

[FR Doc. 06-8553 Filed 10-6-06; 8:45 am]

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**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

[Transmittal No. 06-67]

**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. J. Hurd, DSCA/DBO/CFM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 06-67 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: October 2, 2006.

**C.R. Choate,**

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

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## DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

27 SEP 2006

In reply refer to:  
I-06/011096

The Honorable J. Dennis Hastert  
Speaker of the House of Representatives  
Washington, DC 20515-6501

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. 06-67, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance to Brazil for defense articles and services estimated to cost \$300 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,

A handwritten signature in black ink that reads "Richard J. Millies".

Richard J. Millies  
Deputy Director

Enclosures:

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

Same ltr to:

House  
Committee on International Relations  
Committee on Armed Services  
Committee on Appropriations

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

## Transmittal No. 06-67

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: Brazil
- (ii) Total Estimated Value:
- |                          |                      |
|--------------------------|----------------------|
| Major Defense Equipment* | \$231 million        |
| Other                    | \$ <u>69 million</u> |
| TOTAL                    | \$300 million        |
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: six (6) S-70B helicopters, 13 T-700-401C engines, spare and repair parts, communications and support equipment, publications and technical data, personnel training and training equipment, contractor engineering and technical support services and other related elements of logistics support.
- (iv) Military Department: Navy (SDE)
- (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 Annex attached
- (viii) Date Report Delivered to Congress: 27 SEP 2006

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

## POLICY JUSTIFICATION

### Brazil – S-70B Helicopters and Engines

The Government of Brazil has requested a possible sale of six (6) S-70B helicopters, 13 T-700-401C engines, spare and repair parts, communications and support equipment, publications and technical data, personnel training and training equipment, contractor engineering and technical support services and other related elements of logistics support. The estimated cost is \$300 million.

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 which has been, and continues to be, an important force for political stability and economic progress in South America.

Brazil needs these helicopters to fulfill its strategic commitments for search and rescue and self-defense within the region. The Brazilian Armed Forces' possession of an enhanced capability to conduct search and rescue operations, maritime interdiction operations, and provide other types of maritime support reduces requirements for U.S. forces. This procurement also will enable the Brazilian Navy to be interoperable with U.S. forces on routine training exercises and deployments in support of peacekeeping security operations. Brazil plans to use this equipment to augment or replace existing SH-3 helicopters. Brazil will have no difficulty absorbing these helicopters into its armed forces.

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

The principal contractors will be: Sikorsky Aircraft (United Technologies) Corporation of Stratford, Connecticut and General Electric Engines of Lynn, Massachusetts. There are no known offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale may require the assignment of two contractor representatives in Brazil for a period of up to three years.

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

## Transmittal No. 06-67

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 S-70B Seahawk is an international derivative of the U.S. Navy SH-60B and is the most modern and capable Under Sea Warfare (USW) and Anti-Surface Unit Warfare (ASUW) helicopter in the world. The S-70B has a fully ingrated glass cockpit with smart multifunction liquid crystal displays and a mission management system.

2. The LR-100 Electronic Support Measures (ESM) system is an airborne passive electronic system which detects and identifies C through J band radar emitter transmitting in the aircraft area of operation. The system provides the crew with a visual symbol of the type of emitter detected, projected on a 360 degree Threat Warning Indicator located on the center of the instrument panel. Symbols are positioned on the display in a location corresponding to its general proximity with respect to the aircraft. The system recognizes detected emitters by comparing their characteristics with those that have been preprogrammed into the system memory. The LR-100 is also used to command the ALE-47 Chaff Flare Dispenser System to dispense the appropriate combination of chaff/flares based on the type of threat, for aircraft protection.

3. The AN/AAS-44 (mod) Electro Optical Sensor System is a third generation, 3-5 micron, high performance, multipurpose thermal imaging and color day television (TV) sensor. The S-70B integrates the AN/AAS-44 (mod) electro-optical system to provide long-range surveillance, target acquisition, tracking, and range finding. The AN/AAS-44 (mod) EOSS set consists of a Turret Unit, Electronics Unit, and a Hand Control Unit. The Turret Unit houses: the infrared receiver, the laser ranger, the color day TV camera, the pointing/stabilization gimbals, and electronic and environmental control equipment. The Electronics Unit contains system controls, image processing, tracker, servo controls and drives and power supplies to the Forward Looking Infrared (FLIR).

4. The AN/APS-147 Inverse Synthetic Aperture Radar (ISAR) is a modern, airborne pulse compression search radar that provides the operator with the means to search for, detect, and track both surface and airborne targets while performing 360 degree surveillance. The radar system may be operated in three basic modes: standby, weather, and search. Radar returns are compressed, processed, and converted to video data for display on the Tactical Sensor Operator (TSO) and cockpit Multifunction Displays (MFDs).

5. The Airborne Data Link Processor (ADLP) interfaces with the Data terminal Set on the radio side and the MFD on the mission computer side. The ADLP is compatible with a KG-40 Encryption Device. The KG-40 Encryption Device mount and control panel are provided as a Buyer Furnished Equipment.

6. The AGM-119 Penguin MK 2 Mod 7 Missile capability is mounted on the left outboard weapons station of the S-70B when a Missile Launch Adapter (MLA) is attached to the left outboard pylon. Control of the missile is provided via a Missile Control System (MCS), which is mounted on the MLA. The missiles includes an inertial platform that must be aligned prior to launch. The MCS performs the alignment based on aircraft heading and velocity data provided to it by the Mission Processor. Targeting is via the AN/APS-147 radar system. The Missile Alignment unit contained with the MCS is considered Classified.

7. If a technologically advanced adversary were to obtain knowledge of the specific hardware or software in this 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.

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**DEPARTMENT OF DEFENSE**

**Office of the Secretary**

[Transmittal No. 06-47]

**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. J. Hurd, DSCA/DBO/CFM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 06-47 with attached transmittal, policy justification, Sensitivity of Technology, and Section 620c(d).

Dated: October 3, 2006.

**C.R. Choate,**

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

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