

AMERICAN INDUSTRIAL ACQUISITION CORPORATION

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MANAGEMENT POLICY STATEMENT

TO: All AIAC Division Heads
FROM: Leonard M. Levie, Chairman
DATE: September 15, 2014

SUBJECT: **American Industrial Acquisition Corporation's Policy on Compliance with U.S. Government Export Laws and Regulations**

I am writing this memo to show my complete support for American Industrial Acquisition Corporation's (AIAC's) policy that ensures that the export of products and/or commodities for the companies under its control be in full compliance with the Arms Export Control Act (AECA). Each AIAC controlled company must be in compliance with all of the export control provisions contained within the International Traffic in Arms Regulations (ITAR) which implement the AECA and the Export Administration Regulations (EAR) for all existing companies' products. It is imperative that each individual AIAC company create and maintain policies and procedures detailing their ITAR/EAR compliance program. Noncompliance may result in substantial monetary penalties and could severely impact the viability of our businesses.

AIAC's commitment is important because the U.S. Government views the sale, export, and re-transfer of defense articles and defense services as an integral part of safeguarding U.S. national security and furthering U.S. foreign policy objectives.

All AIAC Employees must be trained to ensure that their conduct, as well as the conduct of those who report to them, fully comply with the U.S. Export Licensing and Control Policies & Procedures established by each individual company. Each company shall establish a reporting system that allows any company employee who learns of a potential violation or infraction of these procedures to report it immediately to their Export Control Officer (ECO) or to an appropriate Company management/ombudsman. Be assured there will be no retribution for employees that report suspected violations.

I am appointing John D. Wilbur as the point of contact, reporting directly to me, to oversee and provide suggestions on AIAC's compliance program for each of the AIAC divisions. John will periodically provide me with status reports on our overall implementation and continued compliance efforts. John can be reached at 203-272-5371 x217 or if John is not available you can reach me at 203-698-9595.

