



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

MAY 11 2007

In reply refer to:
I-07/001307-POL

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Standard Letter of Offer and Acceptance (LOA) Note for End-Use Monitoring (EUM) (DSCA 07-07) [SAMM E-Change 71]

Effective immediately, Chapter 5, Table C5.T5. of the Security Assistance Management Manual (SAMM) is revised to include an updated standard LOA note for EUM, which is mandatory for all LOAs, Amendments, and Modifications that did not include the previous version. It is not necessary to add it to LOA documents that contained the previous version of the standard EUM LOA note.

Note Name	Note Usage	Note Text
End-Use Monitoring (EUM)	Mandatory for all LOAs. Mandatory for all Amendments and Modifications that did not include the previous version of the standard EUM LOA note. See chapter 8.	"Pursuant to section 505 of the Foreign Assistance Act of 1961, as amended (FAA), and section 40A of the Arms Export Control Act (AECA), the USG will be permitted, upon request, to conduct end-use monitoring (EUM) verification with respect to the use, transfer, and security of all defense articles and defense services transferred under this LOA. The Purchaser agrees to permit scheduled inspections or physical inventories upon USG request, except when other means of EUM verification shall have been mutually agreed. Upon request, inventory and accountability records maintained by the purchaser will be made available to U.S. personnel conducting EUM verification." If an Enhanced EUM item is included in the FMS case, add the following sentence to the end of the standard note text above: "Enhanced EUM physical security and accountability requirements are annotated in note [insert LOA note number]."

This memo supersedes previous policy memos DSCA 05-21 and DSCA 06-26. This change will be included in the automated version of the SAMM found on the DSCA Web Page as SAMM E-Change 71. Please direct EUM policy-related questions to Mr. Micheal Slack, DSCA/STR/POL, at (703) 601-3842 or e-mail: michael.slack@dsc.mil. Technical questions relating to EUM may be directed to Mr. Leon Yates, DSCA/PGM-MGT at (703) 601-3865, leon.yates@dsc.mil.



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Table C5.T5. Letter of Offer and Acceptance (LOA) Notes

Note Name	Note Usage*	Note Text
End-Use Monitoring (EUM)	<p>Mandatory for all LOA's.</p> <p>Mandatory for all Amendments and Modifications if the note was previously not included on the case.</p> <p>See chapter 8.</p>	<p>"Pursuant to <i>section 505 of the Foreign Assistance Act of 1961, as amended (FAA)</i>, and <i>section 40A of the Arms Export Control Act (AECA)</i>, the USG will be permitted, upon request, to conduct a scheduled inspection and physical inventory <i>end-use monitoring (EUM) verification with respect to the use, transfer, and security of all defense articles and defense services transferred under this LOA. The Purchaser agrees to permit scheduled inspections or physical inventories upon USG request, except when other means of EUM verification shall have been mutually agreed. Upon request, the inventory and accountability records maintained by the purchaser will be made available to the U.S. personnel conducting this inspection EUM verification.</i>"</p> <p>If an Enhanced EUM item is included in the FMS case, add the following sentence to the end of the note text above: "Enhanced EUM physical security and accountability requirements are annotated in note [insert LOA note number]."</p>