

UNITED STATES DEPARTMENT OF STATE
OFFICE OF DEFENSE TRADE CONTROLS
WASHINGTON, D.C. 20522

In the Matter of:)	
)	
DELFT INSTRUMENTS, N.V.)	Case No. <u>97-003</u>
Delft, Netherlands)	
)	
Respondent)	

ORDER

WHEREAS, the Office of Defense Trade Controls, Bureau of Political Military Affairs, United States Department of State (DTC), has notified Delft Instruments, N.V. ("Delft"), of its intention to initiate an administrative proceeding against it pursuant to the Arms Export Control Act (the Act) (22 U.S.C. § 2778(e)) and its implementing regulations, the International Traffic in Arms Regulations (22 C.F.R. Parts 120-130) (the "Regulations"), based on allegations that Delft made false statements and misrepresentations, and omitted material facts in connection with the Department's consent agreement and order entered into with Delft on July 2, 1992; and

WHEREAS, DTC and Delft have entered into a Settlement Agreement pursuant to Section 128.11 of the Regulations whereby DTC and Delft have agreed to settle this matter in accordance with the terms and conditions set forth therein;

IT IS THEREFORE ORDERED,

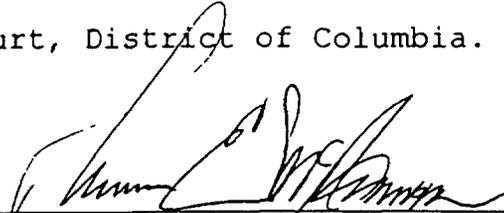
FIRST, that Delft shall pay a civil penalty of \$300,000. The penalty shall be paid as follows: \$200,000 within 10 days of the signing of this order, and \$100,00 in annual installments of \$20,000 over a five year period, due each year on the anniversary of the signing of the Order.

SECOND, Delft shall institute a corporate restructuring which will be completed within 60 days of the signing of this Order and will effect the changes and procedures and provide the assurances described in the Annex to the Consent Agreement in order to ensure that Mr. Rinze Kingma severs all business relationships with Delft Instruments Defense, D.V. and all its business units.

THIRD, that, upon receipt of the affidavits required by the Annex and the requisite initial payment of the penalty, absent any continuing law enforcement concerns by the Departments of Treasury, Justice, and Commerce, the Department will lift the statutory debarment of Delft that was imposed by Order of the Assistant Secretary for Political Military Affairs on August 11, 1992.

FOURTH, that the proposed Charging Letter, the Consent Agreement and this Order shall be made available to the public.

This Order becomes effective on the date of entry of the guilty pleas by Delft to a criminal information in the United States District Court, District of Columbia.



Thomas E. McNamara
Assistant Secretary for
Political Military Affairs

Entered this 21 day of Aug, 1997.