



Billing Code: 5001-06

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 15-69]

36(b)(1) Arms Sales Notification

AGENCY: Department of Defense, Defense Security Cooperation Agency.

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: Sarah A. Ragan or Heather N. Harwell, DSCA/LMO, (703) 604-1546/ (703) 607-5339.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 15-69 with attached Policy Justification and Sensitivity of Technology.

Dated: November 20, 2015.

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



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-6408

The Honorable Paul D. Ryan
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

NOV 03 2015

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. 15-69, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to the Government of France for defense articles and services estimated to cost \$30 million. After this letter is delivered to your office, we plan to issue a news release to notify the public of this proposed sale.

Sincerely,

J. W. Rixey
Vice Admiral, USN
Director

Enclosures:

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



Transmittal No. 15-69

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: The Government of France

(ii) Total Estimated Value:

Major Defense Equipment*	\$ 25 million
Other	<u>\$ 5 million</u>
TOTAL	\$ 30 million

(iii) Description and Quantity or Quantities of Articles or Services Under Consideration for Purchase:

Major Defense Equipment (MDE):

Two-hundred (200) AGM-114K1A Hellfire Missiles

Non-MDE items included in this request are: Hellfire Missile conversion kits; blast fragmentation sleeves and installation kits; containers; and transportation.

(iv) Military Department: Army (FR-B-WAA, Amendment 8)

(v) Prior Related Cases, if any: FR-B-WAA-\$42.2M-09 JAN 08

(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: 03 NOV 2015

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

POLICY JUSTIFICATION

The Government of France - Hellfire Missiles

The Government of France has requested a possible sale of two-hundred (200) AGM-114K1A Hellfire Missiles; Hellfire Missile conversion kits; blast fragmentation sleeves and installation kits; containers; and transportation. The estimated cost of MDE is \$25 million. The total estimated cost is \$30 million.

This proposed sale will contribute to the foreign policy and national security of the United States by improving the capability of a NATO ally. France is a major political and economic power in Europe and a key democratic partner of the United States in ensuring peace and stability around the world. It is vital to the U.S. national interest to assist France to develop and maintain a strong and ready self-defense capability.

The additional missiles will meet France's operational requirements for a precision-guided tactical missile for its Tigre Attack Helicopter. The purchase will directly support French forces actively engaged in operations in Mali and Northern Africa, providing them the capability to successfully engage targets with minimal collateral damage. France will have no difficulty absorbing these missiles into its armed forces.

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

There is no principal contractor for this sale as the missiles are coming from U.S. Army stock. 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 contractor representatives in France.

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

Transmittal No. 15-69

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

Annex
Item No. vii

(vii) Sensitivity of Technology:

1. AGM-114K1A: The highest level for release of the K1A semi active laser is SECRET, based upon the software. Software documentation (e.g., Data Processing, Software Requirements, Algorithms) are not authorized for disclosure. The highest level of classified information that could be disclosed by a proposed sale or by testing of the end item is up to and including SECRET. The highest level that must be disclosed for production, maintenance, or training is up to and including SECRET. Reverse engineering could reveal SECRET information. Vulnerability data, countermeasures, vulnerability/susceptibility analyses, and threat definitions are classified SECRET or CONFIDENTIAL. Detailed information to include discussions, reports and studies of system capabilities, vulnerabilities and limitations that leads to conclusions on specific tactics or other counter countermeasures (CCM) are not authorized for disclosure.

2. 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.

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