

SAMPLE 60-DAY NOTICE

Scenario: Unregistered foreign firm (Buyer) buys registered U.S. firm (Registrant). Registrant has no subsidiaries and is to become a subsidiary of Buyer. Buyer does not own-or-control any other ITAR-registered subsidiaries / affiliates.

- Replace **bolded** text with the details of your case. If a section does not apply to your activities, indicate that it is “Not Applicable.”
- ***Bolded Italicized*** text provides additional instructions.

ABC, Inc. Letterhead



Date
ABC, Inc.
2981 Westmorland Drive
North East, Alabama 99999

Director
Office of Defense Trade Controls Compliance (DTCC)
Directorate of Defense Trade Controls
Attn: Registration
U.S. Department of State
2401 E Street NW, SA-1, Room H1200
Washington, DC 20037

Subject: 60-day Notification of Acquisition of **ABC Inc. (MXXXXX and/or KYYYY)** by **Alphabet Defense Investments (UK)**

Dear Director:

ABC Inc (“ABC” or “Seller”) submits the following notice that it has entered into an agreement to be purchased by **Alphabet Defense Investments (“Alphabet” or “Buyer”)**, a **United Kingdom Private Limited Company**. This notice is being submitted pursuant to responsibilities under Section 122.4 (b) of the International Traffic in Arms Regulations (ITAR) (22 C.F.R. Parts 120-130):

1. What is the intended date for completion of the transaction? **The parties intend to complete the transaction, on or about [enter applicable date].**
2. Describe the transaction, i.e. whether it is an asset purchase/stock purchase/merger/etc.: **Alphabet intends to acquire ABC by asset purchase/stock purchase/merger/etc.**
3. Summarize the essentials of the transaction, including a statement of purpose and scope with an explanation of actions to be taken inside and outside of the U.S.: **The acquisition is intended to complement Alphabet’s expertise in guided missile solutions and will permit Alphabet to reach out to new markets in the United States and Latin America. Alphabet has no plans to change the venue of ABC’s activities.**
4. Is the transaction subject to review by the Treasury Department’s Committee on Foreign Investment in the United States (CFIUS) under the Pilot Program authorized by the Foreign Investment Risk Review Modernization Act of 2018 (FIRRMA)? Explain the rationale for this determination, and if appropriate, advise when the parties will submit to CFIUS the mandatory declaration for pilot program covered transactions. **ABC, Inc. is filing a mandatory declaration at the same time as this DTCC 60-day notice. ABC, Inc. manufactures guided missiles and space vehicles and is covered under pilot program industry North American Industry Classification System (NAICS) Code: 336414. The transaction is a controlling investment and gives Alphabet**

the right to nominate individuals to a position on the board of directors of ABC, Inc.

Apart from FIRRMA Pilot Program requirements, do the parties plan to file a Joint Voluntary Notice with CFIUS with regard to this transaction? **YES / NO**

5. ITAR Compliance Manuals, Policies, and Procedures:

a) Provide a copy of the compliance material that will be in effect post transaction to DTCC by email in Word format per 60 day guidance: ITAR compliance manual; ITAR training material and records; a list of United States Munitions List categories and names of articles being manufactured / exported; and corporate/business policies and procedures regarding export controls, including any security plan that assure appropriate compliance for ITAR-controlled articles and defense services and foreign (non-U.S.) person access.

Compliance material that will be in effect post transaction have been emailed to DTCC in Word format per 60 day guidance

b) Is Buyer (or other Buyer-owned/controlled subsidiaries / affiliates) currently carrying out ITAR activities outside of the U.S. (e.g., through licenses, technical assistance agreements, manufacturing license agreements, etc.)? If yes, please explain and provide a copy of the compliance material in effect to DTCC in Word format per 60 day guidance. ITAR compliance manuals; ITAR training materials and records; and corporate/business policies and procedures regarding export controls, specific steps including any security plans that ensure appropriate compliance for ITAR-controlled articles and defense services and foreign (non-U.S.) person access.

A subsidiary, Oxbridge Widgets, is carrying out contracts for a U.S. defense contractor. The compliance material that is in effect has been emailed to DTCC in Word format per 60 day guidance.

For 5(a), (b) be sure to describe any special steps to be taken to ensure appropriate compliance for the protection of ITAR-controlled defense articles and services that will be acquired as the result of this transaction.

6. Provide a chart of the corporate structure of the Seller prior to the transaction, including all subsidiaries, direct and indirect owners as well as the ultimate parent. **See Attachment A.**

7. Provide charts of the corporate structure of the Buyer before and after the transaction showing the disposition of Seller whether as a subsidiary, as a distinct division, as absorbed into Buyer or one of its subsidiaries, etc.; include all of Buyer's subsidiaries as well as direct and indirect owners and the ultimate parent. **See Attachment B.**

a) Provide names & addresses for all such companies and partnerships, including a list of senior officers for each. **See Attachment C.**

8. Indicate whether Buyer is a public or private company

a) For individuals or entities with an interest of greater than 5%, provide name, address and nationality.

i. Alphabet is a privately held company.

ii. Individuals or entities with an interest of 5% or more are:

DEF Investments (15%)
188 8th St. NW
St. Cloud, Idaho 08080
Nationality: US

EFG Investments (70%)
666 6th Ave SE
N. Westmoreland, Sussex ABE 743
Nationality: UK

HIJ Inc. (5%)
777 7th Blvd
British Virgin Islands with business office at:
999 E.95th St
Leeds, England, UK
Nationality: **British Virgin Islands**

Aumerie Brabantio (10%)
8080 80th Pl
Leeds, England XYZ 080
Nationality: **UK**

9. With respect to Buyer and its intermediate parents and ultimate parents, identify any foreign government(s) that:

- a) Owns or controls, either directly or indirectly, 5% or more interest;
 - b) Has contingent interests (e.g., lending transactions or convertible voting instruments, etc.)
 - c) Has the ability to appoint principal officers or members of the board of directors;
 - d) Or has other rights or powers such as a “golden share,” shareholders agreement, contract, statute, or regulation relevant to the control of such entities.
- **The Government of XYZ Land has a contingent interest in Alphabet as a result of a \$30 million loan. The loan gives the Government of ABC Land the contingent right to...**
 - **The Government of MNOP Land has a “golden share” that can Be exercised in case of...**

10. With reference to the post-purchase status of Seller:

- a) Describe any representation Buyer and its parents and associated

companies will have either in Seller's management, on its board and in

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the management of any other entity that may be part of Seller. Include information for all such individuals consistent with the information required in block 7 of the DS-2032.

- **Mindful of its responsibilities under ITAR §120.1(c), Alphabet will appoint senior managers and the Board of Directors of ABC. At this point the following senior officers have been named. After closing, the complete list will be provided in the 5-day notice.**
- **Name: Arviragus Cadwell
DOB: 7/14/2011
POB: Duluth, Wisconsin
SSN: 111-00-1111
Citizenship: US
Position: Chief Operating Officer
Home address:
714 East West Way,
Duluth, WI 87878**
- **Name: Autolycus Bouchier
DOB: 4/15/1936
POB: London, England
SSN: NA
Citizenship: UK
Position: Chief Financial Officer
Home address:
836 Hyde Park Crescent Mews
London, MMO XII**
- **Name: Boyet Ligario
DOB: 7/15/62
POB: Mexico City, Mexico
SSN: 222-00-2222
Citizenship: Mexico - permanent resident of U.S.
Position: Corporate Secretary
Home address:
888 17th St.**

Duluth, Wisconsin 887878

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**Note: See attachment D for copy of “Green Card”
etc.**

b) Describe any rights of Buyer or associated companies with regard to Seller’s operations, especially as related to defense articles or technology, including technology transfer.

- **As owner of ABC, Alphabet will manage all aspects of ABC’s operations including ITAR-related activities. Only persons eligible under ITAR §120.1(c) will be involved in the management of ITAR equities.**

c) To the extent that foreign persons are to be involved in managing defense articles or defense services including technology transfer, describe specific steps that will be taken to assure compliance with ITAR responsibilities.

- **Building on ABC’s existing compliance program, Alphabet will put in place special procedures to: ...**

The point-of-contact for questions about this Material Change notice:

Name: **Mr. Junius Capho**
Title: **Empowered Official**
Company: **ABC Inc.**
Tel: **777-777-7777**
E-mail: [**Jcapho@abc.com**](mailto:Jcapho@abc.com)

On behalf of **ABC Inc.**, I hereby certify that I am an authorized senior officer of **ABC Inc.** Furthermore, I state that under penalty according to federal law (22 CFR 127.2; 22 USC 2278; 18 USC 1001), I warrant the truth of all of the statements made herein.

Very truly yours,

Mr. Simon Catling
President

Or other officer listed in ABC's latest DS-2032 submission, as amended.

Attachments:

Compliance material that will be in effect post transaction have been emailed to DTCC in Word format per 60 day guidance

Attachment A: Pre-Acquisition Organization Chart of ABC, Inc.

Attachment B:

- Pre-Acquisition Organization Chart of Alphabet Defense Ltd.
- Post-Acquisition Organization Chart of Alphabet Defense Ltd.

Attachment C: List of names & addresses for related companies and partnerships, including lists of officers

Attachment D: Copies of Green Cards