

Defense Security Cooperation Agency

NEWS RELEASE

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Korea - Contractor, Technical Support, and Logistics Support

Washington, September 6, 2006 - The Defense Security Cooperation Agency notified Congress of a possible Foreign Military Sale to Korea of continuing support for commercial RC-800 Tactical Reconnaissance Aircraft and Reconnaissance Ground Stations as well as associated equipment and services. The total value, if all options are exercised, could be as high as \$200 million.

The Government of Korea has requested a possible sale for the continuing support for commercial RC-800 Tactical Reconnaissance Aircraft and Reconnaissance Ground Stations, to include contractor services; maintenance; spare and repair parts; support and test equipment; communication support; prime mission equipment (PME); technical support; contractor engineering; and other related elements of program support. The estimated cost is \$200 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 that has been and continues to be an important force for political stability and economic progress in East Asia.

Korea needs the sustainment support to continue its tactical reconnaissance and signal intelligence (SIGINT) operations. Past Letters of Offer and Acceptance provided the tactical reconnaissance and SIGINT gathering PME used in the aircraft and in the attendant ground stations which process and analyze the data gathered. Korea will use this material and support to maintain its current defensive capability and will have no difficulty absorbing this equipment into its armed forces.

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

The principal contractors will be: Lockheed Martin Company in Goodyear, Arizona and L-3 Communications Company in Greenville, Texas as the sole source contractors for the proposed sustainment. There are no known offset agreements proposed in connection with this potential sale.

Contractor representatives will travel to Korea during the program definition phase of this proposed sale.

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

This notice of a potential sale is required by law; it does not mean that the sale has been concluded.