

MAD 60-Day Pre-Notification Guidance (ITAR §122.4(b))

60-Day Pre-Notification (Per ITAR §122.4(b)): Registered entities involved in mergers, acquisitions or divestitures which result in a foreign (i.e., non-US) person owning or controlling a registrant “or any entity thereof” are required to notify DDTC 60-days in advance of any intended sale or transfer. *Committee on Foreign Investment in the United States (CFIUS) filings do not satisfy the ITAR 60-day pre-notification requirement.*

60-Day Pre-Notification Requirements:

- Notification must be submitted on the letterhead of the registered party, signed by a senior officer listed in Block 6 of the DS-2032;
- Brief explanation of the transaction (e.g. purchase, merger, etc.);
- Anticipated date of the transaction;
- DDTC registration codes for all involved parties;
- Before and after organizational charts;
- Names, addresses, and telephone numbers of all firms involved;
- Name of the ultimate as well as intermediate owners;
- Indication of whether a CFIUS filing will be submitted;
- Statement of Registration Certification (see ITAR §122.2(b)).
- ITAR Compliance Program that will be in effect post acquisition in a searchable format.

ITAR Compliance Plans: In the case of a foreign person purchasing a U.S. registrant, please submit a copy of the ITAR Compliance Plan that will be in effect post acquisition with the 60-day pre-notification materials. The ITAR compliance plan must be emailed in a searchable format to PM-DTCC-MAD@state.gov.

Separate 60-Day Pre-Notification Submissions: The Buyer and Seller may choose to send DTCC 60-day pre-notification information in separate, coordinated responses submitted in parallel to DTCC rather than through a single notice from the Seller. To the extent that requested details are not available at this point in your negotiations, please indicate when this information will be provided. If you have any questions related to this matter, please contact the Merger / Acquisition / Divestiture (MAD) Compliance Specialist at PM-DTCC-MAD@state.gov.

Where there will be an ITAR-registered foreign or foreign-owned Buyer: If a foreign buyer is registered as a broker, it should submit a 60-day pre-notification. Similarly, if the transaction is to occur through a foreign Buyer owned- or-controlled ITAR registered subsidiary/affiliate, such subsidiary / affiliate would need to submit a separate 60-day pre-notification following the outline of the 60-day pre-notification sample that follows.

Electronic Submission: Submit all 60-day pre-notification materials via email to PM-DTCC-MAD@state.gov. Should a submission entail electronic files too large to email all at one time, splitting the submission into multiple emails is acceptable. As always, letters should be on company letterhead and signed by a U.S. person senior officer listed on the submitting entity's

registration with DTCC. It is no longer necessary to submit such correspondence in hard copy via registered mail/overnight delivery. This development, combined with the electronic notification in DECCS of registration amendments/changes pursuant to ITAR Section 122.4(a), means that all MAD-related notifications can now be submitted electronically. A confirmation e-mail will be sent via PM-DTCC-MAD@state.gov upon receipt of your 60-day pre-notification materials.