



DEFENSE SECURITY COOPERATION AGENCY
201 12TH STREET SOUTH, STE 203
ARLINGTON, VA 22202-5408

AUG 18 2016

USP001990-16

MEMORANDUM FOR DIRECTOR, NAVY INTERNATIONAL PROGRAMS OFFICE
(ATTN: MS. MARCIA LEWIS, IPO-240D)

SUBJECT: Establish Nonrecurring Cost (NC) Charge – Standard Missile-3 (SM-3) Block IIA,
DSCA Policy 16-46

The attached Finding, signed by the Director, Defense Security Cooperation Agency (DSCA), approves a NC recoupment pro rata charge for the sale, coproduction, or licensed production of the item shown on the Finding table.

The NC charge listed in the Finding will be included in the next update of Appendix 1 of the automated version of the Security Assistance Management Manual found on the DSCA Web Page.

Department of Defense (DoD) NC recoupment charges are required to be reimbursed to DoD within 30 days following delivery or purchaser acceptance (whichever comes first) of each item sold or produced, and all recoupments will be recorded under DSCA(Q) 1112 Report. In accordance with the Arms Export Control Act, any country requesting a waiver of NC charges must request the waiver in writing prior to finalization of the purchase, if it is to be approved.

The point of contact for additional information is Mr. Delonte Reid at (703) 697-9672; email: delonte.t.reid.ctr@mail.mil or the alternate point of contact is Ms. Susan Kidd at (703) 697-9673; email: susan.c.kidd.civ@mail.mil.

Michèle Hizon
Principal Director
Security Assistance and Equipping

Attachment:
As stated





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FINDING

In accordance with DoD Directive 2140.02, dated May 22, 2013, and DoD Directive 5105.65, dated October 26, 2012, I hereby approve a nonrecurring cost (NC) recoupment pro rata charge for the sale, coproduction, or licensed production of the major defense equipment shown below:

CATEGORY IV – LAUNCH VEHICLES, GUIDED MISSILES, BALLISTIC MISSILES, ROCKETS, TORPEDOS, BOMBS AND MINES

ITEM DESCRIPTION	PREVIOUS NC CHARGE	NC CHARGE
Standard Missile-3 (SM-3) Block IIA MASL: 141000SM3BK2A	N/A	\$11,296,399.00

This item is major defense equipment based on \$4.078B investment in nonrecurring research, development, testing, and evaluation costs. The NC recoupment charge is effective immediately.

JWR
JAMES WORM
ACTING DEPUTY DIRECTOR
FOR
J. W. Rixey
Vice Admiral, USN
Director

