

12, 13, and 14 as business or calendar days for the purpose of such rule.

(9) Any Commodity Pool Operator that has had its physical operations disrupted as a result of the attacks of September 11, 2001, and therefore was unable to comply with the requirements of Commission Rule 4.22(a) or the introductory paragraph of Rule 4.23 need not count September 11, 12, 13, and 14 as calendar or business days for the purposes of the filing or inspection provisions of such rules.

(10) Registrants that file paper copies of reports with the New York Regional office should submit the reports to the Chicago Regional Office at the following address: Commodity Futures Trading Commission, 300 South Riverside Plaza, Suite 1600 North, Chicago, IL 60606.

The Commission encourages Self-Regulatory Organizations to grant

analogous relief from provisions of their own rules as necessary and appropriate.

Issued in Washington, D.C. on September 19, 2001 by the Commission.

Jean A. Webb,

Secretary of the Commission.

[FR Doc. 01-24165 Filed 9-26-01; 8:45 am]

BILLING CODE 6351-01-M

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 01-23]

36(b)(1) Arms Sales Notification

AGENCY: Defense Security Cooperation Agency, Department of Defense.

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 Pub. L. 104-164 dated July 21, 1996.

FOR FURTHER INFORMATION CONTACT: Ms. J. Hurd, DSCA/COMPT/RM, (703) 604-6575.

The following is a copy of a letter to the Speaker of the House of Representatives, Transmittal 01-23 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: September 19, 2001.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

BILLING CODE 5001-08-M



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

5 September 2001

In reply refer to:
I-01/007052

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

Dear Mr. Speaker:

Pursuant to the reporting requirements of Section 36(b)(1) of the Arms Export Control Act, we are forwarding herewith Transmittal No. 01-23, concerning the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to Malaysia for defense articles and services estimated to cost \$45 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in cursive script that reads "Tome H. Walters, Jr.".

TOME H. WALTERS, JR.
LIEUTENANT GENERAL, USAF
DIRECTOR

Attachments

Same ltr to: House Committee on International Relations
Senate Committee on Appropriations
Senate Committee on Foreign Relations
House Committee on Armed Services
Senate Committee on Armed Services
House Committee on Appropriations

Transmittal No. 01-23**Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act**

- (i) **Prospective Purchaser:** Malaysia
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|---------------------|
| Major Defense Equipment* | \$19 million |
| Other | <u>\$26 million</u> |
| TOTAL | \$45 million |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** Five AN/ALQ-165(V) Airborne Self-protection Jammers (ASPJ), pre-amplifiers, filters, racks, update/development of electronic warfare suite software, spare and repair parts, support and test equipment, modification kits, operator and maintenance training, software/technical support, publications and technical data, U.S. Government and contractor technical and logistics assistance and other related elements of logistics and program support
- (iv) **Military Department:** Navy (LAN)
- (v) **Prior Related Cases, if any:** none
- (vi) **Sales Commission, Fee, etc., Paid, Offered, or Agreed to be Paid:** Yes.
Consistent with FAR and DFARS.
- (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:** 5 September 2001

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

POLICY JUSTIFICATION

Malaysia - Airborne Self-Protection Jammers

The Government of Malaysia has requested a possible sale of five AN/ALQ-165(V) Airborne Self-protection Jammers (ASPJ), pre-amplifiers, filters, racks, update/development of electronic warfare suite software, spare and repair parts, support and test equipment, modification kits, operator and maintenance training, software/technical support, publications and technical data, U.S. Government and contractor technical and logistics assistance and other related elements of logistics and program support. The estimated cost is \$45 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 the Southeast Asia.

Malaysia plans to upgrade their electronic warfare capability of F-18D aircraft through replacement of their old equipment that has little or no capability against pulse doppler and continuous wave threats. The proposed sale of the ASPJ will allow Malaysia to maintain its defensive capability against existing threat systems in the area. Malaysia will have no difficulty absorbing these new jammers 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 Northrop-Grumman in Linthicum, Maryland; ITT Avionics in Clifton, New Jersey; and Boeing Corporation in St. Louis, Missouri. There are no offset agreements proposed in connection with this potential sale.

Implementation of this proposed sale will require the assignment of 23 U.S. Government representatives for two-week intervals twice annually to participate in training, program management and technical review. There will be up to 15 contractor representatives in Malaysia for one year to assist in the production, installation, and modification of the jammers.

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

Transmittal No. 01-23**Notice of Proposed Issuance of Letter of Offer
Pursuant to Section 36(b)(1)
of the Arms Export Control Act****Annex
Item No. vi****(vi) Sensitivity of Technology:**

1. The AN/ALQ-165(V) Airborne Self-Protection Jammer (ASPJ) is classified Confidential. The ASPJ is an automated modular reprogrammable active radar frequency (RF) deception jammer designed to contribute to the electronic self-protection of the host tactical aircraft from a variety of air-to-air and surface-to-air RF threats. The ASPJ was designed to accomplish threat sorting, threat identification, and jamming management in a dense signal environment to counter multiple threats. The modular architecture supports internal integration with other avionics/weapons systems in a variety of aircraft. The Digital RF Memory (DRFM) within the ASPJ is classified Confidential. The DRFM allows the ASPJ to perform countermeasures techniques against pulse doppler and continuous wave threats. The Operational Flight Programs and User Data Files used in the ASPJ are classified Secret. These software programs control the ASPJ hardware, allowing it to generate RF signals designed to defeat the threats.

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.

3. A determination has been made that Malaysia can provide substantially the same degree of protection for the sensitive technology being released as the U.S. Government. This sale is necessary in furtherance of the U.S. foreign policy and national security objectives outlined in the Policy Justification.