

FCPA AND EXPORT COMPLIANCE

Comtech Telecommunications Corp, including its subsidiaries, (Comtech or the Company) is a U.S. company and governed by U.S. laws and regulations. It is the policy of the Company to comply with all U.S. laws and regulations, more specifically the Foreign Corrupt Practices Act (FCPA), U.S. Office of Foreign Asset Control (OFAC), Export Administration Regulations (EAR) and International Traffic In Arms Regulations (ITAR). These laws govern and apply to U.S. persons, products, technology, services, and certain activities of non-U.S. persons, regardless of location, whether in the U.S. or abroad. The application of these laws are broad and “extra-territorial,” meaning, it reaches far beyond U.S. territories and U.S. persons. The impact of violating any of these laws is severe and may result in imprisonment and/or significant fines/penalties to the Company (and/or individual), as well as, the foreign party.

FCPA and Local Laws

The U.S. Foreign Corrupt Practices Act and similar anti-bribery and anti-corruption laws of other countries prohibit making, promising, or offering payments or gifts to government officials to obtain or retain business or to secure any improper business advantage. Any payment, gift, offer, or promise of anything of value that is made to a government official must be lawful under the written laws and regulations of the country within which it is made.

Who does the FCPA apply to?

The FCPA applies to corrupt payments made to any officer or employee of a non-U.S. (“foreign”) government and to those acting on the foreign government’s behalf. The FCPA thus covers corrupt payments to low-ranking employees and high-level officials alike. Such officials under the FCPA include officers or employees of a department, agency, or instrumentality of a foreign government. The term “instrumentality” is broad and can include state-owned or state-controlled entities. The U.S. government uses an analysis of ownership, control, status, and function to determine whether a particular entity is an agency or instrumentality of a foreign government.

Compliance for Third Party

Intermediary

In assessing whether or not to enter into a business relationship with consultants, subcontractors, agents, representatives or distributors (also known as third party intermediaries), Comtech will generally not approve arrangements which:

- contain excessive commissions to be paid to an agent or consultant;
- include unreasonably large discounts to a distributor;
- do not clearly describe services to be performed on behalf of Comtech;
- are with an agent or consultant that is in a different line of business than that for which they are being engaged;
- are with an agent or consultant that is related to, or closely associated with, a government official; and,
- require payments to be made to an off shore or unknown bank.

A third party intermediary acting on behalf of Comtech may not offer or make any payments or provide anything of value to a foreign government official to influence an official action that awards business, retains business or secures an improper business advantage in connection with the sale of Comtech’s products. In the event of an alleged breach of the anticorruption obligations, the third party intermediary acting on behalf of Comtech is expected to operate in good faith with the Company to determine whether an alleged breach occurred.

Expenses

Third party intermediaries acting on behalf of Comtech may not pay any expense (e.g., meals, lodging or travel) of a foreign government official, related to the sale of Comtech products, in an amount in excess of one hundred dollars (\$100.00 U.S.) without the prior approval of the Company.

Obligations under U.S.

Export Regulations

Comtech products and technology shall not be exported, re-exported, shipped or transferred to countries where the U.S. maintains an embargo or trade sanctions; for any U.S. prohibited end-use; or, to any restricted or denied end-user.

Sales representatives, who act as brokers or intermediaries on behalf of Comtech, may under certain circumstances be required to register with the U.S. Department of State. You will be advised by your Comtech representative, if this requirement applies to you.

Failure to comply with U.S. government export regulations may result in possible civil penalties and/or denial of your eligibility to receive U.S. exports.

Questions

For answers to questions pertaining to this FCPA & Export Brochure, please contact your local Comtech representative.