



DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal Nos. 15-12]

36(b)(1) Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, DoD.

ACTION: Notice.

SUMMARY: The Department of Defense is publishing the unclassified text of a section 36(b)(1) arms sales notification. This is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. B. English, DSCA/DBO/CFM, (703) 601-3740.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 15-12 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: April 6, 2015.

Aaron Siegel,
Alternate OSD Federal Register Liaison Officer,
Department of Defense.



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

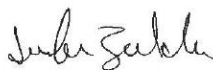
MAR 30 2015

The Honorable John A. Boehner
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, as amended, we are forwarding herewith Transmittal No. 15-12, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to the Republic of Korea for defense articles and services estimated to cost \$81 million. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.

Sincerely,


for J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

1. Transmittal
2. Policy Justification
3. Sensitivity of Technology



Transmittal No. 15-12

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

- (i) Prospective Purchaser: Republic of Korea
- (ii) Total Estimated Value:

Major Defense Equipment	\$81 million
Other	<u>\$ 0 million</u>
TOTAL	\$81 million
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: 400 AGM-114R1 Hellfire II Semi-Active Laser Missiles with containers, 100 ATM-114Q Air Training Missiles, and 12 M36E8 Hellfire II Captive Air Training Missiles.
- (iv) Military Department: Army (ZCF, Amendment #3)
- (v) Prior Related Cases, if any: FMS case ZCF-\$1.6B-2May13
- (vi) Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid: None
- (vii) Sensitivity of Technology Contained in the Defense Article or Defense Services Proposed to be Sold: See Attached Annex
- (viii) Date Report Delivered to Congress: 30 March 2015

* as defined in Section 47(6) of the Arms Export Control Act

POLICY JUSTIFICATION

Korea – AGM-114R1 Hellfire Missiles

The Republic of Korea (ROK) has requested a possible sale of 400 AGM-114R1 Hellfire II Semi-Active Laser Missiles with containers, 100 ATM-114Q Air Training Missiles, and 12 M36E8 Hellfire II Captive Air Training Missiles. The estimated cost is \$81 million.

This proposed sale will contribute to the foreign policy and national security objectives of the United States by meeting the legitimate security and defense needs of an ally and partner nation. The ROK is one of the major political and economic powers in East Asia and the Western Pacific and a key partner of the United States in ensuring peace and stability in that region. It is vital to the U.S. national interest to assist our Korean ally in developing and maintaining a strong and ready self-defense capability.

The ROK intends to use these Hellfire missiles to supplement its existing missile capability and current weapon inventory. This sale will contribute to the ROK's force modernization goals and enhance interoperability with U.S. forces. The ROK will use this enhanced capability to strengthen its homeland defense and deter regional threats. The ROK is capable of absorbing and maintaining these missiles in its inventory.

The proposed sale of this equipment and support will not alter the basic military balance in the region.

The principal contractor will be Lockheed Martin Corporation in Orlando, Florida. There are no known offset agreements in connection with this potential sale.

Implementation of this proposed sale will not require any additional U.S. Government or U.S. contractor personnel in Korea.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.

Transmittal No. 15-12

Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act, as amended

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The AGM-114R Hellfire II Air-to-Ground Missile with container is used against heavy and light armored targets, thin skinned vehicles, urban structures, bunkers, caves and personnel. The missile is Inertial Measurement Unit (IMU) based, with a variable delay fuse, improved safety and reliability. The highest level of classified information that could be disclosed by a proposed sale or by testing of the end item is Secret; the highest level that must be disclosed for production, maintenance, or training is Confidential.

2. The ATM-114Q Air Training Missile with mass stimulant warhead replicates the shape, aerodynamic properties, weight, center-of-gravity, and moment-of-inertia properties of a Hellfire II missile. The practice missile can be launched in a training environment simulating a tactical engagement without destroying the target. The highest level of classified information that could be disclosed by a proposed sale or by testing of the end item is Secret; the highest level that must be disclosed for maintenance, or training is Confidential.

3. The M36E8 Captive Air Training Missile (CATM) consists of a functional guidance section coupled to an inert missile bus and is used for flight training but cannot be launched. The missile has an operational semi-active laser seeker that can search for and lock-on to laser-designated targets. The CATM functions as a tactical missile (without launch capability) during captive carry on the aircraft, making it suitable for training the aircrew in simulated Hellfire missile target acquisition and lock. The highest level of classified information that could be disclosed by a proposed sale or by testing of the end item is Secret; the highest level that must be disclosed for production, maintenance, or training is Confidential.

4. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used to develop countermeasures or equivalent systems which might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

5. A determination has been made that the recipient country can provide the same degree of protection for the sensitive technology being released as the U.S.

Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.

6. All defense articles and services listed in this transmittal have been authorized for release and export to the Republic of Korea.

BILLING CODE 5001-06

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