



**DEFENSE SECURITY COOPERATION AGENCY
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WASHINGTON, D.C. 20301-2800**

18 DEC 2009

MEMORANDUM FOR THE DEPUTY UNDER SECRETARY OF THE AIR FORCE
FOR INTERNATIONAL AFFAIRS
DEPUTY ASSISTANT SECRETARY OF THE ARMY
FOR DEFENSE EXPORTS AND COOPERATION
DEPUTY ASSISTANT SECRETARY OF THE NAVY
FOR INTERNATIONAL PROGRAMS
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MARKETING SERVICE
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, NATIONAL GEOSPATIAL – INTELLIGENCE
AGENCY
DEPUTY DIRECTOR FOR INFORMATION ASSURANCE,
NATIONAL SECURITY AGENCY

SUBJECT: Revised Mandatory Enhanced End Use Monitoring (EUM) Note for SM-3
Missiles in Chapter 5, Table C5.T5. of the Security Assistance
Management Manual (SAMM) (DSCA 09-57) [SAMM E-Change 152]

This memorandum updates Chapter 5, Table C5.T5., of the SAMM by revising the mandatory security and accountability note for SM-3 Missiles. The revision is necessary to clarify Enhanced EUM physical security requirements and terms regarding operational and intermediate level maintenance.

Effective immediately, Chapter 5 of the SAMM is updated as attached. This change will be included in the automated version of the SAMM found on the Defense Security Cooperation Agency (DSCA) Web Page as SAMM E-Change 107. If you have questions regarding the terms of this note, please contact Mr. Mark Barowski,

DSCA/PGM/BPC, at 703-601-3676 or e-mail: mark.barowski@dsc.mil. For questions relating to the SAMM, please contact Mr. Mike Slack, DSCA/STR-POL, at 703-601-3842 or e-mail: michael.slack@dsc.mil. Implementing agencies should ensure dissemination to supporting activities. Updates to the SAMM are posted regularly at www.dsc.mil/SAMM/.

Scott Schless 12-18-09

Scott Schless
Principal Director
Strategy

Attachment:
As stated

cc:
STATE/PM-RSAT
AFRICOM
CENTCOM
EUCOM
JFCOM
NORTHCOM
PACOM
SOCOM
SOUTHCOM
TRANSCOM
USASAC
SATFA TRADOC
NAVICP
NETSAFA
AFSAC
AFSAT
DISAM

Security Assistance Management Manual (SAMM), E-Change 152
Additions and Revisions to Table C5.T5.

Standard Missile 3 (SM-3) - Category III Missiles

Note Usage

Mandatory for LOAs that include SM-3 missiles.

Mandatory for Amendments and Modifications that add SM-3 missiles.

See Chapter 8, paragraph C8.3.7.

Note Text

- “1. Requirement. The Purchaser understands that this system has been designated for Enhanced End Use Monitoring. This will include, but not be limited to, United States Government (USG) inventories of the SM-3 missiles by serial number, review of security controls and procedures, inventory and accountability documentation, distribution of assets (i.e., a plan for in-country movement), or plan for repair and return, transportation access controls, and storage of hardware and technical data. The SM-3 missile, referred to as an All Up Round (AUR), requires Category III protection as stated in Department of Defense (DoD) manual 5100.76-M, “Physical Security of Sensitive Conventional Arms, Ammunition, and Explosives,” current version. Specific requirements for the protection of the SM-3 missiles listed on this offer shall be documented and agreed upon during the site visit referenced in Paragraph 6 of this note and implemented prior to delivery of the missiles. The Purchaser agrees to adhere to the security requirements and USG verification checks as outlined in the following paragraphs.
2. Storage. The AURs shall be stored in facilities that are at least equivalent in strength to USG requirements. Specific requirements for storage shall be agreed upon and met prior to delivery of the missiles. USG representatives shall be allowed to verify security measures and procedures prior to and following the delivery of the missiles.
 - a. Inventory and Accountability Documentation. The Purchaser shall have procedures in place that provide a continuous accounting of SM-3 missile receipt, transfer, storage, shipment, and destruction or demilitarization. The Purchaser agrees to inventory 100% of the missiles on this LOA, serial number to missile, on a quarterly basis. The USG shall be permitted, upon request, to conduct an assessment of the physical security and accountability measures and inventory 100% of all missiles transferred under this LOA, to include photography of the AURs. Inventory and accountability documentation by the Purchaser shall be retained throughout the period of ownership and shall be made available for review upon USG request. The Purchaser shall immediately notify the USG (through the Security Cooperation Organization (SCO) to DSCA) of any missile expenditures, compromises, or losses and provide necessary assistance if the USG desires to initiate recovery operations.
 - b. Storage of Hardware and Technical Data. Storage of missile hardware and technical data shall meet USG standards for safeguarding the missile. The Purchaser shall maintain strict accountability records on all classified information provided by the USG related to the missiles including extracts and copies. These records shall include documentary evidence of any missiles or components that are lost or destroyed. These records shall be made available for review upon USG request. Such records shall, to the extent possible, be centralized.
3. Reporting. The Purchaser shall report immediately to the SCO, or other appropriate USG representative, any allegations, confirmed or unconfirmed, of missile hardware technology or software released or compromised to unauthorized nationals, third country nationals, or a foreign government. The Purchaser shall also report any allegation, report, or evidence of unauthorized attempts to collect information on the missile program.
4. Operational and Intermediate Level Maintenance. Military or civilian employees of the USG will perform operational and intermediate level maintenance. Except under conditions that may be specified separately in this LOA, maintenance by the Purchaser is prohibited. Upon approval by the USG, the Purchaser’s military, civilian, or industry personnel may receive only the oral and visual information necessary to integrate the SM-3 missile on the Purchaser’s ship.

5. Depot Level Maintenance. Missiles that require depot level repair shall be transported to designated depot level repair facilities in the United States under the proper security procedures.
6. Site Survey. Prior to the delivery of the missiles, the USG will conduct an in-country site survey of the physical security measures and logistic chain for all facilities of the Purchaser designated for storage of the AURs.
 - a. The USG will provide to the Purchaser a security checklist and serial numbers that should be referenced during the site survey and throughout the life of the SM-3 missiles. The checklist is used to indicate that the integrity of the security measures in place for the storage of AURs will ensure the equivalent level of security protection as the USG.
 - b. Deficiencies identified during the site survey must be corrected prior to delivery of any AURs.
 - c. The Purchaser agrees to adhere to the security requirements associated with the life cycle of the SM-3 missiles. The Purchaser agrees to allow USG verification of security arrangements for the protection of the SM-3 missiles on both a scheduled and unscheduled basis.
7. Transportation. Transportation of AURs shall meet U.S. standards for safeguarding classified material in transit. Prior to delivery of missiles to the Purchaser, the transportation plan must be coordinated and approved by the Missile Defense Agency (MDA), Aegis BMD Program Office (PD452).
8. Disposition. The Purchaser will obtain USG disposition instructions that either direct transporting SM-3 missiles back to the USG or another designated staging area, or that provide comprehensive guidance on demilitarization or disposal management. The USG disposition instructions will indicate parties in the USG that must be contacted prior to any demilitarization or disposal effort.
9. Destruction Reporting. Missile destruction reports shall be completed by the Purchaser for all SM-3 firings and forwarded to the SCO. The format for missile destruction reports shall be provided by the USG.