

## Transmittal No. 04-02

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: Egypt
- (ii) Total Estimated Value:

Major Defense Equipment*	\$724 million
Other	<u>\$196 million</u>
TOTAL	\$920 million
- (iii) Description and Quantity or Quantities of Articles or Services under Consideration for Purchase: A coproduction including the sale of 125 M1A1 Abrams tank kits each with Commander's Independent Thermal Viewer, Firepower Enhancement Package and armor upgrades. Also included: 125 M256 Armament Systems, 125 M2 .50 caliber machine guns, 250 M204 7.62mm machine guns, spare and repair parts, special tool and test equipment, personnel training and equipment, publications, U.S. Government and contractor engineering and logistics personnel services, and other related elements of logistics support.
- (iv) Military Department: Army (NFV, NFW, UWD, UWE, and UWM)
- (v) Prior Related Cases, if any: numerous cases from 1988 through 2002
- (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: 3 OCT 2003

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