

Buyer's Sample Letter to Attach in DECCS for 5-Day MAD

BUYER's SAMPLE 5-DAY NOTICE

Note: DDTC strongly recommends that you make your 5-day MAD material changes directly in DECCS Registration and attach your 5-day MAD material change notification letter as part of the submission. Failure to submit 5-day MAD material changes directly in DECCS and attaching your 5-day MAD material change notification letter will cause significant delays in review and completion of your MAD material change request.

Scenario: Both firms registered. Buyer is U.S. firm, which is neither foreign owned nor controlled. Seller has no subsidiaries and is to become a subsidiary of Buyer.

- Replace **bolded** text with the details of your case. If a section does not apply to your activities, indicate that it is “Not Applicable” or “No Change.”
- ***Bolded Italicized*** text provides additional instructions.

Note: Parties may adapt this example to fit their specific transaction. Please note, however, that some scenarios may trigger additional notification requirements. For example, if Buyer is foreign or foreign owned/controlled, 60-day pre-transaction notification requirements will apply if Seller is registered—regardless of Buyer's DDTC registration status.

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Use Letterhead:



Date
XYZ Aero LLC
2981 Westmorland Drive
North East, Alabama 99999

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

Subject: Notification of **Merger/Acquisition/Divestiture** of **ABC, Inc. (Maaaaa and/or K-bbbb)** by **XYZ Aero LLC (Mccccc and/or K-dddd)**

Dear Director:

XYZ Aero LLC ("XYZ") submits the following notice of its **Merger/Acquisition/Divestiture** of **ABC, Inc. ("ABC")** pursuant to Section 122.4 of the International Traffic in Arms Regulations (ITAR) (22 C.F.R. Parts 120-130):

1. Transaction & Effective Dates: The **Merger/Acquisition/Divestiture** was finalized on **December 31, 2019** through an **asset purchase/stock purchase/merger/if other explain**
-

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Note: For all material changes to DECCS Registration tabs 1 thru 11 include an explanation of the circumstances that led to the requested material change(s):

2. 5-day material change(s) summary to buyer's Statement of Registration:

Tab 1. General Information

No Change

Tab 2. Registration Information (Amendment)

Change

Reason for change: Acquisition Transaction – 100% Acquired Company ABC Inc. Maaaaa and/or K-bbbb.

Tab 3. Foreign Ownership/Control Information

No Change

The reported transaction has **not** transferred **ownership and/or control** of divesting party registrant or any entity thereof to a foreign person (to include insertion of a foreign person between the registrant and ultimate parent)

Tab 4. Organization Type Information

No Change

Tab 5. Identifying Information

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No Change

Tab 6. Members of the Board of Directors, Senior Officers, Partners and Owners:

Change:

Added 2 Senior Officers

Reason for Change: New Hires Part of 100% of Acquisition of ABC, Inc.

Deleted 1 Senior Officer

Reason for Change: No longer employed.

Tab 7. U.S. Munitions List Categories:

Change: Added Category VIII

Reason for Change: Now Manufacturing Military Aircraft Wings.

Note: For Tabs 8 and 9 include an explanation of the circumstances that led to the requested material change(s) for example possible reasons for addition/removal could include:

- ***Entity is no longer in the business of manufacture, export or brokering of defense articles/services***
- ***Entity was dissolved/no longer exists***
- ***Entity was sold to (provide buyer information)***
- ***Entity was acquired from (provide seller information)***
- ***Newly-formed subsidiary (non-acquisition)***
- ***Pre-existing subsidiary (non-acquisition) to be added to registrations as now entering the business of manufacture, export or brokering of defense***

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Added 2 Subsidiaries
Added 1 Controlled Affiliate

Reason for Change: Entities acquired from ABC, Inc., as part of 100% Acquisition of ABC, Inc.

Tab 9. Parent Information:

No Change

Tab 10. ITAR Written Policies:

No Change

Tab 11. Statement of Registration:

No Change

3. Will any existing authorizations transfer to buyer's registration?

Yes, authorization will transfer to buyer's registration.

4. Surviving Registration Code:

The surviving registration code is to be **XYZ Aero LLC's (Mccccc and/or K-dddd)**. **ABC's** registration code (**Maaaaa and/or K-bbbb**) is to expire.

5. If you were not able to submit your 5-Day MAD notice within 5 day after the event, then was a voluntary disclosure submitted (see ITAR 127.12 for guidance)

YES ___ or NO ___ DDTC case number (if YES): _____

6. Point of Contact for questions about this Material Change notice:

Aumeric Basset Cathnews, Empowered Official

XYZ Aero, LLC

Tel: 999-999-9997

e-mail: abcathnews@xyzaero.com

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XYZ Aero LLC assumes all rights, responsibilities, liabilities, and obligations that existed, exist, or may develop regarding the licenses, agreements, or other approvals (including any conditions, limitations, provisos, or amendments), or any requirements under Section 38-40 of the Arms Export Control Act or the International Traffic in Arms regulations for the licenses, agreements and other approvals.

Note: If MAD material change notification letter is attached directly in DECCS as part of the submission no senior officer signature is required. If MAD material change notification letter is sent by mail, then signature of senior officer is required.

On behalf of **XYZ Aero, LLC**, I hereby certify that I am an authorized senior officer of **XYZ Aero, LLC**. 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,

Arthur Bates Charmian
President, XYZ Aero, LLC
***(Or another officer listed in XYZ's last DS-2032,
as amended prior to this notice.)***

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Attachments: A - Permanent Resident Card (for non-U.S. citizen residing in U.S.)
B - Before & After Ownership Charts.

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Attachment A

Copy of Permanent Resident Card (Green Card)

