged. The last topic was Cloud Computing, which is the first attempt at looking at this problem of the handling and storing of technical data under the perspective of the Arms Export Control Act (AECA) and the ITAR. This is a complex issue in that the movement of ITAR controlled data into and out of a Cloud storage system, where that system could reside in various countries, not necessarily just the U.S., is a potential security and an export concern. Mr. Sevier turned the meeting back to Ms. McCormick.

Remarks by Ms. Beth McCormick, Deputy Assistant Secretary of State, Defense Trade Controls, Political-Military Affairs

Ms. McCormick said DTAG was a critical partner on Export Control Reform (ECR) and she would provide an update on ECR. Interest had been expressed in the Arms Trade Treaty (ATT) and Sarah Heidema, DDTC Policy Office, would give an overview on the treaty. Ms. Heidema spent time in New York and actively participated in the ATT process.

Ms. McCormick said this year was pivotal in the ECR initiative. There has been a significant ongoing effort across the Administration with key roles by the Departments of State, Defense, and Commerce as the principals but with input from others including in the Departments of Homeland Security and Justice, the Intelligence Community and the Executive Office of the President. In 2009, the President directed a broad based review of the export control system with the goal of strengthening national security as well as U.S. competitiveness with a focus on current threats and adapting to the technical landscape.

On April 16, 2013, the first final rule was published in the Federal Register to amend the U.S. Munitions List (USML) and provide new definitions. The rule also included policies and procedures regarding the licensing of items moving from the export jurisdiction of the State Department to the Commerce Department. The revised categories were Category VIII, aircraft and related articles; Category XVII, classified items and items not otherwise enumerated; the addition of the new Category XIX for gas turbine engines; and Category XXI for items not elsewhere enumerated. The rule will be effective October 15, 2013. This was a significant milestone. Also published was a revised definition for “specially designed”. In addition to revised categories and definitions, a detailed transition plan was published to help exporters understand the changes and how their interactions with DDTC will change as the ECR continues to be implemented.

Congress will be notified, as required by law, of the intent to publish final rules on additional USML categories that include Category VI, Vessels of War and Special Naval Equipment; Category VII, Ground Vehicles; Category XIII, Materials and Miscellaneous Articles; and Category XX, Submersible Vessels and Related Articles. Hopefully those categories will be published in the July timeframe after the 30 day notification. Also upcoming are the revisions for Category XV, Satellites, which closely follows the recommendations of the 1248 Report, and the second revision of “defense services”. The Department received many comments on the proposal to revise the term “defense services” and the definition was revised accordingly. The hope is to publish this change soon.

We have come a long way. State and the Defense Technology Security Administration (DTSA) are working collaboratively on ECR. We appreciate your patience as we continue the process. I especially appreciate the assistance from the DTAG members for their comments and expertise.

Next week marks the exchange of notes on the Defense Trade Cooperation Treaty with Australia. Ms. McCormick said it was her personal and professional goal to pursue finalization of the Treaty as she started as one of the lead negotiators while at the Defense Department. The treaty was signed by President Bush and Prime Minister Howard in 2007, with Senate ratification occurring in September 2010 but implementation was delayed until 2011 because of the need for the Australian Parliament to pass legislation including the Treaty, just also making changes to their protection of other strategic goods. Last year, the Australian Parliament passed the Defense Trade Controls Bill of 2011. President Obama signed the Treaty instrument for ratification last week and hopes are for the Treaty to enter into force next week in Canberra with an exchange of diplomatic notes. The April

8 Federal Register published the ITAR exemptions available for use once the treaty is brought into force. This will allow industries from both countries will be able to bid on both governments' programs while providing support to counter-terrorism efforts and cooperative projects. We have a meeting with Treaty Management Board with the United Kingdom in a couple of weeks and those meetings are helpful in sorting out the various issues.

Ms. McCormick was pleased to be an active participant at the Plenary. Mr. Sevier's introduction on the DTAG projects shows quite a group of diverse individuals participating. She highlighted several representatives from universities present to hear the fundamental research presentation. The approach to managing Cloud computing will be interesting from a regulatory perspective. Ms. McCormick agreed to take a few questions now and will be here all afternoon for additional questions.

Question: A DTAG member thanked Ms. McCormick for her participation. He said that anecdotal information from various companies in the UK and U.S. felt implementation appeared too complicated and getting regular export licenses may be easier. Are you likely to collect data on how the implementation is going and how it is to be improved?

Answer: Ms. McCormick said change is always interesting. One of our challenges with the treaty was the fact that we negotiated and signed the treaty in 2007 and it took a while to get Senate advice and consent. Consequently, it will be more useful for new programs than existing programs. We arguably do too good of a job sometimes in our normal processing of licenses. In 2012, DDTC processed approximately 86,000 licenses with an average processing time of 18 days and with familiarity to the process, licenses sometimes seem easier. The focus of the respective Management Boards with the United Kingdom and Australia should be to get the word out to industry on using this treaty opportunity. Ms. McCormick has met with small and medium companies in both countries. When she met with the Australian advisory board during her visit, they asked why would they utilize the treaty rather than deal with the ITAR. She replied that from the U.S. perspective, the treaty is an exemption to the ITAR and it was as if a "light bulb went on." Interest in the treaty is starting to grow as larger prime contractors and subcontractors become more familiar with it and realize the benefits. Again, education on how to use the treaty is key. And as new projects are established, they are treaty eligible.

Question: A public attendee said at the Commerce Department, the Bureau of Industry and Security (BIS), travel was limited because of sequestration and was her office affected?

Answer: Ms. McCormick said they are doing well. One of our advantages is that our Compliance and Information Technology (IT) functions take advantage of registration fees received by companies so there is minimal impact on those functions. Sequestration will likely affect DOD and DTSA, and DTSA has a key role in ECR, daily licensing and commodity jurisdictions, and we are seeing some effects on that. BIS has had serious discussion and concerns on impact of outreach with Assistant Secretary Wolf and Deputy Assistant Secretary Borman. Some DDTC personnel were sent to SIA conference but all must accept the reality of the situation, it is a serious issue. We have limitations on the use of registration fees and to date there are been no legislative relief from those limitations. DDTC is okay currently, but if the situation continues, it could be a problem.

Ms. McCormick introduced Ms. Sarah Heidema to provide the DTAG with an update to the United Nations Arms Trade Treaty, a subject introduced by Deputy Assistant Secretary Vann Van Deepen during the 2012 Fall DTAG Plenary.

Sarah Heidema, Policy Office, Directorate of Defense Trade Controls

The Arms Trade Treaty was adopted by the United Nations General Assembly in April. The U.S. fought hard for the treaty and it is a strong treaty. It protects U.S. national sovereignty. The treaty addresses the irresponsible transfer of arms that threatens peace and security worldwide but also recognizes it is a legitimate activity. It requires states to establish national export control system to regulate arms trade. Over 100 countries have no system of export control and a goal is to engage these countries to establish controls. The treaty recognizes that certain transfers are prohibited by international law such as exports to support war crimes. U.S. obligations are already implemented under its broad export controls conventional arms, parts, components and ammunition controls and those controls already meet the ATT requirements. The U.S. Government consulted with U.S. industry, organizations and the Commerce Department to ensure no new burdens placed on industry. And the treaty is consistent with the ECR. Brokering, imports and internet sales are also addressed. It is not a perfect treaty but it does possess certain common standards. The Department is now conducting a thorough review of the treaty with all relevant agencies before making a final recommendation to senior officials as to whether or not to sign the treaty.

Question: A DTAG member said media reporting on Senate reaction suggested it may not be ratified. How will the Department manage having signed the treaty but not ratified by the Senate? How will the Department handle its residual obligations?

Answer: Ms. Heidema said she believes the U.S. is already compliant through current regulatory procedures and will allow us to move forward without making changes.

Technical Data Harmonization Working Group, May 9, 2013

(NOTE: Following is a summary of the presentation. The full briefing can be viewed at the DDTC web site, on the DTAG webpage.)

Ms. Kim DePew introduced the Working Group (WG) chairmen, Mr. Dale Rill and Mr. Bryon Angvall.

Mr. Rill said it was a straightforward task, to review the technical data definitions in the ITAR and the EAR and recommend draft language to harmonize both definitions. The task did not include defining what is technical data; the task was to harmonize the definitions.

Mr. Angvall said the ITAR definition of technical data is broad and captures every category but it also specifically excludes key elements.

Mr. Rill said that under the Commerce Department, the definition is a moving target in that it has three terms – production, development and use – and is very specific to each item. Additionally, the EAR has General Technology Notes that further define certain aspects of technical data related to a product or products. For items previously on the USML and now on the new Commerce 600 series, industry needs to understand how to apply the definitions to the items in the scenarios in the presentation.

Mr. Angvall said harmonization is needed to ensure that technical data related to the new 600 series ECCN item also transferred to the CCL, in other words, the technical data definition follows the item. The WG had heated discussions and finally agreed that the same definition would not work for the ITAR and the EAR. The EAR focused on specific technology related to an item while the ITAR focused broadly on all technology directly related to a USML item, leading to

fundamentally different concepts. One example discussed related to the Stealth F-35 aircraft; it is ITAR controlled, along with its parts and components. The wire bundles on an F-35, F-15 or older aircraft, or commercial aircraft, are much the same. It will be interesting to see language interpretation used on the F-35 wire bundles. Mr. Angvall discussed the key elements of the proposed ITAR definition suggesting only revising the definition of technical data in the ITAR and the EAR definition could be revised later because the EAR side is running fairly well. He said the DTAG did not address encrypted information as part of the tasking and also recommended a separate tasking to address the definition of “software” separate from technical data. Any new definitions must be consistent with our international agreements such as Wassenaar.

Question: A public attendee followed up on the term “unique” (referencing Slide 10) and that a combustion liner is a common element of a jet engine and the engine remains on the USML but the combustion liner moves to the Commerce Control List (CCL). Technical data required and “unique” to ITAR controlled item but the liner is not. So is the methodology for making the hole in the liner technical data under the ITAR or the EAR?

Answer: Mr. Rill said there were two process maps to follow. Combustion liner designed and unique for use in that engine is one and the technology to produce part of the liner, example laser whole drilling, is another. Production of some military engines also requires some Commerce licenses for hot sections. If unique to the ITAR product, then a process in the laser whole drilling is used only for military purposes. Separate the sheet metal end item versus the technology and process that is controlled. Mr. Angvall added that technical data to build the liner is the 600 series part technical data and that technical data used to build the liner is not unique to an ITAR part. Consequently, it is 600 series data.

A DTAG member commented that the point is consistent with the ‘specially designed’ definition.

Question: A public attendee said systems description not included for marketing purpose?

Answer: Mr. Angvall said it was included but at the bottom.

Question: A public attendee asked if classified information related to defense articles and services on the USML and 600 series items on the CCL, effective per the Federal Registration on October 15, states that an article is no longer a defense

article because on 600 list, but the technical data about that article would still be ITAR controlled. That was not mentioned in their definition.

Answer: Mr. Angvall said that was a great point and the WG needs to tweak the language. Classified information on 600 series EAR items would still be controlled under the ITAR.

Question: A public attendee stated that there are a variety of words imbedded in the ITAR that are not explained. Is the intention to define all those words within the ITAR?

Answer: Mr. Rill said that when you define plain English words, it makes life more difficult. More definitions would create difficulty in interpretations.

Question: A public attendee asked how does a small-to-medium company read this and know that a special definition does not apply.

Answer: Mr. Rill said how did the WG make the recommendation? We did not do a word -for -word cross-analysis. Under the ITAR, the word “required” could be read as all encompassing. We introduced “unique” to cover ‘peculiarly responsible’ in the sense that it is peculiarly responsible for doing something across applications because technology today crosses the commercial and military lines. How do you delineate the two especially when you have ITAR items that move to the 600 series? You would think the technical data would transfer as well. We need to create guidance. Ms. DePew added on classified information, Bullet 2, words “required” and “unique” are not there. Bullet 2 is agnostic whether required or unique for an EAR or USML item.

Question: A public attendee said they did not want to define the words but terms that must be followed that are not going to be defined should be in different font and should follow Webster’s Dictionary because people need something to go by when it is law.

Answer: Mr. Rill responded that in certain instances, the exporter may want to ask for a Commodity Jurisdiction (CJ) or advisory opinion for clarity or decide on an acceptable level of risk in self-interpreting within large companies. Mr. Angvall said that the current ITAR uses “required” from plain English and is not defined. Would they then need to define “design, development, research” and other words? It is a struggle and there are differences between the EAR and the ITAR.

A public attendee commented that in the EAR, if a word has a definition it is in quotes, go to Part 772 and look up the meaning.

Question: A pubic attendee asked if demilitarization and destruction of defense articles were defined and did the same definition apply? A public attendee stated that demilitarization and destruction are not contained in the definition of technical data but they are in ITAR Section 120.9 “defense services.” Classified information on demilitarized and destruction of defense articles takes them into definition of technical data, so why not include them in the definition of technical data or would demilitarized and destruction cease to become ITAR controlled?

Answer: Mr. Angvall said there are parallel issues like software included in defense services as that would have expanded the task too much. Mr. Rill said including defense services would change the technical data definition but it was a good point. Mr. Sevier said the tasking was to bring the two regulations together specifically on the definition of technical data. It was a big enough task and we have other things we can work on later.

Harmonization of Fundamental Research Working Group May 9, 2013

(NOTE: Following is a summary of the presentation. The full briefing can be viewed at the DDTC web site, on the DTAG web page.)

Ms. DePew said the WG produced much lively discussion on different points of view from academia and industry. She introduced the co-chairs, Ms. Dava Casoni and Mr. Michael Miller.

Mr. Miller thanked the WG members for their commitment which often meant ten hours per week since December 2012 on conference calls and other work. The amount of data collected could not be presented that day but it was significant. Many different perspectives were brought to the table.

The tasking was to review the various U.S. Government definitions of “fundamental research” and recommend a harmonized definition that could be used in both the ITAR and the EAR. There were multiple perspectives concerning fundamental research. Ms. Casoni said they tried to remain consistent with current definitions.

Mr. Miller said the history was an important aspect in understanding the current status and the language from NSDD-189 starts to run through the regulations.

Fundamental research is a sub part of public domain in ITAR 120.11 and the WG created four sections with unique definitions as they appear throughout the ITAR. They are basic research, applied research, fundamental research and research restrictions. Ms. Casoni said the new language was consistent with NSDD-189, the ITAR and the EAR. The WG proposed deleting the language on proprietary research because whether research is proprietary or not is irrelevant in making an export control determination. Mr. Miller said the guidance would apply to academia and industry and clear guidance was needed for funding agencies and that contractual restrictions should only be included when they are strictly necessary and directly related to national security concerns. The EAR has guidance but the ITAR is silent. DDTC should issue guidance to industry, academia and other government agencies.

The WG developed a side-by-side Comparison Chart for the EAR and the ITAR on relevant definitions and where there is no equivalent, it was so noted. Mr. Miller said that mixed fundamental and controlled research involving military articles needed guidance. A survey revealed that universities and industry treat the same work differently from inception to publication.

Ms. Casoni said the proposed harmonized “fundamental research” definition offered several considerations of which the top three were character of research, existence of national security classifications and existence of specific access and dissemination restrictions. Harmonization required four new definitions in ITAR Section 120 as well as changes to other ITAR sections and creating guidance for the ITAR in a “Frequently Asked Questions”. The EAR requires revisions such as definitions in EAR Section 772.1 and revising supplemental guidance in the EAR.

Mr. Miller concluded by stating the proposed definitions will work well together in both the EAR and the ITAR. The DTAG assumes the proposed changes to Defense Services and Technical Data will be implemented which will further clarify application of fundamental research. A “bright line” for clarity and consistency of implementation and enforcement will be welcomed by all.

Question: A public attendee asked if the WG had considered patent law. You may know that if something is initially classified as EAR and is subject to a patent, it is no longer subject to the EAR. A patent becomes public domain in 12 to 16 months. It can be shared with Cubans. Will the four new categories be treated differently for export purposes?

Answer: Mr. Miller said that those items are already excluded from public domain in the ITAR. They are already included as public domain in the current definitions and we don't plan on changing that. Ms. Casoni said fundamental research excluded from export controls. A definition was provided for 'restricted research' for clarity.

Question: A public attendee asked if 'public domain' in the ITAR and 'publicly available' in the EAR were the same, and asked if the Commerce RAPTAC (Regulations and Policy Technical Advisory Committee) had been involved in the discussions.

Answer: Mr. Miller said comparison chart shows it (Slide 16). Public domain is part of the ITAR and publically available is in the EAR. The ITAR equivalent of the EAR "publicly available" is public domain. RAPTAC had not been involved in the discussions prepared for DDTC.

Question: A public attendee asked about removing restrictions on proprietary. Hypothetical example, Maine University contracts with Boeing for applied research to modify a subsystem (applied research). All work is proprietary per Boeing contract; no prime contract. But is it still fundamental research?

Answer: Ms. Casoni said this was a heavily debated point. The majority of DTAG agrees that proprietary data does not mean export controlled. Focus is on the regulatory aspect of fundamental research, not on contractual restrictions.

A public attendee commented that if you look at contracts within the industry, the theory is to protect economic security which seems like a shift in basic policy.

Another public attendee commented that we are creating a system that is inadvertently shifting economic security back to the government that is better left in the hands of industry.

Another public attendee commented that zero-zero controls, Wassenaar, etc., exist and none of it is U.S.-economics focused. They are not considerations. They could be, but they are not.

Mr. Wade thanked the presenters and called for a break and that the meeting would reconvene in 20 minutes.

Mr. Wade called the Plenary to order at 2:50 PM. Mr. Wade said that when asking questions, state who you are and to wait for the microphone so that everyone can hear the questions.

Cloud Computing Working Group, May 9, 2013

(NOTE: Following is a summary of the presentation. The full briefing can be viewed at the DDTC web site, on the DTAG webpage.)

Ms. DePew introduced the WG which was co-chaired by Ms. Marjorie Alquist and Ms. Rebecca Conover. Ms. Alquist said that the issue of Cloud computing is global and is currently being addressed in Germany and Japan. She thanked the WG members for their great support and input.

Ms. Conover said the tasking overview was to review Cloud computing and data storage methods, the various implementation methods and report on the implications for the regulators and provide guidance that might be used by exporters consistent within the regulatory controls. It is a new area not previously addressed. The National Institute of Science and Technology (NIST) has defined Cloud computing and it is very broad in terms of use. Access to large amounts of data can be via phone, iPad, work station, laptops and other electronic media. Movement of data in a Cloud can be across countries, it may be China or India just depending on the point in time that access occurs. A person at a terminal uses the Cloud with no thought of the Cloud; they simply use it to store and access data. Export regulations were designed for transfer of tangible items and traditional modes of information storage and sharing and therefore do not adequately address intangible transfers or use of the Cloud as a storage method, which has become common in business. Also, the ITAR does not address encryption standards required for the electronic transmission or storage of ITAR controlled technical data.

Ms. Alquist said the WG had various ideas and the key ones dealt with encryption, creating a new license or exemption and establishing parameters for Cloud users and Cloud service providers. Ms. Alquist then used a chart to explain how encryption works in the Cloud environment and how encryption may offer a solution. If the U.S. Government established an encryption standard, and the encryption remains with the user at point of access, the encryption would protect the data. In the Cloud, the data would be encrypted and protected. Several proposed ITAR definitions were presented. Another idea explored was Cipher Text and the WG believes that Cipher text does not meet the current TIAR definition of technical data since it unreadable and unusable and that is how the data in the Cloud would be stored.

Ms. Conover said that further review was recommended on several issues such as aligning with other agencies to establish encryption standards. And some companies and universities may not be able to meet encryption requirements to prevent exports. The WG recommendations are based on the use of encryption.

Question: A public attendee asked about the NIST information.

Answer: Ms. Alquist said a list of references is included in the presentation (Slide 21). Mr. Sevier said technical data under the AECA is in a form usable to do something. Encryption takes away the ability to use the data in its altered form and that is the idea behind the recommendations.

Question: A public attendee said NIST Technical Advisory Committee (TAC) addresses this issue 20 years ago. The support for all of this is that obviously you cannot compute inside the Cloud as data must be in usable format. Frequently people use a Cloud for computing.

Answer: Mr. Sevier replied that this effort only looked at the Cloud for data storage.

Question: A public attendee commented that the data must be encrypted locally because the Cloud cannot encrypt it for you. Let us suppose that data stored in a Cloud in an adversarial country. They may not read it, but they could delete it.

Answer: Ms. Conover said the terms and the security measures with the provider could address that. This could be true of Iron Mountain or anyone today.

A public attendee asked what is adequate encryption under the EAR. Category 5 under the EAR offers encryption standards. You may want to consider that.

Question: A public attendee said he had a Blackberry and did he need a license to send drawings to Zimbabwe – and if he took his phone to Zimbabwe, he would have that data. Engineers send messages from anywhere and no exemption used. Encrypted data can be stored in a laptop, the engineer flies anywhere and the data flies out of the U.S. with them. Or they could be using the Cloud to decrypt and access technical data anywhere. Are you saying that you can take a hard drive that is encrypted out of the country and it is not an export?

Answer: Mr. Sevier replied that this task was focused on the storage aspect, but if the data required an export license (review and authorization) in its usable form, that would still be the case. When it was retrieved from the Cloud storage and returned to its useable form (de-encrypted) and passed (exported) to a user that required a USG authorization the license requirement was still there.

Question: A public attendee asked how universities are encrypting and how difficult would it be to meet a common standard?

Answer: Ms Conover replied that there are many standards and different levels of difficulty to comply. For example, the military has a standard for encryption. We will leave the level of required encryption to the government. Mr. Sevier commented that these were questions surrounding implementation. It is important to consider that many large companies are not going to use a Cloud anyway. Intermediate and small companies are the likely users. Encryption was not the task for this case. The task in this case was to come up with the logic for a potential solution. Ms. Alquist said that the EAR and ITAR have different standards.

Question: A public attendee said BIS has issued several advisory opinions on Cloud computing and did the WG review them and was DTAG's recommendation in-line with those advisory opinions?

Answer: Ms. Alquist responded that there were varied opinions about the BIS opinions. We reviewed them and found that they focused on roles and responsibilities which is a key issue. We will make sure to include the nuances in the guidance for exporters and providers. They felt that roles and responsibilities had to be addressed as part of the solution. Ms. Conover added that advisory opinions put the burden back on the user. The idea of encryption was to clarify roles and responsibilities and focus on securing the data.

Mr. Wade thanked the WG for their presentation. The meeting had reached the approval phase of the Plenary session and Robert's Rules were used for each presentation.

DTAG Vice Chairman Bill Wade called for a motion to approve the Technical Data presentation, it was seconded, he asked for questions on readiness of which there were none, called for a vote in favor of approval with a show of hands and, called for a negative vote and were none, and the presentation was recorded as approved.

Mr. Wade called for a motion to approve the Fundamental Research presentation, it was seconded, he asked for questions on readiness of which there were none, called for a vote in favor of approval with a show of hands, called for a negative vote and were none, and the presentation was recorded as approved.

Mr. Wade called for a motion to approve the Cloud Computing presentation, it was seconded, he asked for questions on readiness of which there were none, called for a vote in favor of approval with a show of hands, called for a negative vote and there was one negative vote, majority rules and the presentation was recorded as approved.

Mr. Terry Otis, DTAG Scribe, reminded the audience that the DTAG would take public comments till close of business Friday, May 17. The comments cannot be proprietary data because that cannot be published. Send the comments to bdemery@bh.com.

Mr. Wade requested that updates to the presentations be sent to him by Thursday, May 16, so that he could provide the revised charts to DDTC. The same request applied to the White Papers.

Mr. Sevier said the level of effort of the Working Groups was intense with at least one telecon meeting per week by each team. It was a major effort and a lot of good work and he thanked the members. He commented that voting on the work product is part of the Federal Advisory Committee Act (FACA) requirements. The minutes of the meeting, meeting dialog, all the background information and recommendations provide the logic that went into the recommendations. It is an important source of information that DDTC can use without having to research it themselves. Mr. Sevier closed the conference and turned it over to Ms. McCormick.

Ms. McCormick said it was great to attend the meeting and commented on the quality of the presentations. She thanked all the attendees and declared the DTAG session formally closed at 3:35 PM.

The public comment period ran through Friday, May 17, 2013. One comment was received which qualifies as a public comment after the plenary. It is included in these Minutes as "Public Comment(s) Submitted During the Public Comment Period".

Public Comment(s) Submitted During the Public Comment Period

Public Comment No. 1 - I attended the DTAG meeting on 5/9/2013 and wanted to make the following comment/suggestion regarding the definition of fundamental research. I strongly suggest that DDTC include the definitions for basic research, applied research and research restrictions (restricted research) as subparts clarifying the definition of fundamental research rather than as independent definitions.

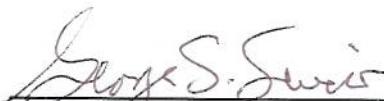
Submitted to Thomas P. Kelly, Acting Assistant Secretary of State for Political Military Affairs

Dated: JUN 05 2013

By: The DTAG Executive Secretariat



Beth M. McCormick
Deputy Assistant Secretary
Designated Federal Officer



George S. (Sam) Sevier
Chairman, 2012-2014
Defense Trade Advisory Group