

Sequoia Aircraft Corporation 900 West Franklin Street
Richmond, Virginia 23220
804/353-1713

March 3, 1981

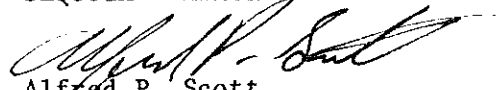
Dear Falco Builders:

You will find enclosed the latest Falco kit information which we inadvertently left out of our latest builder letter.

I am happy to report that Jim Weir of Radio Systems Technology will be designing an internal antenna system for the Falco and will be offering a kit with installation instructions. We will report to you as soon as he has something for you. The system will provide for a full IFR panel. The cost will probably be somewhere in the \$7.00 to \$10.00/antenna range. Even though you might not plan to install a full IFR panel, we think it would be smart to install all of the antennas as you build your Falco.

In our last letter we discussed the dangers inherent in making certain modifications, notably to the elevator trim tab system and to the landing gear retraction system. I find it difficult to believe, but there are still a few builders who are determined to change these things. I am convinced that there is a high probability that these builders will be involved in accidents, probably fatal if they involve the elevator tab. Since my warnings have had no effect, I have decided to put into effect the following policy: if a builder attempts a modification that we feel is potentially dangerous (such as trim tab modifications) or which would bring discredit to the Falco by its failure (such as landing gear modifications), we will (a) refuse to sell any components to the builder including the canopy and cowling, (b) refuse to allow our trade name "Falco" be used in connection with the aircraft, and (c) contact the FAA regarding our concerns if we feel that the modification is potentially dangerous. We regret the need for such a policy, but it has been brought about by a few builders who seem to have little regard for the complexities and dangers involved, or for the effect it will have on the rest of us. We will have an open mind about any modification, but we will insist that it be designed or reviewed by a competent aeronautical engineer familiar with aircraft structures. This is what we do with every single change, no matter how small, so I do not think that it is unreasonable to expect the same of everyone else. While I am no admirer of the Bensen Gyrocopter, you may be interested to know that Bensen has spent an enormous amount of money defending suits arising out of accidents involving a "Bensen Gyrocopter", but which proved to be owner-modified designs. Perhaps it is only the results of these modified designs that has formed my opinion of the Bensen Gyrocopters -- I don't know -- but I do know that I don't want this sort of thing happening with the Falco.

Sincerely,
SEQUOIA AIRCRAFT CORPORATION


Alfred P. Scott
President