

[FR Doc. E8-18640 Filed 8-14-08; 8:45 am]  
BILLING CODE 5001-06-C

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**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

[Transmittal Nos. 08-95]

**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 21 July 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 08-95 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: August 5, 2008.

**Patricia L. Toppings,**

*OSD Federal Register Liaison Officer,  
Department of Defense.*

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## DEFENSE SECURITY COOPERATION AGENCY

2800 DEFENSE PENTAGON  
WASHINGTON, DC 20301-2800

JUL 30 2008

In reply refer to:  
USP011027-08

**The Honorable Nancy Pelosi  
Speaker of the House of Representatives  
Washington, DC 20515-6501**

**Dear Madam 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. 08-95, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance to Iraq for defense articles and services estimated to cost \$2.4 billion. After this letter is delivered to your office, we plan to issue a press statement to notify the public of this proposed sale.**

**Sincerely,**

  
**Richard J. Millies  
Acting Director**

**Enclosures:**

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

**Same ltr to:**

**House  
Committee on Foreign Affairs  
Committee on Armed Services  
Committee on Appropriations**

**Senate  
Committee on Foreign Relations  
Committee on Armed Services  
Committee on Appropriations**

**Transmittal No. 08-95****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:** Iraq
- (ii) **Total Estimated Value:**
- |                          |                       |
|--------------------------|-----------------------|
| Major Defense Equipment* | \$ .80 billion        |
| Other                    | <u>\$1.60 billion</u> |
| TOTAL                    | \$2.40 billion        |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** 24 Bell Armed 407 Helicopters or 24 Boeing AH-6 Helicopters, 24 Rolls Royce 250-C-30 Engines, 565 M120 120mm Mortars, 665 M252 81mm Mortars, 200 AGM-114M HELLFIRE missiles, 24 M299 HELLFIRE Guided Missile Launchers, 16 M36 HELLFIRE Training Missiles, 15,000 2.75-inch Rockets, 24 M280 2.75-inch Launchers, 24 XM296 .50 Cal. Machine Guns with 500 Round Ammunition Box, and 24 M134 7.62mm Mini-Guns, 81mm ammunition, 120mm ammunition, test measurement and diagnostics equipment, spare and repair parts, support equipment, publications and technical data, personnel training and training equipment, U.S. Government and contractor engineering and logistics personnel services, and other related elements of logistics support.
- (iv) **Military Department:** Army (VPN)
- (v) **Prior Related Cases, if any:** none.
- (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:** JUL 30 2008

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

## **POLICY JUSTIFICATION**

### **Iraq – Helicopters and Related Munitions**

**The Government of Iraq has requested a possible sale of 24 Bell Armed 407 Helicopters or 24 Boeing AH-6 Helicopters, 24 Rolls Royce 250-C-30 Engines, 565 M120 120mm Mortars, 665 M252 81mm Mortars, 200 AGM-114M HELLFIRE missiles, 24 M299 HELLFIRE Guided Missile Launchers, 16 M36 HELLFIRE Training Missiles, 15,000 2.75-inch Rockets, 24 M280 2.75-inch Launchers, 24 XM296 .50 Cal. Machine Guns with 500 Round Ammunition Box, and 24 M134 7.62mm Mini-Guns, 81mm ammunition, 120mm ammunition, test measurement and diagnostics equipment, spare and repair parts, support equipment, publications and technical data, personnel training and training equipment, U.S. Government and contractor engineering and logistics personnel services, and other related elements of logistics support. The estimated cost is \$2.4 billion.**

**This proposed sale will contribute to the foreign policy and national security of the United States by helping to improve the security of a friendly country. This proposed sale directly supports the Iraqi government and serves the interests of the Iraqi people and the U.S.**

**The proposed sale of these helicopters, missiles, and mortar systems will be used to develop new Iraqi Air Force (IAF) squadrons and/or wings, and to enhance the ability of the IAF to sustain itself in its efforts to bring stability to Iraq.**

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

**The principal contractors will be Bell Helicopter Textron, Inc. in Hurst, Texas or Boeing Integrated Defense Systems in Seattle, Washington. There are no known offset agreements proposed in connection with this potential sale.**

**With the volume and wide range of items and equipment in this proposed sale, levels of U.S. Government and Contractor technical assistance will be required but cannot be fully defined at this time.**

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

**Transmittal No. 08-95****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. The AGM-114M HELLFIRE missile is a laser-guided penetrator weapon which homes in on a laser spot that can be projected by ground observers. It can be launched from helicopters and other platforms. The missile's ability to engage single or multiple targets directly or indirectly and to fire in single, rapid, or ripple (salvo) rounds gives combined arms forces a decided battlefield advantage. The blast fragmentation incorporates an Insensitive Munitions warhead which improves helicopter survivability. There are no known foreign counterparts. The highest level for release of the HELLFIRE missile is Secret, based upon the software. 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. Vulnerability data, countermeasures, vulnerability/susceptibility analyses, and threat definitions are classified Secret or Confidential.**

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

[FR Doc. E8-18642 Filed 8-14-08; 8:45 am]

BILLING CODE 5001-06-C

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**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

[Transmittal Nos. 08-76]

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**ACTION:** Notice.

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The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 08-76 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: August 5, 2008.

**Patricia L. Toppings,**  
*OSD Federal Register Liaison Officer,*  
*Department of Defense.*

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