

These rules are promulgated pursuant to the Commission's rulemaking authority contained in Sections 4a(a), 4i, and 8a(5) of the Act, 7 U.S.C. 6a(1), 6i, and 12a(5).

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for the CFTC's regulations were published on December 30, 1981. See 46 FR 63035 (Dec. 30, 1981). The Federal Register notice with a 60-day comment period soliciting comments on this collection of information was published on June 27, 2002 (67 FR 43285).

Burden statement: The respondent burden for this collection is estimated to average .39 hours per response.

Respondents/Affected Entities: 415.

Estimated number of responses: 20,380.

Estimated total annual burden on respondents: 7,985 hours.

Frequency of collection: On occasion.

Send comments regarding the burden estimated or any other aspect of the information collection, including

suggestions for reducing the burden, to the addresses listed below. Please refer to OMB Control No. 3038-0007 in any correspondence.

Lawrence B. Patent, Division of Trading and Markets, Commodity Futures Trading Commission, 1155 21st Street, NW., Washington, DC 20581 and Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for CFTC, 725 17th Street, Washington, DC 20503.

Dated: July 11, 2002.

Jean A. Webb,

Secretary of the Commission.

[FR Doc. 02-17976 Filed 7-16-02; 8:45 am]

BILLING CODE 6351-01-M

DEPARTMENT OF DEFENSE

Office of the Secretary

[Transmittal No. 02-39]

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 Public Law 104-164 dated 21 July 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 or Representatives, Transmittal 02-39 with attached transmittal, policy justification, and Sensitivity of Technology.

Dated: July 10, 2002.

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

27 June 2002

**In reply refer to:
I-02/008738**

**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 (AECA), as amended, we are forwarding herewith Transmittal No. 02-39, concerning the Department of the Army's proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services estimated to cost \$80 million. Soon after this letter is delivered to your office, we plan to notify the news media.

Sincerely,

A handwritten signature in cursive script, appearing to read "Tome H. Walters, Jr.", written in black ink.

**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. 02-39**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:** Israel
- (ii) **Total Estimated Value:**
- | | |
|--------------------------|----------------------|
| Major Defense Equipment* | \$ 78 million |
| Other | <u>\$ 2 million</u> |
| TOTAL | \$ 80 million |
- (iii) **Description and Quantity or Quantities of Articles or Services under Consideration for Purchase:** 2,030 TOW 2A Missiles (includes 30 lot acceptance missiles), publications and logistics support, and other related elements of logistics support.
- (iv) **Military Department:** Army (YZC)
- (v) **Prior Related Cases, if any:** FMS case YKR - \$42 million – 1Aug95
- (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:**

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

POLICY JUSTIFICATION**Israel – TOW 2A Missiles**

The Government of Israel has requested a possible sale of 2,030 tube-launched, optically-tracked, wire-guided TOW 2A missiles; publications and logistics support; and other related elements of logistics support. The estimated cost is \$80 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 the Middle East.

Israel will augment their land forces with these TOW 2A anti-armor guided missiles. The proposed sale of the missiles will not affect the basic military balance in the region and will provide the Government of Israel a formidable defensive system for their use against armor, combat vehicles and other maneuverable elements.

The prime contractor will be the Raytheon Corporation of Tucson, Arizona.

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

Implementation of this proposed sale will not require the assignment of any additional U.S. Government and contractor representatives to Israel.

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

Transmittal No. 02-39**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 TOW anti-armor guided missile system and documentation are Unclassified. Sensitive technology is contained within the missile system software programs. Some performance characteristics and system capabilities which could be derived from the use of the equipment are classified Secret. The hardware is also considered sensitive and knowledge of the modulation frequency and infrared wavelengths could be useful in developing countermeasures. The highest level of classified material which could be disclosed through reverse engineering or testing of the TOW missile is Secret.

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 Israel 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.