



United States Department of State

*Bureau of Political-Military Affairs
Office of Defense Trade Controls*

Washington, D.C. 20037

In Reply Refer to:
ODTC Case GC-0268-00

JAN 26 2001

Dear Mr. Beskar:

This is in reference to your letter dated April 10, 2000, in which you requested authorization to make a presentation concerning the sale of Stavatti F-26A/B STALMA Multi-Role Fighter Aircraft to foreign persons representing the Republic of the Philippines.

The Department of State has determined that there is no objection to the proposed transaction and approves your request in accordance with 22 CFR 126.8(a)(1) subject to the following provisos/conditions.

1. Any system capabilities or performance which exceeds that of advanced aircraft previously approved for release to the Government of the Philippines must be approved by the U.S. Government (USG) on a case-by-case basis.
2. U.S. Government COMSEC, TRANSEC or Tempest must not be offered, discussed or released.
3. Global Positioning System (GPS) must be limited to SPS capability. PPS must not be offered, discussed or released.
4. Stavatti must not provide the end-user with intelligence support. This restriction includes threat data files required for the operation of electronic warfare systems such as IFF systems. Intelligence support must be provided by the USG through government-to-government agreements or provided by the end-user.

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Mr. Christopher R. Beskar
Stavatti Corp.
520 Airport Road
South St. Paul, MN
55075

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5. Stavatti must obtain the requisite license approval to export any technical data. Since the USG has very little familiarity with the Stalma aircraft, any requests for release of technical data should be accompanied by all the data (e.g., briefing slides, specifications, technical descriptions, proposals) to facilitate review.
6. Release of electronic warfare (EW) systems will require an exception to national disclosure policy. Stavatti must therefore delete information on EW systems from any preliminary marketing discussions that occur from this approval.
7. Release of any signature reduction technology (e.g., materials, techniques, performance capabilities etc.) must be in compliance with applicable with DOD instructions (e.g., Security Classification Guide – Low/Counter Low Observable (LO/CLO) Programs dated May 1997).
8. The above provisos are guidelines only and should not be construed by Stavatti Corporation that the USG is willing to authorize the release of every electronic system, weapon, propulsion system, stealth capability or aircraft performance capability listed in your letter.
9. The foreign persons you refer to in your letter must not be from any proscribed countries specified in 22 CFR Part 126.1.

This determination is not an authorization to export any defense articles or technical data as designated in 22 CFR Part 121.1, nor provide defense services as defined in Part 120.9. The export of technical data must be licensed under the appropriate license (i.e. DSP-5 for unclassified technical data, DSP-85 for classified technical data). Prior to the release of hardware, the appropriate export application, supported by a purchase order or contract must be submitted to this office for consideration. Please reference the above case number on future related requests and provide a copy of this letter.

Sincerely,



William J. Lowell

Director,

Office of Defense Trade Controls