

16 AUG 2013

Reply in refer to: USP005334-13

MEMORANDUM FOR OFFICE OF THE ASSISTANT SECRETARY FOR FINANCIAL MANAGEMENT AND COMPTROLLER, DEPARTMENT OF THE AIR FORCE (ATTN: MR. STEPHEN CONNAIR SAF/FMCE)

SUBJECT: Establish Special Nonrecurring Cost (NC) Charge – Taiwan's Surveillance Radar Program, DSCA Policy Memo 13-39

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

The "Special" NC charges 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 the 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 Ms. Susan Kidd at (703) 602-2017, e-mail: susan.kidd@dsca.mil or Ms. Marypat Moller at (703) 604-6625, e-mail: marypat.moller.ctr@dsca.mil.

Jennifer N. Zakriski Principal Director Programs

Attachment: As stated



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FINDING

In accordance with DoD Directive 2140.2, dated May 22, 2013, and DoD Directive 5105.65, dated October 26, 2012, I hereby approve a nonrecurring cost recoupment pro rata charge for the sale, coproduction, or licensed production of the Taiwan funded version of the major defense equipment shown below:

CATEGORY XI – Military Electronics

ITEM DESCRIPTION	NC CHARGE
Surveillance Radar Program (SRP) – Special NC Taiwan MASL: 5840SRVRDRPGM	\$65,768,543.00
Signal Data Processing Equipment (SDPE) – Special NC Taiwan MASL: 584000000SDPE	\$4,227,116.23

These "Special" NC recoupment charges are effective immediately and will expire on September 30, 2014.

Genarll J. lliam E. Landay III FW

Vice Admiral, USN Director