

United States Department of State

*Bureau of Political-Military Affairs
Directorate of Defense Trade Controls
Office of Defense Trade Controls Compliance
Compliance & Registration Division
Washington, D.C. 20522-0112*

December 19, 2013

PERRY FOX, PRESIDENT
TONAR INDUSTRIES, INC.
419 FRANKLIN AVENUE
ROCKAWAY, NJ 07866
PFOX@TONAR.COM

REGISTRANT CODE:
EXPIRATION DATE: 12/31/2014

Reference: Broker Registration Statement and Fee Submission

Dear Mr. Fox:

The Office of Defense Trade Controls Compliance, Compliance and Registration Division (CRD), received your registration application, and fee to register as a broker. Our review is now completed. Your broker registration code is . It expires on 12/31/2014.

Section 38(b)(1)(A)(ii) of the Arms Export Control Act (AECA) (22 U.S.C. 2778) provides that persons engaged in the business of brokering activities with respect to the manufacture, export, import, or transfer of any U.S. or foreign defense article or defense service shall register and pay a registration fee and that no person may engage in the business of such brokering activities without a license issued in accordance with the AECA. This registration serves as a precondition to submitting an application for a brokering license or other approval from the Directorate of Defense Trade Controls (DDTC). Further, this registration does not satisfy any independent requirement to register as an exporter / manufacturer pursuant to International Traffic in Arms Regulations (ITAR) Part 122, if so required by the AECA or ITAR.

As you are the senior officer who has been empowered to sign the registration statement, we ask you to maintain records consistent with ITAR Section 122.5 regarding: 1) The key senior officer listed on the registration who will oversee the compliance program and be responsible for designating the direct employees who will serve as "empowered officials" at their place of employment, and 2) A list of qualified, direct employees who will serve as "empowered officials" by name, position, business unit, phone and fax numbers and email addresses. Please note that third parties (individuals who are not direct employees, such as consultants, subcontractors or outside counsel, for example) cannot serve as "empowered officials."

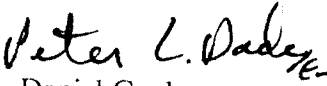
As a registered broker you are required to comply with other sections of the ITAR as well as those specific to Part 129 on brokering activities. These include but are not limited to Parts 120, 121, 122, 126, 127 and 130. These Parts cover general authorities and eligibility, the United States Munitions List, Registration of Manufacturers and Exporters, Prohibited Exports and Sales to Certain Countries, Prohibited Countries, Violations and Penalties, and Political Contributions, Fees and Commissions. Please note that Part 122 also include requirements for notifying this Office of changes to your Registration Statement or Transmittal Letter.

ITAR Section 129.9 requires that any person registered as a broker provide annually a report to DDTC (Attn: the Office of Defense Trade Controls Compliance, Compliance and Registration Division). This report is due on January 31 each year. However, you must comply with ITAR Section 122.5, which requires you to maintain records concerning your registration and your brokering activities for a minimum period of five years from the expiration of the license or other approval to include the use of exemptions. Records maintained shall be available at all times for inspection and copying by this Office or by Customs officials.

Please include your brokering registration code and the following statement on all registration correspondence to this Office: "Under penalty according to federal law (22 CFR 127.2; 22 USC 2778; 18 USC 1001) I, (insert your name), as authorized by (name of company, if applicable) warrant the truth of the statements made herein." We recommend your registration be received up to 45 days prior to the expiration date. However, your registration must be received at least 30 days prior to this new expiration date. (ITAR Section 122.3(b)). Registration must be current to apply for brokering licenses or other approvals, or to use brokering exemptions. Your registration is not current, for example, if you have not notified this Office of any material change in the information contained in your registration application (Section ITAR 122.4).

If you have any questions on registration, please contact (202) 663-1282 or DDTCResponseTeam@state.gov. You may refer to the DDTC website for the Compliance Guide at <http://www.pmdtc.state.gov/> and then click on the Compliance tab. The DDTC website also includes a copy of the ITAR, explanations of export licenses procedures, how to submit a license application, country sanctions, individuals / companies debarred by the Department of State and other export matters.

Sincerely,



Daniel Cook

Chief, Compliance and Registration Division