



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

19 MAY 2015

Reply in refer to:
USP001778-15

MEMORANDUM FOR DEPUTY ASSISTANT SECRETARY OF THE ARMY,
DEFENSE EXPORTS AND COOPERATION,
DEPARTMENT OF THE ARMY
(ATTN: MR. FLOYD BAKER, SAAL-NP)

SUBJECT: Revise Nonrecurring Cost (NC) Charges and Special NC Charges for United Arab Emirates – Patriot PAC-3 Missiles, DSCA Policy 15-24

The attached Finding, signed by the Director, Defense Security Cooperation Agency (DSCA), approves a NC recoupment pro rata charges for the sale, coproduction, or licensed production of the items shown on the Finding table. This Policy Memo supersedes DSCA I-04/002890-PPD and DSCA Policy Memo 09-29 dated March 22, 2004 and June 24, 2009.

The 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 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@dsc.mil.

A handwritten signature in black ink, appearing to read "Jon G. Doering", is located below the text.

Jon G. Doering
Principal Director
Building Partnership Capacity

Attachment:
As stated



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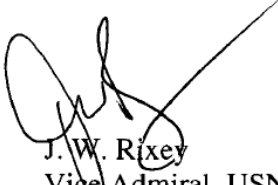
FINDING

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

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

ITEM DESCRIPTION	PREVIOUS NC CHARGE	NEW NC CHARGE
PATRIOT GUIDED INTERCEPT AERIAL MISSILE, PAC-3 (4-PACK CANISTER) (RDT&E: \$3,890,548; NP: \$269,940) MASL: 1427015520718	\$1,040,122.00	\$4,160,488
PAC-3 4 pack Special NC Charge (RDT&E: \$250,463; NP: \$169,595) MASL: 1427015520718	\$420,048	\$420,048
PATRIOT GUIDED INTERCEPT AERIAL MISSILE, PAC-3 (2-PACK CANISTER) (RDT&E: \$1,945,274; NP: \$134,970) MASL: 1427015223326	\$1,040,122	\$2,080,244
PAC-3 2 pack Special NC Charge (RDT&E: \$125,232; NP: \$84,792) MASL: 1427015223326	\$210,024	\$210,024

DSCA I-04/002890-PPD and DSCA Policy Memo 09-29 dated March 22, 2004, and June 24, 2009 are superseded. These NC recoupment charges are effective immediately. The special NC charges expire on November 20, 2028 as approved via USP010809-12, dated April 7, 2013.


J. W. Rixey
Vice Admiral, USN
Director