



News Release

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ARMY FLEET SUPPORT TO BE AWARDED 10-YEAR, \$2.7 BILLION CONTRACT TO PROVIDE CONTRACTOR LOGISTICS SUPPORT AT FORT RUCKER, ALA. - Joint Venture of L-3 Communications Integrated Systems, Vertex Aerospace, Paragon Systems & U.S. Helicopter Combines Top Companies in Aviation Services-

FORT RUCKER, Ala. – Sept. 24, 2003 – Army Fleet Support, LLC (AFS), a joint venture among the industry's top aviation services companies, has been notified of the U.S. Army Aviation and Missile Command's (AMCOM) intent to award a potential 10-year, \$2.7 billion contract subject to the availability of funds for maintenance and logistics support for rotary-wing aircraft at Fort Rucker, Ala.

The initial award, a one-year cost plus incentive fee contract with award fee dollars and award fee term, is valued at \$225 million, with two one-year options. The award term allows for AFS to earn up to seven additional option years.

The joint venture majority partners are L-3 Communications Integrated Systems and Vertex Aerospace (formerly Raytheon Aerospace). Paragon Systems and U.S. Helicopter each hold minority shares.

AFS will provide personnel, management, material parts, supplies, transportation and equipment to perform aviation unit maintenance, aviation unit intermediate maintenance and approved depot maintenance in support of flight training of all assigned rotary-wing aircraft at Fort Rucker, Ala. The fleet, which comprises more than 650 aircraft stationed primarily at Fort Rucker's six airfields, is flown by the U.S. Army Aviation Center who is the primary customer. Other customers include the Army Technical Test Center (ATTC), U.S. Army Aeromedical Research Laboratory and the U.S. Air Force Air Education and Training Command.

"Army Fleet Support is committed to partnering with the Army and the community to increase the operational readiness rate of supported aircraft," said Dave Robinson, chairman of the AFS Management Committee. "Our team includes two Alabama-based companies and a great management team led by general manager Tom Green. We look forward to working with the superb workforce of Alabama to ensure our nation's warfighters have the aircraft they need, when they need them."

Aviation operations at Fort Rucker account for approximately 40 percent of the U.S. Army's total flying program. Fort Rucker launches more than 700 training flights daily with an estimated 281,000 flying hours

annually. The contract represents the largest aircraft maintenance contract in the Department of Defense. Supported aircraft types include AH-64A, AH-64D, CH-47D, EH-60A, OH-58A/C, OH-58D, TH-67, UH-1, and UH-60A.

AFS will transition the program, which employs more than 3,000 people, during a 60-day period beginning on or about Oct. 1.

“Our intention is to begin staffing for the program immediately and we expect virtually all of AFS employees to come from the incumbent workforce,” Green said. “The companies represented by this venture have a great record of success on aircraft services programs and in working with local workforces and bargaining units. We anticipate similarly great relationships at Fort Rucker and throughout the Wiregrass region.”

Within days, offices will be established in both Ozark and Daleville, Ala., for pre-employment processing and other transition activities. Also, AFS will soon activate a website (www.armyfleetsupport.com) for news regarding employment transition and other information.

L-3 Communications Integrated Systems (L-3/IS) serves as prime contractor for the Special Operations Forces-Support Activity contract, providing comprehensive logistics support and services, including extensive rotary-wing aircraft systems integration, modification and maintenance in support of the U.S. Special Operations Command. L-3/IS is an SEI CMM Level 5 developer and integrator of complex electronic systems for intelligence, surveillance and reconnaissance (ISR) missions. Headquartered in Greenville, Texas, L-3/IS also operates from major sites in Waco, Texas; Lexington, Ky.; and Avalon, Australia. L-3/IS is a division of L-3 Communications (NYSE: LLL). Learn more about L-3 Communications at www.L-3Com.com.

Vertex Aerospace LLC (formerly Raytheon Aerospace) is an aviation and aerospace technical services company, managing and servicing more than 2,000 fixed and rotary wing aircraft (77 platforms) as well as other equipment, primarily for government customers. Vertex core services include logistics support; maintenance, repair and overhaul services; supply chain management; pilot and flight officer training support. The company has 7,000 employees supporting large fleets of pilot-training and transport aircraft. Vertex is a portfolio company of Veritas Capital, an equity-investment firm in New York. www.vertexaerospace.com.

Paragon Systems, Inc. is an award-winning, industry leader in specialized logistics support services. The Native-American-owned company is headquartered in Huntsville, Ala., with locations in nine U.S. states and at international locations. Learn more about Paragon at www.parasys.com.

US Helicopter is incorporated in Alabama and headquartered in Ozark, adjacent to Ft Rucker. The company has been the U.S. Army's UH-I depot-level overhaul facility since 1990 delivering over 400 UH-I and UH-II aircraft to the U.S. Army, National Guard, Department of State and Foreign Military Sales program countries. www.ushelo.com.

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