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 possible sale of SM-2 Block IIIB STANDARD missiles will result in the transfer of sensitive technology and information as well as classified and unclassified defense equipment and technical data. The STANDARD missile hardware guidance section is classified Confidential and the target detection device is classified Confidential. The warhead, rocket motor, steering control section, safe and arming device, auto-pilot battery unit, and telemeter are Unclassified. Certain operating frequencies and performance characteristics are classified Secret. Confidential documentation to be provided includes: parametric documents, general performance data, firing guidance, kinematics information, Intermediate Maintenance Activity (IMA)-level maintenance, and flight analysis procedures.

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.
The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

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. 10-52, concerning the Department of the Army’s proposed Letter(s) of Offer and Acceptance to the United Arab Emirates for defense articles and services estimated to cost $5.0 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 A. Genaille, Jr.  
Deputy Director

Enclosures:
1. Transmittal  
2. Policy Justification  
3. Sensitivity of Technology  
4. Regional Balance (Classified Document Provided under Separate Cover)
Transmittal No. 10-52

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(i) **Prospective Purchaser:** United Arab Emirates

(ii) **Total Estimated Value:**

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Defense Equipment*</td>
<td>$4.0 billion</td>
</tr>
<tr>
<td>Other</td>
<td>$1.0 billion</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$5.0 billion</td>
</tr>
</tbody>
</table>

(iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** remanufacture of 30 AH-64D Block II lot 10 APACHE helicopters to the AH-64D Block III configuration, 30 AH-64D Block III APACHE helicopters, 120 T700-GE-701D engines, 76 Modernized Target Acquisition and Designation Sight/Modernized Pilot Night Vision Sensors, 70 AN/APG-78 Fire Control Radars with Radar Electronics Units, 70 AN/ALQ-144A(V)3 Infrared Jammers, 70 AN/APR-39A(V)4 Radar Signal Detecting Sets, 70 AN/ALQ-136(V)5 Radar Jammers, 70 AAR-57(V)3/5 Common Missile Warning Systems, 30mm automatic weapons, improved counter measure dispensers, communication and support equipment, improved helmet display sight systems, trainer upgrades, spare and repair parts, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering and logistics support services, and other related elements of logistics support.

(iv) **Military Department:** Army (SUC)

(v) **Prior Related Cases, if any:**

- FMS case JAH-5406M-11Dec91
- FMS case UDE-5195M-5Jan00
- FMS case UDN-5755M-5Dec05
- FMS case ZUL-5253M-21Oct09

(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:** 3 November 2010

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

United Arab Emirates – AH-64D Block III APACHE Helicopters

The Government of the United Arab Emirates (UAE) has requested a possible sale of 30 AH-64D Block II lot 10 APACHE helicopters, remanufactured to AH-64D Block III configuration, 30 AH-64D Block III APACHE helicopters, 120 T700-GE-701D engines, 76 Modernized Target Acquisition and Designation Sight/Modernized Pilot Night Vision Sensors, 70 AN/APG-78 Fire Control Radars with Radar Electronics Units, 70 AN/ALQ-144A(V)3 Infrared Jammers, 70 AN/APR-39A(V)4 Radar Signal Detecting Sets, 70 AN/ALQ-136(V)5 Radar Jammers, 70 AAR-57(V)3/5 Common Missile Warning Systems, 30mm automatic weapons, improved counter measure dispensers, communication and support equipment, improved helmet display sight systems, trainer upgrades, spare and repair parts, publications and technical documentation, personnel training and training equipment, U.S. Government and contractor engineering and logistics support services, and other related elements of logistics support. The estimated cost is $5.0 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 that has been and continues to be an important force for political stability and economic progress in the Middle East. The UAE is currently deployed in support of U.S. regional operations, and plans to provide future deployment support.

The UAE needs these helicopters to fulfill its strategic commitments for self defense, with coalition support, in the region. The helicopters will provide the UAE military more advanced targeting and engagement capabilities. The proposed sale will provide for the defense of vital installations and will provide close air support for military ground forces. The UAE, which currently has AH-64Ds in its inventory, will have no difficulty absorbing these additional helicopters into its armed forces.

The proposed sale of this weapon system will not alter the basic military balance in the region.

The prime contractors will be The Boeing Company in Mesa, Arizona, and Lockheed Martin Corporation in Orlando, Florida. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale may require the assignment of additional U.S. Government or contractor representatives to the UAE. U.S. Government and contractor representatives will also participate in program management and technical reviews for one-week intervals, twice semi-annually.

There will be no adverse impact on U.S. defense readiness as a result of this proposed sale.
Transmittal No. 10-52

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Annex
Item No. vii

(vii) Sensitivity of Technology:

1. The AH-64D APACHE Helicopter includes the following classified or sensitive components.

   a. The Modernized Target Acquisition and Designation Sight/Modernized Pilot Night Vision Sensor (M-TADS/M-PNVS) is an enhanced version of its predecessor. It provides second generation day, night, and limited adverse weather target information, as well as night navigation capabilities. The M-PNVS provides second generation thermal imaging that permits safer nap-of-the-earth flight to, from, and within the battle area, while TADS provides the co-pilot gunner with improved search, deletion, recognition, and designation by means of Direct View Optics (DVO), I² television, second generation Forward Looking Infrared (FLIR) sighting systems that may be used singly or in combinations. The hardware and releasable technical manuals are Unclassified.

   b. The AN/AVR-2B Laser Warning Set is a passive laser warning system that receives, processes, and displays threat information on the multi-functional display resulting from aircraft illumination by lasers. The hardware is classified Confidential. Releasable technical manuals for operation and maintenance are classified Secret.

   c. The AN/APG-78 Fire Control Radar is an active, low-probability of intercept, millimeter-wave radar, combined with a passive Radar Frequency Interferometer (RFI) mounted on top of the helicopter mast. The FCR Ground Targeting Mode detects, locates, classifies and prioritizes stationary or moving armored vehicles, tanks, and mobile air defense systems as well as hovering helicopters and fixed wing aircraft in normal flight. The RFI detects threat radar emissions and determines the type of radar and mode of operation. The FCR data and RFI data are fused for maximum synergism. If desired, the radar data can be used to refer targets to the regular electro-optical TADS or MTADS, permitting additional visual/infrared imagery and control of weapons, including the semi-active laser version of the HELLFIRE. Critical system information is stored in the FCR in the form of mission executable code, target detection, classification algorithms and codes threat parametrics. This information is provided in a form that cannot be extracted by
the foreign user via anti-tamper provisions built into the system. The contents of these items are classified Secret. The RFI is a passive radar detection and direction finding system, which utilizes a detachable User Data Module (UDM) on the RFI processor that contains the RF threat library. The UDM hardware is classified Confidential when programmed with threat parameters, priorities, and/or techniques.

d. The AN/ALQ-144A(V)3 Infrared (IR) Jammer is an active, continuous operating, omni-directional, electrically fired IR jammer system designed to confuse or decoy threat IR missile systems, in conjunction with low reflective paint and engine suppressors. The hardware is classified Confidential and releasable technical manuals for operation and maintenance are classified Secret.

e. The AN/APR-39A(V)4 Radar Signal Detecting Set is a system that provides warning of a radar directed air defense threat to allow appropriate countermeasures. This is the 1553 data bus compatible configuration. The hardware is classified Confidential when programmed with U.S. threat data and releasable technical manuals for operation and maintenance are classified Confidential. Releasable technical data for performance is classified Secret.

f. The AN/ALQ-136(V)5 Radar Jammer is an automatic radar jammer that analyzes various incoming radar signals. When threat signals are identified and verified, jamming automatically begins and continues until the threat radar breaks lock. The hardware is classified Confidential. Releasable technical manuals for operation, maintenance, and performance are classified Secret.

g. The AAR-57(V)3/5 Common Missile Warning System detects threat missiles in flight, evaluates potential false alarms, declares validity of threat and selects appropriate Infrared Counter Measures. It includes Electro-Optical Missile Sensors, Electronic Control Unit, Sequencer and Improved Countermeasures Dispenser (ICMD). The hardware is classified Confidential. Releasable technical manuals for operation and maintenance are classified Secret.

2. If a technologically advanced adversary were to obtain knowledge of the specific hardware in the proposed sale, 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.

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.

SUPPLEMENTARY INFORMATION: The following is a copy of a letter to the Speaker of the House of Representatives, Transmittals 10–46 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: November 9, 2010.
Morgan F. Park,
Alternate OSD Federal Register Liaison Officer, Department of Defense.