

DEPARTMENT OF DEFENSE**Office of the Secretary**

[Transmittal No. 18-42]

Arms Sales Notification**AGENCY:** Defense Security Cooperation Agency, Department of Defense.**ACTION:** Arms sales notice.**SUMMARY:** The Department of Defense is publishing the unclassified text of an arms sales notification.**FOR FURTHER INFORMATION CONTACT:** DSCA at *dscanrc.lmo.mbx.info@mail.mil* or (703) 697-9709.**SUPPLEMENTARY INFORMATION:** This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164

dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 18-42 with attached Policy Justification and Sensitivity of Technology.

Dated: November 2, 2018.

Aaron T. Siegel,*Alternate OSD Federal Register Liaison Officer, Department of Defense.***DEFENSE SECURITY COOPERATION AGENCY**201 12TH STREET SOUTH, STE 203

ARLINGTON, VA 22202-5408

OCT 03 2018

The Honorable Paul D. Ryan
Speaker of the House
U.S. House of Representatives
Room H-209, The Capitol
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. 18-42, concerning the Army's proposed Letter(s) of Offer and Acceptance to the Government of Canada for defense articles and services estimated to cost \$300 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,

A handwritten signature in black ink, appearing to read "Ch Hooper".

Charles W. Hooper
Lieutenant General, USA
Director

Enclosures:

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

Transmittal No. 18–42

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:* Government of Canada

(ii) *Total Estimated Value:*

Major Defense Equipment *	\$ 0 million
Other	\$300 million
Total	\$300 million

(iii) *Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:* Canadian Manned Airborne, Intelligence, Surveillance and Reconnaissance (C/MAISR) Platform

Major Defense Equipment (MDE): None

Non-MDE: Three (3) King Air 350ER (extended range) aircraft with customer unique post-modifications for Intelligence, Surveillance and Reconnaissance (ISR) operations; three (3) WESCAM MX–15D Electro-Optical & Infrared Imaging Sensors; three (3) AN/AAR–47B(V)2 Missile and Laser Warning System (MWS); three (3) AN/ALE–47 Countermeasure Dispenser Systems (CMDS); three (3) VORTEX® Dual RF Ku LOS Transceivers; three (3) COMSEC Modules (KGV–135A); two (2) APM–424(V)5 Transponder Test Sets; five (5) KIV–77 Mode 4/5 crypto applique computers for IFF; three (3) AN/APX–119 IFF Digital Civil and Military Transponders; six (6) ARC–210 Multi-mode Voice and Data Transceivers; three (3) KG–250X NSA-Certified Type 1 Inline Network Encryptors (INE); technical data; mission equipment, communication and navigation equipment, special tools and test equipment, ground support equipment, airframe and engine spare parts, publications, MWO/ECPs, technical assistance, repair and return, training; and transportation of aircraft, and other related elements of logistics and program support.

(iv) *Military Department:* Army (CN–B–UBC)

(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:* October 3, 2018

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

POLICY JUSTIFICATION

Canada—King Air 350ER ISR Aircraft (Manned Airborne, Intelligence, Surveillance and Reconnaissance (MAISR) Platform)

The Government of Canada has requested to buy three (3) King Air 350ER (extended range) aircraft with customer unique post-modifications for Intelligence, Surveillance and Reconnaissance (ISR) operations; three (3) WESCAM MX–15D Electro-Optical & Infrared Imaging Sensors; three (3) AN/AAR–47B(V)2 Missile and Laser Warning System (MWS); three (3) AN/ALE–47 Countermeasure Dispenser Systems (CMDS); three (3) VORTEX® Dual RF Ku LOS Transceivers; three (3) COMSEC Modules (KGV–135A); two (2) APM–424(V)5 Transponder Test Sets; five (5) KIV–77 Mode 4/5 crypto applique computers for IFF; three (3) AN/APX–119 IFF Digital Civil and Military Transponders; six (6) ARC–210 Multi-mode Voice and Data Transceivers; three (3) KG–250X NSA-Certified Type 1 Inline Network Encryptors (INE); technical data; mission equipment, communication and navigation equipment, special tools and test equipment, ground support equipment, airframe and engine spare parts, publications, MWO/ECPs, technical assistance, repair and return, training; and transportation of aircraft, and other related elements of logistics and program support. Total estimated program cost is \$300 million.

This proposed sale will support the foreign policy and national security objectives of the United States by helping to improve the military capability of Canada, a NATO ally that is an important force for ensuring political stability and economic progress and a contributor to military, peacekeeping and humanitarian operations around the world.

The proposed sale improves Canada's capability to meet current and future threats; strengthen its homeland defense and the combined defense of North America; and support coalition partners overseas. This proposed sale will improve interoperability with U.S. forces and other regional allies. Canada will have no difficulty absorbing this equipment into its armed forces.

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

The principal contractor will be Beechcraft (Textron Aviation), Wichita, Kansas. The Government of Canada is expected to negotiate an offset agreement with Beechcraft, in accordance with Canada's Industrial and Technological Benefits (ITB) Policy,

before signing the Letter of Offer and Acceptance (LOA).

Implementation of this proposed sale will require the assignment of contractor representatives to Canada on an intermittent basis over two years to provide in service contractor support.

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

Transmittal No. 18–42

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 King Air 350ER (extended range) fixed-wing aircraft has been identified as Non-SME (Significant Military Equipment). It is a pressurized, twin-engine turboprop commercial aircraft configured as a cantilever low-wing monoplane with a T-tail and aft ventral fin. It has retractable tricycle landing gear with dual wheels on each main unit. The 350 series incorporates a 34-inch stretch of the King Air 300 fuselage and has one additional window per side. The wingspan has been increased by 3 feet over that of the model 300, and 24-inch graphite composite winglets have been added to the wingtips to reduce drag at higher angles of attack as in takeoff and climb out. The 350ER will feature the enhanced PT6A–67A engines and a Rockwell-Collins Proline Fusion cockpit. This aircraft (before modification) is generally offered to the public with no special restrictions.

2. Mission equipment:

a. The WESCAM MX–15D Electro-Optical & Infrared Imaging Sensor is a small Multi-Sensor, Multi-Spectral Imaging System with Inertial Measurement Unit (IMU) and Embedded with Global Positioning Systems (GPS) Standard Positioning Service (SPS). The WESCAM MX–15 camera system contains an LN–200 IMU manufactured by Northrop Grumman in the U.S., which is captured under (Missile Technology Control Regime) MTCR Annex, Category II—Item 9.A.6. The IMU is also ITAR controlled under USML Category XII(d), and in Canada it is controlled under Canada's Export Control List (ECL) under 6–9.A.6. WESCAM MX–15 is embedded with GPS SPS. SPS is a three-dimensional position and time determination capability provided to a user equipped with a minimum capability GPS SPS receiver in accordance with GPS national policy. Options requested include: high definition (HD) IR sensor,

laser spot tracker (LST), electro-optic narrow (EON) spotter with short-wave infrared (SWIR) imager, image blending function combining imagery from the IR sensor and the EO sensor (daylight or low-light) into a single image, and a hand controller for remote control. A bore sight module required to field calibrate the laser designator/rangefinder beam will be provided as ground support equipment.

b. The AN/AAR-47B(V)2 Missile and Laser Warning System (MWS) is designed to protect helicopters and "low-slow" aircraft from infrared homing missiles. It passively detects attacking missiles while minimizing false alarms. When an attacking missile is detected, the AN/AAR-47B(V)2 displays a threat quadrant alert, sounds a warning tone to the aircrew, and can be configured to automatically actuate an installed countermeasures dispenser. In addition to the missile warning capability of the original AN/AAR-47B, the -(V)2 incorporates laser detecting and warning capability. The version offered includes the Smart Dispense capability. The AN/AAR-47B(V)2 hardware highest classification is UNCLASSIFIED. The AN/AAR-47B(V)2 is Significant Military Equipment.

c. The AN/ALE-47 Countermeasure Dispenser System (CMDS) provides an integrated, threat-adaptive, reprogrammable, computer controlled capability for dispensing expendable decoys. These include chaff, flares, Radio Frequency (RF) expendables and others. The AN/ALE-47 system enhances aircraft survivability in sophisticated threat environments. The system is designed to provide the capability of automatic or pilot commanded response, and works alone or in coordination with other countermeasures defensive systems to defeat Air Interceptor (AI), Anti-Aircraft Artillery (AAA), and Surface-to-Air Missiles (SAMs). The AN/ALE-47 is Significant Military Equipment.

d. The VORTEX® Dual RF Ku LOS Transceiver provides real-time, full-motion video and other data for situational awareness, targeting, Battle Damage Assessment (BDA), surveillance, relay, and other situations where eyes-on-target are required. VORTEX® can transmit and receive analog and/or digital data simultaneously. VORTEX® is interoperable with ROVER®, CDL, virtually all UAVs, targeting pods and other waveforms. VORTEX® can simultaneously transmit common data to multiple platforms using two different channels in one or two different bands. VORTEX® is able to receive on two different channels in one

or two different bands from a single source. This band and channel diversity provides link redundancy, better reception and resiliency to platform shading, multipath interference, line-of-sight blockages and RF interference. VORTEX® is STANAG 7085 certified.

e. The KGV-135A is a high-speed, general purpose encryptor/decryptor module. It is used for wide-band data encryption embedded into high performance systems such as the VORTEX®. It has increased bandwidth and COMSEC operating modes in a compact multi-chip module. The KGV-135 operates at speeds of 2 Kbps to 700 Mbps and uses standard interface logic levels and key protocols. It is an NSA-certified INFOSEC product.

f. The APM-424(V)5 Transponder Test Set is used to test the transponder and interrogator performance of the AN/APX-119 IFF Digital Civil and Military Transponder. The Transponder Test Modes are 1,2,3/A, C, S (EHS/ELS), 4, and Mode 5 (Level 1 and 2). The Interrogator Test Modes are 1, 2, 3/A, C, S, 4, Mode 5, TCAS, ETCAS (Level 1 and 2). The APM-424(V)5 supports the KIV-77 Mode 4/5 crypto applique computer for IFF.

g. The KIV-77 Mode 4/5 crypto applique computer for IFF is Type 1 certified by the National Security Agency and provides information assurance for both legacy Mode 4 and new Mode 5 IFF equipment. The KIV-77 is used to store the classified keys and is also used with the APM-424(V)5 Transponder Test Set to support flight-line testing of the AN/APX-119 IFF Digital Civil and Military Transponder.

h. The AN/APX-119, Identification Friend or Foe (IFF) Digital Civil and Military Transponder, is a small transponder installed on more than 50 different military platforms for the U.S. Department of Defense and multiple international users. This transponder enables aircraft to operate seamlessly throughout international, civil, and military airspace, meeting all IFF and ATC requirements. When installed in conjunction with platform antennas and the RCU (or other appropriate control unit), the transponder provides identification, altitude and surveillance reporting in response to interrogations from airborne, ground-based and/or surface interrogators. The transponder provides operational capabilities for Mark XII Identification Friend or Foe (IFF) capabilities of Modes 1, 2, 3/A, C and 4&5 and Mode S (levels 1, 2, and 3 capable). Additionally, the AN/APX-119 also provides automated ID, position and latitude of the aircraft, and is compatible with the Traffic Alert and Collision Avoidance System (TCAS) II

equipment. The AN/APX-119 is designed to provide military aircraft with a secure combat identification capability to help reduce fratricide and enhance battlespace awareness, while providing safe access to civilian airspace. The AN/APX-119 is Significant Military Equipment.

i. The AN/ARC-210 Gen 5 is a secure communication system that provides Line-of-Sight (LOS) communications and Beyond Line-of-Sight (BLOS) satellite communications (SATCOM), as well Voice and data communications capabilities. In addition to Satellite Communications, the AN/ARC-231(V)(C) provides Secure/Electronic Counter-Counter Measures (ECCM) communications in the following waveform, The Single Channel Ground and Airborne System (SINCGARS) and the HAVE QUICK (HQ) I and II. The AN/ARC-210 functions by transmitting and receiving the Radio Frequency (RF) in the 30 MHz-941 MHz range. The Receiver Transmitter provides communication in Frequency Modulation (FM), Very High Frequency—Amplitude Modulation Air Traffic Control Band (VHF AM ATC), Very High Frequency—Frequency Modulation Public Service & Maritime Band, Ultra High Frequency—Amplitude Modulation (UHF AM) HAVEQUICK/Ground-Air Band, Ultra high Frequency Satellite (UHF SATCOM) Band and Ultra High Frequency—Frequency Modulation (UHF FM) Public Service Band. The ARC-210 is used on over 180 platforms worldwide for the transfer of networked or point-to-point data, voice and imagery. The ARC-210 military airborne transceivers provides an embedded, fully programmable INFOSEC capability under the National Security Agency's (NSA) Cryptographic Modernization Initiative. The ARC-210 is Significant Military Equipment.

j. The KG-250X NSA-Certified Type 1 Inline Network Encryptor (INE) provides high-speed HAIPE IP network encryption for advanced network security for coalition allies and Department of Homeland Security. It is MIL-STD-810G Rugged for Tactical and Mobile Applications. It is particularly useful at high altitudes to deliver reliable network encryption, (200 Mbps Aggregate), for airborne missions. The KG-250X is remotely rekeyable from a physically secure location with HAIPE-to-HAIPE over-the-air/net keying. The KGV-250X also improves performance over high-latency links with embedded TCP/IP acceleration and is software upgradeable. The KG-250X is NSA certified for TS/SCI and below.

k. The Technical Data to support the operations, maintenance, and Training for all aircraft communications, ASE, COMSEC, and ISR related equipment will be detailed enough (e.g., minimum Level II Engineering drawings) to allow support contractors and operators to independently conduct all ILS activities, implement obsolescence management, and support required Airworthiness activities. All aircraft operations and maintenance manuals are available to the public and have no ITAR restrictions. Technical Data for the mission equipment outlined above will be provided only to the level required to support operation, maintenance, and training. Maintenance is limited to the level required to provide immediate diagnostics and replacement or limited repair. No Technical Data or intellectual property sufficient in detail to support depot repair operations will be provided. The Technical Data for the mission equipment is Significant Military Equipment.

3. If a technologically advanced adversary were to obtain knowledge of the specific hardware and software elements, the information could be used

to develop countermeasures that might reduce weapon system effectiveness or be used in the development of a system with similar or advanced capabilities.

4. A determination has been made that Canada can provide substantially the same degree of protection of this technology as the U.S. Government. This proposed sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification. Moreover, the benefits to be derived from this sale, as outlined in the Policy Justification, outweigh the potential damage that could result if the sensitive technology were revealed to unauthorized persons.

5. All defense articles and services listed in this transmittal are authorized for release and export to the Government of Canada.

[FR Doc. 2018-24409 Filed 11-7-18; 8:45 am]

BILLING CODE 5001-06-P

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 18-09]

Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

ACTION: Arms sales notice.

SUMMARY: The Department of Defense is publishing the unclassified text of an arms sales notification.

FOR FURTHER INFORMATION CONTACT: DSCA at dsca.ncr.lmo.mbx.info@mail.mil or (703) 697-9709.

SUPPLEMENTARY INFORMATION: This 36(b)(1) arms sales notification is published to fulfill the requirements of section 155 of Public Law 104-164 dated July 21, 1996. The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 18-09 with attached Policy Justification.

Dated: November 2, 2018.

Aaron T. Siegel,

Alternate OSD Federal Register Liaison Officer, Department of Defense.