



Ralph D. Crosby, Jr.
Chairman
EADS North America

May 25, 2010

The Honorable Nancy Pelosi
Speaker of the House
H-232, the Capitol
Washington, D.C. 20515

Dear Madame Speaker,

As you are aware, consideration is being given to amending the Defense Authorization Bill to incorporate issues currently before the World Trade Organization as factors in the KC-X tanker competition. This initiative is designed to be prejudicial against the EADS North America bid. If passed, this legislation would violate the WTO Treaty which forbids punitive action taken on trade matters being adjudicated by the organization.

In support of this initiative, it has been widely reported in the media that the Boeing Company today has made allegations of improprieties by EADS, specifically regarding trade with Iran. I assure you that these allegations are untrue. EADS scrupulously abides by the laws and regulations that govern the sale of our products—which include the US Foreign Corrupt Practices Act.

Boeing clearly has resorted to the use of falsehoods, as their only possible tool to prevent the fair competition that the Department of Defense has committed to for the selection of a replacement aerial refueling tanker for the US Air Force. Their effort to use legislation to change the rules of this procurement places their own self-interest ahead of that of the US warfighter, who will be the primary beneficiary of this carefully formulated competitive procurement.

A much more authoritative statement regarding EADS standing with the US Department of Defense was made by the Pentagon today.


“We would not have welcomed EADS North America's participation in this important competition unless they were a company in good standing with the Department of Defense”.

The Honorable Nancy Pelosi
May 25, 2010
Page two

EADS believes that our record of performance for the US Departments of Defense and Homeland Security speaks for itself. We are already a trusted prime contractor. As prime for the US Army's Light Utility Helicopter, we have delivered every aircraft—more than 100—either on or ahead of schedule. We believe this record is much more important than ill advised and untrue allegations by a competitor.

I request that you and your leadership give full consideration to these issues before allowing such an amendment to go forward.

Respectfully,


Ralph Crosby