



DEFENSE SECURITY ASSISTANCE AGENCY

WASHINGTON, D.C. 20301

1 September 1985

In reply refer to:
Transmittal No. 5
DOD 5105.38-M

MEMORANDUM FOR RECIPIENTS OF DOD 5105.38-M SECURITY
ASSISTANCE MANAGEMENT MANUAL (SAMM)

SUBJECT: SAMM Change 5 Transmittal

The attached revised material updates the basic publication.

Make the applicable change to the SAMM in accordance with
the attached list of changes by inserting new pages.

This change is effective 1 September 1985.

A handwritten signature in cursive script, reading "Philip C. Gast", is positioned above the typed name.

PHILIP C. GAST
LIEUTENANT GENERAL, USAF
DIRECTOR

Attachments - 4

1. List of Changes
2. List of Effective Pages
3. List of material incorporated
within Change 5
4. SAMM Update pages.

e. Pen and Ink Changes - DD Forms 1513 and 1513-1. "Pen and Ink" changes are modifications to a DD Form 1513 or DD Form 1513-1 authorized by the issuing DoD components prior to acceptance of the document. "Pen and Ink" changes should be avoided to the maximum extent possible. The change may be at the request of the purchaser or initiative of the issuing DoD component. If the change authorizes any revision of the total costs or terms of sale, DSAA-Comptroller, FMS Control Division must concur prior to authorization. The issuing agency must authorize the pen and ink change by message or letter to the purchaser with a copy to SAAC and DSAA-Comptroller, FMS Control Division. Extensive changes must be made by issuance of a new or restated DD Form 1513 or a DD Form 1513-1 (after acceptance of the basic case) rather than by a pen and ink change. Copies of all DD Forms 1513 and 1513-1 that have been modified by authorized pen and ink changes must be disseminated to required organizations, for example SAAC. *

f. Receipt and Recording of Acceptance. When the LOA is accepted, distribution will be made in accordance with the instructions contained in the LOA. In addition, the applicable MILDEP is responsible for furnishing a signed copy to DSAA/Comptroller (ATTN: Data Management Division).

14. Addresses of Military Department Central Activities Responsible for FMS Transactions.

- a. Army: Department of the Army
U.S. Army Security Assistance Center
5001 Eisenhower Avenue
Alexandria VA 22333
- b. Navy: Department of the Navy
Chief of Naval Operations (OP-63)
Washington DC 20350
- c. Air Force: Department of the Air Force
Director of Military Assistance
and Sales (AF/PRI)
Headquarters, U.S. Air Force
Washington DC 20330

processing required for countersignature and for DoD component issuance of the LOA or Amendment to the purchaser.

b. Expiration Date on Offer - Exception. If a shorter expiration period is required because of (1) the validity of contractor quotes comprising the P&A information included on the Offer or Amendment, or (2) the time sensitivity of any information included in the Offer, then the shorter expiration period should appear on the LOA, and a note placed on the Letter of Offer which explains why the expiration period is less than 60 days. Offer expiration dates in excess of 85 days require the DSAA approval.

13. Acceptance of Offer. The purchaser should complete the acceptance portion of the DD Form 1513. The form should be signed, dated, and the copies forwarded to the MILDEP and one copy to the Security Assistance Accounting Center (SAAC) along with any required initial deposit before the expiration date listed on the offer.

a. Requests for Extension. Requests by the purchasers for extensions to expiration dates will be honored only after a full review by the preparing agency to insure that all data included in the Offer remains valid. The foreign country or international organization should be advised of the new expiration date via message from the preparing DoD component along with authorization to make a pen and ink change to the expiration date listed on the LOA or amendment. The SAAC and the DSAA should be provided an information copy of the message. All concerned should be advised of the consequence of extensions. Normally, the greater the period of time between offer and acceptance the greater the likelihood of decreased accuracy of the P&A data contained in the LOA.

b. Implementing Agency (IA) Notification of Acceptance. Upon the receipt of each accepted LOA, the initiating MILDEP will provide a copy to the DSAA FMS Control Division.

c. SAO Notification of Acceptance or Rejection. Each Security Assistance Organization (SAO) will immediately advise the DSAA-Comptroller, the SAAC, and the MILDEP issuing the LOA by priority message when each LOA has been accepted or rejected by the foreign country or international organization. In those instances when the LOAs are processed by the foreign country or international organization not served by SAOs, the LOA will have an annotation requiring the signature authority to immediately notify the DSAA-Comptroller, the SAAC, and the appropriate issuing organization by message when the LOA is accepted by an authorized representative of the purchaser. Each message must contain the date of acceptance. Within five calendar days of acceptance or rejection of the offer, the DSAA, the SAAC, and the issuing organization must be notified. If such notice is not received within ten calendar days after the expiration date, the LOA, even though accepted, will be automatically cancelled.

d. Requests for Revisions of LOAs. All requests for revisions (prior to acceptance) to the LOA which result in increases to the FMS case value or increases in scope must be submitted to the DSAA-Comptroller (ATTN: FMS Control Division) for approval.

b. Senior Officers and Senior Civilian Personnel. (Lt Colonels/Commanders and civilian equivalents, and above). When Senior and nondistinguished visitors are on an orientation tour or IP activity, the allowable N60 expenditure will not exceed \$9.00 per individual per installation per activity, not to exceed \$18.00 per day per individual.

c. Foreign Individual Member of OT/DV. For each foreign individual member of an OT/DV, as described in paragraph E.5., the expenditure of representation funds is authorized at a rate not to exceed \$18 per individual per installation per activity visited and not to exceed \$36 per day per individual.

d. Use for Contingencies. N60 funds may also be used to finance the cost of certain contingency expenditures when they clearly support overall training objectives and are within the legislative constraints contained in the Foreign Assistance Act. Disbursement of funds under these circumstances is authorized only after approval by DSAA.

3. Programming. Programming of dollar requirements will be accomplished by MILDEPs as prescribed in paragraph J of this section. Legislative restrictions on extraordinary expense funds require that ceilings for representation expenses be provided to MILDEPs by DSAA once worldwide requirements are measured against the legislative limitation.

H. OTHER TRAINING SUPPORT. Budget project N70 provides funds for U.S. military guest officers, supplies and materials used exclusively for IMET (excluding training aids), and student support costs.

1. Costs of Facilities Used for Both IMET and FMS Training. Costs related to constructing, extending, refurbishing, or maintaining U.S. training facilities used for both IMET and FMS training will be shared between the IMET and FMS customer countries on a pro rata basis. Such costs should be financed initially by the appropriate MILDEP and the course costs charged for training at these facilities will be adjusted to provide reimbursement to the MILDEP appropriation.

2. Medical Costs. A factor of \$35.00 per student training line (exclusive of orientation) is authorized for programming purposes under generic code N7E (MASL IIN 365003/365004) for medical treatment in U.S. government facilities for IMET trainees. Funds for costs such as burial expense or other student support costs will be programmed under generic code N7F on a case-by-case basis only after DSAA approval.

3. Supplies and Training Materials (Generic N7C). Costs of supplies and training materials (excluding training aids) may be financed when authorized by DSAA. When requirements in these areas exist, supporting documentation will be provided through the appropriate Unified Command to DSAA for approval prior to programming. When third country training requirements exist for supplies and training materials (N7C) and services (N7E), the SAO will submit a request for offshore procurement certification in accordance with DoD Directive 2125.1 to DSAA, with information copies to the appropriate MILDEP and Unified Command.

I. TRAINING MATERIALS.

1. Used for In-Country English Language Training. Training aids and devices, books, and other publications, to include training films, for use in establishing or supporting in-country English language training programs, may be programmed and funded under Budget Project N90 as part of the IMET program of eligible countries.

2. Purchase through FMS Channels. Other training aids and devices and books, maps, and other publications should be obtained through FMS channels. Requests for exceptions to this policy will be considered on a case-by-case basis upon receipt of complete written justification. The justification must include statements as to why the provision of training materials under the IMET program is necessary, why it is in the U.S. interest, and the impact on the country training program (i.e., specific courses and training that will be deleted and how this training will be accomplished). Exceptions will be granted on a one-time basis and will not apply automatically to similar future requirements.

3. Programming of Training Materials. Training materials programmed under budget project N90 should be identified to DSAA when requesting funding, with an indication that the materials support the in-country English language program.

J. POLITICAL ASYLUM AND TEMPORARY REFUGE. Requests for political asylum and temporary refuge by FMIs will be handled promptly and with careful attention to the procedures established by DOD Directive 2000.11 and the implementing instructions of the MILDEPS as follows: AR 550-1, SECNAVINST 5710.22, and AFR 110-26. The instructions cover policy and procedures concerning political asylum and temporary refuge requests from foreign nationals while in territory under exclusive U.S. jurisdiction (including territorial seas, the Commonwealth of Puerto Rico, possessions, and territories under U.S. administration and on the high seas and in territories under foreign jurisdiction (including foreign territorial seas).

K. PROGRAM MANAGEMENT.

1. Presentation of Budget Year Waiver Items. SAOs will submit written waiver requests for policy exceptions to items outlined in paragraph D at the annual training Workshops. Requests will include appropriate justification, supporting rationale and detailed information and required Unified Command and MILDEP concurrence prior to DSAA review. Only those waiver requests that have been approved by DSAA will be accepted for programming at the Training Workshops.

2. Assignment of Budget Year Priority Codes. SAOs will assign priority codes A, B, and C for their Budget Year program using the Budget Year level at the annual training workshops. Priority codes A, B, and C should each equal approximately one third of the Budget Year level. Priority A is the highest priority. Priority C is the lowest priority and, if required, would be cut before priorities B and A. In addition, SAOs should assign priority codes D and E to other valid training requirements in excess of the budget level and to take place not earlier than the fourth quarter. Priority codes D and E should each comprise approximately one half of the training above the budget

<u>Responsible Agency</u>	<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
SAO and MILDEP	61-65	Worksheet Control Number	<p>Must be filled. Enter WCN as assigned by SAO. In the units position (Column 65) enter sequential or follow-on courses in alphabetical sequence in the order in which training is to be conducted:</p> <p>1234L (language training) 1234A 1234B, etc.</p> <p>Use 1234Y, 1234Z for continuing sequential training funded in the new FY but originating in the previous FY, referred to as carryover training.</p> <p>Use 1234S for late cancellation.</p> <p>Use 1234T for attrition.</p> <p>Use 1234U for recycle or setback.</p> <p>Use 1234V for "no show".</p> <p>Where no sequential training is planned, leave the units position blank.</p>
SAO and MILDEP	66-68	Execution Agency Code	<p>Must be filled. Enter EXA identifier from the MASL. Where cross-service training is involved, enter the EXA identifier of the MILDEP that will conduct the majority of the training. See Table III of this chapter.</p>
MILDEP	69	Change Originator Code	<p>Must be filled. See Appendix D for codes.</p>
SAO and MILDEP	70	Availability/ Report Quarter	<p>Must be filled. Enter "1", "2", "3", "4", or "5" (IMET only) to indicate the quarter in which the student is available. Codes should be adjusted if training schedule changes. All training lines within a WCN series will reflect the quarter availability</p>

<u>Responsible Agency</u>	<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
			of the first line in the sequence. Medical cost lines will have same quarter availability as earliest line.
DSAA	71	Fiscal Code	Leave blank.
SAO and MILDEP	72	Rqmts Priority Code	Must be filled. Enter "A", "B", "C", "D", or "E" as appropriate.
MILDEP	73-80	Total Cost	Must be filled. Enter total cost by multiplying the sum of entries in unit price (Columns 36-43) and travel and living allowance (Columns 51-56) times quantity (Columns 26-29). Right justify units position in Column 80.

(2) Program Changes. "Q" Card. Must include all revised data elements that have changed in addition to data elements listed below:

<u>Responsible Agency</u>	<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
SAO and MILDEP	1	Card Code	Must be filled. Enter "Q".
SAO and MILDEP	2-5	Record Control Number	Must be filled. See DSAA detail listing.
MILDEP	23-24	Reason for Change Code	Must be filled. See Appendix D for codes.
SAO and MILDEP	31-32	Country/Activity Code	Must be filled. See Appendix D for codes.
SAO and MILDEP	45-46	Program Year	Must be filled. Enter last two digits of the appropriate fiscal year.
MILDEP	47-50	Funding Date	Must be filled if training moves to a different quarter. If training has already been funded, a new funding date must be entered.
SAO and MILDEP	61-65	Worksheet Control Number	Enter (WCN) as it appears in the DSAA detail listing. If the WCN itself is being changed, enter the revised WCN.

Country	Code	Unified Command Cognizance	Area/Congressional Grouping
Oman	MU	CE	NESA
Pakistan	PK	CE	NESA
Panama	PN	SO	AR
Papua-New Guinea	PP	PA	EAP
Paraguay	PA	SO	AR
Peru	PE	SO	AR
Philippines	PI	PA	EAP
Pitcairn (UK)	PC	PA	EAP
Portugal	PT	EU	EUR
Qatar	QA	CE	NESA
Reunion (FR)	RE	EU	AFR
Romania	RO	EU	AFR
Rwanda	RW	EU	AFR
San Marino	SM	EU	EUR
Sao Tome and Principe	TP	EU	AFR
Saudi Arabia	SR	CE	NESA
Senegal	SK	EU	AFR
Seychelles	SE	PA	AFR
Sierra Leone	SL	EU	AFR
Singapore	SN	PA	EAP
Solomon Islands	BP	PA	EAP
Somalia	SO	CE	AFR
South Africa	UA	EU	AFR
Spain	SP	EU	EUR
Sri Lanka	CE	PA	NESA
St Christopher- Nevis (UK)	SC	AT	AR
St Helena (UK)	SH	EU	AFR
St Lucia	ST	AT	AR
St Pierre and Miquelon (UK)	SB	SO	AR
St Vincent & Grenadines	VC	AT	AR
Sudan	SU	CE	AFR
Suriname	NS	SO	AR
Swaziland	WZ	EU	AFR
Sweden	SW	EU	EUR
Switzerland	SZ	EU	EUR
Syria	SY	EU	NESA
Taiwan	TW	PA	EAP
Tanzania	TZ	EU	AFR
Thailand	TH	PA	EAP
Togo	TO	EU	AFR
Tonga	TN	PA	EAP
Trinidad-Tobago	TD	AT	AR
Tunisia	TU	EU	NESA

**

TABLE D-5. (Continued) [Page 4 of 7]

Country	Code	Unified Command Cognizance	Area/Congres- sional Grouping
Turkey	TK	EU	EUR
Turks and Caicos (UK)	TS	SO	AR
Tuvalu	TV	PA	EAP
Uganda	UG	EU	AFR
Union of Soviet Socialist Republics	UR	EU	EUR
United Arab Emirates	TC	CE	NESA
United Kingdom	UK	EU	EUR
Upper Volta	UV	EU	AFR
Uruguay	UY	SO	AR
Vanuata	NH	PA	EAP
Venezuela	VE	SO	AR
Vietnam	VS	PA	EAP
Western Somoa	WS	PA	EAP
Yemen (Aden)	YS	CE	NESA
Yemen (Sanaa)	YE	CE	NESA
Yugoslavia	YU	EU	FUR
Zaire	CX	EU	AFR
Zambia	ZA	EU	AFR
Zimbabwe	ZI	EU	AFR
Africa Region	R6	EU	AFR
American Republic Region	R5	SO	AR
Central Treaty Organization (CENTO)	T3	NR	NR
Department of Defense General Cost - MAP (GC-MAP)	00 22	NR NR	NR NR
East Asia/Pacific Region	R4	PA	EAP
European Participating Group F-16 Contract Administration Services (EPG F-16 CASEUR)	EP	NR	NR
European Region	R2	EU	EUR
International Civil Aviation Organization (ICAO HQ)	T7	NR	NR
International Civil Defense Organization (ICDO HQ)	T8	NR	NR
MAP ICP-U.S. Army Logistics Depot, Japan (USALDJ)	D4	PA	NR
MAP Owned Materiel (MAPOM)	M3	NR	NR

TABLE D-5. (Continued) [Page 5 of 7]



DEFENSE SECURITY ASSISTANCE AGENCY

WASHINGTON, D.C. 20301

1 September 1985

In reply refer to:
Transmittal No. 5
DOD 5105.38-M

MEMORANDUM FOR RECIPIENTS OF DOD 5105.38-M SECURITY
ASSISTANCE MANAGEMENT MANUAL (SAMM)

SUBJECT: SAMM Change 5 Transmittal

The attached revised material updates the basic publication.

Make the applicable change to the SAMM in accordance with
the attached list of changes by inserting new pages.

This change is effective 1 September 1985.

A handwritten signature in cursive script, reading "Philip C. Gast", is positioned above the typed name.

PHILIP C. GAST
LIEUTENANT GENERAL, USAF
DIRECTOR

Attachments - 4

1. List of Changes
2. List of Effective Pages
3. List of material incorporated
within Change 5
4. SAMM Update pages.

LIST OF CHANGES

Remove and insert the following portions/pages of your current SAMM:

REMOVE

ix through x
xiii through xxi

5-11 through 5-14

6-7 through 6-8
6-21 through 6-22

7-1 through 7-2
7-7 through 7-8
7-11 through 7-12
7-15 through 7-28
7-33 through 7-34
7-45 through 7-46
7-89 through 7-90
7-97 through 7-98
7-103 through 7-104

8-3 through 8-4.2
8-7 through 8-8
8-13 through 8-14
8-35 through 8-36
8-45 through 8-63

10-1 through 10-63

A-3 through A-4

D-21 through D-22
D-27 through D-28
D-31 through D-32

INSERT

ix through x
xiii through xx

5-11 through 5-14

6-7 through 6-8
6-21 through 6-22

7-1 through 7-2.2
7-7 through 7-8
7-11 through 7-12
7-15 through 7-28
7-33 through 7-34
7-45 through 7-46
7-89 through 7-90
7-97 through 7-98
7-103 through 7-104

8-3 through 8-4.4
8-7 through 8-8
8-13 through 8-14
8-35 through 8-36
8-45 through 8-64

10-1 through 10-66

A-3 through A-4

D-21 through D-22
D-27 through D-28
D-31 through D-32

LIST OF EFFECTIVE PAGES

<u>Chapters</u>	<u>Page Numbers</u>	<u>Date of Latest Revision</u>
Table of Contents.....	vii through viii.....	1 May 85
	ix through x.....	1 Sep 85
	xi through xii.....	2 Jan 85
	xiii through xx.....	1 Sep 85
1.....	1-1 through 1-2.....	1 Apr 84 (Initial)
	1-3 through 1-4.....	10 Jan 85
	1-5.....	1 Apr 84 (Initial)
2.....	2-1 through 2-2.....	1 Apr 84 (Initial)
	2-3 through 2-4.....	1 May 85
	2-5 through 2-6.....	1 Apr 84 (Initial)
	2-7 through 2-18.....	1 May 85
	2-19 through 2-22.....	1 Apr 84 (Initial)
3.....	3-1 through 3-2.....	1 Apr 84 (Initial)
	3-3 through 3-10.....	1 May 85
4.....	4-1 through 4-6.....	1 Apr 84 (Initial)
5.....	5-1 through 5-10.....	1 May 85
	5-11 through 5-14.....	1 Sep 85
	5-15 through 5-17.....	1 May 85
6.....	6-1 through 6-2.....	1 Apr 84 (Initial)
	6-3 through 6-6.....	1 May 85
	6-7 through 6-8.....	1 Sep 85
	6-9 through 6-10.....	2 Jan 85
	6-11 through 6-14.....	1 Apr 84 (Initial)
	6-15 through 6-16.....	1 May 85
	6-17 through 6-20.....	1 Apr 84 (Initial)
	6-21 through 6-22.....	1 Sep 85
	6-23 through 6-24.....	1 May 85
	6-25 through 6-27.....	10 Jan 85
7.....	7-1 through 7-2.2.....	1 Sep 85
	7-3 through 7-4.....	1 Apr 84 (Initial)
	7-5 through 7-6.....	1 May 85
	7-7 through 7-8.....	1 Sep 85
	7-9 through 7-10.....	1 Apr 84 (Initial)
	7-11 through 7-12.....	1 Sep 85
	7-13 through 7-14.....	1 Apr 84 (Initial)
	7-15 through 7-28.....	1 Sep 85
	7-29 through 7-30.....	1 May 85
	7-31 through 7-32.....	2 Jan 85
	7-33 through 7-34.....	1 Sep 85
	7-35 through 7-40.....	2 Jan 85
	7-41 through 7-44.....	1 May 85
	7-45 through 7-46.....	1 Sep 85
	7-47 through 7-52.....	2 Jan 85
	7-53 through 7-54.....	1 May 85
	7-55 through 7-58.....	2 Jan 85
	7-59 through 7-60.....	1 May 85
	7-61 through 7-74.....	2 Jan 85
	7-75 through 7-78.....	1 May 85

(Chapter 7 continued on next page.)

<u>Chapters</u>	<u>Page Numbers</u>	<u>Date of Latest Revision</u>
7 (Continued)	7-79 through 7-80	10 Jan 85
	7-81 through 7-88	2 Jan 85
	7-89 through 7-90	1 Sep 85
	7-91 through 7-96	1 May 85
	7-97 through 7-98	1 Sep 85
	7-99 through 7-100	1 May 85
	7-101 through 7-102	2 Jan 85
	7-103 through 7-104	1 Sep 85
	7-105 through 7-112	2 Jan 85
	7-113 through 7-118	1 May 85
	7-119 through 7-126	2 Jan 85
	7-127 through 7-128	1 May 85
	7-129 through 7-134	2 Jan 85
	8	8-1 through 8-2
8-3 through 8-4.4		1 Sep 85
8-5 through 8-6		10 Jan 85
8-7 through 8-8		1 Sep 85
8-9 through 8-12		2 Jan 85
8-13 through 8-14		1 Sep 85
8-15 through 8-34		2 Jan 85
8-35 through 8-36		1 Sep 85
8-37 through 8-38		1 May 85
8-39 through 8-40		2 Jan 85
8-41 through 8-42		1 May 85
8-43 through 8-44		2 Jan 85
8-45 through 8-64		1 Sep 85
9		9-1 through 9-8
	9-9 through 9-12	10 Jan 85
	9-13 through 9-67	2 Jan 85
10	10-1 through 10-66	1 Sep 85
11	11-1 through 11-2	1 May 85
	11-3 through 11-6	2 Jan 85
	11-7 through 11-10	1 May 85
12	12-1 through 12-4	1 Apr 84 (Initial)
	12-5 through 12-6	1 May 85
	12-7 through 12-10	1 Apr 84 (Initial)
	12-11 through 12-12	1 May 85
	12-13 through 12-29	1 Apr 84 (Initial)
13	13-1 through 13-16	1 Apr 84 (Initial)
14	14-1 through 14-8	2 Jan 85
	14-9 through 14-14	1 Apr 84 (Initial)
	14-15 through 14-16.2	1 May 85
	14-17 through 14-25	1 Apr 84 (Initial)
15	15-1 through 15-88	1 Apr 84 (Initial)
Appendix A	A-1 through A-2	1 Apr 84 (Initial)
	A-3 through A-4	1 Sep 85
	A-5 through A-8	1 Apr 84 (Initial)
Appendix B	B-1 through B-17	1 Apr 84 (Initial)

(Continued on next page.)

<u>Chapters</u>	<u>Page Numbers</u>	<u>Date of Latest Revision</u>
Appendix C.....	C-1 through C-2.....	2 Jan 85
	C-3 through C-5.....	1 Apr 84 (Initial)
Appendix D.....	D-1 through D-20.....	2 Jan 85
	D-21 through D-22.....	1 Sep 85
	D-23 through D-26.....	2 Jan 85
	D-27 through D-28.....	1 Sep 85
	D-29 through D-30.....	2 Jan 85
	D-31 through D-32.....	1 Sep 85
	D-33 through D-84.....	2 Jan 85
Appendix E.....	E-1 through E-12.....	1 Apr 84 (Initial)
Index.....	(alphabetical).....	1 May 85

SECURITY ASSISTANCE MANAGEMENT MANUAL (SAMM)

FORMAL CHANGE NO. 5 INCLUDES THE FOLLOWING INFORMATION:

INTERIM CHANGES INCORPORATED:

<u>Number</u>	<u>Subject</u>
85-17	In Chapter 7, Section I, a new paragraph C.4.(6), "DSAA Countersignature," was added stating "DSAA countersignature is required prior to the submission of any DD Form 2012, DD Form 2012-1, and DD Form 2012-2 to the purchaser." In addition, a DSAA countersignature block was added to the bottom of Figures 7-I-3, 7-I-4, and 7-I-5. [DSAA/OPS-E Msg. 290924Z Jul 85]
85-16	A new paragraph E., "Foreign Country Involvement in the DOD Contractual Process," was added to Chapter 5, Section III. [DSAA/OPS-E Msg. 241135Z Jul 85]
85-15	Chapter 7, Section III, Table 7-III-2 was amended to include the People's Republic of China (PRC) among those countries in the Far East authorized direct arrangements for dependable undertaking. [DSAA/OPS-B Msg. 201631Z Jul 85]
85-14	Portions of Chapter 7, regarding the channels for submission and approval of FMS requests for P&R, P&A, or an LOA, were revised. This change provided revised SAMM guidance relative to the use of P&R data in lieu of P&A or LOA data whenever possible. [DSAA/OPS-E Msg. 302249Z Jul 85]
85-13	Chapter 7, Figure 7-III-2, "Netherlands (NE), 18 Apr 1985, Contract Audit" was added. [DSAA/OPS-E Msg. 152036Z Jul 85]
85-12	Per DSAA/OPS-E Msg. 250006Z Jul 85: <ul style="list-style-type: none"> -- Chapter 8, Section II, paragraph C.6., "Quarterly Report," was deleted and paragraph C.7. was renumbered C.6. -- Chapter 8, Section III, paragraph B.3.b., "DCD Slippage," was revised; Figure 8-III-1, "Report on Price and Delivery Schedule Changes - DSAA(Q) 1123 Foreign Military Sales Cases," was deleted. -- Chapter 8, Section V, paragraph C.9., "Report of Increases of 10 Percent or More," was deleted and paragraph C.10., "Detailed Instructions and Format," was renumbered C.9.
85-11	Chapter 8, Section II, paragraph B, "FMS Customer Requests for Specific Source," concerning guidance on sole-source procurement designation under FMS was rewritten. [DSAA/OPS-E Msg. 072319Z Jun 85]
85-10	"Denmark (DE), 3 Apr 1985, Quality Assurance and Inspection" added to Chapter 7, Figure 7-III-2. [DSAA/OPS-E Msg. 072011Z Jun 85]

85-9 New paragraph E.1.p. added to Chapter 6, Section II: "p. Items for which there are unallocated Special Defense Acquisition Fund (SDAF) assets. [DSAA/OPS-E Msg. 162344Z May 85]"

MISCELLANEOUS INFORMATION INCORPORATED:

- Chapter 7: Section I, Table 7-I-1, "Major Defense Equipment List," was updated. Section III, the last sentence of paragraph K.2.b. was modified to enhance clarity.
- Chapter 8: Section IV, paragraph A.1.b., concerning FMS performance reporting, was revised. A new paragraph A.1.c., "FMS Physical (Constructive) Delivery Reporting," and a new Figure 8-IV-1, "C1 Transaction Format," were added.
- Chapter 7 and 8: Last sentences of Chapter 7, Section II, paragraph C.13.e. and Chapter 8, Section V, paragraph B were modified. [DSAA Memorandum I-04001/85, 2 Jul 85; Subject: "Pen and Ink Changes on Letters of Offer and Acceptance (LOA)"]
- Chapter 10: Due to a major re-write, this entire chapter is reissued with this formal change.
- Appendix A: The acronym "EPG" was corrected to read "European Participating Governments" in lieu of "European Producing Group."
- Appendix D: A new paragraph C.103., "Waiver Codes - 1000 System," was added.

	<u>PAGE</u>	
H. Industrial Security	5-5	
I. Defense Industrial Security Clearance Office (DISCO)	5-5	
J. User Agency Contracts Requiring Overseas Deliveries	5-6	
K. Transmission of Classified Materiel	5-6	
L. U.S. Contract to Foreign Firms	5-6	
<u>Section III - Security Classification and Release of Information</u>	5-6	
A. Purpose	5-6	
B. Security Classification Guidelines	5-6	
C. Release of Information	5-9	
D. RCS: DSAA (AR) 1200 FMS Report Submission	5-10	
E. Foreign Country Involvement in the DOD Contractual Process	5-11	**
<u>Section IV - Export License and Customs Clearance Guidance For Foreign Military Sales Customers</u>	5-12	*
A. Purpose	5-12	*
B. Export Licenses	5-12	*
C. FMS Customer Responsibility	5-12	
D. U.S./DoD Responsibility	5-13	
E. Procedures for Return and Repair	5-14	*
F. Procedures for the Export of Classified Defense Articles and Services	5-14	
Figure 5-IV-1 - "Application/License for Permanent Export of Unclassified Defense Articles and Related Unclassified Technical Data" (Form DSP-5)	5-14	
Figure 5-IV-2 - "Application/License for Temporary Import of Unclassified Defense Articles" (Form DSP-61)	5-15	
Figure 5-IV-3 - "Application/License for Permanent/Temporary Export or Temporary Import of Classified Defense Articles and Related Classified Technical Data" (Form DSP-85)	5-16	
CHAPTER 6 - MILITARY EXPORT SALES POLICIES AND CONSIDERATIONS	6-1	
<u>Section I - Policy and Background</u>	6-1	
A. Purpose	6-1	
B. Background	6-1	
C. Policies	6-5	
Table 6-I-1 - Foreign Countries and International Organizations Eligible to Purchase Defense Articles and Defense Services Under the Authority of the AECA	6-15	
Table 6-I-2 - General Terms of Reference For Defense Requirement Survey Teams	6-16	
Table 6-I-3 - Defense Requirement Survey Team Checklist	6-18	

	<u>PAGE</u>
<u>Section II - Contractor Preference for Direct Commercial Sales</u>	6-20
A. Purpose	6-20
B. Applicability	6-20
C. Policy	6-20
D. Responsibilities	6-21
E. Guidelines	6-21
F. Procedures for Processing Industry Requests for Direct Sale Preference Designation	6-23
G. Procedures for Processing Requests for Direct Sale Preference	6-24
H. Notification of Significant Commercial Sales Activity	6-26
I. DoD P&A Versus a Commercial Proposal	6-26
 CHAPTER 7 - PREPARATION AND PROCESSING OF FOREIGN MILITARY SALES CASES	 7-1
<u>Section I - General Information, Foreign Military Sales Agreements</u>	7-1
A. Purpose	7-1
B. Background/Definitions	7-1
C. Procedures	7-5
Figure 7-I-1 - Recoupment of Nonrecurring Costs on Sales of Major Defense Equipment (MDE)	7-12
Figure 7-I-2 - Memorandum for the Chairman, Joint Chiefs of Staff, Subject: SA Requests for MDE	7-14
Figure 7-I-3 - United States Department of Defense Letter of Intent (DD Form 2012)	7-15
Figure 7-I-4 - United States Department of Defense Letter of Intent (DD Form 2012-1)	7-17
Figure 7-I-5 - United States Department of Defense Letter of Intent (DD Form 2012-2)	7-19
Table 7-I-1 - Major Defense Equipment List	7-20
 <u>Section II - Preparation and Processing of Foreign Military Sales Agreements</u>	 7-28
A. Purpose	7-28
B. Policy	7-28
C. Procedures	7-29
Figure 7-II-1 - United States Department of Defense Offer and Acceptance (DD Form 1513)	7-47
Figure 7-II-2 - General Conditions	7-48
Figure 7-II-3 - United States Department of Defense Continuation Sheet	7-50
Figure 7-II-4 - Financial Analysis Worksheet	7-51
Figure 7-II-5 - Termination Liability Worksheet	7-53
Figure 7-II-6 - Nonrecurring Cost Recoupment Charges Summary	7-54
Figure 7-II-7 - Supplementary Information for Letters of Offer	7-55

	<u>PAGE</u>	
D. Adherence to Stated Conditions	8-16	
E. System Support Buy Out	8-16	
F. Transportation of FMS Materiel	8-17	
Figure 8-III-1 - Report on Price and Delivery Schedule Changes - DSAA(Q) 1123 Foreign Military Sales Cases	8-35	
Table 8-III-1 - Foreign Countries and International Organizations Authorized Receipt of DLA Excess Property Listings	8-37	
Table 8-III-2 - Potential Sources for Listings of Freight Forwarders	8-38	
Table 8-III-3 - Financing Reports of Discrepancy When the USG is Liable	8-39	
 <u>Section IV - Performance Reporting and Case Closure</u>	 8-45	
A. Performance Reporting/Billing	8-45	
B. Delinquent Accounts for FMS Billing	8-47	*
C. Interest Assessment on Delinquent Debts	8-48	*
D. Closure of FMS Cases	8-48	*
E. Cancellation of FMS Cases	8-49	*
F. Financing Reports of Discrepancy (ROD) When the USG is Liable	8-49	*
G. Address of the Central Collection and Billing Office	8-50	*
 <u>Section V - Amendments and Modifications</u>	 8-51	 *
A. DD Form 1513-1 - Amendment to Offer and Acceptance	8-51	*
B. Pen and Ink Changes - DD Forms 1513 and 1513-1	8-53	*
C. DD Form 1513-2 - Notice of Modification of Offer and Acceptance	8-53	*
Figure 8-V-1 - United States Department of Defense Amend- ment to Offer and Acceptance (DD Form 1513)	8-56	*
Figure 8-V-2 - United States Department of Defense Notice of Modification of Offer and Acceptance (DD Form 1513-2)	8-60	*
 CHAPTER 9 - FMS DIRECT CREDIT AND GUARANTEED LOAN FINANCING	 9-1	
 <u>Section I - General</u>	 9-1	
A. Purpose	9-1	
B. Introduction	9-1	
C. Arms Export Control Act (AECA) Authorization	9-1	
D. Additional Provisions of the Act	9-2	
 <u>Section II - Eligibility</u>	 9-3	
A. Need for Financing	9-3	
B. Use of Financing for Essential Items	9-4	

	<u>PAGE</u>	
C. Denial of FMS Credit	9-4	
D. Exceptions	9-4	
<u>Section III - Process and Procedures</u>	9-5	
A. General	9-5	
B. Congressional Authorization and Appropriation	9-5	
C. Apportionment	9-6	
D. Implementation and Management of Loans	9-6	
E. Issuance of FMS Loans	9-6	
F. Approval of FMS Credit-Financed Purchases	9-7	
G. Commitment of FMS Credit Funds	9-8	
H. Disbursement of FMS Loan Funds	9-8	
I. Direct Commercial Purchases	9-9	
J. Offshore Procurement (OSP)	9-13	
K. Repayment of FMS Loans	9-14	
Table 9-III-1 - DoD Guaranteed Loan Agreement Issued by the FFB	9-16	
Table 9-III-2 - Guaranty	9-38	
Table 9-III-3 - DoD Direct Loan	9-40	
Table 9-III-4 - DSAA Sample Letter Approving Use of FMS Loan Financing	9-60	
Table 9-III-5 - DSAA Sample Letter Approving Use of FMS Loan Financing for Direct Commercial Purchases	9-61	
<u>Section IV - Transportation</u>	9-64	
A. General	9-64	
B. Marine Transportation Waiver Procedures	9-64	
C. Reports to U.S. Department of Transportation	9-67	
CHAPTER 10 - TRAINING PROGRAM MANAGEMENT	10-1	
<u>Section I - International Military Education and Training (IMET)</u>	10-1	
A. Introduction	10-1	
B. Areas of Principal Emphasis	10-1	*
C. Objectives of IMET	10-2	*
D. Constraints and DSAA Approval	10-2	
E. Training Guidance	10-5	
F. General Guidance Concerning Students	10-19	*
G. Extraordinary Expenses	10-26	*
H. Other Training Support	10-27	*
I. Training Materials	10-28	*
J. Political Asylum and Temporary Refuge	10-28	**
K. Program Management	10-28	*
L. Program Development and Submission	10-29	*
M. IMET Programming Instructions	10-35	*

	<u>PAGE</u>	
N. Implementation	10-40	**
O. Training Annual Integrated Assessment of Security Assistance (AIASA) Reports	10-44	**
<u>Section II - Foreign Military Sales Training</u>	10-45	*
A. Purpose	10-45	*
B. Basic Guidelines	10-45	*
C. English Language Training	10-49	*
D. FMS Training Tuition Rates	10-50	*
E. Cancellation of Training-Penalty Charge	10-50	*
F. Training at Civilian Institutions or by Contractor	10-50	*
G. Transportation and Travel	10-51	*
H. Living Allowances/Privileges	10-51	*
I. Training of Civilians under FMS	10-52	*
J. FMS Orientation Training Courses and Visits	10-52	*
K. Mobile Training Teams and Field Training Services	10-52	*
L. Training Relations	10-52	*
M. Restrictions of Transfer of Training	10-52	*
N. Police, Intelligence, and Other Sensitive Training	10-53	*
O. Security Assistance Management Training	10-53	*
Figure 10-II-1 - Invitational Travel Order (ITO) for Foreign Military Trainees (FMT) (DD Form 2285)	10-54	*
Table 10-II-1 - Program Card Formats	10-58	*
Table 10-II-2 - Table of Daily Living Allowances for IMET Foreign Military Trainees (FMT)	10-60	*
Table 10-II-3 - MILDEP Execution Agency Identifier Codes	10-62	*
CHAPTER 11 - MILITARY ASSISTANCE PROGRAM (MAP)	11-1	
<u>Section I - Use of MAP Funds to Finance Foreign Military Sales</u>	11-1	
A. Grant Aid (MAP) Funding	11-1	
<u>Section II - Utilization, Redistribution and Disposal of MAP Materiel</u>	11-2	
A. Purpose	11-2	
B. Legal Limitations	11-3	
C. Supervision of End-item Use and Maintenance of Inventories	11-3	
D. Transfer of MAP Excess Materiel	11-5	
E. Cannibalization and Retention of MAP Property	11-6	
F. Disposal of MAP Property	11-6	
<u>Section III - Section 506 Special Authority</u>	11-8	
A. Purpose	11-8	
B. Section 506(a)	11-8	
C. Section 506(b)	11-9	
D. Section 506(c)	11-10	

	<u>PAGE</u>
CHAPTER 12 - LEASES AND LOANS OF DEFENSE ARTICLES	12-1
<u>Section I - Leases</u>	12-1
A. Authority and Purpose	12-1
B. Lease Terms and Conditions	12-2
C. Coordination	12-4
D. Congressional Notification	12-4
E. Financial Arrangements	12-6
F. Lease Closure	12-6
G. Reporting	12-6
H. U.S. Navy Ships	12-7
Figure 12-I-1 - Determination Regarding the Lease of Article(s) to Countries or International Organizations Pursuant to the Arms Export Control Act, Chapter 6	12-8
Figure 12-I-2 - Memorandum for the Director, DSAA	12-9
Figure 12-I-3 - Sample Lease	12-10
Figure 12-I-4 - Memorandum for the Director for Operations, DSAA	12-17
Figure 12-I-5 - Transmittal - Notice of Proposed Lease Pursuant to the AECA, Section 62	12-18
Figure 12-I-6 - Letter to the Honorable Speaker of the House of Representatives	12-19
Figure 12-I-7 - Letter to the Honorable Chairman, Committee on Foreign Relations	12-20
Figure 12-I-8 - Letter to the Honorable Chairman, Committee on Armed Services	12-21
Figure 12-I-9 - Letter to the Prospective Lessee Advising Lessee of Congressional Notification of a Lease for Over One Year	12-22
Figure 12-I-10 - Letter Advising Lessee of Congressional Notification of Lease for MDE for Over One Year	12-23
Figure 12-I-11 - RCS: DSAA(Q)1146	12-24
Figure 12-I-12 - Certificate of Delivery	12-26
Figure 12-I-13 - Lease Closure Information	12-27
<u>Section II - Loans of Defense Articles</u>	12-28
A. Authority and Purpose	12-28
B. Reporting Requirements	12-29
C. Implementing Loan Documents	12-29
CHAPTER 13 - SECURITY ASSISTANCE PROGRAM ADMINISTRATION	13-1
<u>Section I - Security Assistance Budgets</u>	13-1
A. Purpose	13-1
B. Financial Resources	13-1

	<u>PAGE</u>
C. Operation of the FMS Administrative and MAP Administrative Overhead and Support and SAO Budget Systems	13-2
Table 13-I-1 - MAP/MAAG Budget Reports, Instructions and Sample Format	13-10
Figure 13-I-1 - Request for Revenue Traffic Airlift (Form DSAA 78-001)	13-12
<u>Section II - Audits and Inspections</u>	13-13
A. Purpose	13-13
B. Types of Audits/Inspections	13-13
C. Notification of Audits and Inspections	13-13
D. Policy Concerning Releasability of DoD Records Relating to MAP and FMS	13-13
E. Relationship with Audit/Inspection Agency	13-15
F. Exit Conference	13-15
G. Action on GAO Draft Reports	13-15
H. Action on GAO Final Reports	13-15
I. Action on DoD-IG Reports	13-16
J. Correction Action Follow-up	13-16
 CHAPTER 14 - SPECIAL PROGRAMS AND ACTIVITIES	 14-1
<u>Section I - Special Defense Acquisition Fund (SDAF)</u>	14-1
A. Authority and Purpose	14-1
B. Management	14-1
C. Funding	14-1
D. Operating Concepts	14-2
E. Criteria for Procurement	14-2
F. Program Implementation	14-3
G. FMS Sales of SDAF Items	14-5
H. Equipment Loans	14-7
I. Transfers Financed by MAP Funds	14-7
J. Reporting	14-7
K. Administrative Expenses	14-9
Figure 14-I-1 - Defense Security Assistance Agency Special Defense Acquisition Fund - Loan Agreement	14-10
Figure 14-I-2 - Defense Security Assistance Agency Special Defense Acquisition Fund - Inventory Report	14-11
<u>Section II - Foreign Manufacture of U.S. Defense Equipment</u>	14-12
A. Purpose	14-12
B. Background and Scope	14-12

	<u>PAGE</u>
C. Authority to Negotiate and Sign International Agreements	14-13
D. Principles Regarding Coproduction Policy	14-14
E. NATO Cooperative Projects Under the AECA, Section 27	14-16
F. Requests for Offset Procurement	14-17
G. Release of Technical Data	14-17
 CHAPTER 15 - DSAA MANAGEMENT INFORMATION SYSTEMS	 15-1
 <u>Section I - DSAA 1200 Foreign Military Sales (FMS) System Overview, Guidance, and Data Submission Instructions</u>	 15-1
A. Purpose	15-1
B. Description of the Foreign Military and Construction Sales Information System	15-1
C. Reporting Frequency	15-3
D. Data Base Updates	15-3
E. Preparation and Submission of Data Input for the DSAA 1200 System	15-3
 Table 15-I-1 - Letter of Request Format - Transaction Type S1	 15-5
Table 15-I-2 - Congressional Transaction Format - Transaction Type S2	15-8
Table 15-I-3 - DD Form 1513 Format - Transaction Type S3	15-11
Table 15-I-4 - Implementing Agency Format - Transaction Type S4	15-15
Table 15-I-5 - Redesignating Key Format - Transaction Type S5	15-17
Table 15-I-6 - Under DoD Preparation Format (Add/Change/Delete) - Transaction Type S6	15-18
Table 15-I-7 - Under DoD Preparation Format (Change) - Transaction Type S7	15-20
 <u>Section II - DSAA 1200 Foreign Military Sales (FMS) System Output Products</u>	 15-22
A. Purpose	15-22
B. Source of Output Reports	15-22
C. Categories of DSAA 1200 System Output Reports	15-22
D. Requests for DSAA 1200 System Output Reports	15-22
E. DSAA 1200 System Output Reports	15-22
F. Abbreviated Titles Used in DSAA 1200 System Output Products/Reports	15-26
 Figure 15-II-1 - FMS Item Delivery Status	 15-27
Figure 15-II-2 - FMS Item Purchases by NSN	15-28
Figure 15-II-3 - FMS Summary of Purchases	15-29
Figure 15-II-4 - FMS Selected Item Summary	15-30
Figure 15-II-5 - FMS Status of Purchases and Deliveries	15-31
Figure 15-II-6 - FMS Fiscal Year Activity	15-32
Figure 15-II-7 - FMS Case Listing	15-33

	<u>PAGE</u>
Figure 15-II-8 - FMS Case Milestone Dates and Their Intervals	15-34
Figure 15-II-9 - FMS Congressional Section 36(b), AECA Case Dates	15-35
Figure 15-II-10 - FMS Case Level Summary	15-36
Table 15-II-1 - Sample Request Form	15-37
Table 15-II-2 - Abbreviated Titles Used in the DSAA 1200 System Output Reports	15-38
Table 15-II-3 - Sort and Select Options for Item Detail Level and Item Detail Summarized to Category Reports	15-41
Table 15-II-4 - Sort and Select Options for Case and Summary Management Reports	15-42
<u>Section III - DSAA 1000 Materiel and Training System Overview, Data Submission Instructions and Output Products</u>	15-43
A. Purpose	15-43
B. Description of the DSAA 1000 Materiel and Training Program System	15-43
C. DSAA 1000 System Output Reports	15-43
D. Preparation and Submission of Data Input for the DSAA 1000 System	15-46
Figure 15-III-1 - Program Originator MAP Order - Materiel	15-53
Figure 15-III-2 - Program Originator IMET Order - Training	15-54
Figure 15-III-3 - Grant Aid Detail Listing - Materiel	15-55
Figure 15-III-4 - IMET Detail Listing - Training	15-56
Figure 15-III-5 - Grant Aid Summary of Programs	15-57
Figure 15-III-6 - Student Count by Type and Program Year	15-58
Figure 15-III-7 - Training Summary by Implementing Agency and Generic Code	15-59
Table 15-III-1 - Sort and Select Options (DSAA 1000 System)	15-60
Table 15-III-2 - Abbreviated Titles Used in the DSAA 1000 System Output Products	15-61
<u>Section IV - Military Articles and Services List (MASL) Overview, Guidance, Data Submission Instructions and System Output Products</u>	15-66
A. Purpose	15-66
B. General	15-66
C. MASL Content	15-67
D. MASL Relationship to DSAA Program Data	15-73
E. MASL Distribution	15-74
F. Inquiries on MASL Content	15-75
G. MASL Data Submission	15-75
H. Data Submission Instructions and Formats	15-75
Figure 15-IV-1 - Materiel MASL	15-81
Figure 15-IV-2 - Training MASL (IMET)	15-82

	<u>PAGE</u>
Figure 15-IV-3 - Training MASL (FMS-NATO)	15-83
Figure 15-IV-4 - Training MASL (FMS/IMET)	15-84
Figure 15-IV-5 - Training MASL (FMS)	15-85
Figure 15-IV-6 - Card 1 and 2 Formats	15-86
Table 15-IV-1 - Abbreviated Titles Used in the MASL Output Reports	15-87
 APPENDIX A - ABBREVIATIONS AND ACRONYMS	 A-1
 APPENDIX B - GLOSSARY OF SELECTED TERMS	 B-1
 APPENDIX C - DOD DIRECTIVES, INSTRUCTIONS, AND MANUALS	 C-1
 APPENDIX D - DSAA INFORMATION SYSTEMS DATA ELEMENT DICTIONARY	 D-1
Table D-1 - Action Code - 1000 System	D-23
Table D-2 - Commitment Code - 1000 System	D-25
Table D-3 - Condition Code - 1000 System	D-26
Table D-4 - Cost Code - 1000 System	D-27
Table D-5 - Country/Activity Code - Alphabetic	D-28
Table D-6 - Footnote Code - MASL	D-35
Table D-7 - Generic Codes - All Systems	D-37
Table D-8 - MAP Element Code - 1000 System	D-72
Table D-9 - Source of Supply Code - 1000 System	D-76
Table D-10 - Status Code - 1200 System	D-78
Table D-11 - Type of Assistance Code - 1000 System	D-80
Table D-12 - Unit of Issue Code - All Systems	D-81
 APPENDIX E - CONGRESSIONAL REPORTS INVENTORY	 E-1
A. Purpose	E-1
B. Reports Inventory	E-1
C. Reporting Instructions	E-1
 Figure E-1 - Price and Availability Report (RCS: DSAA(Q) 1138)	 E-3
Figure E-2 - Report of EDA Sold Under Foreign Military Sales	E-4
Figure E-3 - Foreign Military Construction Sales	E-5
Table E-1 - Statutory Reports to Congress Submitted by DoD on Security Assistance	E-6

D. RCS: DSAA (AR) 1200 FMS REPORT SUBMISSIONS.

1. Entry of Data. Each entry into the DSAA 1200 system of data pertaining to a new FMS case will indicate whether that data is classified under the criteria of paragraph B.1.a. or B.2.b.(3), above. The security classification, for foreign relations purposes, of an FMS case in the 1200 system is based on the identification in that system of the fact that a specific defense article (e.g., Hawk missile) is or may be sold to particular foreign government. The existence of classified technical data concerning defense articles which are or may be sold under an FMS case does not warrant classification of that FMS case in the 1200 system, since such technical data are not entered into the 1200 system.

2. Declassification. The implementing agency must notify in writing the Director, DSAA of any FMS agreement which is declassified under the national defense classification criteria of DoD 5200.1-R and corresponding MILDEP regulations. This notification will identify the case designator and the date of declassification. The Director, DSAA will also ensure that declassification of any data in the 1200 system is reflected in that system within 15 working days after it occurs.

3. Codes; Card Columns. Machine readable code "U" will designate unclassified FMS cases; code "C" will designate CONFIDENTIAL cases. The proper code for classification or declassification as appropriate, will be entered in column 78 of the "1" Card. See Chapter 15 of this manual for DSAA(AR) 1200 report entry details.

E. FOREIGN COUNTRY INVOLVEMENT IN THE DOD CONTRACTUAL PROCESS.

**

1. DOD Policy. Procurements made for FMS requirements must comply with U.S. Government acquisition regulations and procedures. Accordingly, such procurements are normally conducted by the same DOD component that would procure the same article or service for a U.S. DOD requirement. The DOD component responsible for the FMS offer and acceptance will assure that sufficient details are included in the LOA to enable the U.S. contracting officer to negotiate and award a contract without foreign country representation or direct involvement in the formal negotiation process. Required discussions with the foreign purchaser must be undertaken during the development of the LOA and prior to actual implementation in order to assure that the contracting community has all the data required to award a contract consistent with contracting regulations and the foreign country desires.

2. Release of Contractual Data. Since all pertinent information and contractual obligations between the DOD and the foreign purchaser are identified in the FMS LOA, there normally should be no need for the DOD component to provide a copy of the contract to the foreign purchaser. If the contract is unclassified and provides only for the requirement of the requesting country, release can be considered. This does not include internal documentation such as negotiation or pricing memoranda. If the contract is classified, contains USG requirements, or contains other foreign purchaser requirements, release is not authorized.

3. Any questions or requests for exception to these provisions must be forwarded to the Director, DSAA.

SECTION IV - EXPORT LICENSE AND CUSTOMS CLEARANCE GUIDANCE FOR FOREIGN MILITARY SALES CUSTOMERS
--

A. PURPOSE. This section provides guidance and instructions for processing export licenses and customs clearances for FMS purchased items.

B. EXPORT LICENSES.

1. Requirement. Prior to the export from the U.S. of any FMS purchased materiel included on the U.S. munitions list, FMS customers must obtain an export license from the Office of Munitions Control, Department of State, whenever a third party, such as a freight forwarder, is involved in the transaction. Application procedures are prescribed below. No license would be required in those cases where the FMS materiel is shipped on a Government Bill of Lading (GBL) or exported on a government-to-government basis using foreign government transportation out of a U.S. Government controlled facility.

2. Application. Application for export license to export unclassified defense articles and services must be made on Department of State Form DSP-5 which is obtainable from the Office of Munitions Control (see Figure 5-IV-1). The application must be forwarded to the following address:

Office of Munitions Control
PM/MC, Bldg. SA-6
Department of State
Washington, D.C. 20520

a. Applications must be supported by three (3) copies of DD Form 1513. Licenses for export of FMS materiel are valid for two years from the date of issuance. They are not transferable and extensions are not granted. If shipment cannot be completed during the period of validity of the license, a new application must be submitted for the license to cover the unshipped balance and/or renewal. Applications for license should show the proposed port or ports of exit in the U.S. If, after a license is issued, shipping arrangements necessitate a change in port, the Department of State must be notified by letter of the change in port. Further details on export licenses may be found in the Department of State, International Traffic in Arms Regulations (Title 22, Code of Federal Regulations, Parts 121-128 and 130).

C. FMS CUSTOMER RESPONSIBILITY.

1. Export License. Upon execution of an LOA, the FMS customer or authorized representative must obtain an export license from the Department of State to permit the legal export movement by the country freight forwarder of purchased FMS materiel from the U.S. since U.S. munitions list items shipped under FMS programs require export licenses.

2. Export Customs Clearance. It is the foreign country's responsibility to effect export customs clearance for all FMS materiel moved from the U.S. under other than U.S. Government or government-to-government auspices. Movement of materiel which remains in custody of the U.S./DoD is handled by a separate procedure.

a. Export declaration (U.S. Department of Commerce Form 725-V or 7525-V Shipper's Export Declaration) must be prepared by the country representative/freight forwarder for all FMS materiel moved through its auspices. Declarations must be filed and authenticated by a District Director of Customs. Provisions of law and regulations concerning export declarations are found on the reverse side of Commerce Form 725-V or 7525-V.

b. After declarations have been prepared and authenticated, shipments must be cleared through U.S. Customs by submission of documents to the District Director of Customs or export control officers (22 CFR 123.53).

3. Movements Requiring Export Customs Clearance. Export Licenses, Shipper's Export Declarations, and appropriate U.S. Customs export clearances for FMS shipments, for which the customer country has transportation responsibility, are required for the following categories of country-arranged movement:

a. All movements of materiel through or by the FMS customer freight forwarder or designated agent.

b. Pilot pick-up of materiel by FMS country-owned or chartered aircraft, or by FMS customer-procured space on commercial aircraft.

c. Movement by FMS customer-owned or chartered ocean vessel, or by FMS country-procured space aboard commercial vessels.

4. Overseas Customs Clearance. The FMS customer will be responsible for effecting overseas customs clearance of all FMS materiel through its customs agencies upon receipt at the country port of discharge.

5. Reporting of Export Traffic. All export of FMS materiel from the U.S. will be reported to the U.S. Department of Commerce as required by current federal statutes.

D. U.S./DOD RESPONSIBILITY.

1. U.S./DoD Exemption from Export Clearance. The U.S. Departments of State and Commerce have extended a joint waiver to the DoD, under which certain exemptions are granted in compliance with requirements for U.S. Customs clearance of DoD-sponsored cargo. Under this waiver, when U.S./DoD-sponsored FMS materiel is shipped through the Defense Transportation System (DTS) on Government Bills of Lading or other transportation documents or by DoD-owned, controlled, or arranged transportation, and the U.S./DoD retains custody of the materiel until arrival at the overseas port of discharge of the destination country, the U.S./DoD is exempt from the requirements of an Export License and the filling of Shipper's Export Declaration. Under no circumstances will these exemptions be extended to any foreign government.

2. Annotation of Transportation Documents. When the U.S./DoD retains custody of the shipments and transportation responsibility until its arrival at the overseas port of discharge of the destination country overseas, under the conditions defined above, and when movement is effected under Delivery Term Codes "6", "7", and "9", all Government Bills of Lading and other Transportation documents issued to cover movement of such shipments will be annotated "(APPLICABLE MILITARY DEPARTMENT) SPONSORED FOREIGN MILITARY SALES SHIPMENT -- NO EXPORT DECLARATION OR LICENSE REQUIRED." The signature of the issuing officer on the bill of lading/document will serve as a certification of this statement. NOTE: Under no circumstances will this annotation be made on GBL or other transportation documents for FMS shipments, through, or by a forwarding agent or any representative of a foreign country.

3. Reporting of FMS Export Shipments. All U.S./DoD sponsored shipments of FMS export materiel moving overseas within the DTS or under U.S./DoD auspices and control, identified by Delivery Term Codes "6", "7", and "9" will be reported monthly by Military Traffic Management Command (MTMC) to the Foreign Trade Division, Bureau of Census, Department of Commerce, in the Foreign Trade Report to comply with the conditions under which the above-mentioned waiver was granted and to satisfy the export data requirements of the U.S. Department of Commerce.

E. PROCEDURES FOR RETURN AND REPAIR. In addition to the above procedures, for the re-export of items previously sold to a foreign government or international organization that have been returned to the U.S. for repair and return, the foreign government is responsible for obtaining the In Transit Import License (DSP-61, see Figure 5-IV-2) and the appropriate customs clearance, in accordance with paragraph 123.3 of the ITAR.

F. PROCEDURES FOR THE EXPORT OF CLASSIFIED DEFENSE ARTICLES AND SERVICES. Application for export license for the export or import of classified defense articles and services must be made on Department of State Form DSP-85 (See Figure 5-IV-3). Application must be made by a U.S. national in accordance with the provisions of Part 125 of the ITAR.

a. Use of Normal Priorities Structure. To the maximum extent possible, initial allocations of materiel shall be made within the normal priorities structure -- the Uniform Military Materiel Issue and Priority Systems (UMMIPS).

b. Directed Diversions. Presidentially-directed, or Secretary of Defense-initiated materiel allocations shall be accorded sufficient priority through diversion of assets from other programs to assure accomplishment of the directed allocation within the time period specified.

c. Withdrawal from U.S. Forces. High priority FMS requirements may be met by diverting from production for or withdrawing equipment from U.S. forces, providing the operational readiness posture of these forces is not significantly lowered and payback can be accomplished within a reasonable period of time. Such initial determination will be made by the MILDEPs and DoD components. Any diversion or withdrawal which would impact U.S. National Guard or Reserve forces must be coordinated with DSAA, which will in turn coordinate the proposal with the OASD/RA, pursuant to DoD Directive 1225.6. *

d. Diversion from FMS. Materiel being procured or stocked specifically for FMS may be diverted to meet higher priority foreign requirements or urgent needs of U.S. Forces with the prior concurrence of the Director, DSAA, who will, as appropriate, obtain policy guidance within the USDP.

e. Approval Channels. Requests or recommendations for diversions of FMS equipment will be referred to the Director, DSAA. In those instances where agreement cannot be reached with DSAA concerning the use of foreign program assets, or diversion of defense materiel, the matter will be referred to the Secretary of Defense for decision pursuant to the procedures established by Deputy Secretary of Defense Memorandum, Subject: "Allocation of Defense Materiel and Services Between U.S. and International Requirements," which provides for:

(1) Normal Allocation from Production. Under normal circumstances, the MILDEPs will fill security assistance materiel requirements from production on a first-in, first-out basis, utilizing normal production lead times, unless the DoD can meet urgent requirements from earlier production without an undesirable effect on the combat readiness of U.S. forces.

(2) Deviations for National Security Considerations. There may occasionally be instances when national security considerations and foreign policy objectives indicate a requirement to deviate from this DoD policy by expediting delivery of equipment to a foreign purchaser. If such situations arise, and the MILDEPs or the OSD staff become aware that such expedited delivery or the performance of FMS services by DoD personnel would appear to have an undesirable effect on the combat readiness of U.S. forces, the Undersecretary of Defense (Policy) (USDP) will request the MILDEP involved to provide its assessment of the situation to USDP and the Assistant Secretary of Defense (Manpower, Installations and Logistics) (ASD(MI&L)) for OSD staff review. The USDP will refer the coordinated recommendation to the Secretary of Defense for review and decision. Because of the importance of such decisions, it is essential that the Secretary of the Military Department personally verify these assessments and make the report to USDP and ASD(MI&L) when such referral is required.

(3) Report to Congress. The AECA, Section 21(i) requires a report by the President to the Congress "with respect to any proposal to sell, under this section (sales from stocks) or under the authority of Chapter 2B, AECA, any defense articles or defense services, if such sale could have a significant adverse effect on the combat readiness of the Armed Forces of the United States." There may, however, be instances where, in the view of the Secretary of the MILDEP, supply action would have an impact of sufficient importance to warrant Secretary of Defense review, but would not constitute a significant adverse impact on the DoD requiring a Presidential report to the Congress. Therefore, in each instance where the MILDEP Secretary refers a potential impact case to the USDP and ASD(MI&L), the referral will include an assessment as to whether:

(a) Supply action would affect the operational readiness of the military service, or have other important impacts which the Secretary considers warrant Secretary of Defense review, but which are not serious enough to constitute a significant adverse impact requiring either alteration or termination of the supply action, or an overriding Presidential report to the Congress; or

(b) Supply action would constitute a significant adverse impact within the meaning of the law, and if taken, would require such a report to the Congress. The term "significant" is a subjective one, and this section does not attempt to define all circumstances in which an impact might be "significant."

(4) Additional Information Required. As required, the Secretary of Defense will make the final determination as to whether the DoD will provide the equipment or services on an expedited basis and whether the impact of doing so is significant within the meaning of the AECA, Section 21(i). In referring impact cases to the Secretary of Defense, the Secretary of the Military Department should therefore, in every instance, provide the information outlined in the AECA, Section 21(i)(1)(A) through (D), i.e.:

(a) The country or international organization to which the U.S. proposes to make the sale;

(b) The amount of the proposed sale;

(c) A description of the defense articles or services the U.S. proposes to sell; and

(d) A full description of the effect the proposed sale will have on combat readiness of the Armed Forces of the United States.

(5) Shipments from Production. While the language of the AECA, Section 21(i) pertains only to shipments from DoD stocks and performance of services by DoD personnel, impacts can occur when the DoD diverts materiel to foreign recipients which is scheduled for delivery from production. Therefore, the procedures and assessments outlined in paragraph C.4. above apply to both categories of transfer.

(6) Presidential Report. In those cases where he takes action to advise the President of the requirement for a report to the Congress, the

by DSAA, engage in comparison studies requested by a foreign government of an FMS offer versus a direct commercial sale.

5. Initiation of Direct Sales Preference Considerations. To be eligible for these procedures, the U.S. manufacturer must notify DSAA of its preference to sell a defense article on a direct commercial basis rather than via FMS. The procedures outlined herein apply only when such notification is received by DSAA and a foreign country subsequently submits a request for an FMS offer for an approved direct sales preference item.

6. Extent of DoD Commitment. The process outlined in this section is a best efforts commitment by the DoD to comply with U.S. industry preferences. Failure on the part of a DoD component to comply with these procedures will not be construed as invalidating any resultant FMS transaction.

7. Contractor Communications Concerning Specific Sales. Contractors are free to communicate with DSAA and DoD components about specific sales or negotiations. DoD will honor contractor preferences in such instances to the extent possible, taking into consideration the circumstances involved, as well as potential effects on foreign policy and national security objectives.

D. RESPONSIBILITIES.

1. DSAA Responsibility. DSAA is responsible for determining whether, within the context of this section, an article is to be designated for direct sales preference. Nothing in this section will be construed as precluding DoD from making any specific sale, even of an item which previously has been designated for direct sale preference, which is approved on a case-by-case basis by the Director, DSAA.

2. DoD Component Recommendation. The DoD component processing the foreign country or international organization request is responsible for providing a recommendation to the DSAA based upon the factors and criteria in paragraphs E and F below.

E. GUIDELINES. In determining whether the DoD will grant preference to direct commercial sales of specific defense articles and services, the following guidelines will be used:

1. Items Normally Excluded from Direct Sale Preference. In the absence of special circumstances, the following will be sold through FMS procedures if requested by the foreign purchaser and will not be considered for direct sale preference designation:

- a. Classified articles.
- b. Items provided under Cooperative Logistics Supply Support Arrangements (CLSSA) and similar non-CLSSA follow-on support sales arrangements.
- c. Surplus personal property, including MAP disposable property.
- d. DoD long supply stocks, when, in the judgment of the DoD component concerned, reduction of such stocks is desirable.
- e. Repair parts or components normally carried in DoD stocks, and support services, when, in the judgment of the DoD component concerned, such

parts or components are required for follow-on support of end-items previously sold by the DoD component.

- f. All ammunition rounds above 40mm in caliber.
- g. All aircraft flares which are not procured in complete form from commercial sources.
- h. All defense articles which contain as components Government Furnished Equipment (GFE) which were manufactured in a Government-Owned, Government-Operated (GOGO) facility (except as may be authorized for sale to U.S. firms under the provisions of DoDD 4175.1).
- i. Any defense article normally procured by the DoD component which the U.S. producer requests be sold through FMS channels, in the absence of a known exclusive commercial licensing arrangement covering the territory in which the purchasing government is located.
- j. Any defense article not normally procured or type-classified by a DoD component, when FMS is requested by a foreign government or international organization and the U.S. producer agrees, in the absence of a known exclusive commercial licensing arrangement covering the territory in which the purchasing government is located.
- k. Those defense articles which could, if provided through commercial channels, adversely affect deliveries to a DoD component or FMS customers under existing contracts.
- l. Any article required in conjunction with a major system sale.
- m. Defense services, unless the service requires such unique technical knowledge and skills that it can only be provided by one U.S. contractor.
- n. Other defense articles not directly tied to end-item support, but which are required for troop support and governed by a military specification.
- o. Programs financed with Military Assistance Program (MAP) funds.
- p. Items for which there are unallocated Special Defense Acquisition Fund (SDAF) assets. **

2. Two or More Producers. In order to avoid any connotation of favoritism toward one producer, and to assure that other manufacturers are not omitted from consideration, the article will normally not be designated for direct sale preference if there are two or more producers who are known to be qualified and currently capable of producing the article.

3. Other Considerations. Prior to notification to the foreign purchaser of the direct sale preference for the article or service, the following must be considered:

- a. Whether the purchasing country has the necessary technical and administrative capability to make a prudent purchase of the article directly from the U.S. commercial source. A known previous commercial procurement of

CHAPTER SEVEN

PREPARATION AND PROCESSING OF FOREIGN MILITARY SALES CASES

SECTION I - GENERAL INFORMATION, FOREIGN MILITARY SALES AGREEMENTS
--

A. PURPOSE. The purpose of this section is to provide background, definitions and policy which apply to Foreign Military Sales Agreements.

B. BACKGROUND/DEFINITIONS.

1. Types of Requests. Depending upon the nature of the requirement, foreign countries or international organizations may request preliminary data (generally Planning and Review (P&R)) or an FMS agreement (Letter of Offer and Acceptance (LOA)) for the purchase of defense articles or services. In exceptional circumstances, as described below, the provision of Price and Availability (P&A) data may be considered. However, unless a unique situation exists P&R data will be provided when the purchaser's requirement is for only preliminary data. All country requests, no matter how informal, must be processed consistent with the provisions for processing P&R, P&A, or LOA requests. This includes requests received in program management reviews, or other meetings or discussions with foreign country representatives. See paragraph C.1.b. below for channels of submission and release approval channels. *

a. Planning and Review (P&R) Data. Planning and Review (P&R) data is rough order of magnitude price and availability data to be used by a foreign country or international organization solely for preliminary review and planning purposes for evaluation of the possible purchase of a defense article or service. P&R data is not valid for use in preparation of a Letter of Offer and Acceptance (LOA - DD Form 1513) and will not be provided on a DD Form 1513. DOD components should ensure that the P&R information provided is sufficiently accurate to serve the planning purposes (although not necessarily the budgetary purposes) of the foreign country or international organization, and will include applicable integrated logistics support (ILS) element data whenever possible. DOD components will provide P&R data to the requesting foreign country or international organization normally within 45 days after receipt of the request. Note that for MDE items the cognizant DOD component must assure that approval from DSAA has been received for preparation and release of the P&R data before providing any data to the requesting country or international organization. When DSAA approval is provided within five working days of receipt of the request, unless otherwise advised, no further staffing with DSAA is required. *

b. Price and Availability (P&A) Data. P&A is data which should be detailed to the degree that the information could be transferred without further modification to an LOA. In general, P&R data will be used in lieu of P&A data when the purchaser requirement is for preliminary data rather than for an LOA. DOD components will prepare P&A only in exceptional circumstances when acceptable overriding rationale is provided by the purchaser. For P&A data for MDE items the cognizant DOD component must assure that approval has *

been received from DSAA for preparation and release of the P&A data before providing any data to the requesting country or international organization. When DSAA approval is provided within five working days of receipt of the request, unless otherwise advised, no further staffing with DSAA is required. An information copy of the P&A data which is provided to foreign countries and international organizations will be furnished DSAA, Operations Directorate. The DOD components will provide P&A data to the requesting foreign country or international organization within 60 days after receipt of properly justified requests. Any country request for P&A preparation on a DD Form 1513 will be considered as a request for an LOA.

c. Letter of Offer and Acceptance (LOA). The DD Form 1513 LOA is the document authorized to be used by the U.S. Government to offer to sell defense articles and defense services to a foreign country or international organization. The LOA lists the items and/or services, estimated costs, provides the terms and conditions of the sale, and requires the signature of the representative of the foreign country or international organization to indicate acceptance. The DOD component will forward LOAs for DSAA countersignature no later than 60 days after receipt of properly justified requests. *

d. Letter of Intent (LOI). There are two types of LOIs. The DD Form 2012 is used to finance procurement of long lead items prior to issuance of an LOA. The DD Form 2012-1 is used to finance procurement of long lead time items during the period between the issuance of an LOA and signed acceptance of the LOA by the purchasing country. *

2. Categories of Items and Services.

a. Defense Articles and Defense Services. Categories of defense articles and services are identified in the International Traffic In Arms Regulations (ITAR), Part 121, "Arms, Ammunition and Implements of War." Items thus identified constitute the United States Munitions List (Reference Chapter 2, Table 2-III-1, this manual). The import and export of such items is under the control of the Office of Munitions Control, Bureau of Politico-Military Affairs of the Department of State. The munitions list is not all inclusive nor are FMS limited solely to those items.

(1) Significant Military Equipment. Articles in those defense articles and services on the U.S. Munitions List which are preceded by an asterisk are referred to as "Significant Military Equipment (SME)."

(2) Major Defense Equipment (MDE). A U.S. defense article is considered to be an item of major defense equipment when it is identified as Significant Military Equipment on the U.S. Munitions List and when the U.S. Government has incurred either a nonrecurring research and development cost for the item of more than \$50 million or the item has had a total production cost of more than \$200 million. These dollar thresholds encompass all expenditures to date, including both U.S. military services and security assistance requirements. Each DoD component is responsible for identification of MDE items under its cognizance, and for notification of MDE items to the DSAA. DoD components will notify the DSAA of applicable MDE items by providing information cited in Figure 7-I-1. Once identified as Major Defense Equipment, the item is then recorded on the Major Defense Equipment List (MDEL), which designates equipment for special scrutiny when considered for sale to

foreign governments either through foreign military sales or commercial sales channels. See Table 7-I-1 for the current MDEL.

3. Standard Foreign Military Sales (FMS) Cases. Standard FMS cases are divided into Defined Order Cases, Blanket Order Cases, and Cooperative Logistics Supply Support Arrangements (CLSSAs). These cases are used to provide major weapon systems, training, design and construction services, and related defense articles and services on a government-to-government basis from the U.S. Government.

a. Defined Order Cases. A Defined Order case is one in which the items, services or training to be provided are stated explicitly on the Letter of Offer and Acceptance (DD Form 1513).

(1) A defined order case normally requires a complete price and availability study.

(2) The following types of materiel and services are normally provided through Defined Order cases:

[This page left blank intentionally.]

sent directly to the cognizant DoD component with an information copy to the Bureau of Politico-Military Affairs, Department of State and the DSAA.

(3) Out-of-Channel Requests. Should a DoD component receive a request from a foreign country or international organization to purchase SME, the request should be retransmitted to SecState-PM and SECDEF/DSAA for action. Should a DoD component receive a request for a Foreign Military Sale other than SME with no indication that an information copy was provided to SecState-PM or SECDEF/DSAA, the DoD component should take immediate action to retransmit the request to SecState-PM and SECDEF/DSAA for information. Should a DoD component receive a request for other than SME for which it is not the cognizant DoD component, the receiving component will redirect the request to the cognizant DoD component with an information copy to SecState-PM and the DSAA.

2. Responses to Letters of Request.

a. General. Normally, when preliminary data is required by a foreign country or international organization for planning or in anticipation of a purchase under FMS, P&R data will be provided. P&A data will be provided only in exceptional situations. See Paragraph B.1. above for a description of P&R and P&A data and paragraph C.1.b. above for the channels of submission of requirements for data. *

b. Discussions with Foreign Governments and International Organizations. Economic, production, and budget uncertainties all contribute to DOD component difficulties in making accurate cost and delivery estimates. The large volume of P&R estimates which are processed also increases the likelihood of human error. In any event the utmost discretion must be exercised by members of the country team or other U.S. officials in discussion of P&R data with foreign government or international organization officials. Only specific data approved and provided by the DOD component or the DSAA should be used. This same discretion must be exercised in those exceptional circumstances where P&A data is provided. *

c. Format for P&R Data. P&R data will not be used to develop an LOA. The following format must be used in responding to a request for Planning and Review (P&R) data, e.g., list the: *

(1) Quantity, major item/service and estimated cost. (Cost must include adjustments for inflation. In the absence of the availability of clear inflation trends on a given system, the OSD/C standard inflation factors should be used.)

(2) Ancillary support equipment which is necessary for the operation and maintenance of the system requested and include the estimated cost.

(3) Estimated dollar value of integrated logistics support (ILS) element items in addition to those in subparagraph (2) above which are necessary to support the system, e.g., training, publications, etc.

(4) Estimated accessorial charges.

(5) Source of the data (e.g., last contract award, stock price).

(6) Estimated availability of the articles/services.

(7) Key assumptions used in developing the data, for example:

(a) Standard DOD component factors were used in developing the ancillary equipment and/or ILS elements necessary to support the quantity of items requested.

(b) Training and publication cost estimates are based on criteria used by the DOD component.

(8) Key factors which will effect the above planning data, for example:

(a) Current contract for this item expires on (indicate date) and an LOA must be accepted by (indicate date) so that options can be added to the current contract. If an LOA is not accepted by the indicated date, the price may rise substantially and new data will be required.

(b) Production line is due to phase out by (indicate date). Start-up costs would have to be applied if an LOA is not accepted by (indicate date).

(c) Materiel has a shelf-life of (indicate date).

(9) Expiration Date: _____. After this date, if the article/service is still under review, revised data should be requested.

(10) Validity: The above information is not valid for purposes of preparing an LOA and may not be adequate for budgetary purposes. It is planning information for review purposes only, to assist in your government's determination of the feasibility of requesting an LOA.

(11) The DD Form 1513 will not be used to provide P&R data.

d. Format for P&A Data. P&A data will be prepared along the same guidelines as an LOA. P&A information normally will be provided separately from an LOA. An information copy of P&A data provided to all foreign countries and international organizations will be furnished the DSAA, Operations Directorate. Any country request for P&A preparation on a DD Form 1513 will be considered as a request for an LOA. P&A data should include the following statement:

4. Letter of Intent (LOI) (DD Forms 2012, 2012-1, 2012-2).

(1) Types of LOI. There are two Formats for LOIs: The DD Form 2012, used to finance procurement of long lead time items prior to the issuance of an LOA; and the DD Form 2012-1, used to finance procurement of long lead time items during the period between issuance of an LOA and acceptance by the purchasing country or international organizations.

(2) Limitation of Cost or Funds. As both forms contemplate a specified dollar limitation upon the liability of the purchaser for the procurement of long lead time items, in order to comply with the requirements of the Arms Export Control Act, it is necessary that all cost-reimbursement contracts awarded to implement a LOI (procurement as well as research and development) include a Limitation of Cost or Funds contract clause (see DAR 7-203.3(a), 7-402.2 and 7-702.11). That clause may be deleted by contract amendment after the purchaser's acceptance of the LOA.

(3) Approval of the DSAA. Use of the DD Form 2012 does not constitute authorization to take implementing action under such LOI in advance of compliance with the statutory reporting requirement of Section 36(b) of the AECA. In the event that a DoD component is of the opinion that production scheduling requirements necessitate initiation of procurement of long lead time items in advance of full compliance with Section 36(b) of the Arms Export Control Act, the DoD component concerned shall, prior to transmitting a proposed LOI to the purchasing country, or international organization, promptly forward its recommendations to the Director, DSAA, for a decision. If an exception is made by the Director, DSAA, a modified version of the DD Form 2012 or 2012-1 will be provided to the DoD component by the DSAA on a case-by-case basis.

(4) Amendment to the LOI. DD Form 2012-2, Amendment to Letter of Intent, should be used for amending LOIs as provided for in paragraph 2(c) of DD Form 2012 and DD Form 2012-1.

(5) Sample Formats: Refer to Figures 7-I-3, 7-I-4 and 7-I-5.

(6) DSAA Countersignature. DSAA countersignature is required prior to the submission of any DD Form 2012, DD Form 2012-1, and DD Form 2012-2 to the purchaser. **

RECOUPMENT OF NONRECURRING COSTS OF MAJOR DEFENSE EQUIPMENT										DATE PREPARED		AS OF DATE	
SECTION A													
SEARCH SYSTEM OR COMPONENT	NONRECURRING COSTS (\$ THOUSANDS)			PRODUCTION QUANTITY						RECOMMENDED PRO RATA UNIT CHARGE			PREVIOUS UNIT CHARGE
	NOTE*	PRODUCTION	TOTAL	ARMY	MARINES/NAVY	AIRFORCE	D. RECT SALE		TOTAL	NOTE/PRODUCTION/TOTAL			
SECTION B													
PRODUCTION QUANTITIES													
				ACTUAL	PROJECT ON			TOTAL					
				MAP									
				D. RECT SALE									
				FMS									
				TOTALS						Completion of Section C on reverse is required.			

FIGURE 7-1-1. Recoupment of Nonrecurring Costs on Sales of Major Defense Equipment (MDE).

FIGURE 7-I-3
United States Department of Defense Letter of Intent
(DD Form 2012)

UNITED STATES DEPARTMENT OF DEFENSE LETTER OF INTENT	PURCHASER (Name and address)
(Purchaser's Reference)	(Case Identifier)

The Government of _____ acting through its Ministry of Defense (hereinafter referred to as the "Purchaser") hereby declares its firm intent to procure, under United States Arms Export Control Act (AECA) procedures, from the Government of the United States, the following defense articles and defense services.

1. It is understood that the United States Department of the _____ plans to present to the Purchaser a Letter of Offer and Acceptance (DD Form 1513) within _____ days after signature of this Letter of Intent. Purchaser intends to sign said Letter of Offer and Acceptance not later than _____ days after receipt. Except to the extent directly inconsistent with the provisions hereof, the terms and conditions set forth on Annex A of DD Form 1513 will apply to all activities undertaken pursuant to this Letter of Intent, and the estimated costs of such activities will be included in the Letter of Offer and Acceptance. In particular, Conditions B.8, B.9, and C on Annex A of DD Form 1513 are hereby incorporated by reference and made an integral part of this Letter of Intent. This Letter of Intent shall be superseded upon Purchaser's signature of the Letter of Offer and Acceptance.

2. In anticipation of the Purchaser's signature of the above-mentioned Letter of Offer and Acceptance the Purchaser commits his Government to the following:

(a) In order to permit the United States Government to proceed immediately with the purchase of long lead time items and to cover associated administrative expenses, the United States Department of the _____ is herewith authorized to incur obligations and expend up to the sum of \$ _____ (which includes all estimated termination costs) on an FMS dependable undertaking basis, to be exceeded only in the event of a decision by either a Court or Board which increases the contractor's entitlement.

(b) The Purchaser agrees to pay the full amount of such authorized obligations and to make funds available in such amounts and at such times as may be requested by the United States Government for expenditures against such obligations.

(c) It is estimated that the cost of the long lead time items, associated administrative expenses and estimated termination costs will not exceed the amount set forth in subparagraph (a) of this paragraph. However, if at any time prior to Purchaser's signature of the above-mentioned Letter of Offer and Acceptance, the United States Department of the _____ has reason to believe that the costs which it expects to incur in the performance of this Letter of Intent will exceed the amount set forth in subparagraph (a) of this paragraph, it shall promptly notify the Purchaser in writing to that effect. The notice shall state the estimated amount of and the date by which

DD FORM 2012
1 MAR 79

EDITION OF 1 FEB 76 IS OBSOLETE

FIGURE 7-I-3. United States Department of Defense Letter of Intent
(DD Form 2012).

the additional obligational authority (by a new or modified Letter of Intent) will be required from the Purchaser in order to continue performance under this Letter of Intent. If, after such notification, the additional obligational authority is not granted by the date set forth in the notification, the United States Government is authorized, in its discretion, to terminate any and all activities under this Letter of Intent at Purchaser's expense, in accordance with subparagraph (b) above, in an amount not to exceed the amount set forth in subparagraph (a) of this paragraph.

3. This Letter of Intent does not prejudice the Purchaser's decision on the acceptance of the Letter of Offer. Moreover, the Purchaser may cancel all or any part of this Letter of Intent at any time by notifying the United States Government. Upon receipt of such notification the United States Government is authorized to terminate any and all activities initiated hereunder, at Purchaser's expense, in accordance with paragraph 2(b), in an amount not to exceed the amount set forth in paragraph 2(a).

4. In the event of such cancellation or termination, the United States Government will use its best efforts to minimize any termination costs.

5. Certain items for which procurements may be initiated hereunder are normally the subject of definitization or provisioning conferences, at which specific items and quantities are agreed upon. If it is necessary to place any such items on order prior to any such conference, the United States Department of the _____ is authorized to do so, using its best judgment, and will furnish a list of the items so ordered at the conference.

Dated _____

(Typed Name and Title)

Accepted this _____ day of _____, 19_____.

U.S. Department of the _____

**

Countersignature (Office of the Comptroller, DSAA) (Date)

FIGURE 7-1-3. (Continued)

FIGURE 7-I-4

United States Department of Defense Letter of Intent
(DD Form 2012-1)

UNITED STATES DEPARTMENT OF DEFENSE LETTER OF INTENT	PURCHASER (Name and address)
---	------------------------------

(Purchaser's Reference)

(Case Identifier)

The Government of _____ acting through its Ministry of Defense (hereinafter referred to as the "Purchaser") hereby declares its firm intent to procure, under United States Arms Export Control Act (AECA) procedures, from the Government of the United States, the following defense articles and defense services.

1. A Letter of Offer and Acceptance (DD Form 1513) for such defense articles and defense services was issued to the Purchaser by the United States Department of the _____ on _____, 19____. Purchaser intends to sign said Letter of Offer and Acceptance not later than _____ days after receipt. Except to the extent directly inconsistent with the provisions hereof, the terms and conditions set forth on Annex A of DD Form 1513 will apply to all activities undertaken pursuant to this Letter of Intent, the estimated costs of which activities have been included in the Letter of Offer and Acceptance. In particular, Conditions B.8, B.9, and C on Annex A of DD Form 1513 are hereby incorporated by reference and made an integral part of this Letter of Intent. This Letter of Intent shall be superseded upon Purchaser's signature of the Letter of Offer and Acceptance.

2. In anticipation of the Purchaser's signature of the above-mentioned Letter of Offer and Acceptance the Purchaser commits his Government to the following:

(a) In order to permit the United States Government to proceed immediately with the purchase of long lead time items and to cover associated administrative expenses, the United States Department of the _____ is herewith authorized to incur obligations and expend up to the sum of \$ _____ (which includes all estimated termination costs) on an FMS dependable undertaking basis, to be exceeded only in the event of a decision by either a Court or Board which increases the contractor's entitlement.

(b) The Purchaser agrees to pay the full amount of such authorized obligations and to make funds available in such amounts and at such times as may be requested by the United States Government for expenditures against such obligations.

(c) It is estimated that the cost of the long lead time items, associated administrative expenses and estimated termination costs will not exceed the amount set forth in subparagraph (a) of this paragraph. However, if at any time prior to Purchaser's signature of the above-mentioned Letter of Offer and Acceptance, the United States Department of the _____ has reason to believe that the costs which it expects to incur in the performance of this Letter of Intent will exceed the amount set forth in subparagraph (a) of this paragraph, it shall promptly notify the Purchaser in writing to that effect. The notice shall state the estimated amount of and the date by which the additional obligational authority (by a new or modified Letter of Intent) will be required from the Purchaser in

DD FORM 2012-1
1 MAR 79

EDITION OF 1 FEB 76 IS OBSOLETE.

FIGURE 7-I-4. United States Department of Defense Letter of Intent
(DD Form 2012-1).

order to continue performance under this Letter of Intent. If, after such notification, the additional obligational authority is not granted by the date set forth in the notification, the United States Government is authorized, in its discretion, to terminate any and all activities under this Letter of Intent at Purchaser's expense, in accordance with subparagraph (b) above, in an amount not to exceed the amount set forth in subparagraph (a) of this paragraph.

3. This Letter of Intent does not prejudice the Purchaser's decision on the acceptance of the Letter of Offer. Moreover, the Purchaser may cancel all or any part of this Letter of Intent at any time by notifying the United States Government. Upon receipt of such notification the United States Government is authorized to terminate any and all activities initiated hereunder, at Purchaser's expense, in accordance with paragraph 2(b), in an amount not to exceed the amount set forth in paragraph 2(a).

4. In the event of such cancellation or termination, the United States Government will use its best efforts to minimize any termination costs.

5. Certain items for which procurements may be initiated hereunder are normally the subject of definitization or provisioning conferences, at which specific items and quantities are agreed upon. If it is necessary to place any such items on order prior to any such conference, the United States Department of the _____ is authorized to do so, using its best judgment, and will furnish a list of the items so ordered at the conference.

Dated _____

(Typed Name and Title)

Accepted this _____ day of _____, 19 _____.

U.S. Department of the _____

**

Countersignature (Office of the Comptroller, DSAA) (Date)

FIGURE 7-1-4. (Continued)

FIGURE 7-I-5

United States Department of Defense Letter of Intent
(DD Form 2012-2)

UNITED STATES DEPARTMENT OF DEFENSE
AMENDMENT TO LETTER OF INTENT

_____ (Date)

Dear Sirs:

Reference is made to the Letter of Intent between the Government of _____
_____ and the United States Department of the _____
_____, dated _____, identified by Case
Designator _____. The Government of _____
desires to increase the amount set forth in paragraph 2(a) of said Letter of Intent and herewith author-
izes the Department of the _____ to incur obligations
and expend up to the sum of \$ _____ on FMS dependable undertaking basis for
said Case.

_____ (Typed Name and Title)

Countersignature (Office of the Comptroller, DSAA) (Date)

**

DD FORM 2012-2
1 FEB 78

FIGURE 7-I-5. United States Department of Defense Letter of Intent
(DD Form 2012-2).

TABLE 7-I-1

**

MAJOR DEFENSE EQUIPMENT LIST

	DSAA Approved Pro Rata Nonrecurring Cost (NRC) Recoupment Charge \$	Date NRC Charge Approved
<u>CATEGORY I - FIREARMS</u>		
Rifle, 5.56mm M-16 Series (A)	-- no charge --	
<u>CATEGORY II - ARTILLERY AND PROJECTILES</u>		
Gun, M-61, 20mm (AF)	1,342.00	6 Dec 84
Gun, GAU-8, 30mm (AF)	27,881.00	22 Jun 81
Gun Pod, GPU-5/A, 30mm (AF)	60,239.00	11 Aug 82
<u>CATEGORY III - AMMUNITION</u>		
Cartridge, 20mm (A)	(a)	
Cartridge, 30mm (GAU8) (AF)	.50	
Cartridge, 40mm, HE (only) (A)	.11	
Cartridge, 60mm, HE (only) (A)	.47	
Cartridge, 81mm, HE (M301) (only) (A)	.04	7 May 81
Cartridge, 105mm, (APFSDS-T) M735 (A)	68.00	
Cartridge, 105mm, (M456) (A)	3.59	7 Mar 81
Cartridge, 4.2", HE (A)	(a)	
Cartridge, 4.2", ILLUM (M445) (A)	4.03	20 Jan 82
Projectile, 5"/38 CAL (N)	15.60	9 Jul 84
Projectile, 5"/54 CAL (N)	74.42	4 May 84
Projectile, 155mm, (M107) (A)	3.22	21 May 79
Projectile, 155mm, (M483/A1) (A)	2.20	2 Mar 82
Projectile, 155mm, (HE RAP) (M549) (A)	13.76	5 Feb 81
Projectile, 155mm, (CLGP) (M-712) (A)	4,152.00	17 Sep 81
Projectile, 155mm, HE, ADAM (M692) (A)	434.00	23 Nov 82
Projectile, 155mm, HE, ADAM (M731) (A)	228.00	23 Nov 82
Projectile, 155mm, HE, RAAMS (M718) (A)	229.00	23 Nov 82
Projectile, 155mm, HE, RAAMS (M741) (A)	99.00	23 Nov 82
Projectile, 175mm, HE (M437) (A)	2.33	26 Mar 80
Projectile, 8", HE (M106) (A)	.04	21 May 79
Projectile, 8", HE, ICM (M509) (A)	11.20	21 May 79
Projectile, 8", HE (M650) (A)	83.04	21 May 79

TABLE 7-I-1. Major Defense Equipment List

DSAA Approved Pro Rata Nonrecurring Cost (NRC) Recoument Charge \$	Date NRC Charge Approved
---	--------------------------------

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

ASROC, Antisubmarine Rocket (N)	855.00	20 Dec 84
Bomb, Anti-Armor Cluster Munition CBU-90 (AF)	3,351.00	
Bomb, Combined Effects Bomblet, CBU 87 (AF, N)	1,080.00	6 Dec 84
Bomb, Cluster, TMD/Gator Mines, CBU 89 (N, AF)	(a)	
Bomb, MK-20, Cluster Bomb, Rockeye (N)	117.39	25 Mar 83
Bomb, MK-82, 500#, General Purpose (N)	3.29	25 Mar 83
Bomb, MK-83, 1,000#, General Purpose (N)	10.40	25 Mar 83
Bomb, MK-84, 2,000#, General Purpose (N)	12.80	25 Mar 83
Bomb, M-117, 750#, General Purpose (AF)	20.00	6 Dec 84
Bomb, Guided, Walleye Series (N)	6,183.00	6 Dec 84
Fuel Air Explosive Weapon, FAE II (N)	(a)	
Gun Mount, 5", 54 MK-45 MOD1 (N)	142,566.00	1 Oct 84
Gun Mount, 76mm, Gun, MK-75 (N)	62,749.00	6 Dec 84
Launcher, Harpoon (N)	80,562.00	20 Jan 78
Launcher, Hellfire (A)	14,715.00	14 May 85
Launcher, TOW (A)	3,029.00	16 Sep 77
Launcher, MK-13 (N)	78,125.00	17 Nov 78
Launcher, PATRIOT (A)	214,782.00	18 Nov 78
Launcher, Roland (A)	324,828.00	24 Sep 80
Launcher, MLRS (A)	132,400.00	
Light, Antitank Weapon, 66mm, LAW M72 Series (A)	1.32	
Missile, AIM-120, AMRAAM (AF, N)	(a)	
Missile, AIM-4, A-G Falcon (AF)	3,321.00	12 Mar 82
Missile, AIM-7 (Skyflash portion) (N)	820.30	7 May 81
Missile, AIM-7, Sparrow C/D/E (N)	2,733.00	
Missile, AIM/RIM-7F/M, Sparrow (N, AF)	7,646.00	2 Jun 82
Missile, AIM-9/J/P/N (AF) (Motor - 200.00)	334.00	12 Mar 82
Missile, AIM-9L (N, AF)	2,604.00	18 May 78
Missile, AIM-9H (N)	3,457.00	
Missile, AIM-9M (N)	6,368.00	25 Mar 83
Missile, AIM-54 PHOENIX (N)	71,296.00	
(Front End - 35,019; Aft End - 36,276)		
Missile, AGM-45, Shrike (N, AF)	(a)	
Missile, AGM-65A/B, Maverick (AF)	3,722.00	3 Feb 81
Missile, AGM-65D (AF)	3,811.00	
Missile, AGM-65E, Laser Maverick (N)	24,213.00	6 Dec 84
Missile, AGM-88 Harm (N)	21,248.00	20 Apr 82
Missile, Chaparral Series (A)	5,445.00	10 Nov 79
Missile, Dragon, HEAT and Practice Missiles (A)	378.00	24 Mar 80
Missile, R/U/AGM-84 Harpoon RGM-84 (N)	44,083.00	20 Jan 78

TABLE 7-1-1. (Continued)

	DSAA Approved Pro Rata Nonrecurring Cost (NRC) Recoupment Charge \$	Date NRC Charge Approved
Missile, HELLFIRE, Heat (A)	4,124.00	14 May 85
Missile, HELLFIRE, Dummy (A)	531.00	14 May 85
Missile, HELLFIRE, Training (A)	2,719.00	14 May 85
Missile, I-Hawk Series (A)	7,053.00	12 Nov 80
Missile, Lance (A)	76,205.00	21 May 82
Missile, Nike Hercules (A)	448,055.00	
Missile, Patriot MIM-104 (A)	82,836.00	18 Nov 82
Missile, Pershing Series (A)	128,378.00	
Missile, Redeye (A)	(a)	
Missile, Roland (A)	4,422.00	24 Sep 80
Missile, AGM-78 Standard ARM (N)	(a)	
Missile, Standard I (MR) (ER) (N)	12,602.00	Sep 77
Missile, Standard MR II (MR) (ER) (N)	89,651.00	6 Dec 84
Missile, Stinger (A)	5,480.00	28 Jul 79
Missile, Tomahawk (N)	(a)	
Missile, TOW HEAT and Practice Missiles (A)	293.00	16 Sep 77
Missile, I-TOW (A)	487.00	3 Nov 81
Missile, TOW II (A)	658.00	19 Dec 83
Missile, M-65 Subsystem, Airborne TOW (A)	28,578.00	7 May 81
Rocket, 2.75" Series (A, N, AF)	.87	26 May 80
Rocket, MLRS (A)	667.00	
Torpedo, MK-46 MOD 2 (N)	8,993.00	
Torpedo, MK-46, NEARTIP Kit (Converts MK-46 MODS 1/2 to MOD5) (N)	3,795.00	26 Jun 80
Torpedo, MK-46 MOD 5 NEARTIP (N)	9,308.00	
Torpedo, MK-48 (N)	86,255.00	21 Jul 77
Torpedo, MK-48 ADCAP Kit (N)	103,322.00	25 Nov 80

CATEGORY V - PROPELLANTS, EXPLOSIVES AND INCENDIARY AGENTS

Items in this category which meet the dollar criteria for major defense equipment are not significant military equipment as defined in the U.S. Munitions List.

CATEGORY VI - VESSELS OF WAR AND SPECIAL NAVAL EQUIPMENT

CG - Guided Missile Cruiser (N)	(a)	
DD-963 (N)	(a)	
DD - Destroyer (N)	(a)	
DDG - Guided Missile Destroyer (N)	(a)	
FFG - Guided Missile Frigate (N)	3,591,379.00	18 Oct 78
LPD - Amphibious Transport Dock (N)	(b)	

TABLE 7-I-1. (Continued)

	DSAA Approved Pro Rata Nonrecurring Cost (NRC) Recoupment Charge \$	Date NRC Charge Approved
LSD - Dock Landing Ship (N)	(b)	
LST - Tank Landing Ship (Newport Class)(N)	824,840.00	25 Jan 84
LKA - Amphibious Cargo Ship (N)	(b)	
LPA - General Purpose Amphibious Assault Ship (N)	(b)	
MSO - Minesweeper, Ocean, Nonmagnetic (N)	(b)	
PHM - Patrol Combatant Missile, Hydrofoil (N)	(a)	
SS - Submarine, Conventionally Powered (N)	(b)	

CATEGORY VII - TANKS AND MILITARY VEHICLES

Armored Reconnaissance		
Airborne Assault Vehicle, M-551 (A)	33,213.00	
Carrier, Armored Personnel, M-113 Series (A)	688.00	11 Sep 78
Carrier, Command Post, M-577 Series (A)	688.00	11 Sep 78
Carrier, Cargo, M-548 Series (A)	688.00	11 Sep 78
Gun, Self-propelled, 175mm, M-107 (A)	40,258.00	26 Mar 80
Howitzer, Self-propelled, 8", M-110 (A)	14,371.00	26 May 80
Howitzer, Self-propelled, 8", M-110A1 (A)	16,975.00	26 Mar 80
Howitzer, Self-propelled, 8", M-110A2 (A)	21,069.00	26 Mar 80
Howitzer, Self-propelled, 155mm, M-109 Series (A)	5,636.00	26 Mar 80
Howitzer, Med, Towed, 155mm, M-198 (A)	80,876.00	21 May 79
Mechanized Infantry Combat Vehicle, M-723 (A)	(a)	
Tank, M-48A1 (A)	1,479.00	
Tank, M-48A3 (A)	5,521.00	
Tank, M-48A5 (A)	12,849.00	
Tank, M-60A1 (A)	14,083.00	3 Mar 80
Tank, M-60A3 w/TTS (A)	31,427.00	3 Mar 80
Tank, M-60A3 w/o TTS (A)	21,939.00	3 Mar 80
Tank, M-1 (A)	132,162.00	20 Aug 84
Tank, M-1A1 (A)	237,048.00	20 Aug 84
Tank Engine, AVDS-1790 (A)	2,066.00	3 Mar 80
Vehicle, Infantry Fighting (M2) (A) (w/o 25mm Cannon)	74,715.00	25 Jun 82
Vehicle, Infantry Fighting (M2) (A) (with 25mm Cannon)	79,392.00	25 Jun 82
Vehicle, Infantry Fighting (M3) (A) (w/o 25mm Cannon)	73,678.00	25 Jun 82
Vehicle, Infantry Fighting (M3) (A) (with 25mm Cannon)	78,355.00	25 Jun 82
Vehicle, Recovery, M-88 Series (A)	15,089.00	13 Feb 80
Vehicle, AAV7/AAVA1 Amphibious Assault (N)	91,426.00	20 Apr 82
Vulcan Air Defense System, M-163 and M-167 Series (A)	29,439.00	26 Mar 80

TABLE 7-I-1. (Continued)

DSAA Approved Pro Rata Nonrecurring Cost (NRC) Recoupment Charge \$	Date NRC Charge Approved
--	--------------------------------

CATEGORY VIII - AIRCRAFT, SPACECRAFT AND ASSOCIATED EQUIPMENT

A-4A (N)	15,165.00	20 Oct 83
A-4B (N)	12,864.00	20 Oct 83
A-4C (N)	15,523.00	20 Oct 83
A-4E (N)	27,929.00	20 Oct 83
A-4F (N)	32,226.00	20 Oct 83
A-6 (N)	(a)	
A-7 (N) (w/o FLIR)	243,881.00	8 Apr 81
A-10 (AF) Airframe	388,786.00	12 Mar 82
A-37 (AF)	19,651.00	
AH-1S (A)	150,856.00	7 Mar 81
AH-1J/T (N)	(a)	
AH-64 (A)	1,045,566.00	30 Dec 83
AV-8B (w/o U.K. Assessment) (N)	867,373.00	26 Jun 81
C-5A (AF)	12,661,728.00	12 Mar 82
C-130 (AF)	103,520.00	3 Aug 83
C-141A/B (AF)	892,254.00	12 Mar 82
CH-47 (A) (A, B, & C) (including Engine T-55-L-11A)	100,000.00	
CH-53E/MH-53E (N) (less Engine)	1,023,079.00	12 May 83
E-2C (N)	2,625,904.00	18 May 78
E-3A, U.S./NATO Standard Configuration (AF) (Total U.S. NRC charge \$27.43M; Total NATO NRC charge \$5.59M)	33,021,000.00	26 Oct 81
EA-6 (N)	(a)	
F-4A (N)	129,712.00	20 Oct 83
F-4B (N)	70,450.00	20 Oct 83
F-4J (N)	122,089.00	20 Oct 83
F-4E (N) (w/engines) (25% discounted for useful life)	159,408.00	20 Oct 83
F-4G Wild Weasel (AF) (MOD only)	667,241.00	12 Mar 82
F-5A (AF)	40,000.00	1 Nov 71
F-5E (AF)	68,000.00	1 Nov 71
F-5F (AF)	207,000.00	25 Nov 75
F-8 (N)	56,859.00	12 May 81
F-14 (N)	1,600,000.00	29 Nov 76
F-15 (AF)	1,600,000.00	29 Nov 76
F-16 A/B (AF) (less EPG pro rata NRC \$85,000.00)	640,000.00	4 Jun 80
F-16A Simulated Aircraft Maintenance Trainer (SAMT) (AF)	172,220.00	3 Jul 85
F-16 C/D (AF)	713,750.00	12 Apr 84
F-16/79 (U.S. Charge) (AF)	456,934.00	1 May 81

TABLE 7-I-1. (Continued)

	DSAA Approved Pro Rata Nonrecurring Cost (NRC) Recoupment Charge \$	Date NRC Charge Approved
F-18 (N) (includes 2 engines each aircraft)	877,690.00	5 Aug 79
F-20 (AF)	(a)	
F-100A (AF)	37,840.00	6 Dec 84
F-100C (AF)	25,800.00	6 Dec 84
F-100D (AF)	25,440.00	6 Dec 84
F-100F (AF)	27,840.00	6 Dec 84
F-101B/F (AF)	65,560.00	6 Dec 84
F-102 (AF)	38,320.00	6 Dec 84
F-104A (AF)	42,080.00	6 Dec 84
F-104B/C/D (AF)	91,040.00	6 Dec 84
F-105B (AF)	168,000.00	6 Dec 84
F-105D/F (AF)	78,400.00	6 Dec 84
F-106A/B (AF)	159,200.00	6 Dec 84
F-111A/C/D/E/F (AF)	605,320.00	6 Dec 84
H-3E (N)	(a)	
H-46 (N)	(a)	
H-53 (S-65) (N)	166,029.00	27 Feb 79
KC-10 (AF)	1,176,667.00	12 May 82
KC-135A (AF)	217,034.00	12 Mar 82
OV-1 (A)	199,590.00	
OV-10 (N, AF)	41,930.00	9 Jun 78
P-3A/B (N)	382,750.00	
P-3C (N)	592,219.00	3 Jan 78
RF-4B (N)	104,566.00	20 Oct 83
RF-4C (AF)	108,000.00	6 Dec 84
S-2 (N)	85,449.00	27 Aug 81
S-3 (N)	3,502,643.00	26 Jun 81
SH-2/-2D/-2F (LAMPS, MARK I) (N) (Includes 2 T-58-GE Engines)	325,423.00	6 Dec 84
SH-60B (LAMPS, MARK III) Airframe w/o engine (see GE-401 engines for additional charges) (N)	859,636.00	15 Oct 82
SH-60B Minimum Avionics Suite (N)	366,236.00	15 Oct 82
SH-60B Mission Avionics Suite (N)	1,063,400.00	15 Oct 82
SH-60B Ship Electronics (N)	1,131,227.00	15 Oct 82
T-2 (N)	39,968.00	10 Jun 78
TA-4F (N)	28,110.00	20 Oct 83
T-33 (AF)	2,857.00	12 Mar 82
T-37 (AF)	19,651.00	
T-38A (AF)	80,972.00	12 Mar 82
UH-1H (A)	4,501.00	1 May 81
UH-1N (N, AF)	48,032.00	12 Jul 85
UH-60A (A) (including 2 T-700 Engines) (Airframe only - \$169,692.00)	208,986.00	3 Oct 81

TABLE 7-1-1. (Continued)

	DSAA Approved Pro Rata Nonrecurring Cost (NRC) Recoupment Charge \$	Date NRC Charge Approved
<u>Engines</u>		
GE-401 (N) (for SH-60B) (\$78,039.00 & \$19,647.00)	97,686.00	15 Oct 82
CFM-56 (AF)	39,677.00	6 Mar 84
F-100 (AF) (if sold with other than F-15/16 aircraft)	221,705.00	12 Mar 82
PW 1120 (70% of F-100) (AF)	155,194.00	20 Oct 83
F-101 (AF)	(a)	
F-101X (AF)	(a)	
F-107 (N)	(a)	
F-404 (N) (charge for F-18A spare engines)	53,654.00	
J-47 (AF)	2,168.00	12 Mar 82
J-52P-6A-66 (AF)	7,270.00	2 Sep 83
J-52P-8A (AF)	30,658.00	2 Sep 83
J-52P-408 (AF)	33,106.00	2 Sep 83
J-57P-6B (AF)	4,600.00	2 Sep 83
J-57P-10 (AF)	4,120.00	2 Sep 83
J-60P-3/3A (AF)	2,520.00	2 Sep 83
J-75 (AF)	28,999.00	12 Mar 82
J-79-GE-8/10 (AF)	6,400.00	8 Sep 83
J-79-GE-17/17A/119 (AF)	27,464.00	1 Oct 83
J-85 (AF)	17,900.00	23 Mar 83
T-33-P-100 (AF)	(a)	
T-53 (N)	1,542.00	
T-55 (A)	6,400.00	
T-56 (N)	13,313.00	12 May 83
T-58 (N)	(a)	
T-64 (N, AF)	38,578.00	12 May 83
T-700 (A, N) (GE-700-2 each per UH-60A)	19,647.00	12 Oct 83
T-700-GE-401 (N) (additive to basic T-700 charge)	78,039.00	15 Oct 83
TF-30 (N, AF)	43,866.00	20 Jun 79
TF-34 (N, AF)	20,705.00	12 May 82
TF-39 (AF)	441,707.00	12 Mar 82
TF-41-A-2A/-2B/-400/-402/-402B (N, AF)	48,249.00	6 Dec 84

CATEGORY IX - MILITARY TRAINING EQUIPMENT

No items in this category are defined in the U.S. Munitions List as significant military equipment.

TABLE 7-I-1. (Continued)

DSAA Approved Pro Rata Nonrecurring Cost (NRC) Recoupment Charge \$	Date NRC Charge Approved
--	--------------------------------

CATEGORY X - PROTECTIVE PERSONNEL EQUIPMENT

No items in this category are defined in the U.S. Munitions List as significant military equipment.

CATEGORY XI - MILITARY AND SPACE ELECTRONICS

Avionics Intermediate Shop (AIS) (F-16A/B) (AF)	1,190,000.00	
Avionics Intermediate Shop (AIS) (F-16C/D) (AF)	2,400,000.00	
AN/ALQ-126, SPJ System (N)	26,631.00	5 Jun 85
AN/ALQ-165, ASPJ (N)	111,425.00	6 Dec 84
AN/SQR-18A (N)	267,069.00	
AN/SQR-18A(CV)1 (N)	601,837.00	24 May 84
AN/SQR-19 (N)	1,349,593.00	29 Mar 82
AN/SQS-56 (N)	(a)	
AN/TCC-39 (A)	(a)	
AN/TRC-170 (AF)	60,622.00	15 Feb 84
ECM, ALQ-119 (AF)	6,138.00	9 Dec 75
ECM, ALQ-131 (AF) w/receiver \$26,970 w/o receiver	24,108.00	28 Sep 79
Engagement Control System (ECS), PATRIOT, AN/MSQ-104 (A)	548,311.00	15 Nov 82
Joint Tactical Information Distribution System, JTIDS (AF)	50,828.00	30 Oct 82
NAVSTAR Global Positioning System (GPS) (AF) (this is the User Charge which includes approximately \$1,000 NRC charge) (In FY 79 dollars to be adjusted annually)	3,800.00	
Radio, AN/ARA-54 (A)	39.84	
Radio, AN/VRC-12 Series (12, 43 through 49) (A)	70.00	
Versatile Avionics Shop Test (VAST), AN/USM-247(V) (N)	(a)	

CATEGORY XII - FIRE CONTROL, RANGE FINDER, OPTICAL
AND GUIDANCE AND CONTROL EQUIPMENT

Computer, Fire Control, MK1A (N)	(a)	
Close in Weapon Systems, CIWS, PHALANX (N) (per gun mount)	287,842.00	28 Oct 78
Director, Fire Control, MK51-2 (N)	(a)	
Goggles, Night Vision, AN/PVS-5 (A)	157.49	31 Jan 80
Missile Minder, AN/TSQ-73 (A)	715,687.00	
MFC5 MK-92 (N)	(a)	
Patriot Electrical Power Plant (EPPII) (A)	339,464.00	18 Nov 78

TABLE 7-I-1. (Continued)

	DSAA Approved Pro Rata Nonrecurring Cost (NRC) Recoupment Charge \$	Date NRC Charge Approved
Patriot Antenna Mast Set (A)	131,906.00	18 Nov 78
Pave Tack, NA/AVQ-26 Target Designator (AF)	177,648.00	
Position Location Reporting System, AN/TSQ-129 (A)	6,564.00	
Radar, AN/APG-66 (F-16A/B) (AF)	30,400.00	
Radar, AN/APG-68 (F/16C/D) (AF)	101,120.00	
Radar, AN/SPS-40B (N)	216,746.00	7 May 82
Radar, AN/SPS-49(V)5/(V)7 (N)	305,719.00	15 Mar 84
Radar, AN/TPQ-36 (A)	252,968.00	25 Jul 79
Radar, AN/TPQ-36 Low Altitude Surveillance Radar (LASR) (A)	73,361.00	1 Oct 84
Radar, AN/TPQ-37 (A)	920,199.00	19 May 81
Radar, APG-63 (AF)	410,407.00	
Radar, AWG-9 (N) (for PHOENIX Missile)	338,403.00	
Radar, PATRIOT, AN/MPQ-53 (A)	2,383,260.00	18 Nov 82
Radar, Fire Control, MK-25 (N)	(a)	
System, Fire Control, Roland AN/GSG-11 (A)	740,331.00	
System, Gun Fire Control, MK-37 (N)	24,800.00	6 Dec 84
System, Gun Fire Control, MK-56 (N)	15,400.00	6 Dec 84
System, Gun Fire Control, MK-68 (N)	60,000.00	6 Dec 84
System, Fire Control, MK-74, SM-1 MR Missile (N)	(a)	
System, Fire Control, MK-86 (N)	(a)	
System, Fire Direction, AN/GSG-11 TACFIRE (A)	(a)	
Tactical Operations System, TOS (AN/UYQ-19 and 30) (A)	121,128.00	
Guided Bomb Unit, GBU-10 (AF)	243.00	
Guided Bomb Unit, GBU-12 (AF)	243.00	
Guided Bomb Unit, GBU-15 (AF)	12,528.00	
Guided Bomb Unit, GBU-16 (N)	(a)	

CATEGORY XIII - AUXILIARY MILITARY EQUIPMENT

No items in this category are defined in the U.S. Munitions List as significant military equipment.

NOTES:

(a) Approval for pro rata nonrecurring cost recoupment charge will be requested from the Director, DSAA, at a time of actual demand for FMS or commercial sales proposals.

(b) For older ships designed, a percentage charge (3.5%) for recoupment of nonrecurring cost will be established at a time of actual demand for FMS or commercial sales proposals.

TABLE 7-I-1. (Continued)

[This page left blank intentionally.]

SECTION II - PREPARATION AND PROCESSING OF FOREIGN MILITARY SALES AGREEMENTS
--

A. PURPOSE. The purpose of this section is to provide specific instructions for responding to approved foreign country or international organization requests for a firm FMS offer from the DoD. It also prescribes normal processing times and allowable timeframes between release and expiration of the offers.

B. POLICY.

1. DD Form 1513 - Letter of Offer and Acceptance (LOA).

a. The DD Form 1513, LOA, will be used for all foreign military sales of defense articles and services (including training) by the Military Departments and Defense Agencies. (See Figure 7-II-1.)

b. The offer will itemize the defense articles and services offered and when executed becomes an official tender by the Government of the United States.

c. The acceptance constitutes the agreement of the foreign government to the offer and with applicable funding completes the contract.

d. Annex A of the DD 1513 contains "General Conditions" which is an official part of every offer issued. (See Figure 7-II-2.)

e. In all FMS cases involving major systems/end items, the LOA will include all complementing/supporting materiel and services as opposed to negotiating separate cases for each of these items/services. Exceptions to this requirement must have the prior approval of DSAA/Operations.

f. If all line items cannot be listed on the first page of an offer and acceptance, show only the program total and list the remaining line items on DD Form 1513c continuation sheets. (See Figure 7-II-3.)

g. Such additional terms and conditions as may be appropriate for a particular sales case shall be set forth in one or more attachments or continuation sheets to the DD Form 1513. All attachments (including DD 1513-C continuation sheet with notes) are an integral part thereof. Each page should indicate the case identifier at the top of the page and be numbered consecutively from the first page of the LOA to the end of all information provided with this LOA. Thus the number on the DD Form 1513 would reflect the total number of pages in the LOA.

h. The percentage rate used for determining packing, crating and handling costs, general administrative costs, and supply support arrangement costs should not be indicated in the applicable blocks. (This guidance also pertains to Other Estimated Costs (Block 25) should a percentage rate be applicable.)

i. See Table 7-II-1 for detailed instructions on the filling in of the blocks on the DD Form 1513 - Offer and Acceptance.

vary due to both the nature of the project and the nature of the country involved. The appropriate legal office of the military department concerned should be consulted to provide the salient agreements which protect that status of U.S. personnel in a given country.

(b) Sample Terms and Conditions. Table 7-II-6 sets forth sample terms and conditions which can be used as a guide for negotiating agreements with countries on programs involving the introduction of substantial numbers of contractor personnel. These conditions may be used as a guide in developing similar agreements for countries for which no Status of Forces Agreement (SOFA) exists. Where a SOFA exists, references should be made to the SOFA.

(c) Statement of Facilities, Services, or Personnel to be Provided by the Purchasing Country. Table 7-II-6 also provides examples of certain actions which must be taken by the purchaser to insure success of the program, in terms of facilities, services, or personnel. These actions will vary from program to program. It is essential that the responsibilities of the U.S. Government and the purchasing nation be clearly and completely delineated as a part of the LOA or its attachments.

(7) Memorandum of Understanding or Statement of Work. Major FMS undertakings may call for a Memoranda of Understanding (MOU), or detailed Statements of Work (SOW), before they can be undertaken by the U.S. Government. Such documents should be made an integral part of the LOA by reference on the DD Form 1513 and, where appropriate, should be attached to thereto.

(8) Schedules of Personnel Training.

(a) Schedules Included in DD Form 1513. LOAs which call for training of foreign personnel, should include firm scheduling of personnel into specific training courses. When this is not feasible, LOAs should set forth training plans and schedules in general terms, and should include information required to arrange for definitization of specific training requirements at a later date.

(b) Purchasing Nation's Responsibilities. LOAs must specify purchasing nation's responsibilities such as providing pay and allowances, housing, qualified students, and any required supervision thereof.

(c) Blanket Order Cases. Blanket Order LOAs for training will include "Notes" to explain scope of coverage, methods for definitizing and requesting specific courses, and duration of applicability of the case. Such cases may be written for up to two years duration, provided the total value of the case does not exceed \$5 million, unless an exception is approved by the DSAA.

(9) Logistics Information.

(a) Supplemental Conditions to DD 1513. The sale of weapons systems normally requires the establishment of understandings between the U.S. Government and the purchaser regarding logistics arrangements and support. This subject must be addressed in the "Supplemental Conditions" to the LOA to delineate U.S. Government responsibilities, specify the type of *

equipment being provided, identify subsequent actions which must be taken by both the U.S. Government and the purchaser, and occasionally to advise the purchaser of the nature of procurement action which will be taken.

(b) Configuration. LOAs will specify the configuration of equipment being sold, but will furnish detailed equipment specifications only if required. Variations from standard U.S. Government configurations will be noted, together with any risks which might be assumed as a result of the variance. The notes will highlight any purchase of equipment being made of a configuration contrary to that recommended by the U.S. Government.

(c) Logistics Conferences or Site Surveys. LOAs will include the requirement for, and scheduling of logistics conferences or site surveys for the purpose of definitizing procurements of spare parts and support equipment, when applicable.

(d) Concurrent Spare/Repair Parts. The DoD components authorized to make offers will assure that at least a one-year supply of "in-country" concurrent (initial) spare/repair parts, through fourth echelon requirements at U.S. peace-time usage rates, shall be included with equipment being offered. Such spare and repair parts packages should be identified by category and total value rather than by item. Normally, pricing of individual repair parts is not done.

(e) Spare Parts Support Availability. For offers of MDE items, the purchaser will be advised of the estimated period that U.S. Government spare and repair parts support will be available, providing that a termination of such support can be identified.

(f) Sole Source Procurement. If the purchaser has specifically requested that procurement of a particular item is to be provided from a sole source, the designation will be addressed in the "Notes" to the LOA. (See Chapter 8, Section II, paragraph B, for Sole Source Procurement Provisions.)

(g) U.S. Government Intent for Maintenance Support Plans. Any U.S. Government intent to develop logistics or maintenance support plans will be specified in detail.

(h) Basis for Logistics Support Cost Estimates. The basis upon which logistics support cost estimates are made will be specified. These should include the period of support of initial spares and repair parts package, operational deployment of equipment, level of maintenance to be accomplished by the purchaser, and number of maintenance sites.

(i) Critical Long Lead Items. Insofar as possible, the LOA must identify, by line item of equipment, any critical long-lead time items of spares or support equipment which must be procured in advance of the definitization conference, to insure in-country logistics support of the weapons system by its scheduled delivery date.

(10) Financial Information. (Also refer to Section III, this chapter.)

processing required for countersignature and for DoD component issuance of the LOA or Amendment to the purchaser.

b. Expiration Date on Offer - Exception. If a shorter expiration period is required because of (1) the validity of contractor quotes comprising the P&A information included on the Offer or Amendment, or (2) the time sensitivity of any information included in the Offer, then the shorter expiration period should appear on the LOA, and a note placed on the Letter of Offer which explains why the expiration period is less than 60 days. Offer expiration dates in excess of 85 days require the DSAA approval.

13. Acceptance of Offer. The purchaser should complete the acceptance portion of the DD Form 1513. The form should be signed, dated, and the copies forwarded to the MILDEP and one copy to the Security Assistance Accounting Center (SAAC) along with any required initial deposit before the expiration date listed on the offer.

a. Requests for Extension. Requests by the purchasers for extensions to expiration dates will be honored only after a full review by the preparing agency to insure that all data included in the Offer remains valid. The foreign country or international organization should be advised of the new expiration date via message from the preparing DoD component along with authorization to make a pen and ink change to the expiration date listed on the LOA or amendment. The SAAC and the DSAA should be provided an information copy of the message. All concerned should be advised of the consequence of extensions. Normally, the greater the period of time between offer and acceptance the greater the likelihood of decreased accuracy of the P&A data contained in the LOA.

b. Implementing Agency (IA) Notification of Acceptance. Upon the receipt of each accepted LOA, the initiating MILDEP will provide a copy to the DSAA FMS Control Division.

c. SAO Notification of Acceptance or Rejection. Each Security Assistance Organization (SAO) will immediately advise the DSAA-Comptroller, the SAAC, and the MILDEP issuing the LOA by priority message when each LOA has been accepted or rejected by the foreign country or international organization. In those instances when the LOAs are processed by the foreign country or international organization not served by SAOs, the LOA will have an annotation requiring the signature authority to immediately notify the DSAA-Comptroller, the SAAC, and the appropriate issuing organization by message when the LOA is accepted by an authorized representative of the purchaser. Each message must contain the date of acceptance. Within five calendar days of acceptance or rejection of the offer, the DSAA, the SAAC, and the issuing organization must be notified. If such notice is not received within ten calendar days after the expiration date, the LOA, even though accepted, will be automatically cancelled.

d. Requests for Revisions of LOAs. All requests for revisions (prior to acceptance) to the LOA which result in increases to the FMS case value or increases in scope must be submitted to the DSAA-Comptroller (ATTN: FMS Control Division) for approval.

e. Pen and Ink Changes - DD Forms 1513 and 1513-1. "Pen and Ink" changes are modifications to a DD Form 1513 or DD Form 1513-1 authorized by the issuing DoD components prior to acceptance of the document. "Pen and Ink" changes should be avoided to the maximum extent possible. The change may be at the request of the purchaser or initiative of the issuing DoD component. If the change authorizes any revision of the total costs or terms of sale, DSAA-Comptroller, FMS Control Division must concur prior to authorization. The issuing agency must authorize the pen and ink change by message or letter to the purchaser with a copy to SAAC and DSAA-Comptroller, FMS Control Division. Extensive changes must be made by issuance of a new or restated DD Form 1513 or a DD Form 1513-1 (after acceptance of the basic case) rather than by a pen and ink change. Copies of all DD Forms 1513 and 1513-1 that have been modified by authorized pen and ink changes must be disseminated to required organizations, for example SAAC.

f. Receipt and Recording of Acceptance. When the LOA is accepted, distribution will be made in accordance with the instructions contained in the LOA. In addition, the applicable MILDEP is responsible for furnishing a signed copy to DSAA/Comptroller (ATTN: Data Management Division).

14. Addresses of Military Department Central Activities Responsible for FMS Transactions.

- a. Army: Department of the Army
U.S. Army Security Assistance Center
5001 Eisenhower Avenue
Alexandria VA 22333
- b. Navy: Department of the Navy
Chief of Naval Operations (OP-63)
Washington DC 20350
- c. Air Force: Department of the Air Force
Director of Military Assistance
and Sales (AF/PRI)
Headquarters, U.S. Air Force
Washington DC 20330

b. Payment of Initial Deposits. To accept an LOA, the purchaser may be required to make an initial deposit equal to a portion or all of the estimated value of the FMS agreement. The amount of the initial deposit will be as specified on the LOA and computed in accordance with paragraph c. below, except for FMSO I Agreements. DoD 7290.3-M provides special guidance for computing initial deposits for FMSO I. Where an initial deposit is required, the purchaser is responsible for forwarding payment to SAAC by check or wire transfer at the time of and as an integral part of accepting the DD Form 1513. In the absence of such payment, there is no binding agreement that can be implemented. If the purchaser has excess funds in his FMS Trust Fund Holding Account, he may request use of these funds to pay initial deposit requirements. For that portion of the value of the FMS agreement for which the purchaser need not make an initial deposit, the SAAC will bill the purchaser as required. For those purchasers not authorized direct arrangements for dependable undertaking (and, accordingly, are not listed in Table 7-III-2), terms of sale on a cash sale from procurement will be "Cash with Acceptance," unless DSAA has provided approval for other financing terms. *

c. Computation of Initial Deposit. Except for FMSO I, the implementing agency will compute the initial deposit as follows: The initial deposit must be sufficient to cover the potential charges to be incurred (e.g., contractor progress payments, contractor holdbacks, potential termination charges, deliveries from DoD inventories, etc.) from the expiration date of the offer set forth in the LOA through the day immediately preceding the calendar quarter to which the first bill applies. New FMS agreements can enter the billing system at the SAAC during a particular calendar quarter through the tenth day of the last month of that quarter. A bill is issued as of the close of business of that quarter with payment due 75 days later. The bill covers all costs incurred as of the date of the bill plus anticipated costs through the quarter following the payment due date. Therefore, if the agency anticipates that an LOA will be accepted by the purchaser and will be received by SAAC before the tenth day of the last month of the quarter, the implementing agency should require an initial deposit to cover only the estimated payments due through the end of the first full calendar quarter following the acceptance of the agreement. To illustrate, a new agreement with an expiration date of between 11 September through 10 December would first appear on the billing statement as of 31 December. The 31 December statement would request payment on 15 March for costs estimated to be incurred during the period 1 April through 30 June. Therefore, the initial deposit should cover only the estimated payments due from date of acceptance through 31 March. However, if the SAAC does not receive a new agreement until 11 December, the agreement would first appear on the billing statement as of 31 March. This 31 March statement would request payment on 15 June for costs estimated to be incurred during the period 1 July - 30 September. In this case, the initial deposit should cover all estimated payments due from date of acceptance through 30 June. The payment schedule set forth in a Financial Annex will be based on the foregoing and reflect the date that payment is due. Other than initial deposits, payment due dates are 15 March, 15 June, 15 September, and 15 December. An example is as follows:

Offer Expiration Date: 15 December
Initial Deposit: Costs to be incurred
 from date of acceptance through 30 June.
First Forecast Quarter in Payment Schedule:
 1 July thru 30 September
"As of Date" of Billing: 31 March
Approximate Mailing of Billing: 15 April
Payment Due: 15 June

(1) Detail guidance for determining initial deposits and preparation of payment schedules is given in DoD 7290.3-M, Chapter 4. Figure 7-III-1 summarizes the above dates as viewed by the SAAC as the responsible authority for assuring the adequacy of cash deposits from FMS purchasers.

3. Terms of Sale. Terms of Sale and related statements to be used on LOAs are as follows:

a. Terms.

(1) "Cash with Acceptance." This term applies when the initial cash deposit equals the amount in the "Estimated total Costs" block of the LOA. Paragraph B.3.a. of Annex A of the LOA defines this term. This term will also be used for FMSO I even though the initial deposit is less than "Estimated Total Costs."

(2) "Cash Prior to Delivery." Under this term, the U.S. Government collects cash in advance of delivery of defense articles and rendering of defense services and design and construction services from DoD resources. Section 21(b) and Section 29 of the AECA apply. Paragraph B.3.b. of Annex A of the LOA defines this term.

(3) "Dependable Undertaking." Under this term, the U.S. Government collects cash in advance of procurement contract payment requirements. Section 22 and Section 29 of the AECA apply. Paragraph B.3.c. of Annex A of the LOA defines this term. If Section 22(b) is applicable based on Presidential action (i.e., payment due 120 days after delivery), add "with 120 days payment after delivery." The countries identified in Table 7-III-2 are authorized to make direct arrangements with the cognizant DoD component for purchases under a dependable undertaking transaction.

(4) "Payment on Delivery." Under this term, the U.S. Government issues bills to the purchaser at the time of delivery of defense articles or rendering of defense services from DoD resources. The first sentence of Section 21(d) of the AECA applies. Paragraph B.3.d. of Annex A of the LOA defines this term. The implementing agency may use this term only pursuant to a written statutory determination by the Director, DSAA, who must find it in the national interest to do so. If the last sentence of Section 21(d), of the AECA is applicable, based on Presidential action, modify to read "Payment 120 days after Delivery."

(5) "FY (insert two digit fiscal year of FMS Credit program) FMS Credit." This term applies to payment for a Foreign Military Sale in whole or in part with FMS loan funds, extended or guaranteed by DOD under Sections 23 and 24 of the AECA or under other legislation. Paragraph B.3e of

FIGURE 7-III-1

KEY DATES IN FMS BILLING AND COLLECTION

<u>Offer Expiration/ Acceptance Dates of LOAs*</u>	<u>SAAC "Cut-off" for Delivery Performance Reports from Implementing Agencies</u>	<u>As of Date on FMS Bill- ing Statement</u>	<u>Approximate Date of FMS Billing Statements</u>	<u>Payment Due at SAAC</u>
11 Sep - 10 Dec	16 Dec	31 Dec	15 Jan	15 Mar
11 Dec - 10 Mar	16 Mar	31 Mar	15 Apr	15 Jun
11 Mar - 10 Jun	16 Jun	30 Jun	15 Jul	15 Sep
11 Jun - 10 Sep	16 Sep	30 Sep	15 Oct	15 Dec

*Accepted LOAs received and implemented between these dates will appear on the next quarterly FMS Billing Statement.

FIGURE 7-III-1. Key Dates in FMS Billing and Collection.

FIGURE 7-III-2

CONTRACT ADMINISTRATION RECIPROCAL AGREEMENTS

<u>COUNTRY</u>	<u>EFFECTIVE DATE</u>	<u>COST WAIVED</u>
Canada (CN)	27 Jul 1956	Contract Audit Quality Assurance and Inspection
United Kingdom (UK)	30 Oct 1979	Contract Audit
France (FR)	17 Jul 1981	Contract Audit
Netherlands (NE)	18 Apr 1985 9 Apr 1982	Contract Audit Quality Assurance and Inspection
Italy (IT)	7 Jan 1983	Quality Assurance and Inspection
Belgium (BE)	26 Apr 1983	Quality Assurance and Inspection
Germany (GY)	6 Dec 1983	Quality Assurance and Inspection
Denmark (DE)	3 Apr 1985	Quality Assurance and Inspection
European Participating Governments (EPG)	19 Dec 1980	Contract Audit Quality Assurance and Inspection (F-16 Follow-on Buy) *
NATO Integrated Communication System Management Agency (NICSMA) (N2), (K4)	30 Sep 1981 6 May 1980	Contract Audit Quality Assurance and Inspection
NATO (All infrastructure programs administered by a NATO Command or NATO Agency)	30 Sep 1981 28 Oct 1980	Contract Audit Quality Assurance and Inspection
NATO (All other infrastructure programs administered by a host country)	10 Feb 1981	Quality Assurance and Inspection
NATO E-3A (N1), (K7) (K8), (W1)	Program Conception	Full waiver of all contract administration

FIGURE 7-III-2. Contract Administration Reciprocal Agreements.

TYPE OF SALE	TYPE OF ASSISTANCE CODE	SOURCE OF SUPPLY CODE	AVAILABILITY	TERM(S) OF SALE	INITIAL DEPOSIT
12. Article(s) and/or service(s) sold from stock, final sentence of Sec. 21(d)***	8	As Required	Anytime	Payment 120 Days After Delivery	None
13. FMSO I, DoDI 2000.8	U	P	N/A	Cash with Acceptance, \$ _____, balance as billed.	5/17th of estimated cost plus 100% of Administrative charges
14. FMSO II, DoDI 2000.8	V	P	N/A	Cash Prior to Delivery	As shown in the Financial Annex
15. Any, Sec. 23 or 24	Z	As required	N/A	Loan agreement with _____, NR. _____, Dated _____, (_____ line items)	As shown in the Financial Annex
16. Sec. 503(A)(3), FAA	M	As Required	Anytime	FY _____ MAP Merger.	As shown in the Financial Annex.
17. Combination of above resulting in more than one term of sale				(Show two or more terms as appropriate)	As shown in the Financial Annex
18. Federal Republic of Germany				The DoD will draw required payments from the FRG's US Treasury Deposit Account as specified in the monthly statement of fund requirements in accordance with DoDI 2110.32	

*** Requires approval of the President.

TABLE 7-III-1. (Continued)

TABLE 7-III-2

FOREIGN COUNTRIES AND INTERNATIONAL ORGANIZATIONS AUTHORIZED
DIRECT ARRANGEMENTS FOR DEPENDABLE UNDERTAKING

COUNTRIES

<u>Africa</u>		<u>Near East and South Asia</u>	
Algeria	Morocco	Bahrain	Pakistan *
Botswana	Nigeria	Bangladesh	Oman
Cameroon	Sudan	Egypt	Qatar
Kenya	Tunisia	India	Saudi Arabia
Liberia		Israel	The United Arab Emirates
		Jordan	Yemen Arab Republic
		Kuwait	
		Lebanon	
		Nepal	
<u>Europe</u>		<u>Western Hemisphere</u>	
Austria	Malta	Argentina	Haiti
Belgium	Netherlands	Bahamas	Honduras
Denmark	Norway	Barbados	Jamaica
France	Portugal	Brazil	Mexico
Germany (Fed. Rep. of)	Spain	Canada	Panama
Greece	Sweden	Colombia	Peru
Iceland	Switzerland	Costa Rica	St. Lucia
Ireland	Turkey	Dominica	St. Vincent
Italy	United Kingdom	Dominican Republic	Surinam
Luxembourg	Yugoslavia	Ecuador	Trinidad and Tobago *
		El Salvador	Uruguay
		Guatemala	Venezuela
<u>Far East</u>		<u>International Organizations</u>	
Australia	New Zealand	NATO (North Atlantic Treaty Organi- zation and its agencies)	
Brunei	People's Republic of China (PRC)		
Indonesia	Philippines		
Japan	Singapore		
Korea	Taiwan		
Malaysia	Thailand		

TABLE 7-III-2. Foreign Countries and International Organizations Authorized
Direct Arrangements for Dependable Undertaking.

SECTION II - ACQUISITION FOR FMS

A. DOD REGULATIONS AND PROCEDURES.

1. Compliance with DoD Regulations. In keeping with the DoD policy, acquisition for FMS purchasers will be in accordance with U.S./DoD regulations and procedures. This affords the foreign purchaser the same benefits and protection that apply to DoD procurement and is one of the principal reasons why foreign governments and international organizations prefer to procure through FMS channels.

2. Federal Acquisition Regulation (FAR). The DoD is authorized to enter into contracts for the purpose of resale to foreign governments or international organizations. The FAR shall apply to all purchases and contracts made by the DoD for acquisitions in support of FMS. Some of the most pertinent sections of the FAR and the DOD FAR supplement relative to FMS are listed below:

	<u>FAR</u>	<u>DOD FAR SUPP</u>
a. Agents Fees and Commissions	3.400 thru 3.404	25.7305
b. Contractor Options - FMS		Subpart 17.2
c. Contractor Risk for FMS (Weighted Guidelines)	--	15.905-1(b)(7)(E)
d. Costs of Doing Business with a Foreign Government	--	25.7304(c)
e. FMS Rental and Asset Use Charges	45.405	45.405(f)
f. FMS Selling Costs and Allocations to Contracts	31.205-38(b)	31.205-38
g. Foreign Acquisitions	Part 25	Part 25
h. Recovery of NonRecurring Costs	--	25.7306, Subpart 35.71
i. Sole Source Designation	15.210	25.7307

3. Acquisition Notification of FMS Requirements. In accordance with Section 25.7303(b) of the DOD FAR Supplement, when the acquisition for FMS is expected to involve a contract in excess of \$10,000 which cannot be placed on the basis of price competition (for example when the FMS purchaser requests a specific sole source), prices, delivery data and other relevant information shall be requested from the prospective source and the request shall indicate that the information is for the purpose of a potential sale under FMS and shall identify the prospective FMS purchaser(s).

B. FMS CUSTOMER REQUESTS FOR SPECIFIC SOURCE.

**

1. DOD Policy. DOD policy provides that procurements made for FMS will comply with U.S. government acquisition regulations and procedures. When procurement is required to meet an FMS requirement for defense articles and/or services, to the maximum extent possible, the competitive procurement process will be utilized. Authority for sole source procurement can be considered when the purchasing country makes a specific written request and provides sufficient rationale for obviating the benefits of the competitive process.

2. Sole Source Designation. As described in DOD FAR Supplement 25.7307, the FMS purchaser may request that a defense article or defense service be obtained from a particular source. In such cases, FAR 6.302.4 provides authority for the U.S. government to contract on a sole source basis. The purchaser request should be contained in a letter of request for an LOA or an amendment to an existing LOA. The request for sole source must also provide the basis and justification for the sole source and may be for a prime and/or sub-contractor source. Sole source procurement designations under accepted FMS LOAs will be submitted by the DOD component security assistance director to the applicable contracting activity in order to exercise the FAR authority.

a. Foreign Purchaser Request. Foreign purchaser sole source requests may be honored (See DOD FAR Supplement 25.7307) only when the sole source designation is based upon the objective needs of the FMS purchaser as stated by the purchaser and DOD component security assistance director approval is obtained. Accordingly, a letter requesting a specific item(s) and/or service(s) from a specifically identified firm or other supplier must be addressed by an authorized official of the purchasing government to the chief of the security assistance organization (SAO) in country, or by the Defense Attache or comparable official of the purchasing government in the United States to the DOD component security assistance director whose component has procurement cognizance for the required item/service. If from an overseas activity of the purchasing government, this written request should be submitted via the SAO in country. The letter must provide the basis and justification for a sole source request. To the maximum extent possible submission through the SAO is preferred. The request shall not be honored in any case of patently arbitrary, capricious or discriminatory exclusion of other sources. The number or frequency of sole source requests should be kept to the absolute minimum; however, there may be situations where for programmatic reasons sole source procurements is necessary and justifiable. Situations where sole source procurement may be justifiable could include, but are not limited to, the following situations:

(1) When one of the numerous suppliers can deliver faster and the situation is urgent enough to forego the benefits of the competitive process.

(2) When the procurement of a non-standard item which is out of the DOD buying pattern has been approved because of a country request and a specific source has been identified by the country, i.e., obsolete items no longer supportable by the DOD. This could occur in countries with predominantly MAP merger funded programs since MAP merger funds can be utilized only

for FMS programs; therefore, such a purchasing country may not have the capability of buying on a direct basis.

(3) When the country has an established history of procurement for articles or services from a particular prime source and to change would adversely affect an ongoing program. For example, this would include an ongoing maintenance program wherein a particular prime contractor is providing technical assistance or other services under established agreements.

(4) When the designated source has won the foreign purchaser's own source selection competition and the purchaser advises of its desires. Specific evidence as to the competitive process should be included in the justification.

(5) When the country has established a history of procurement for articles or services from a particular prime source and needs to continue procurement from that source to continue standardization of equipment with consequent benefits of logistics support. This could include spares for support equipment or other single vendor integrity (SVI) subcontracted items.

b. Disapprovals. Proposed DOD component disapprovals of sole source requests will be coordinated with DSAA Operations.

c. SAO Responsibilities. When possible, the SAO in country will review specific country requests, advise the country of any necessary changes, and subsequently forward the request with any necessary comments and/or recommendations to the appropriate DOD component security assistance director for approval. The original copy of the request must be forwarded. Advance copies, in message format, must be quoted in their entirety, including the date and the signature block when they are forwarded to the DOD component for approval. The original request, if approved, will be retained in the contract file.

d. Subcontractor Sole Source Designation. The FMS purchaser may also request that a sole source subcontract be placed with a particular U.S. firm. The DOD contracting officer will honor such a request for subcontractor placement on the same basis as indicated above for prime sources. It should be noted that the designation of subcontractors carries a risk which should be brought to the attention of the FMS purchaser. In the event that problems in the performance or integration of the component are experienced and are attributable to its characteristics, the specifications may be held to be defective in that respect and any increased costs incurred by the prime contractor in correcting or attempting to correct the problem may be recovered by the prime contractor. Since by law such additional costs must be borne by the FMS purchaser, the purchaser should be advised of this potential expense at the time the sole source designation is requested.

e. Out of Channels Requests. Request for sole source procurement received outside of the channels outlined in sub-paragraph 2.a. above must be forwarded to the applicable DOD component security assistance director for appropriate action. The original of the request must be forwarded. When a sole source request is forwarded in message format, the entire text of the country request, including the date and the signature block, must be quoted.

f. Coordination with Contracting Officers. When possible, the sole source request should be processed to the potential contracting officer for information and advice during the P&A process. The contracting officer will be provided a copy of the accepted LOA containing the sole source designation. This is especially important when the contracting activity is separate from the activity responsible for the LOA, e.g., LOAs prepared by a MILDEP which contain items which will be procured by the Defense Logistics Agency.

3. Timing of Sole Source Requests. To avoid the additional delay and workload involved in revision of an LOA, requests for sole source procurement should be made when the request for preparation of the LOA for defense articles or defense services is transmitted to the U.S. government. However, if a request can be honored without excessive delay or undue disruption of the procurement/acquisition processes, it may be made and accepted anytime prior to formal acceptance of the LOA by the FMS purchaser.

a. LOA Presentation. The applicable LOA must specifically identify the country sole source designation. The following note will be utilized in the LOA when sole source designation is approved.

SUPPLEMENTAL CONDITION (XXXXXXXXXXXXX): Sole-Source Procurement. Paragraph A1 of Annex A (General Conditions) of the Letter of Offer and Acceptance states in part: "Unless the purchaser has requested that a sole source contractor be designated, and this Letter of Offer and Acceptance reflects acceptance of such designation by the DOD, the purchaser understands that selection of the contractor source to fill this requirement is solely the responsibility of the Government of the United States (hereinafter referred to as USG)." By letter dated (XXXXXXXXXX) the purchaser has request that (name of specific firm or other private source) be designated as (prime contractor) or (subcontractor) for line/items(s) (XXXXXXXXXXXXX) of this Letter of Offer and Acceptance. This supplemental condition is evidence that DOD has accepted such request of the purchaser and that such designation is required at the written direction of the purchaser.

b. LOA Amendment. The designation of sole source procurement for an LOA which has already been accepted by the purchaser would be an exception to policy as outlined above. However, if the situation does occur the addition of the supplemental condition must be added by a DD Form 1513-1, amendment.

4. FMS Purchaser Involvement. The purchasing activities of defense components and prime contractors shall implement FMS requirements using normal procurement and contract management procedures as set forth in the FAR, other directives and pertinent contractual provisions. Representatives of the FMS purchaser shall not be permitted to review bidders' mailing lists or slates of proposed architect engineer firms, nor shall they be permitted to direct the deletion of names of firms from such lists or slates. They may, however, suggest that certain firms be included. The defense components should fully control the procurement and contracting process and contractual provisions. Representatives of the FMS purchaser will not normally participate in contract negotiations. The defense components shall not accept directions from the FMS

purchaser as to source selection decisions or contract terms (other than the special contract provisions and warranties referred to in condition A.2 of the LOA), nor shall the FMS purchaser be permitted to interfere with a prime contractor's placement of his subcontracts. However, to the extent permitted above, defense components may honor an FMS purchaser's request for the designation of particular prime or subcontract source for defense articles or defense services. Requests by the FMS customer for rejection of any bid or proposal shall not be honored unless such rejection is justified on the basis of reasons which would be sufficient in the case of a procurement made by the DOD to meet its own needs.

[This page was left blank intentionally.]

"The contractor certifies that the contract price (including any subcontracts awarded hereunder) does not include any direct or indirect costs of sales commissions or fees for contractor sales representatives for the solicitation or promotion or otherwise to secure the conclusion of the sale of any of the supplies or services called for by this contract to the Government of (_____)."

(2) For all other types of contacts:

"Notwithstanding any other provision of this contract, any direct or indirect costs of sales commissions or fees for contractor (or subcontractor) sales representatives for the solicitation or promotion or otherwise to secure the conclusion of the sale of any of the supplies or services called for by this contract to the Government of (_____) shall be considered as an unallowable item of cost under this contract."

b. Accordingly, approval of sales commissions and fees must be sought and obtained prior to contract award unless the contractor certifies that no such fee or commission is included in the cost of the contract.

5. Proprietary Information. Inclusion of a "Note" to the LOA with respect to sales commissions and fees shall not be deemed, with respect to distribution and availability of LOAs, as altering the proprietary nature, if any, of such data for the purpose of 18 U.S.C. 1905.

6. Agents Fees for Commercial Contracts. Agents fees for direct commercial contracts financed with FMS credit funds will be limited to \$50,000 per contract. It is the responsibility of the contractor to prove that payments of any agents fees in excess of \$50,000 are not financed with FMS credit funds. *

D. APPOINTMENT OF AN AGENT.

1. Policy. It is U.S. Government policy to deal directly with a foreign government or international organization for the purchase of defense articles via Foreign Military Sales procedures. An agent may be designated by a foreign government for the accomplishment of the following purpose only: to act as an agent for the receipt of FMS Government Furnished/Spares/Support items which are required by that agent to enable the (manufacture/assembly) (repair/rehabilitation) of defense items purchased on a direct basis by the foreign purchaser. The following form letter, which designates such an agent, should be used and a foreign government request signed at the Minister or Deputy Minister of Defense level.

2. Form Letter.

Director
Defense Security Assistance Agency
Room 4E837, The Pentagon
Washington, D.C. 20301

Dear Sir:

The Government of _____ hereby appoints
_____ whose address is _____
_____ as its Agent for the purpose of re-
ceiving deliveries of the following items: Above items
will be used for the (manufacture/assembly)* (repair/
rehabilitation)* of the _____.
Said Agent is hereby authorized to sign in the name of
the Government of _____ as its Agent for the
receipt of these items as indicated by the shipping
instructions contained in Blocks 33 and 34 of the DD
Form 1513. The Government of _____
undertakes to instruct _____ as
its Agent to maintain possession of the above specified
items in accordance with paragraph B.9 of Annex A (Gen-
eral Conditions) of the DD Form 1513 until transferred
by such Agent of the Government of _____.

Yours Very Truly,

Such agency is acknowledged.

(Signature of Agent)

* Insert the appropriate phrase describing the Agent's function.

(3) DPDS Status. DPDS is an element of the DoD. As such, it has absolutely no connection with commercial firms which offer surplus U.S. military supplies and equipment for sale to the general public.

(4) Relation to Other Agreements. The FMS policies and procedures promulgated by DPDS are not intended to repeal or circumvent existing or proposed direct support agreements between other DoD components and foreign governments or international organizations, or any other government-to-government agreements. Where such agreements are in effect, it is expected that the governments concerned will continue to requisition or otherwise procure materiel and services covered by the agreements from the U.S. DoD components with which the agreements have been concluded.

(5) References. The DPDS publishes two documents which provide information on the specifics of the DPDS excess program and on articles which are available for sale.

(a) Foreign Military Sales Customer Information Guide. This document provides information on how to use this service and specifics of the program.

(b) Declared Excess Personal Property List. This is a weekly listing of excess property published by the DPDS. Countries eligible to receive the DPDS Declared Excess Personal Property Lists are identified at Table 8-III-1 of this section.

(6) MDE and SCE. All MDE and SCE excess items being sold under FMS procedures must be clearly defined in the LOA. Accordingly, only defined order type cases will be utilized for sales of MDE or SCE.

B. REQUISITION PROCEDURES.

1. Use of MILSTRIP.

a. Standard Items. Once an FMS case has been established and funded, MILSTRIP requisitions may be initiated either by the purchaser or by a designated DoD component. For standard material items, requisitions will be prepared in MILSTRIP format by the military service, or will be converted to MILSTRIP format by the Military Service Requisition Control Office (RCO). RCOs will verify MILSTRIP requisitions prepared by countries prior to introduction into the U.S. logistics system. Supply and shipment status will be provided in accordance with MILSTRIP procedures. Service designated RCOs are:

(1) Army. U.S. Army Security Assistance Center, New Cumberland, PA 17070.

(2) Navy. Navy International Logistics Control Office (NAVILCO), Philadelphia, PA 19111.

(3) Air Force. Air Force Logistics Command, Wright-Patterson AFB, Ohio 45433.

b. Non-Standard Items. Although purchasers are encouraged to procure material which is standard to the U.S. Armed Forces, non-standard equipment may be requisitioned after mutual agreement with the DoD component concerned. Such requisitions, as well as requisitions for services (e.g., training, etc.), will be in a letter format rather than under MILSTRIP procedures.

2. Uniform Material Movement Priority System (UMMIPS).

a. Use in Requisitioning Process. The Uniform Military Priority System (UMMIPS), as delineated by DoD Instruction 4410.6, is applicable to all requisitions. Force Activity Designators (FADS) are established by the JCS for all customer countries and international organizations. Component activities will take the necessary steps to assure that participating foreign countries and international organizations are properly instructed in the establishment of the Issue Priority Designator. SAOs, if they process FMS requisitions, will verify country and international organization established Issue Priority Designators to assure accuracy.

b. Correction of Erroneous Designators. Erroneous designators will be corrected by the reviewing activity. Doubtful cases will be referred to the appropriate U.S. or purchaser representative for clarification or correction.

3. Delivery Commitment Date (DCD).

a. Use. A DCD will be applied to all FMS cases that include a line for a principal item and for which there is no corresponding MILSTRIP Required Availability Date (RAD) in the supply system. The DCD will be identified through the use of a three digit numeric code, the first two representing the fiscal year, and the third representing the quarter of the fiscal year. The DCD when applicable, should be placed in the Availability and Remarks Block of the LOA. (The DD Form 1513-2 Notice to countries of slippages over 90 days is required on DCD revisions only and not on slippages of items controlled within the MILSTRIP RAD system.)

b. DCD Slippage. In the event it is determined that a slippage in delivery date in excess of 90 days will occur, but a firm alternative delivery date cannot be established with a reasonable time, a DD Form 1513-2 will be provided to the purchaser deleting the previous delivery date, providing an explanation of the circumstances involved, and containing a statement that an additional DD Form 1513-2 will be provided as soon as the new delivery date has been established. *

[This page left blank intentionally--
Figure 8-III-1 deleted.]

[This page left blank intentionally--
Figure 8-III-1 deleted.]

SECTION IV - PERFORMANCE REPORTING AND CASE CLOSURE

A. PERFORMANCE REPORTING/BILLING.

1. Reporting Performance of FMS Orders.

a. Implementing Agency Responsibilities. After implementing an FMS agreement, the responsible DoD agency executes the program. The MILDEP directs release of materiel, provision of services or training, and payment to contractors. As execution progresses, the MILDEP reports to SAAC the nature and value of financial transactions that result from performance. MILDEPs report accrued expenditures (work in process) and physical deliveries within 30 days of occurrence (date of shipment or performance).

b. FMS Performance Reporting. The mechanism for reporting FMS performance to SAAC is the "FMS Detail Billing Report" (DD-COMPT(M)1517). It is submitted monthly to arrive at the SAAC no later than the sixteenth calendar day following the end of the reporting month. If the sixteenth calendar day falls on a non-working day, the cutoff will be moved to the first working day following the sixteenth. If materiel has been delivered or services performed, a performance report is forwarded to SAAC. If no materiel has moved but a progress payment has been made on a contract for production of FMS materiel, the DoD component reports the amount of the progress payment disbursement. The format and instructions for completing the DD-COMPT(M)1517 report are prescribed in DoD 7290.3-M.

*
*
*
*

c. FMS Physical (Constructive) Delivery Reporting.

**

(1) The cognizant DOD component must submit accurate and timely FMS physical (constructive) delivery data for selected major end items. Delivery information is contained in detail and summary reports described in Chapter 15, Section II, which are used not only as management tools by security assistance personnel worldwide but are also used for reporting required by the Arms Export Control Act and responding to correspondence and inquiries.

**

(2) Items are considered delivered when title is passed to the purchasing country (see Chapter 8, Section III, Paragraph F.2.a. and b.). DOD components must report, within 30 days, all constructive deliveries for selected materiel lines to SAAC by the 20th of each month in the C1 transaction format (Figure 8-IV-1). SAAC, in turn, should submit these data to DSAA for inclusion in the FMS 1200 System. These transactions are not a part of the formal FMS billing system. A delivery report is required for all Letter of Offer and Acceptance (LOA) DD 1513 lines, i.e., Record Serial Number (RSN) lines having a unit of issue of "EA" for the following generics:

**

- A1-A5, A9B Aircraft
- B1-B4 (Complete Missile Lines Only). Missiles
- C Ships
- D Combat Vehicles
- E3 Tactical & Support Vehicles
- F2, F3, F4 Weapons

G2, G4, G5 (Less M & Y), G6A Ammunition
 H4 Communications Equipment

(3) Reports Control Symbol (RCS) DSAA(M)1141 is assigned to this reporting requirement. **

(4) The automated format for reporting these transactions is as follows: **

FIGURE 8-IV-1	
C1 TRANSACTION FORMAT	
<u>Column</u>	<u>Data Element</u>
1-2	C1
3-4	Country Code (CC)
5	Implementing Agency (IA) (See Appendix D, Para. c.51.)
6-8	Case Designator
9-11	Record Serial Number (RSN)
12-15	Blank
16-21	Cumulative Quantity to Date
22-72	Blank
73-78	Reporting Date (YYMMDD)
79	Blank
80	Originator (must always be "A")

2. Billing for FMS Transactions.

a. Quarterly Billings. As of the end of each calendar quarter, SAAC renders a billing statement for each active FMS agreement in accordance with DoD 7290.3-M. The purpose of the bill is to account to the FMS purchaser for costs incurred on his behalf and to request additional funds as projected in the payment schedule to pay future anticipated costs.

b. Elements of Billing. The first element of each billing is for costs incurred to date, and includes charges for materiel delivered and progress payments made to contractors. The FMS purchaser receives an FMS Delivery Listing that shows by document number the items reported to SAAC as delivered through the end of the month of the billing statement. The remaining portion of the value billed is for anticipated costs to be incurred. SAAC will normally extract this forecast of costs from the most recent payment schedule attached to the DD Form 1513 furnished to the FMS purchaser. However, in the event unanticipated costs occur varying substantially from the existing schedule, the MILDEP should immediately advise SAAC and the customer of the variance. As described earlier, the DoD component should issue revised payment schedules when appropriate.

c. Legal Effect of Billing. The quarterly FMS Billing Statement (DD Form 645) is the binding legal claim for payment by the DoD as referenced in paragraph B.3.f. on Annex A of the DD Form 1513, LOA. Both the DoD component and FMS purchasers should understand that the billing, not the payment schedule, contains the required amount to be paid.

d. Billing Questions Directed to SAAC. All questions or correspondence concerning billings to FMS purchasers should be addressed to SAAC, Lowry AFB, Denver, Colorado 80279.

B. DELINQUENT ACCOUNTS FOR FMS BILLINGS.

1. Provisions of Financial Annex to LOA. The Financial Annex to the LOA provides an estimate of the timing and amounts of payment of the billings which SAAC produces for each FMS case. The customer is obligated to make payments against DD Form 645 billings, on time and in full. SAAC is obligated, in compliance with the Arms Export Control Act, to insure prompt recording of collections.

2. Late Payment Causes. Most problems of collection are due to late payment, rather than to any tendency of FMS customers to default on payments. Past experience has shown that it takes from 45 to 75 days after mailing the billing statement to receive collection. Late payments also frequently result from the purchaser's misunderstanding of the terms of sale, the content of the billings, or the general problems of communication. Recognition by MILDEPs should be given to the problem of improving communications with the customer on financial matters.

3. SAAC Responsibilities for Collection. Responsibility for collecting overdue debts to FMS cash sales is entirely that of SAAC until it has exhausted means of collection available to it. These means include:

a. Formal and Informal Contacts. Both formal and informal contacts with representatives of purchasers at appropriate levels.

b. Collection Assistance. Requests for collection assistance from the Security Assistance Organization located in the purchaser's country.

c. Requests for Collection Assistance. Formal or informal requests for collection assistance from DSAA, as well as informal contacts with State Department as required to determine additional collection actions to be taken.

4. Further Action on Delinquent Accounts. When all internal means of collection have been exhausted, delinquent accounts will be referred to the Comptroller, DSAA for further examination. Comptroller, DSAA will then either recommend further action to be taken by OSD or cause the debt to be referred officially to the State Department for diplomatic assistance. Data provided by SAAC to support the debt referral will include:

a. Origin and History. Origin and history of the debt including prior effort at collection.

b. Validity of the Claim. Validity of the claim, i.e., a discussion to identify any elements of the agreement which may be in dispute between the purchaser and the U.S.

c. Normal Military Channels. A statement that SAAC has exhausted its normal military channel with responsible foreign officials on behalf of the collection.

d. Adverse Impacts. Assessment of any adverse impact on our foreign customer if the issue is raised at the diplomatic level.

5. SAAC Holds Accounting Records After Transfer of Action to State Department. Delinquent Accounts Receivable will continue to be carried on the accounting records of SAAC even though primary collection responsibility may have been passed to the Department of State.

6. Reporting Formats and Frequencies. Details on delinquent debt reporting formats and frequencies are contained in DoD 7290.3-M and in DoDI 2140.4.

C. INTEREST ASSESSMENT ON DELINQUENT DEBTS.

1. Requirements to Assess. The Arms Export Control Act requires the Department of Defense to assess interest on delinquent debts that arise pursuant to the FMS Program. Within DoD, SAAC has responsibility to operate the FMS billing process and to assess interest on delinquent payments due from FMS purchasers.

2. Basis for Charge. Interest is assessed based on the net arrearage owed by a purchaser taking into account cumulative financial requirements and cumulative payments received on each and every FMS case that the purchaser has with the Department of Defense as of the due date of the FMS bills. Daily interest charges are assessed at an annual rate until such time as sufficient funds are received by the DoD to pay any arrearage amount not to exceed the value of outstanding unpaid billings. Such procedures provide maximum flexibility in utilizing all payments received, including initial deposits on new accepted cases, in computing the net cash position for the country.

3. Reports to FMS Customer. SAAC will provide the Ministry of Defense or comparable official of each FMS purchaser a report showing all arrearages existing as of the billing statement due date. Billings for the interest assessments, as appropriate, will be provided on a quarterly basis.

D. CLOSURE OF FMS CASES.

1. Certificates of FMS Case Closure. SAAC provides foreign purchasers "Final Statements of Account" to officially close FMS cases when:

a. Delivery and Billing. All materiel and services have been delivered and billed to the purchasers.

b. Collected Payments. SAAC has collected payments from the purchasers equivalent to the value of materiel and services provided.

c. Reimbursements. The costs of such materiel and services has been reimbursed to financing DoD appropriations and accounts.

d. Item Discrepancies. All minor item discrepancies have been resolved.

(1) To evidence that all materiel and services have been provided to the purchaser, implementing DoD components should provide SAAC with a "Certificate of FMS Case Closure" specifying the total value of materiel and services delivered to the purchaser, exclusive of add-on costs such as administrative and accessorial surcharges computed by SAAC.

2. Estimated Case Closure Dates. Final closure of FMS cases involving procurement from commercial vendors often cannot take place until several years after delivery of materiel because of the requirement for contract overhead audits, renegotiation of profit, and other similar requirements peculiar to the DoD procurement process. Foreign purchasers find such delays both irritating and confusing. To eliminate such confusion, defense components should specifically cite an "Estimated Case Closure Date" in all Letters of Offer applicable to cases that will involve procurement from commercial vendors. This estimated case closure date is additive to, not in lieu of, the estimated delivery dates normally referred to in the LOA.

E. CANCELLATION OF FMS CASES. In the event that the FMS purchaser cancels an entire FMS case prior to the delivery of all articles and services, a case cancellation fee may be assessed. One third of the administrative fee will be included in the "initial deposit" to cover this requirement unless otherwise agreed upon by the DSAA, Comptroller.

F. FINANCING REPORTS OF DISCREPANCY (ROD) WHEN THE U.S. GOVERNMENT IS LIABLE.

1. Purpose. The purpose of this section is to establish funding policy in those instances where the USG is legally determined to be financially liable for the resolution of a Report of Discrepancy (ROD). Procedural guidance for the completion of Standard Form 364, Report of Discrepancy, related to FMS shipments can be found in DoD 7290.3-M, and Joint Regulation DLAR 4140.60, AR 12-12, AFR 67-7, NAVSUPINST 4920.9B and MCO 4140.1B. Chapter 8, Section III and Table 8-III-3 contain additional information regarding Reports of Discrepancy.

2. General. Legislative requirements dictate that the USG conduct the FMS program on a break even (no cost, no profit) basis. This principle must be applied in determining whether USG or FMS administrative funds will absorb the cost of a particular ROD transaction determined to require USG corrective action.

3. Specific.

a. Specific Types of Discrepancies. Table 8-III-3 provides guidance for specific types of discrepancies and indicates whether FMS administrative funds or USG appropriated funds will finance the cost of correcting the discrepancy where the USG is legally liable to do so.

b. Re-Requisitioning Items. When customer countries are required to re-requisition items which were not previously shipped, they are required

to pay the existing price at the time of issue regardless of the fact that the item was initially released at a lower price.

c. RODs in Excess of \$10,000.00. All RODs in excess of \$10,000.00 will be submitted to DSAA for approval before being charged against FMS administrative funds. This submission will contain the Department/Agency legal position on the liability of the USG.

4. FMS Administrative Fund Budget Approval. The DSAA FMS Administrative Budget Call, which is issued on an annual basis to Military Departments and Defense Agencies, provides procedural guidance for the inclusion of estimated ROD costs that are to be financed from FMS administrative funds (see Chapter 13).

G. ADDRESS OF THE CENTRAL COLLECTION AND BILLING OFFICE.

1. The Security Assistance Accounting Center. SAAC is the single DoD activity authorized to render billings from FMS transactions and to receive deposits from FMS purchasers. Collections received by any other DoD components should be forwarded to SAAC immediately. Each LOA should be annotated to inform the FMS purchaser that SAAC is the central accounting activity for the agreement. The address of SAAC is Director, Security Assistance Accounting Center, Denver, Colorado 80279.

SECTION V - AMENDMENTS AND MODIFICATIONS
--

A. DD FORM 1513-1 - AMENDMENT TO OFFER AND ACCEPTANCE.

1. General. Normally, any requirement to increase the scope of an existing LOA will be treated as a new FMS LOA. A change in scope is considered to be any increase which adds to the articles and/or services which the DOD will be required to deliver under the LOA. Changes to the value of an LOA caused by increased costs of existing orders are provided to the customer on a Notice of Modification of Offer and Acceptance (DD Form 1513-2), as indicated in paragraph C3 below. While new LOAs are preferred, it is recognized that, within the parameters outlined below, amendment to the implemented LOA may be advantageous. It is also envisioned that, in many circumstances, amendments which will be accepted in the same fiscal years as the basic LOA will be accepted, subject to the recommendations of the DOD Component and staffing with DSAA, as required. In lieu of amendments, new LOAs, which cross-reference the previous LOAs, should be considered when changes to an ongoing program are required.

2. Minor Changes in Scope. There are exceptional circumstances when U.S. interests are best served by processing amendments to cover minor changes in scope. Such changes are considered to be the addition of up to \$1.0 million or 10 percent of the case value, whichever is less, of non-SCE articles or services directly required in support of the basic LOA. The Amendment to Offer and Acceptance (DD Form 1513-1) Figure 8-V-1, will be used to meet only minimum essential administrative needs. Any revision to an LOA which requires purchaser acceptance must be an amendment. Examples of minor changes in scope which will normally be acceptable include:

a. Changes of requirements within FMS training cases, provided that the period of performance is not extended over one year.

b. Minor changes in configuration of equipment previously ordered on an original LOA.

c. The omission in the original LOA on non-SCE supporting equipment or services for major weapon systems previously sold, provided that the addition of the omitted articles or services does not extend the project LOAs period of performance by more than 12 months.

d. Increase in time of performance of a service being provided on the LOA, e.g., technical assistance, provided the period of performance is not extended more than one year.

e. Minor increases in quantity of a defined item case for non-SCE items, provided the delivery period is not increased by more than 12 months.

f. Changes in terms and conditions (other than permissible unilateral changes on the part of the USG).

g. A change of transportation delivery codes which results in increased costs to the purchaser which were not previously accepted by the purchaser by previous correspondence.

h. Revisions to FMSO I cases, other than as provided below in paragraph A.3.c. of this section.

3. Major Changes in Scope. Major changes in the scope of an existing LOA require the preparation of a new FMS case (DD Form 1513). Major changes in scope occurs most frequently for:

a. Increases to the total value of an LOA of \$1.0 million or 10 percent of the case value, whichever is less.

b. The addition of SCE or MDE items.

c. Authorization to increase the amount of articles which may be purchased under a blanket order case or a FMSO II case and any extension of the case ordering period which will increase the period of performance of the basic LOA (or the value of a FMSO I case).

4. Purchaser Acceptance. The DD Form 1513-1 will be used only if the revision requires purchaser acceptance before implementation. If the revision is a unilateral change on the part of the USG to the terms and conditions of the LOA, or provides for the addition of a previously omitted pricing element or surcharge (except as indicated in paragraph A.2) which does not require purchaser acceptance, the DD Form 1513-2, Notice of Modification of Offer and Acceptance, should be provided to the purchaser (See Figure 8-V-2).

5. Identification of Percentages Rates for Certain Costs. The percentage rates used for determining packing, crating and handling costs, general administrative costs, and supply arrangement costs should not be indicated in the applicable blocks on the DD Form 1513-1. The guidance also applies to "Other Estimated Costs" (Block 26) should a percentage rate be applicable.

6. Processing DD Form 1513-1 with Cost Increase in Excess of \$1.0 million or 10 percent of Case Value, Whichever is Less. All DD Forms 1513-1 which reflects an increase in excess of \$1.0 million or 10 percent of the case value, whichever is less, must be coordinated with DSAA Operations Directorate. Complete rationale for the amendment and copies of the basic LOA and previous amendments and modifications must be provided to DSAA. No commitments for such amendments in advance of DSAA staffing is authorized. The cognizant DOD Component will determine the use of amendments up to the above thresholds, subject to the criteria outlined in the above paragraphs. Normal DSAA staffing and countersignature is required for all such amendments.

7. DSAA Recording of DD Form 1513-1s with Cost Increases in Excess of \$50,000. The DSAA data base will record amendments of more than \$50,000 in the fiscal year the DD Form 1513-1 is accepted. DD Forms 1513-1 which reflect an increase of \$50,000 or less shall be recorded in the year of the basic FMS case.

8. Detailed Instructions for Format. See detailed instructions on preparing the DD Form 1513-1 contained in Figure 8-V-1.

9. Initial Deposits. When an amendment is prepared to add additional defense articles or services, the existing LOA payment schedule may not include sufficient amounts to cover costs of the added articles/services from the expiration date of the DD Form 1513-1 until the next billing cycle. When this occurs, the DD Form 1513-1 should require an initial deposit. Use the methodology in Chapter 7, Section III, paragraph K.2. to determine the period the initial deposit should cover. Show the initial deposit requirement in the right hand corner of block (28) by typing "(28a) Initial Deposit (this Amendment): \$XXX,XXX.00." Also include the initial deposit in the financial annex payment schedule.

10. Undercollected Cases. New requirements will not be added to any case that has expenditures in excess of payments received, unless prior approval is obtained from DSAA. Implementing agencies will inform the purchaser that the amendment will be deferred until sufficient payments have been received to cover current financial requirements (including termination liability).

11. General Conditions. For overall purposes, all DD Forms 1513-1 will have appended to them a copy of Annex A, "General Conditions," which are part of the original case. Alternatively, at the discretion of the originating office, the DD Form 1513-1 may contain the following note:

"Except as expressly amended hereby, all terms and conditions of the subject case (including without limitation the General Conditions) continue in full force and effect."

B. PEN AND INK CHANGES - DD FORMS 1513 AND 1513-1. "Pen & Ink" changes are modifications to a DD Form 1513 or DD Form 1513-1 authorized by the issuing DoD component prior to acceptance of the document. "Pen & Ink" changes should be avoided to the maximum extent possible. The change may be at the request of the purchaser or an initiative of the issuing DOD component. If the change authorizes any revision of the total costs or terms of sale, the DSAA-Comptroller, FMS Control Division must concur prior to authorization. The issuing agency must authorize the pen and ink change by message or letter to the purchaser with a copy to SAAC and DSAA-Comptroller, FMS Control Division. Extensive changes must be made by issuance of a new or restated DD Form 1513 or a DD Form 1513-1 (after acceptance of the basic case) rather than by a pen and ink change. Copies of all DD Forms 1513 and 1513-1 that have been modified by authorized pen and ink changes must be disseminated to required organizations, for example SAAC. *

C. DD FORM 1513-2 - NOTICE OF MODIFICATION OF OFFER AND ACCEPTANCE.

1. Purpose. This form is utilized to record modifications to an existing LOA, which do not constitute a change in scope, except for decreases due to a deletion of an item. Modifications which do affect the scope of the LOA (other than decreases) require either a new DD Form 1513 or a formal Amendment (DD Form 1513-1, see Figure 8-V-2).

2. Acceptance of Foreign Country or International Organization. When the DD Form 1513-2 is used, acceptance by the foreign country or international organization is not required. Acknowledgement of receipt ensures that the Notice of Modification has been received by an authorized official. The DD Form 1513-2 should be used for changes in data which may be made unilaterally under an offer and acceptance (non-scope change).

3. DD Form 1513-2's Requiring DSAA Coordination and Countersignature. The following modifications to an LOA or Amendment must be accomplished by use of a DD Form 1513-2. Such modifications require DSAA coordination and countersignature prior to dispatch to the foreign country or international organization.

a. Price increases and related changes in payment schedules to a previous DD Form 1513 or Amendment thereto. DoD components issuing Letters of Offer will promptly and officially notify purchasers whenever the estimated total costs (Block 26 of the DD Form 1513) increase by ten percent. For such price increase notifications, to ensure that the country is fully aware of its options with respect to the cancellation or reduction of the case, the following information, if applicable, should be included in Block 11:

(1) The detailed reasons for the increase.

(2) Status of contracting for this purchase -- e.g., contract completed, contract still being negotiated, etc.

(3) The options that the country has, if any, with respect to avoiding the price increase (e.g., contract termination or reduction of quantities).

(4) The estimated financial consequences of selecting such options.

(5) Any time limits for notifying the U.S. Government of purchaser desire to cancel or reduce quantities.

b. Deletions of items, decreases in the quantities of articles to be sold, or decrease in value of a blanket order case. Notices to the purchaser of such changes should be issued if the result is a decrease in the "total estimated costs" of over 10 percent.

c. Changes initiated by the foreign country or international organization of terms (Block 27, DD Form 1513 and Block 28, DD Form 1513-1) from a type of assistance code (other than M or Z) to a MAP case (code M) or an FMS Credit Case (Code Z) must cite all types, sources, and amounts of financing.

4. DD Form 1513-2's Requiring No DSAA Coordination or Countersignature. The following additional modifications to a Letter of Offer or Amendment must be made on a DD Form 1513-2, but such modifications do not require DSAA coordination or countersignature prior to dispatch to the foreign country (provided there is no change in the "Total Estimated Costs" or "Terms of Sale").

- a. Changes or extensions exceeding 90 days of the delivery commitment date.
- b. Extensions of the ordering period for a blanket order type case.
- c. Changes to transportation codes due to the requirement to use the DTS (e.g., shipment of hazardous and sensitive cargo).
- d. Clarifying notes.
- e. Changes in payment schedules to LOAs or Amendments.
- f. Changes in Generic Codes and/or MASL Coding.

5. Price Changes During Case Closure. Price increases or decreases discovered during case closure will be assessed the country during final billing. Issuance of a DD Form 1513-2 is not required in addition to the final billing, unless specifically requested by the purchaser. However, such requests will normally be honored only where the total price increase or decrease amounts to 10% or more of the case value.

6. General Terms and Conditions. For record purposes, all DD Forms 1513-2 will have appended to them a copy of Annex A, General Conditions, which are part of the original case. Alternatively, at the discretion of the originating office, the DD Form 1513-2 may contain the following note:

"Except as expressly amended hereby, all terms and conditions of the subject case (including without limitations the General Conditions) continue in full force and effect."

7. Identification of Percentage Rate for Certain Costs. The percentage rates used for determining packing, crating and handling costs, general administrative costs, and supply support arrangement costs and other accessorial costs should not be indicated in the applicable blocks of the DD 1513-2. This guidance also pertains to "Other Estimated Costs" (Block 20) should a percentage rate be applicable.

8. Use of DD Form 1513-2 vs DD Form 1513-1. If there is any doubt as to whether to use the DD Form 1513, DD Form 1513-1 or the DD Form 1513-2 in a particular case, that case should be promptly referred to DSAA Operations for determination. [Note: When a DD Form 1513-2 is signed for dispatch, appropriate change card(s) should be submitted to the SAAC by the DSAA for inclusion in the 1200 System.]

9. Detailed Instructions and Format. See detailed instructions on the filling in of the blocks on the DD Form 1513-2 at Figure 8-V-2. *

FIGURE 8-V-1

UNITED STATES DEPARTMENT OF DEFENSE AMENDMENT TO OFFER AND ACCEPTANCE				(1) PURCHASER (Name and Address) (Zip Code)				
(2) PURCHASER'S REFERENCE		(3) AMD'T NO.	(4) CASE IDENTIFIER					
OFFER TO AMEND								
Pursuant to the Arms Export Control Act, the Government of the United States (USG) hereby offers to amend the above case for the purchase of defense articles and defense services subject to all other terms and conditions of the original case remaining unchanged.								
(6) Signature (US Dept./Agency Authorized Representative)				(10) Countersignature (Office of the Comptroller, DSAA) (Date)				
(6) Typed Name and Title				(11) Typed Name and Title				
(7) ADDRESS:								
(8) DATE:								
(9) THIS OFFER TO AMEND EXPIRES:								
NOTE: This Amendment to Offer must be accepted not later than the date shown in block 9. Within five (5) days of its acceptance, you must so notify the Office of the Comptroller, DSAA. Otherwise, this Amendment to Offer is cancelled and retention of initial deposit by offerer pending disposition instructions shall not be deemed a waiver of such cancellation. Request prompt notification if this offer is rejected.								
(12) DESCRIPTION AND REASON(S) FOR AMENDMENT:								
ITEM OR REF. NO. (13)	ITEM DESCRIPTION (Including Stock Number if applicable) (14)	QUANTITY (15)	UNIT OF ISSUE (16)	ESTIMATED		AVAILABILITY AND REMARKS (19)	OFFER RE-LEASE CODE (20)	DE- LIVERY TERM CODE (21)
				UNIT COST (17)	TOTAL COST (18)			
				(a) PREVIOUS COST		(b) AMENDED COST		
(22) ESTIMATED COST				\$		\$		
(23) ESTIMATED PACKING, CRATING, AND HANDLING COSTS				\$		\$		
(24) ESTIMATED GENERAL ADMINISTRATIVE COSTS				\$		\$		
(25) ESTIMATED CHARGES FOR SUPPLY SUPPORT ARRANGEMENT				\$		\$		
(26) OTHER ESTIMATED COSTS (Specify)				\$		\$		
(27) ESTIMATED TOTAL COSTS				\$		\$		
(28) TERMS								
ACCEPTANCE OF AMENDMENT								
(29) I am a duly authorized representative of the Government of _____ and upon behalf of said Government,								
accept this offer to amend under the terms and conditions contained herein (30) this _____ day of _____ 19 _____								
(31) TYPED NAME AND TITLE				(32) SIGNATURE				

DD FORM 1513-1
1 MAR 79

PREVIOUS EDITIONS MAY BE USED UNTIL EXHAUSTED.

PAGE 1 OF PAGES

FIGURE 8-V-1. United States Department of Defense Amendment to Offer and Acceptance (DD Form 1513-1).

INSTRUCTIONS FOR PREPARING THE UNITED STATES DEPARTMENT OF DEFENSE
AMENDMENT TO OFFER AND ACCEPTANCE (DD FORM 1513-1)A. BLOCK (1) PURCHASER.

1. For a country, enter "Government of (name of country)" and show the office and address of the purchaser's activity designated to receive the LOA (e.g., Defense Attache, 1111 24th Street, N.W., Washington, D.C. 20301).

2. For an international organization, enter the title of the organization along with the appropriate office and address.

B. BLOCK (2) PURCHASER'S REFERENCE. A reference will always be shown. The reference may be a letter, telegram, conference, meeting, oral request, etc. The reference will always include any pertinent data (e.g., letter serial, number, message date time group (DTG)). In the event that the reference is from other than the purchaser, delete the word "Purchaser" and indicate the source of the request.

C. BLOCK (3) AMENDMENT NUMBER. Enter a consecutive "numerical" amendment number. Do not reuse a number once it has been assigned to an Offer to Amend. When an offer is allowed to expire and a subsequent amendment is issued, it will be annotated to show that the preceding amendment was not accepted by the purchaser.

D. BLOCK (4) CASE IDENTIFIER. Enter the appropriate country code, implementing agency code and case designator (e.g., UK-P-DLG).

E. BLOCK (5) SIGNATURE. This block should be filled in by an authorized U.S. Military Department or Defense Agency representative prior to forwarding the amendment to the DSAA Comptroller for the required countersignature.

F. BLOCK (6) TYPED NAME AND TITLE. Type or stamp the name and title of the U.S. representative who signed Block (5).

G. BLOCK (7) ADDRESS. Enter the name of the issuing organization along with the address (e.g., DA, DCAS-SA, Pentagon, Washington, D.C. 20150).

H. BLOCK (8) DATE. Enter the day, month and year that the Amendment is submitted to the DSAA for countersignature.

I. BLOCK (9) THIS OFFER EXPIRES. Enter the appropriate date, normally 85 days from the date in Block (8).

J. BLOCK (10) COUNTERSIGNATURE. The authorized representative within the DSAA Comptroller for countersignature of the amendment should sign in this block. Signature will not occur unless all the necessary information is contained on the DD Form 1513-1.

K. BLOCK (11) TYPED NAME AND TITLE. Type the name and title of the DSAA Comptroller authorized representative for countersignature who signed Block (10).

FIGURE 8-V-1. (Continued)

L. BLOCK (12) PURPOSE OF THE AMENDMENT. Describe the purpose of the amendment (e.g., to add a new line and adjust costs accordingly). Enter the acceptance date of the basic LOA being amended. Do not rely on this block for any required amendment action. Details must be entered in Blocks (13) through (21).

M. BLOCK (13) ITEM OR REFERENCE NO. Enter reference to a specific part of the basic case or previous amendment (e.g., Item 1, Atch 2, basic; Item 1, Block (19), Amendment 2).

N. BLOCKS (14) THROUGH (19). Enter complete description of amended items. Describe whether the action is an addition, modification, or deletion. If there is a cost change, also enter the amount of increase or decrease. If a previous offer to amend has expired, explain and indicate that an affect on cost does not apply to the amendment being processed. Do not make such entries for unaccepted (and unexpired) offers to amend.

O. BLOCKS (20) AND (21) OFFER AND RELEASE CODE AND DELIVERY TERM CODE. Fill in as appropriate in accordance with the instructions contained in Chapter 7, Section II, Table 7-II-2.

P. BLOCKS (22) THROUGH (27).

1. In column (a), enter complete information from the previous accepted document (DD Form 1513 or DD Form 1513-1). In column (b) enter new costs.

2. Care should be taken when computing entries in Blocks 23 through 26 that administrative and accessorial charges are applied only to the appropriate items. If the administrative or accessorial charges are revised, do not show the percentage rate used in determining the cost contained in the applicable block.

Q. BLOCK (28) TERMS. Enter the original terms of sale or any changes thereto. In all cases where DoD direct or guaranteed FMS credit or MAP funding is used, insert the Fiscal Year of the FMS credit or MAP program followed by the words FMS Credit or MAP Merger as appropriate. If the sales agreement is to be financed by a combination of sources, each term of sale and applicable amount will be cited.

R. BLOCKS (29) THROUGH (32). These blocks should be filled in by the purchaser. Signed copies of the DD Form 1513-1 must be returned in order to complete acceptance. If terms remain, or are changed to "Cash with Acceptance" an appropriate payment must be received with the completed documents.

NOTE THE FOLLOWING INFORMATION
BEFORE SUBMISSION OF THIS AMENDMENT FOR COUNTERSIGNATURE

1. The Operations Directorate (DSAA-OPS) is the point of entry in OSD for the Military Departments and Defense Agencies to use in coordinating FMS cases. The Operations Directorate is also responsible for obtaining the coordination of appropriate OSD staff elements.

FIGURE 8-V-1. (Continued)

2. Submit for countersignature to the FMS Control Division, DSAA Comptroller (DSAA-COMPT) all DD Forms 1513-1 in original and 2 copies (one extra copy for credit or MAP funded cases).

3. Attach a Financial Annex to all DD Forms 1513-1 except FMSO I cases, which result in changes to the payment schedule.

4. Indicate the date of acceptance of the basic case. (The acceptance date is the date the DD Form 1513 is signed by the customer representative). The acceptance date should be conspicuously annotated in the upper right hand corner of Block 12, Description and Reason(s) for Amendment. (Example: "Basic Case accepted 25 Aug 1980").

5. Before notifying the customer of a change to cost or increase in scope prior to acceptance, obtain approval from DSAA/Operations.

6. Whenever a DD Form 1513-1 increases the original case value by more than \$50,000, the DD Form 1513-1 will be treated as a new case. Therefore, the DD Form 1513-1 information must be entered in the Letter of Request (LOR) system (in the same way the information was entered for the original DD Form 1513).

7. Attach a termination liability worksheet for each case of \$7 million or more that meets the criteria in Chapter 7, Section II, para C.8.c.(2).

8. Attach a financial analysis worksheet for each line item (end-items or services) with a total case value of \$14 million or more, or as required. (Reference Chapter 7, Section II, Para C.8.c.(1)(b)).

9. Letters of Offer reported under the AECA, Section 36(b) will include below Block 11 the identifying DSAA Transmittal Number used in the Statutory Congressional Notification (e.g., 81-15).

10. The name and telephone number of the action officer responsible for the preparation of the DD Form 1513-1 should appear at the bottom of all copies submitted to the DSAA for countersignature, excluding the original.

FIGURE 8-V-1. (Continued)

FIGURE 8-V-2

[page 1 of 2 pages]

UNITED STATES DEPARTMENT OF DEFENSE				(1) PURCHASER (Name and Address) (ZIP Code)		
NOTICE OF MODIFICATION OF OFFER AND ACCEPTANCE						
(2) PURCHASER'S REFERENCE		(3) NOTICE NO.	(4) CASE IDENTIFIER			
NOTICE OF MODIFICATION						
Pursuant to the Arms Export Control Act, the Government of the United States (USG) hereby notifies the purchaser of modification of the above designated case. All other terms and conditions of the original case remain unchanged.						
(5) SIGNATURE (US Dept./Agency Authorized Representative)			(9) COUNTERSIGNATURE (Office of the Comptroller, DSAA)(Date)			
(6) Typed Name and Title			(10) Typed Name and Title			
(7) ADDRESS						
(8) DATE						
(11) DESCRIPTION OF AND REASON(S) FOR MODIFICATION						
ITEM OR REF NO. (12)	ITEM DESCRIPTION (Including Stock Number, if applicable) (13)	QUANTITY (14)	UNIT OF ISSUE (15)	ESTIMATED		AVAILABILITY AND REMARKS (18)
				UNIT COST (16)	TOTAL COST (17)	
RECAPITULATION OF TOTAL DD FORM 1513 (Or 1513-1)		(a) PREVIOUS COST		(b) REVISED COST		
(19) ESTIMATED COST		\$		\$		
(20) ESTIMATED PACKING, CRATING AND HANDLING COSTS		\$		\$		
(21) ESTIMATED GENERAL ADMINISTRATIVE COSTS		\$		\$		
(22) ESTIMATED CHARGES FOR SUPPLY SUPPORT ARRANGEMENT		\$		\$		
(23) OTHER ESTIMATED COSTS (Specify)		\$		\$		
(24) ESTIMATED TOTAL COSTS		\$		\$		
ACKNOWLEDGEMENT OF RECEIPT						
(25) I am a duly authorized representative of the Government of _____ and upon behalf of said Government acknowledge receipt of this notice of modification (26) this _____ day of _____ 19____						
(27) TYPED NAME AND TITLE			(28) SIGNATURE			

DD FORM 1513-2
1 MAR 79

PREVIOUS EDITIONS MAY BE USED UNTIL EXHAUSTED

PAGE 1 OF PAGES

FIGURE 8-V-2. United States Department of Defense Notice of Modification of Offer and Acceptance (DD Form 1513-2).

(28) CONTINUATION
<p style="text-align: center;">REMARKS</p> <ol style="list-style-type: none">1. DD Form 1513-2 is utilized to record modifications to an existing DD Form 1513 and any related amendments thereto, but only for those modifications which do not constitute a change in scope. Modifications appropriate for DD Form 1513-2 include all notifications of price increases and related changes in payment schedules.2. Changes in scope of a DD Form 1513 require a formal amendment, utilizing DD Form 1513-1. Such changes are those which affect the type or number of major items and/or services to be provided or which significantly alter system configuration or functions. Such changes must be made by utilization of DD Form 1513-1.3. DD Form 1513-2 does not require acceptance by the recipient country (<i>customer</i>) but merely acknowledgement of receipt. (<i>DD Form 1513-1 does require acceptance</i>).4. All terms and conditions of an existing DD Form 1513 and any related amendments thereto not specifically noted to be modified by a DD Form 1513-2 are understood to remain unchanged and in effect.

FIGURE 8-V-2. (Continued)

INSTRUCTIONS FOR PREPARING THE UNITED STATES DEPARTMENT OF DEFENSE
NOTICE OF MODIFICATION OF OFFER AND ACCEPTANCE (DD FORM 1513-2)

A. BLOCK (1) PURCHASER

1. For a country, enter "Government of (name of country)" and show the office and address of the purchaser's activity designated to receive the Note of Modification of Offer and Acceptance (e.g., Defense Attache, 1111 24th Street, N.W., Washington, D.C. 20301).

2. For an international organization, enter the title of the organization along with the appropriate office and address.

B. BLOCK (2) PURCHASER'S REFERENCE. A reference will be shown when appropriate. A reference may be a letter, telegram, conference, meeting, oral request, etc. The reference will always include a date and any other pertinent data.

C. BLOCK (3) NOTICE NO. Use numbers in consecutive sequence. Do not mix Notice Numbers with Amendment Numbers. Number of Amendments (DD Form 1513-1) and Notices (DD Form 1513-2) are independent, thus a possible sequence of events might be: (1) Letter of Offer, (2) Notice 1, (3) Amendment 1, (4) Notice 2, (5) Amendment 2.

D. BLOCK (4) CASE IDENTIFIER. Enter the appropriate country or international organization code, implementing agency code and case designator (e.g., UK-P-DLG).

E. BLOCK (5) SIGNATURE. Type or stamp name and title of the U.S. representative. Authorized representative should also sign this block.

F. BLOCK (6) TYPED NAME AND TITLE. Type or stamp the name and title of the U.S. representative who signed Block (5).

G. BLOCK (7) ADDRESS. Enter the name of the issuing organization along with the address (e.g., DA, DCAS-SA, Pentagon, Washington, D.C. 20150).

H. BLOCK (8) DATE. Enter day, month and year.

I. BLOCK (9) COUNTERSIGNATURE. The authorized representative with the DSAA Comptroller for countersignature of the modification should sign in this block. Signature will not occur unless all the necessary information is contained on the DD Form 1513-2.

J. BLOCK (10) TYPED NAME AND TITLE. Type the name and title of the DSAA Comptroller authorized representative for countersignature who signed Block (9).

FIGURE 8-V-2. (Continued)

K. BLOCK (11) DESCRIPTION OF AND REASONS FOR MODIFICATION. Describe briefly the modification(s) and the reason(s) requiring that such modification(s) be made. Such information should be sufficiently clear, complete and specific that it could reasonably be anticipated to satisfy the customer without recourse to further correspondence. (These remarks may be continued on the reverse of the DD Form 1513-2, under Box 26, Continuation). Enter the acceptance date of LOA or amendment being revised. In all cases where DoD direct or guaranteed FMS credit or MAP funding is being used, insert the Fiscal Year of the FMS credit or MAP program followed by the words FMS Credit or MAP Merger as appropriate. If the sales agreement is financed by a combination of sources, each term of sale and applicable amount will be cited.

L. BLOCK (12) ITEM OR REFERENCE NUMBER. Enter reference to a specific part of the basic case or previous amendment.

M. BLOCKS (13) THROUGH (18). List only the items modified. Show dollar amounts in whole dollars only. For all notifications of price changes enter the previous cost along with the revised cost.

N. BLOCKS (19) THROUGH (24). Enter in Column "a" the previous applicable costs from the original offer and acceptance or prior amendments and/or notices of modifications thereto for the applicable cost lines. The best estimate of the revised costs should then be entered in Column "b". If the administrative or accessorial costs change, do not indicate the percentage rate used to determine the costs conditioned in the applicable block.

O. BLOCKS (25) THROUGH (28) ACKNOWLEDGEMENT OF RECEIPT. An authorized official of the foreign purchaser should sign and forward the document to the Military Department or Defense Agency concerned to ensure that the Notice of Modification has been received.

NOTE THE FOLLOWING INFORMATION
BEFORE SUBMISSION OF LOA FOR COUNTERSIGNATURE
(See paragraph C.4. of this section for those 1513-2 actions
exempt from countersignature requirement)

1. The Operations Directorate (DSAA-OPS) is the point of entry in OSD for the Military Departments and Defense Agencies to use in coordinating FMS cases. The Operations Directorate is also responsible for obtaining the coordination of appropriate OSD staff elements. (See paragraph C.3. of this section for those notices requiring DSAA coordination and countersignature.)

2. Submit for countersignature to the FMS Control Division, DSAA Comptroller (DSAA-COMPT) all DD Forms 1513-2 in original and 2 copies (one extra copy for credit and MAP cases).

3. Attach a Financial Annex to all DD Forms 1513-2 except FMSO I cases, which result in changes to the payment schedule.

4. Indicate the date of acceptance of the basic case. (The acceptance date is the date the DD Form 1513 is signed by the customer representative.) The acceptance date should be conspicuously annotated in the upper right hand corner of Block 8, Description of and Reason(s) for Modification. Example:

FIGURE 8-V-2. (Continued)

"Basic Case accepted 25 Aug 1980". This date is important to determine the fiscal year to which the change is applicable.

5. The name and telephone number of the action officer responsible for the preparation of the DD Form 1513-2 should appear at the bottom of all copies submitted to the DSAA for countersignature, excluding the original.

FIGURE 8-V-2. (Continued)

CHAPTER TEN

**

TRAINING PROGRAM MANAGEMENT

SECTION I - INTERNATIONAL MILITARY EDUCATION AND TRAINING (IMET)
--

A. INTRODUCTION.

1. International Military Education and Training Program Guidance. This section provides guidance and instructions for providing military training and training aids to foreign countries as grant aid in a manner that will ensure the greatest benefit to the program.

2. General Authority. The International Military Education and Training (IMET) Program is authorized by Chapter 5, Part II of the Foreign Assistance Act of 1961, as amended, and provides for military education and training on a grant basis to military and related civilian personnel of friendly countries.

3. Scope of Program. Such training and education may be provided through attendance at military educational and training facilities in the United States (other than service academies) and abroad; attendance in special courses of instruction at schools and institutions of learning or research in the United States and abroad; and observation and orientation visits to military facilities and related activities in the United States and abroad. As used in this chapter, the term "Continental United States," (CONUS), excludes Hawaii; the term "United States," or "U.S.," includes both Alaska and Hawaii.

4. Purposes. Education and training activities conducted under this chapter shall be designed to encourage effective and mutually beneficial relations and increased understanding between the United States and foreign countries; to improve the ability of participating foreign countries to utilize their resources, including defense articles and defense services obtained by them from the U.S., with maximum effectiveness, thereby contributing to greater self-reliance by such countries; and to increase the awareness of nationals of foreign countries of basic issues involving internationally recognized human rights.

B. AREAS OF PRINCIPAL EMPHASIS. To the extent consistent with the purposes of IMET, principal emphasis will be placed as follows:

1. Individuals Likely to Occupy Key Positions: Training of individuals who are likely in the future to occupy positions of influence or prominence within the foreign country's armed forces.

2. Encouragement of Professionalism: Training which encourages military professionalism and the interchange of military doctrine, particularly by attendance at U.S. service schools at the advanced career, command and staff and war college levels.

3. Management of Resources: Training related to the management of resources at all levels within the foreign defense establishment.

4. Balanced Program: Training that does not devote an inordinate or excessive portion of funds in any one requirement at the expense of others and one in which host country needs are satisfied by an appropriate mix of IMET, MAP, and national resources subject to the availability of funds.

5. CONUS Training: All of the objectives in paragraph C (below) are best served in the long run by CONUS training and education which offers the best training environment and also exposes Foreign Military Trainees (FMTs) to U.S. society, institutions, and goals and the way in which these factors reflect the U.S. commitment to democracy and the basic principles of internationally recognized human rights.

C. OBJECTIVES OF IMET. Within the above purposes, the objectives of providing grant aid training to foreign countries are:

1. Operation and Maintenance Skills. To create skills needed for effective operation and maintenance of equipment acquired from the U.S.

2. Effective Management. To assist the foreign country in developing expertise and systems needed for effective management of its defense establishment.

3. Development of Training Capability. To foster development by the foreign country of its own indigenous training capability.

4. Provide an Alternative to Soviet Military Training. To reduce indigenous country training dependence on the USSR and its allies.

5. Rapport and Understanding. To promote better understanding of the U.S., including its people, political system, and other institutions and how they reflect the U.S. commitment to the principles of internationally recognized human rights.

Initially, all of the objectives stated above should be pursued simultaneously, with emphasis shifting progressively from operations and maintenance to management of in-country capabilities, and finally to preserving military rapport and understanding of the U.S. The ultimate objective is to limit programs to the latter and should be pursued as rapidly as possible, consistent with the achievement of overall objectives.

D. CONSTRAINTS AND DSAA APPROVAL. FMTs are admitted to a wide range of the courses available through the MILDEPs, consistent with U.S. foreign policy, national security and broad considerations involving legislation, training policy, technology transfer, and national disclosure policy.

1. DSAA Approval. Consequently, requests for the following types of training must be approved by DSAA on a case-by-case basis and must include specific justification:

a. Training not Related to Objectives. Training which is not clearly related to achievement of the objectives set forth in paragraph C (above).

b. Training for the Purpose of Obtaining a Degree. This constitutes training at U.S. military or civilian schools leading to a Bachelors or Masters degree, or credits toward such degrees, as opposed to specific military training. Training leading to a Doctoral degree or which is at the Ph.D. level is not eligible for IMET funding. The justification should include the rationale for providing the training under IMET and not FMS, an indication of the benefits to both the country and the U.S., and a statement regarding the intended utilization of the FMT after completion of the training. Finally, the justification should also include the number of IMET graduates and/or students that have been enrolled in the same curriculum or field during the previous five years, to include students undergoing training, and why it is considered necessary to train additional personnel. (Note: DSAA approval for degree level training at U.S. military or civilian schools is contingent on a specific and demonstrated country requirement which necessitates education up to and including a master's degree for persons who perform designated functions). See also sub-paragraph "s" (below).

c. Training at U.S. Civilian Schools. All training at U.S. civilian schools.

d. Training of Civilians. All training for which civilians are nominated or proposed under IMET must be approved by DSAA. A justification including the following information should be submitted to DSAA:

(1) A description of the civilian's relationship to the foreign country's defense establishment.

(2) A description of the student's current or future functions and responsibilities and the justification for the training requested.

(3) Whether the civilian will remain in the position for which trained for a sufficiently long period to warrant the expenditure of IMET funds. Normally, a minimum of three years is considered adequate.

e. Non-Career Personnel. Training in the U.S. for military personnel without career status.

f. Skills Used in Civil Sector or for Civic Action. Training in basic skills normally used by both the military and civilian sectors; also training which, even though uniquely military in nature, is primarily for the purposes of civic action or nation building.

g. Availability of In-Country Facilities. Training available in country at military or civilian educational and training facilities, or any training for which the foreign country possesses the technical competence and economic capability to establish in-country training facilities, exclusive of Professional Military Education and Training.

h. Sufficient Trained Personnel Available. Training already provided in a quantity which, taking into account reasonable attrition, is sufficient to meet the military requirements of the requesting country.

i. Orientation Tours (OT). When requesting DSAA approval for orientation tours/visits to various U.S. military installations and activities, certification by the U.S. ambassador of the importance of the tour to the country's effort must be provided with supporting rationale, to include proposed itinerary and areas of interest.

j. English Language Training (ELT). Except as specifically authorized elsewhere in this chapter, English language training not in support of the in-country ELT program or in support of specific U.S. training.

k. Non-Utilization of Skills. Any training where, on the basis of experience, it appears unlikely that the skills produced will be utilized properly by the requesting country.

l. Police Training and Related Programs. Any police, internal intelligence or surveillance, or civilian law enforcement training conducted in a foreign country or in the U.S., as indicated by restrictions placed on such training by Section 660 of the FAA. "Police" as used in this prohibition includes military as well as civilian police if the military police perform civilian law enforcement functions. Neither the name given to a unit by the foreign government nor the ministerial authority under which it operates is sufficient in and of itself to determine whether a particular force is a "police unit." The determining factor is the nature of the function performed by that unit. Certification is required from the country that the student(s) to attend military police training will not be involved with or assigned to a unit performing in any civilian law enforcement functions for a period of at least two (2) years. A similar certification is required for any training provided on an individual rather than a unit basis, if the individual is from a unit which performs on-going civilian law enforcement functions. See also Chapter 2, Section IV, "Special Provisions," paragraph A.8.

m. Intelligence and Other Sensitive Training. The scope of military intelligence training normally available to FMTs is limited to that which is directly related to combat or operational intelligence. Tactical intelligence training provided under security assistance programs will not be extended to include training in support of national intelligence programs of foreign countries. All requests for intelligence training provided by the MILDEPs will be reviewed carefully by the cognizant MILDEP to ensure compliance with this paragraph. Other potentially sensitive training requests should be addressed to DSAA for appropriate guidance, processing, or decision. Requests for the Combined Strategic Intelligence Training Program (CSITP) should be addressed to the Defense Intelligence Agency (ATTN: DIC). Requests which include IMETP funds to support attendance at CSITP must be justified with information copies to DSAA and HQ USAF. See also Chapter 2, Section IV, "Special Provisions," paragraph A.8.

n. Repetitive Training. Repeated participation by foreign individuals in orientations and/or the same training courses.

o. Training in Support of FMS Equipment. Training in support of FMS equipment purchases should be programmed and accomplished as a part of the overall FMS agreement. IMET should not be used to support major equipment purchases unless specifically approved by DSAA and included as a part of the FMS agreement.

p. Minimum Duration of Student Training in U.S. Prior DSAA approval is required to program students for training in the U.S. for less than eight weeks total duration if all or part of the overseas travel is paid by IMET. If host country elects to fund round-trip transoceanic travel, no DSAA approval is required to program such training. Mandatory CONUS personnel processing or English language training will not be considered as part of the eight-week requirement. This limitation does not apply to orientation tours.

q. Deployment of DoD Personnel or Teams. All training which requires U.S. personnel to travel to another country to conduct the training must be approved by DSAA prior to programming the training or making any offer or commitment to the foreign government(s) involved. See paragraph E.2. for specific criteria regarding MTTs. This includes U.S. Navy refresher training conducted outside the United States and its territorial waters.

r. DISAM Training. Except for SAO local hire personnel, IMET funds will not be used to finance foreign attendance at DISAM or DISAM MTTs.

s. Excessive High Cost Training. In principle, IMET funds should not be used for excessive high cost training. High cost training is defined as any education or any single course of training with a tuition cost of \$25,00 or higher. However, selected high cost training will be considered on a case-by-case basis by DSAA when justified, depending upon the training requested, the state of development of the host country, and within an overall balanced program. See also paragraph D.1.b. (above) concerning degree training.

2. Requests for Waivers. Requests for waivers to the above constraints will be submitted to DSAA as soon as the requirement for such training is known. Requests will include complete justification for the training and except for Ambassadorial certification for OTs (see paragraph D.1.i. above) will include a statement of SAO chief concurrence. Such requests will be addressed by the SAO to DSAA and the unified command as joint action addressees. DSAA will respond following receipt of unified command recommendation(s).

3. Programming. Training program lines requiring approval by DSAA will be programmed by the MILDEPs with the appropriate waiver code in the DSAA waiver (card column 58) column of the 4/Q cards. SAOs will be required to submit written justifications at the Unified Command Workshops. Waiver requests not submitted at the workshops will be submitted no later than 90 days prior to student report date. If approved, DSAA will authorize the MILDEP to program requested training and include an "A" in Card Column 57 to signify approval. The waiver code in Card Column 58 will be a permanent entry and maintained for historical purposes. Training waivers approved by DSAA at the Unified Command Workshop may be coded "A" by the MILDEPs.

E. TRAINING GUIDANCE.

1. Student Training.

a. Training at U.S. Military Facilities and Civilian Institutions. Under budget project and generic code N10, individuals are trained at U.S. military facilities and civilian institutions in the U.S. or abroad. Included

are formal courses of instruction, observer training (OBT), on-the-job training (OJT), and orientation training tours (OT). For accounting purposes, costs related to the Informational Program are also charged to this account. For programming instructions, see paragraph K of this chapter.

(1) U.S. Military Service Schools. Foreign military trainees (FMTs) desiring to attend U.S. military service schools must meet the same qualifications as U.S. personnel. These requirements are set forth in applicable school catalogs, DoD Instruction 5010.16-C, "Defense Management Education and Training," and other media. Questions concerning specific entrance requirements should be addressed to the military department having cognizance over the particular training facility.

(2) U.S. Civilian Schools. Training at non-military institutions is authorized only if equivalent training is not available at U.S. military facilities. DSAA approval is required prior to programming. (Resulting approval will be indicated by placement of an "A" in column 58 of "4" and "Q" cards.)

(3) U.S. Service Academies. IMETP funds cannot be used to fund attendance at the service academies.

b. English Language Training. Technical control of all English language training programs is the responsibility of the Defense Language Institute English Language Center (DLIELC). All English language training -- basic, intermediate and advanced, provided to achieve the English comprehension level required for entry into training, and provided under the provisions of International Military Education and Training or Foreign Military Sales, will be conducted by DLIELC. Exceptions to this may be approved on a case-by-case basis by the Director, DSAA.

(1) Minimum English Comprehension Level (ECL). It is the responsibility of the foreign country to ensure that trainees meet the ECL required for attendance at the particular course of instruction, regardless of how or where the language training is conducted. Except as may be specifically authorized elsewhere in this manual, 55 is the minimum ECL cut-off score for entry into English language courses, other than language instructor or refresher training at the Defense Language Institute English Language Center (DLIELC). Exceptions to this requirement require prior DSAA approval and will be granted only where clearly justified by unusual circumstances. Countries permitted to attend DLIELC under the minimum ECL cut-off score of 55 will be notified at the beginning of each fiscal year (IMET only).

(2) Foreign Countries' Responsibility. With few exceptions, all foreign countries are considered to possess the resources (e.g., public and private schools, commercial institutions) needed to provide the necessary English language training to meet the ECL level set forth immediately above. Countries will be expected to increase their English language training capability above the minimum 55 ECL requirement. Assistance may be provided under the IMET program by training of instructors at DLIELC, by providing English language mobile training teams (MTTs) or field training services (FTS), and by providing appropriate English language training aids and equipment. Information on these MTTs and FTS is contained in DLIELC 1025.1-M.

(3) Specialized English Language Training (SET). Provided the general ECL requirements have been met, SET may be provided in those cases where the military department concerned determines that exceptional fluency or specialized vocabularies are essential to safety and/or effective participation in the course of instruction. The annotation SR (SET required) or SA (SET advised) will appear in the ECL/SET REQ column of the MASL for these courses. Specialized English language (technical terminology) training and supplemental technical terminology training may be conducted by agencies other than DLIELC when the following conditions are met:

(a) The trainees have achieved the prerequisite English comprehension level proficiency as prescribed by Service regulations, for entry into technical training.

(b) Such training is given in conjunction with equipment-specific "hands on" training or familiarization, and

(c) Such training is effective and economical for the U.S. and/or foreign government and meets the technical standards set by DLIELC.

(4) Security Assistance Organization (SAO) Responsibility. SAOs are responsible for ensuring that trainees meet the minimum ECL prescribed by the MILDEP for each course of instruction or for entry into DLIELC, as outlined in Section E.1.b.(1) above. Test materials to determine the ECL of foreign selectees are provided by DLIELC, together with instructions for administering the tests. ECL minimum requirements by course are listed in the Military Articles and Services List (MASL), published by DSAA, effective FY 84 and beyond.

(5) Service Waivers. Requests for waivers to minimum course ECL prerequisites to training provided by MILDEPs will be made to the cognizant MILDEP.

(6) English Language Training by Commercial Contract. In those cases where the Director, DSAA, approves that English language training be provided in CONUS (or OCONUS) by a commercial contract funded under IMET (or FMS), DLIELC will provide technical advice and assistance during the contracting process. When English language training is contracted, DLIELC will periodically evaluate the English language training program to insure it is meeting the needs of the students.

(7) Test of English as a Foreign Language (TOEFL) and Graduate Record Examination (GRE). SAOs are authorized to program the cost of the TOEFL and the GRE as part of the course cost under IMET when required for entrance into approved military undergraduate or graduate training programs. Inclusion of the cost of the GRE for graduate training at other than military installations will be authorized by DSAA on a case-by-case basis. Costs of travel by prospective FMTs to the testing site will not be funded under IMET.

(8) Direct Entry ECL Failure Forfeiture Charge. A forfeiture charge of 50 percent will be imposed in all instances when direct entry FMTs fail to achieve the prerequisite ECL on the CONUS course entry ECL test and when failure results in rescheduling or cancellation of direct entry training

due to a language deficiency. This forfeiture policy applies to all direct entry FMTs, including those from countries granted a waiver from the in-country screening ECL testing.

c. Indigenous Training.

(1) In-Country Training Capability. Development of country self-sufficiency depends largely upon the quantity and quality of instructors available to operate in-country training establishments.

(2) Instructor Training. As a basic objective, country personnel designated for instructor assignments should be given priority consideration for U.S. training. If MILDEPs offer specialized instruction for the development of instructor personnel, these courses should be used to the fullest extent possible in developing and maintaining an effective recipient country instructor force.

(3) Assistance in Determining Deficiencies. In addition to specialized training for country personnel, MTTs or survey teams may be made available to eligible countries to assist in determining deficiencies, recommending corrective action, and providing instruction toward the objective of improving country training capability through instructor development. However, such MTTs and survey teams will be made available in accordance with paragraph 2 (below).

d. Fifth Quarter Training.

(1) Fund Availability. Funds are made available for training under "Fiscal Limitation" .001, which identifies funds requiring obligation within the fiscal year for which appropriated. As a means of increasing course scheduling flexibility for IMET, training commencing between 1 October and 31 December may be programmed in either the preceding or current fiscal year program, thus providing a "fifth quarter" in which to implement training in a given fiscal year. Training having fifth quarter availability will be programmed with a "5" in column 70, and will be priced at budget year prices.

(2) Obligation of Funds. When fifth quarter training is programmed in the preceding year, funds must be obligated by 30 September of that year. Training in courses commencing between 1 January and 30 September must be included in the program of the fiscal year in which it commences. Particular problems should be referred to DSAA Comptroller for resolution.

(3) Restrictions. Fifth quarter programming applies to IMET individual student training courses only, and may not be used for orientation training, MTTs, or other training materials or services.

e. Defense Resources Management.

(1) Program Development. In developing programs for training in the field of resources management, care must be exercised to avoid "mirror imaging" of U.S. concepts, systems, and procedures which exceed the real needs or capabilities of the foreign country. There is no precise definition of what constitutes resources management or the skills associated with it. The

following listing, therefore, is intended as a guide to subjects generally considered to pertain to this field of activity.

(2) Planning. Defining defense objectives and making decisions among alternative courses of action to achieve these objectives.

(3) Programming. Establishing schedules for achieving objectives, collecting functions and activities sharing the same objective into families (programs), and estimating resource requirements for each.

(4) Budgeting. Formulating detailed yearly projections of resource requirements for the programs, obtaining and allocating associated funds, and balancing priorities in the competition for limited resources.

(5) Management of Capital Assets. Acquisition and disposition of goods and services. Management systems relating directly to tactical use of weapons and support systems are normally excluded.

(6) Management of Resources of Operating Activities, Including Employment of Manpower Resources. Administering the acquisition of consumable resources and their consumption in the execution of assigned missions.

(7) Accounting. Measuring results and status, usually in financial terms, for both organizational units and functional areas.

(8) Reporting. Transmitting financial and non-financial information on status and results of operations and investment to the appropriate levels of management.

(9) Evaluating. Analyzing defense activity performance and test results to determine the merit or degree of effectiveness of the activity or resources concerned.

(10) Auditing. Reviewing the accuracy of reported results and judging the adequacy of and compliance with established policies and procedures.

(11) Financial. Budget submissions, status reports on obligations and allotments, general ledger accounting, working capital fund reports.

(12) Manpower. Military and civilian authorization procedures, manpower status reports, management engineering methods.

(13) Supply. Item and weapon system supply management, inventory accounting, property disposal.

(14) Maintenance. Field maintenance management procedures, depot maintenance industrial fund, standard cost accounting and workloading.

(15) Facilities. Management reports, contract construction procedures.

(16) Acquisition. Contractual procedures, cost information reports.

(17) Research and Development Test and Evaluation. R&D concept papers, project control documents, test design, analysis, reliability.

f. On-the-Job Training. On-the-Job Training (OJT), or qualification training for CONUS Air Force courses, is training conducted on a planned program of supervised instruction devoted to practical application of a previously achieved skill usually related to a formal course of instruction. Programmed OJT will normally supplement formal technical training received at a school. This training will be planned in advance in the country's training program and will include detailed requirements for training in specific areas of interest and on types of material used by the country concerned. OJT conducted independently and not in conjunction with formal courses of instruction will be authorized in the U.S. only when no course covering the desired training is available. OJT in overseas schools and installations will be provided in accordance with the policies established by the Commander of the Unified Command concerned.

2. Mobile Training Teams (MTTs). MTTs are provided under budget project/generic code N20, and are composed of MILDEP personnel on temporary duty for the purpose of training foreign personnel.

a. Approval Criteria. As with any other aspect of a particular IMET country program, the decision to use MTTs should be based on consideration of all of the advantages and disadvantages inherent in the use of the particular MTT at a particular time, and in a particular country. A fundamental objective of IMET is to reach foreign military personnel who are, or are likely to be, influential in their services/countries by having them attend professional level CONUS training. The intent is to expose the foreign trainee to the American people, their way of life, institutions, beliefs, and aspirations. While this objective is not exclusive or overriding with respect to other considerations, it must be considered when selecting MTTs versus CONUS training. Moreover, any decision to use MTTs solely for their apparent cost benefits runs the risk of detracting from accomplishment of overall IMET objectives. Finally, MTT requests under IMET should clearly demonstrate that MTTs are the best training option and IMET is the only funding option. Every attempt should be made to provide MTTs through FMS rather than IMET.

b. Other Criteria Bearing on MTTs. Within the guideline established above, MTTs should be considered when one or more of the following factors are clearly present:

(1) The training must be accomplished in the most rapid manner possible or in response to a particular threat or adverse condition affecting the security of the country concerned.

(2) The training is of relatively short duration and must reach a large number of trainees and entails extensive use of interpreters or language-qualified team members.

(3) The training can only be conducted on equipment or in facilities located in the foreign country.

c. Authorization Criteria. MTTs may be authorized for deployment to foreign countries and also to U.S. installations and facilities as follows:

(1) Requirements Beyond In-Country U.S. Capability. Overseas deployment would be for specific training requirements in country which are beyond in-country U.S. resources and for which it is more expeditious, practical, and economical to bring the capability to the country.

(2) Equipment Transfers. Overseas deployment would be for training in support of FMS financed equipment when a DSAA waiver is obtained or for training associated with MAP equipment transfers wherein the recipient country may be assuming ownership of U.S.-furnished equipment at other than a U.S. facility.

(3) Surveys. Overseas deployment would be for the purpose of conducting in-country training surveys to determine specific country training needs, determine capability and quantity requirements which are beyond the country capability to assess, and are associated with equipment deliveries or assistance leading to self-sufficiency.

(4) U.S. Installations. CONUS deployment would be for the purpose of providing training to foreign personnel at U.S. installations and facilities in those instances when the equipment used for training is either owned by or allocated for delivery to the foreign recipient.

d. As a matter of policy, IMET will not be used to fund MTTs from DoD schools.

e. Implementation. MTTs are implemented by the MILDEP concerned and may be drawn from service resources in the U.S. or overseas, as necessary.

f. Duration. IMET MTTs are authorized on a temporary duty basis for a period not to exceed six months. MTT assistance required for a period in excess of six months or identical follow-up teams are not authorized. Requirements for assistance exceeding six months should be met by CONUS training of country personnel leading to an in-country capability and/or programming of engineering and technical services specialists.

g. Subsistence, Per Diem, and Transportation. Subsistence expenses, or per diem allowance in lieu thereof, obligated in one fiscal year for MTTs cannot be extended into the succeeding fiscal year. Therefore, personnel on MTT duty must terminate their TDY and return to home station prior to 30 September, unless action has been taken to reprogram the team in the new fiscal year, subject to the six month restriction contained in sub-paragraph "f" (above), receipt of Continuing Resolution Authority (CRA) or other budget authority in the new fiscal year, and DSAA approval has been granted. Transportation costs for round trip team travel are chargeable to the fiscal year of the start of the TDY.

h. Coordination and Preparation. Use of MTTs requires special coordination and preparation with country personnel prior to team arrival. Establishment of the team mission in precise terms, to include availability of training equipment by type, student availability, capability, ECL, training facilities, transportation, communications, and team living arrangements should be the subject of country-SAO discussion prior to programming, and should be finalized prior to the team's arrival.

i. Programming Instructions. Compliance with paragraph D.1.q. of this section is required prior to programming MTTs under IMET. MTTs will be programmed under generic codes N2A-N2V. Refer to Appendix D, Table D-9 of this Manual for further definition and breakdown of these generic codes.

(1) Duration and Numbers in Team. MTTs will be programmed to indicate duration in weeks and number of team members. The cost of teams in terms of duration in weeks and number of team members will include:

Transoceanic Travel (round trip),
In-Country Travel,
Station and Travel Per Diem Allowance,
CONUS Travel and Team Orientation,
Official Baggage, including excess, if justified,
Salaries of DoD Civilians.

(2) TDY Per Diem Allowances Outside CONUS. Per diem allowance costs during TDY travel outside CONUS will be computed according to rates shown in current Joint Travel Regulations (JTR) for military personnel, and according to rates shown in current Standard Regulations, Government Civilians, Foreign Areas (published by the Department of State), for U.S. Government civilians.

(3) CONUS Travel Rate. Cost of CONUS travel of team members will be programmed at an estimated rate which includes cost of commercial air transportation, official baggage (not to exceed 150 pounds), and per diem.

(4) Teams Furnished from Overseas. Cost of teams furnished from overseas will be computed using commercial air (tourist rate) transportation, per diem, and excess baggage.

(5) Overseas In-Country Travel. In addition to the factors indicated above, \$15.00 per man per week is authorized for programming purposes to cover overseas in-country travel, if the actual cost is unknown.

(6) Official Baggage. When the nature of a team requires official baggage not to exceed 150 pounds or five pieces of checked baggage per man (84 pounds excess), \$150.00 overseas round trip per man is authorized for programming purposes. Cost estimates for team baggage which exceed 150 pounds or five pieces of checked baggage per man will be obtained from the MILDEP concerned prior to programming.

(7) Joint MTTs. A joint MTT will be programmed using the appropriate MASL line of the MILDEP having the predominant number of members. In the event of a balanced team, use the MASL line of the MILDEP counterpart to the requesting foreign country service.

(8) Column Utilization When Programming MTTs. When programming MTT requirements, only the cost to cover transportation (including authorized excess baggage) and per diem for team members will be programmed in columns 51 through 56 of the country program. Costs for MTT deployment orientation/training and training aids (including packing, crating, handling and transportation (PCH&T)) which must accompany the MTT if it is to properly carry out its function will be programmed as follows:

(a) Predeployment Orientation/Training. Predeployment orientation/training costs for team members will be reflected as "unit cost" and programmed in columns 36 through 43 of the country program.

(b) Training Aids. Training aids (including PCH&T) will be programmed separately in the country program under generic code N2, description: MTT-TRNG AIDS (MASL Item-ID 309000-CONUS, 319000-0/S). This program line will show the next appropriate sequential "alpha" in column 65 of the worksheet control number. Only those training aid requirements for use by the MTT which cannot be predetermined and requisitioned under FMS will be included under this procedure, subject to approval by DSAA.

j. Not Authorized for Technical Assistance. MTTs are not authorized for the purpose of providing "technical assistance."

3. Technical Assistance. Technical Assistance Teams (TATs) and Technical Assistance Field Teams (TAFTs) are provided under generic code M, and are normally requested at the time major equipment is ordered.

a. TATs are composed of U.S. DoD personnel deployed to a foreign country in a TDY status to place into operation, maintain and repair equipment provided under foreign military sales (FMS) or grant aid programs. TATs are not considered to be security assistance training and are not provided under IMET.

b. TAFTs are composed of U.S. DoD personnel deployed in a PCS status for the purpose of providing in-country technical support to foreign personnel on specific equipment, technology, weapons, and supporting systems, when MTTs and ETSSs are not appropriate for the purpose requested. TAFTs are not considered to be security assistance training and, therefore, are not provided under IMET.

4. Field Training Services (FTS). Budget project N30 provides funds for DoD Engineering and Technical Services Specialists (ETSS) and Contract Field Services (CFS) personnel, as specified below:

a. Approval Criteria. See paragraph 2.a. above.

b. DoD Engineering and Technical Services Specialists (ETSS). ETSS are DoD military and civilian personnel technically qualified to provide advice, instruction, and training in the installation, operation, and maintenance of weapons, equipment, and systems.

(1) Administration. ETSS will be attached to the SAO rather than assigned and carried on the Joint Table of Distribution (JTD). They will not be provided as an augmentation to the SAO staff to perform duties which are normally the responsibility of that staff. They will not be used for follow-on retraining or in advisory roles, except in rare instances when the recipient country is not capable of providing qualified personnel from its own resources or of hiring qualified personnel from non-indigenous sources and the SAO recommends it in the interest of the U.S. ETSS provided as English language instructors, supervisors, or advisors on detached duty status from DLIELC will be attached to the SAO, as specified above.

(2) Duration. ETSS may be provided for periods up to but not exceeding one year, unless specifically approved by DSAA. In those rare cases

where the technical services are required for periods in excess of one year, ETSS personnel will be attached to the SAO for operational control and administrative and logistical support.

(3) Programming Instructions. ETSS will be programmed under generic code N30.

(a) Requirements. ETSS personnel will be programmed on the basis of man-month requirements. The program cost will include:

CONUS Travel,
Transoceanic Travel (round trip),
In-Country Travel,
Station Allowance (military or civilian),
Overseas Allowance (military or civilian),
Official Baggage, including excess, if justified,
Salaries of DoD Civilians.

(b) In-Country Travel. For programming purposes, a factor of \$40.00 per man per month is authorized to cover the cost of in-country travel, if the actual cost is unknown.

(c) CONUS Travel. For programming purposes, a factor of \$320.00 is authorized to cover the cost of CONUS travel.

(d) Overseas Living Allowance. For programming purposes, a factor of \$210.00 per man per month is authorized as a living allowance.

(e) Official Baggage. For programming purposes, \$150.00 round trip per man is authorized for official baggage (five pieces of checked luggage, not to exceed 150 pounds total; 84 pounds excess).

b. Contract Field Services (CFS) Personnel. CFS are furnished under contract with private industry. They provide advice, instruction, and training in the installation, operation, and maintenance of weapons, equipment, and systems. CFS will be utilized only when necessary for accomplishment of a military mission, provided that it can be clearly shown that personnel of the required skill are not available from DoD resources and the MILDEP involved determines that satisfactory provision of services by DoD personnel is not practicable. Conditions of CFS must be approved by DSAA.

(1) Programming Instructions. CFS requirements will be programmed on the basis of man month requirements. The program cost will include:

Transoceanic Travel (round trip),
Contract Cost (per month),
Living Allowance,
Official Baggage, including excess, if justified.

(a) Contract Cost. Contract cost will be based on a per month rate and will include cost of transportation from home office to the U.S. port of embarkation, less the living allowance payment (in local currency) described below.

(b) Local Currency Living Allowance. A daily living allowance (payable in local currency) is authorized for CFS Personnel. For programming purposes, a factor of \$210.00 per man per month is authorized (payable in local currency) as a living allowance. The \$210.00 factor will be programmed as a dollar requirement.

(c) Official Baggage. Unless other and more accurate cost requirements are known, program \$150.00 round trip per man for official baggage (150 pounds total, 84 pounds excess). CFS may be programmed on a one-year basis in a fiscal year program for total man-month cost regardless of whether the duration (man-month service) extends into the subsequent fiscal year.

5. Orientation Tours (OT). This category includes orientation tours and, for programming and accounting purposes, related Informational Program requirements.

a. Orientation Tours and Policy Guidance.

(1) Objective. The objective of orientation tours is to provide selected students an opportunity to become acquainted with U.S. military doctrine, techniques, procedures, facilities, equipment, organization, management practices, and operations through short term orientation as opposed to attending longer term formal courses. In addition to the purely military objectives to be achieved through orientation training, it is intended that orientation tours serve to enhance mutual understanding, cooperation, and friendship between U.S. forces and those of participating nations.

(2) Country Team Evaluation. OTs for IMET funding should be programmed only after the U.S. ambassador attests to their importance to the country's efforts with adequate supporting rationale provided by the SAO to DSAA for approval. OTs should not comprise a major portion of an established program nor be a routine use of country program funds.

(3) Foreign Participants. OTs are generally intended for key personnel. The basic premise under which OTs are offered is that only officers holding important positions, or those with the possibility of holding such positions, shall be selected. Visits by foreign military cadets to U.S. service academies are not authorized under IMET. Participation in orientation tours should be limited to officers occupying important positions but below the U.S. equivalent of Chief of Staff or Chief of Naval Operations. Visits of foreign officers equivalent to a Chief of Staff or Chief of Naval Operations are conducted at the invitation and expense of the U.S. MILDEP concerned. Based on DSAA approval, IMET funds may be considered on a case-by-case basis to finance portions of such visits, after they have been approved by the appropriate service chief.

(4) Student Selection. Selection of students for orientation tours and the design of itineraries should be made on the basis of maximum accomplishment of orientation tour objectives as outlined in paragraph C. Where tour objectives are specific in terms of exposure to specialized techniques, procedures, and facility operation, the schedule should be designed accordingly, as opposed to tours in which the objective is intended to be broad exposure to concepts, higher level decision making, management, and

staff operation. In no instance should tour itineraries reflect a tourist orientation schedule in which the tour objectives are obscure. Visits to large metropolitan centers which do not directly relate to orientation tour objectives should be avoided. DSAA approval of the orientation tour itinerary and areas of interest is required prior to commitment to the host country.

(5) Approval of Exceptions. Requests for OTs which fall short of the objectives as stated herein will be forwarded to DSAA with supporting rationale and justification for approval prior to any proposal to country officials which could be construed as an agreement to provide a tour.

(6) Official Entertainment. Official entertainment in connection with OTs (luncheons, dinners, receptions) should be in keeping with the grade and position of the tour participants. Protocol activities of this nature should be arranged on an austere basis. Activities which could be interpreted as being lavish should be avoided.

(7) Size of Tour Groups. Large group OTs are discouraged. Experience indicates that orientation tours for large groups are difficult to manage and usually result in a bland experience for the majority of participants, at a disproportionate cost. In addition, since OTs are expensive in terms of both service support resources and IMET funds, the number of personnel comprising OTs should be kept to a minimum.

(8) Assignment of Executive Agency and Escort Officers. An executive agency is assigned to conduct and provide escort officers for OTs in the CONUS. The executive agency is the MILDEP having primary interest in the tour, or the MILDEP selected by DSAA as executive agency to implement a specific tour. Every effort will be made to provide escort officers fluent in the language of the tour participants when lack of English fluency of the participants makes a language qualified escort essential to tour objectives. Normally, an SAO representative should not be used as escort officer. However, in exceptional cases and with prior approval of DSAA, the executive agency may consider an SAO representative to serve as an escort officer when justified, e.g., because of special qualifications, workload, unusual rapport with key host country personnel, and associated projects/contacts which might be beneficially exploited to the U.S. advantage. The SAO representative selected as an escort officer will be under the complete jurisdiction of the executive agency and will remain with the tour at all times until the tour participants return to host country. TDY travel and per diem costs for the escort officer for the duration of the tour are chargeable to IMET funds, and will be programmed as a separate program line in the country program under budget project N70. U.S. personnel other than bona fide escort officers designated or agreed to by the executive agency for tour implementation are not authorized to accompany tour groups. A factor of \$600.00 per man week is authorized for programming (N7B) when escort officer services are required in connection with orientation tours. The dollar value of escort officers is programmed in columns 51-56 of cards 4 or Q, as applicable.

(9) Leave for Participants. When authorized in student Invitational Travel Orders (ITO), leave may be taken by tour participants at the conclusion of an OT at no additional expense to IMET.

b. Types of Tours. OTs for Distinguished Visitors (DV) and orientation training tours are authorized for IMET programming. When submitting orientation tour requirements, the positions held by the visiting officers will be indicated for the type of tour selected.

(1) Orientation Tours for Distinguished Visitors. OTs for DVs are authorized for the purpose of providing an OT for senior country officials holding positions of major importance and higher authority below the equivalent U.S. position of Chief of Staff or Chief of Naval Operations. Requests for OTs at the Chief of Staff and higher levels will not be funded under IMET and should be referred to the corresponding U.S. element for action. DV tours are restricted to not more than one per service per year, subject to MILDEP capability to implement the tour. DV tours are normally for a period not to exceed 14 calendar days plus overseas travel time and to not more than five visitors per tour. Travel arrangements (mode of transportation for transoceanic and domestic travel) and accommodations should be comparable to those provided U.S. personnel under similar circumstances. Instructions contained in paragraphs 5.a.(1), (2), and (3) above apply.

(2) Orientation Training Tours (OTTs). OTTs are authorized for the purpose of providing an orientation tour for selected officers who may become future leaders and policy makers, but do not presently qualify as a DV. Tours should be restricted in number to the extent possible and limited primarily to foreign military participants. The overall target should be to reduce the cost of the tour by restricting the number of participants involved. Instructions contained in paragraphs 5.a.(1), (2), and (3) above apply.

6. Observer Training. Observer training is training during which the student observes methods of operation, techniques, and procedures as a medium of instruction. Observer training is not related to a formal course of instruction although it sometimes supplements or follows a student's formal training.

a. Conditions for Authorization. Observer training will be authorized only when no course covering the desired training is available. This includes specialist-type training.

b. Exclusions. In addition, certain observer training explicitly excludes "hands on" training. For example, foreign personnel enrolled under medical observer training will be prohibited from actual hands-on patient care.

7. DoD Informational Program (IP). In accordance with DoD Directive 5410.17, each trainee attending a formal course in the U.S. is given the opportunity to participate in the IP. The objective of the program is to assist trainees in acquiring a balanced understanding of U.S. society, institutions, and goals, in addition to their military experience while in the U.S. In addition, the program gives foreign personnel the opportunity to gain maximum benefits from their learning experience by participation in extracurricular activities arranged by the MILDEP in order to facilitate their adjustment to their new surroundings. Activities such as visits to private homes, local industries, industrial and cultural exhibits, farms, schools, historical points of interest, sports events, and civic activities are to be encouraged.

In the interest of fostering understanding and goodwill, the program should include frank explanation and free discussion with the trainees of our governmental structure, our judicial system, the two-party system, the role of our free press and other communications media, minority problems, the purpose and scope of labor unions, our economic system, our educational institutions, and the way in which all of these elements reflect the U.S. commitment to the basic principles of internationally recognized human rights. Consistent with the responsibilities and duties of trainees, the Geneva Convention (concerning the principles and rules of the laws of armed conflict) should be included.

a. Applicability. The program applies to foreign military trainees and military-sponsored visitors in the U.S. under the security assistance program. As appropriate to the surrounding environment, the IP also applies to DOD training installations overseas performing security assistance military training functions.

b. Responsibility for Implementation. MILDEPs are responsible for implementation of the IP. Cost factors for implementing the program will be included in and derived from the course tuition costs. Commanders of U.S. training installations will designate a foreign training officer (FTO) for consolidated administration of FMTs and to conduct the IP.

c. Funding. Extraordinary expense funds (N60), as limited by foreign assistance appropriations and foreign assistance acts, are also authorized for use in conducting certain IP activities for IMET FMTs.

d. Scope of Funded Activities. IP activities include transportation, meals, lodging, admissions, programs, and related incidental expenses. The student will be required to assume personal costs for laundry, cleaning, telephone services, and all other costs not directly associated with the programmed tour. IP funds may be used to finance the cost of distinctive medallions, plaques, ornaments, or mementos which serve to commemorate the student's experience in participating in a particular IP activity. They should be distinctive in design and nominal in cost so as to eliminate the feeling on the part of FMTs that reciprocation is required.

(1) Use of Local Civic Groups. IP activities should make maximum use of local civic groups, organizations, agencies, facilities, and historical attractions. Of particular interest is the development of a student sponsorship program to include both U.S. military and civilian participants. Emphasis should be placed on activities in the civilian sector of the community in which the trainee is training as a means of providing the best possible exposure to the civilian aspects of the program. When program objectives cannot be fully satisfied in the local area, visits to other communities are authorized.

e. Visits to Washington, DC. A major goal of the IP is to enable officer students and, when justified and approved by DSAA, selected senior enlisted students to visit Washington, DC. A maximum of four days for this aspect of the tour is authorized, not to include travel time. Training schedules, weather, and other variables may preclude achievement of this goal. In this regard, priority attention is to be given to fulfillment of the primary training objective for which the student was sent to the CONUS, with the IP assuming a subordinate role.

f. Entertainment and Social Activities. Entertainment and social events should not be a predominant element of the program. Social activities arranged for foreign trainees should include a proportional number of U.S. military, civilian guests, and trainees whenever possible.

g. Duty Status of Trainees. Trainees participating in IP tours are considered to be in a duty status. The living allowances authorized for IMET trainees at their training centers (see Table 10-II-2 of this chapter) will be continued throughout the duration of the tour.

h. Participation of Dependents. Dependents who accompany or join FMTs in the U.S. will be encouraged to participate in IP activities, but at no additional cost to the program.

8. Country Liaison Personnel. Use of foreign personnel as liaison officers to assist U.S. training activities with FMT administration is authorized only after the MILDEP concerned has acknowledged the need for assistance and has the capability to provide logistic support. Liaison personnel will normally be authorized only in those instances in which a country is scheduled to train a large number of students or where student background warrants liaison personnel assistance. Programming procedures for travel and living allowance are the same as for FMTs, if funded under IMET. Liaison personnel will be programmed under generic code N10. Liaison officers will not be authorized to pursue a course of instruction concurrently with liaison duties.

9. Correspondence Courses. Correspondence courses are not eligible for IMET funding.

10. Self-Invited Visits. Self-invited visits are outside the purview of security assistance. Requests should be submitted outside of security assistance channels, from the host country Washington Attache to the cognizant MILDEP in accordance with applicable MILDEP regulations.

11. Contractor Training. Contractor furnished training is normally not eligible for IMET funding and should be obtained through FMS. Requests for exceptions will be considered on a case-by-case basis and only when the specific training is not available from the MILDEPs.

12. Civilian FMT Privileges. Civilian FMTs under ITOs are authorized commissary and exchange privileges subject to MILDEP and unified command regulations.

F. GENERAL GUIDANCE CONCERNING STUDENTS.

1. Selection and Utilization of Trainees.

a. Selection of Trainees. To the extent practicable, personnel trained under the auspices of the IMET program, and particularly those attending CONUS schools, will be selected from career personnel likely in the future to occupy key positions in the foreign country's defense establishment. Except as may be authorized specifically by DSAA, the requirement for selection of career personnel is mandatory for attendance at professional level schools (e.g., command and staff or equivalent and higher, and college level).

b. Utilization of Trainees. Under the direction and supervision of Commanders of Unified Commands, SAOs are responsible for obtaining appropriate assurances that personnel trained under the auspices of this program are properly and effectively utilized. Such utilization is defined as prompt employment of the individual in the skill for which trained for a period of time sufficient to warrant the expense to the U.S.

(1) A system of periodic review of trainee assignments should be incorporated into SAO operating procedures. As a guide, optimum assignment periods are considered to be three years for flight instruction and highly technical training such as missile training, and not less than two years for other training, particularly instructor training.

(2) To the extent consistent with available resources, SAOs are expected to maintain surveillance over utilization of U.S. trained personnel, with emphasis on the more critical and higher level skills and personnel attending CONUS schools. Periodic reports rendered by appropriate foreign authorities normally will satisfy this requirement.

2. Student Security Screening. A security screening of trainees will be accomplished by U.S. officials in country prior to issuance of the ITO for all scheduled training, regardless of level of classification. Additional information is required for trainees attending classified courses.

a. Attendance in Classified Courses. The SAO must receive a statement in writing from the foreign government that the government concerned sponsors the trainee, that the trainee has been subjected to a security screening and that the level of security clearance granted by his government does not constitute a security risk to the United States, that the information to be obtained during the training will not be released to another nation without the specific authority of the U.S. Government, that classified information will be provided the same degree of security afforded it by the U.S. Government, and that any proprietary rights involved (patented/copyrighted or not) will be respected and protected. When this certification is obtained, the applicable statement will be checked in Block 8 of the ITO, DD Form 2285 (Figure 10-II-1, this chapter).

b. Access to Classified Material. The security certification described above does not constitute a U.S. clearance as the basis upon which to release classified material to the trainee. When classified instruction is requested, action will be taken with the MILDEP concerned to establish the authority and determine the classification of material to be released during training, based on a need to know and disclosure agreements with the country making the request.

3. Transportation and Accommodations for FMTs. It is DoD policy to encourage foreign countries to assume the cost of transportation for their students so that IMET funds are utilized to permit higher numbers of students to be enrolled in training.

a. Travel within Student's Country. The program will not pay travel costs of trainees traveling within their own country.

b. Use of Foreign Flag Carriers. Whenever possible, SAOs assigned to countries which have national flag carriers with routes to or part way to the U.S. will obtain agreement from the host countries to transport their respective trainees on such carriers at no cost to the U.S.

c. Modes of Transportation when Furnished by the U.S. Travel between home country and the training center for those FMTs provided transportation by the U.S. Government will be the most direct route, except as specified below.

(1) Travel to/from CONUS by Military Airlift Command (MAC) Aircraft. FMTs are authorized to travel by MAC aircraft. Transportation of FMTs including those whose country elects to pay the cost of the transportation will be at common user rates.

(2) Travel to/from CONUS by U.S. Commercial Air or Surface. Travel to and from the U.S. will be via U.S. Government transportation (MAC) to the fullest extent feasible. When the use of U.S. Government transportation for the entire trip does not permit the trainee to meet course or class convening dates, combinations of U.S. commercial air or surface common carrier (tourist class) and government transport will be used. Where this combination has been used, U.S. Government transportation for the return travel to the home country will be utilized to the fullest extent possible.

(3) Travel within CONUS. Transportation to and from training installations within the U.S. generally will be by surface common carrier or commercial aircraft. Travel by privately owned vehicle (POV) may be authorized except in those instances in which it would be prejudicial to the best interests of the U.S. Government.

d. Funded Travel. Transportation may be funded except for those students from countries with which the U.S. has reached agreement for such countries to pay transportation expenses.

e. Transportation for Dependents of Trainees. Transportation for dependents of trainees will not be provided at U.S. Government expense. If the trainee elects to bring his dependents to the U.S. (or to an overseas training installation) for those courses identified in Table 10-II-2, Note 4, he may be allowed the cost of his transportation as prescribed in his ITO so that he may travel with his dependents. When this option is selected, the student is required to utilize U.S. flag carriers if available. In these instances, the trainee will be reimbursed for travel costs as follows:

(1) The MAC tariff rate if MAC transportation would have been the mode utilized through U.S. Government arrangements, or the actual cost of travel, whichever is lower.

(2) Category Z rate or the actual cost of travel, whichever is lower.

f. Transportation for Emergency Leave. Round trip transportation costs for a trainee returning to his homeland on emergency leave will be paid by the trainee or his government if he is to return to the U.S. for continuation of training.

g. Deviations From Planned Travel Routes. When a trainee is permitted by his government to deviate from the most direct route for the purpose of visiting other countries, U.S. sponsorship will terminate at the point and time of such deviation. Further, should a trainee elect to remain at a point enroute to his homeland beyond the time normally required to make travel connections, funding of allowances during that excess time is not authorized.

h. Enroute Accommodations. Accommodations on U.S. installations provided to foreign students enroute will be commensurate with those provided U.S. personnel of equivalent grade.

i. Travel to Non-Resident SAO. SAOs responsible for managing an IMET program for a country in which it is not resident may program transportation to/from that SAO for briefing/debriefing of IMET FMTs, so long as there is no U.S. representation in the country of the IMET trainee that could provide the service and when requested by the Ambassador. This does not apply for cost sharing countries.

4. Living Allowances for FMTs. The IMET living allowance is a standard rate, equally applicable to all countries, and is intended to cover an average cost differential of the trainee living away from his home station. It is not a substitute for normal compensation. Responsibility for timely payment of sufficient overall compensation to allow for decent living standards and effective completion of the training rests with the trainee's country. It is DoD policy to encourage foreign countries to assume the cost of all living allowances so that IMET funds are utilized to permit higher numbers of students to be enrolled in training.

a. Entitlements for Trainees in Travel Status. When IMET pays travel and living allowance, trainees are entitled to living allowances during travel status, to include the day of departure from home country (JTR rate), through the day of arrival at their first training location. Living allowance in training status will commence the day after arrival at the training location. Living allowance in a travel status will resume the day of departure from the last training location and terminate the day of arrival in home country, excluding any leave period authorized by trainee's government following termination of training or any unauthorized delay enroute. In no case will the program pay travel costs or living allowances of trainees traveling within their own country.

(1) Transoceanic Costs Borne by Foreign Country. Trainees whose travel to the U.S. is paid by their own government are entitled to living allowances in a travel status to include the day of departure from the U.S. entry port enroute to the training location, through the day of arrival at the training location. Living allowance in a travel status will resume the day of departure from the last training location and include the day of arrival at the U.S. departure point. This policy also applies to FMTs whose country pays a portion of the transoceanic travel costs, e.g., from homeland to London and return.

b. Entitlements for Trainees in Training Status. A living allowance will be programmed for all trainees in a training status, unless otherwise directed, as indicated in paragraph F.4. (above). See Table 10-II-2 of this chapter. For programming purposes, a standard factor will be used for

officers and for enlisted personnel, on the assumption that quarters are available, mess is not available for officers; quarters and mess are available for enlisted personnel. For enlisted personnel, the full entitlement is not paid directly to the trainee. Enlisted personnel are paid a reduced stipend per week for the purchase of personal items of health and comfort, with the remainder programmed for reimbursement to the appropriate MILDEP for laundry and subsistence. Where it is known in advance that quarters and/or mess are not available, the appropriate factors in Table 10-II-2 of this chapter will be used for programming. Where it is determined that dependents are authorized to accompany trainees, i.e., those attending selected courses designated by the MILDEPs as indicated in Note 4 of Table 10-II-2 of this chapter, the "with-dependents" rate will be used.

c. Non-Authorized Living Allowances. Living allowances are not authorized for:

- (1) Periods of unauthorized absence from duty.
- (2) Excess travel time not authorized by the administrative authority of the MILDEP concerned when proceeding by other than U.S. government transportation.
- (3) Periods of delay not in connection with training except for hospitalization or outpatient care.
- (4) Trainees whose country assumes the payment of all living costs.
- (5) Periods of training conducted in the home country of the trainee, except for Panamanian IMET students attending Panama Canal Area Military Schools (PACAMS).
- (6) Periods of leave for individuals on orientation tours.
- (7) Periods of leave authorized by trainee's government following termination of all training courses.

d. Leave with Living Allowances. IMET trainees who receive living allowances while in training status may be granted leave with living allowances within CONUS during authorized holidays, during periods between consecutive courses, and during periods of delay while awaiting transportation at the port of departure for their home country. The SAO and the MILDEPs are jointly responsible for reviewing scheduled sequences of training for individual FMTs to determine whether additional training courses or on-the-job training/observer training (OJT/OBT) could be programmed to fill gaps between courses prior to preparation of the ITO for all FMTs.

e. Advance Payment of Living Allowances. Advance payment of living allowances not to exceed \$100 may be made to trainees at the port of entry or the first training location for trainees in the U.S. and at the first training activity for overseas trainees. MILDEPs may authorize advance payment of allowances which may accrue during the remaining authorized periods following the termination of training.

f. Settlement of Claims. Vouchers for settlement of outstanding entitlements for IMET students will be submitted via the SAO to the nearest U.S. paying agent for payment to the trainees in local currency at the authorized exchange rate no later than 15 calendar days upon return to country. If it is determined that an IMET trainee who has departed the CONUS or overseas training activity was overpaid in CONUS or at the overseas activity by an amount in excess of any amount otherwise owed to the trainee upon submission of the final travel voucher by the SAO in country, no attempt will be made to collect the overpayment from the trainee. The MILDEP concerned will determine whether a funding adjustment via an IMET Order is necessary for the worksheet control number (WCN) series concerned.

5. Baggage Weight Allowance for FMTs.

a. Authorized Baggage.

(1) Authorized Weight Allowance. The baggage allowances outlined below are total allowances, excess baggage being the difference between the baggage permitted by the transportation carrier and the total allowance. These allowances apply for that portion of the travel costs payable from U.S. funds. (Note: Baggage sizes and dimensions are to conform to carrier stipulations.)

(a) Two pieces of checked baggage, not to exceed 70 pounds each are authorized for FMTs programmed for training of less than 40 weeks duration.

(b) Three pieces of checked baggage, not to exceed 70 pounds each are authorized for FMTs programmed for flying training of less than 40 weeks duration.

(c) Four pieces of checked baggage, not to exceed 70 pounds each are authorized for FMTs programmed for training of 40 weeks duration or longer.

(d) In those instances where U.S. and foreign flag carriers differ in free baggage allowance, or baggage is authorized beyond 140 pounds, transportation officers will issue Government Excess Baggage Authorization Ticket (GEBAT) or equivalent to cover the difference up to the free allowable amount of the U.S. flag carrier(s) and also any authorized excess baggage allowance.

(2) Instructional Course Materials. The cost of shipment of student retainable instructional materials (RIM) will be included in the tuition rates for all formal courses, based on standard rates set by Section 71106 of DoD 7290.3-M.

(a) Weight Allowances. The following weight allowances apply to shipment of instructional material:

1. 200 pounds for all courses the MILDEPs consider to be in the PME category (as approved by DSAA) and which will appear in the MILDEP appendices to the JSAT Regulation.

2. 50 pounds for all other courses.

(b) Packing and Labelling. This material is to be packaged and labelled at the training installation and shipped via the most expeditious means to the SAO of the country for delivery to the FMT, or to the official address for classified material. A copy of the student's ITO will be placed inside the package. Use of the APO/FPO address of the sponsoring SAO is authorized; packages must be addressed to the SAO, not to the FMT.

(c) Personal/Unauthorized Matter. The training installation will ensure that no personal effects or other unauthorized matter is shipped with the instructional material.

(d) Cost to Students. Students wishing to send their instructional materials via international mail, and/or send instructional materials in excess of the total maximum allowance, will do so at their own expense.

b. Unauthorized Baggage. Shipment of baggage in excess of the weight allowance contained in 5a(1) above is not authorized. Disposition of unauthorized baggage will be made at the expense of the trainee or his government. Commanding officers of the training or administrative installation should ensure that unauthorized baggage is shipped at the trainee's expense prior to his departure from the installation. Trainees reporting to ports of departure with unauthorized baggage will be requested to forward the unauthorized baggage by commercial means at their expense. If lack of time prohibits this, unauthorized baggage will be taken into custody by the traffic representative, and the trainee will be given a receipt for the baggage. The trainee will remain on the scheduled flight or carrier. After departure of the carrier, the traffic representative will deliver the unauthorized baggage to the nearest appropriate foreign consulate.

c. Guest Instructors at Panama Canal Area Military Schools (PACAMS [SCIATTS and IAAFA]) and CONUS-USARSA. Shipment of household goods from the Panama Canal area or CONUS to their home country is authorized for Latin American guest instructors who have completed a tour of duty at PACAMS or USARSA. The net weight allowance is 2000 pounds for married guest instructors and 200 pounds for single guest instructors. A net weight allowance of 4,000 pounds is authorized for married Latin American guest instructors when assigned as Deputy Commandant. In addition to net weights listed above, weight allowances are authorized for crating and packing materials on the same basis as for U.S. military personnel and in accordance with the JTR. Shipment of household goods in excess of authorized net weight will be at the expense of the guest instructor or his government. Shipment will be by surface common carrier. Air freight may be used only when surface common carrier is not available.

6. Uniforms and Personal Clothing. Except for charges for uniforms required for students in the Inter-American Air Forces Academy (IAAFA), furnishing uniforms or any items of personal clothing, other than special items of training clothing or equipment, is not authorized.

7. Visits to Canada and Mexico. Foreign trainees attending instruction in the CONUS may be authorized visits of not over 72 hours to Canada and

Mexico. They must comply with all immigration and customs regulations. Such visits will not affect the trainee living allowances.

8. Dependents of Trainees. Dependents will be discouraged from accompanying or joining trainees except in those cases where the MILDEP concerned determines for specific trainees and courses that housing and other amenities are available and presence of dependents will make an important contribution to the student's learning experience. Where dependents are authorized by the MILDEP, i.e., for officers attending selected courses as indicated in Note 4 of Table 10-II-2, a living allowance may be paid in accordance with rates established in this table. In no event, however, will transportation of dependents be at U.S. expense.

9. FMT and Dependent Employment. FMTs and alien dependents of FMTs are not allowed to seek employment during their stay in the United States. U.S. Embassy and/or security assistance personnel should make every attempt to explain this fact to FMTs at predeparture briefings in order to discourage such employment. In this connection, U.S. country team personnel should take all action necessary to insure that passports with A-2 Visas or related documents concerning FMTs and their alien dependents are not annotated with "Employment Authorized."

10. Disposition of FMTs in Event of an Emergency. In the event of a national emergency, procedures and policy for the disposition of trainees and other foreign military visitors in the U.S. and at U.S. installations abroad will be promulgated by DSAA.

G. EXTRAORDINARY EXPENSES. Extraordinary expenses (budget project N60) are defined as those expenses incident to representational activities for FMTs. They include costs of commandant's welcome, receptions, banquets for civilian and military sponsors, class/seminar dining-ins, faculty-student luncheons, graduations, and other similar activities which bridge cultural differences and enhance the relationship between school officials, local community supporting participants, and foreign students while attending courses of instruction in U.S. and overseas facilities. N60 funds are limited by legislation contained in Section 636(g) of the Foreign Assistance Act of 1961 and related appropriation acts.

1. Use in Connection with IP and Orientation Tours. Extraordinary Expense funds may also be used for activities described in paragraph G (above) in connection with IP and orientation tours. Conditions contained in Section E.6. will guide such arrangements. The expenditures of N60 funds for other than students sponsored under IMET is not authorized. However, joint activities with FMS funded foreign trainees are often cost effective. In that case, IMET N60 funds and IP funds are pro-rated on the basis of respective number of IMET and FMS students.

2. Determining Amount. In determining the amount of N60 funds intended to be used for representational type activities, the following guidelines pertain:

a. Basic Allowance. An amount of \$1.00 for each officer and 50 cents for each enlisted trainee per course week is allowed.

b. Senior Officers and Senior Civilian Personnel. (Lt Colonels/Commanders and civilian equivalents, and above). When Senior and nondistinguished visitors are on an orientation tour or IP activity, the allowable N60 expenditure will not exceed \$9.00 per individual per installation per activity, not to exceed \$18.00 per day per individual.

c. Foreign Individual Member of OT/DV. For each foreign individual member of an OT/DV, as described in paragraph E.5., the expenditure of representation funds is authorized at a rate not to exceed \$18 per individual per installation per activity visited and not to exceed \$36 per day per individual.

d. Use for Contingencies. N60 funds may also be used to finance the cost of certain contingency expenditures when they clearly support overall training objectives and are within the legislative constraints contained in the Foreign Assistance Act. Disbursement of funds under these circumstances is authorized only after approval by DSAA.

3. Programming. Programming of dollar requirements will be accomplished by MILDEPs as prescribed in paragraph J of this section. Legislative restrictions on extraordinary expense funds require that ceilings for representation expenses be provided to MILDEPs by DSAA once worldwide requirements are measured against the legislative limitation.

H. OTHER TRAINING SUPPORT. Budget project N70 provides funds for U.S. military guest officers, supplies and materials used exclusively for IMET (excluding training aids), and student support costs.

1. Costs of Facilities Used for Both IMET and FMS Training. Costs related to constructing, extending, refurbishing, or maintaining U.S. training facilities used for both IMET and FMS training will be shared between the IMET and FMS customer countries on a pro rata basis. Such costs should be financed initially by the appropriate MILDEP and the course costs charged for training at these facilities will be adjusted to provide reimbursement to the MILDEP appropriation.

2. Medical Costs. A factor of \$35.00 per student training line (exclusive of orientation) is authorized for programming purposes under generic code N7E (MASL IIN 365003/365004) for medical treatment in U.S. government facilities for IMET trainees. Funds for costs such as burial expense or other student support costs will be programmed under generic code N7F on a case-by-case basis only after DSAA approval.

3. Supplies and Training Materials (Generic N7C). Costs of supplies and training materials (excluding training aids) may be financed when authorized by DSAA. When requirements in these areas exist, supporting documentation will be provided through the appropriate Unified Command to DSAA for approval prior to programming. When third country training requirements exist for supplies and training materials (N7C) and services (N7E), the SAO will submit a request for offshore procurement certification in accordance with DoD Directive 2125.1 to DSAA, with information copies to the appropriate MILDEP and Unified Command.

I. TRAINING MATERIALS.

1. Used for In-Country English Language Training. Training aids and devices, books, and other publications, to include training films, for use in establishing or supporting in-country English language training programs, may be programmed and funded under Budget Project N90 as part of the IMET program of eligible countries.

2. Purchase through FMS Channels. Other training aids and devices and books, maps, and other publications should be obtained through FMS channels. Requests for exceptions to this policy will be considered on a case-by-case basis upon receipt of complete written justification. The justification must include statements as to why the provision of training materials under the IMET program is necessary, why it is in the U.S. interest, and the impact on the country training program (i.e., specific courses and training that will be deleted and how this training will be accomplished). Exceptions will be granted on a one-time basis and will not apply automatically to similar future requirements.

3. Programming of Training Materials. Training materials programmed under budget project N90 should be identified to DSAA when requesting funding, with an indication that the materials support the in-country English language program.

J. POLITICAL ASYLUM AND TEMPORARY REFUGE. Requests for political asylum and temporary refuge by FMTs will be handled promptly and with careful attention to the procedures established by DOD Directive 2000.11 and the implementing instructions of the MILDEPS as follows: AR 550-1, SECNAVINST 5710.22, and AFR 110-26. The instructions cover policy and procedures concerning political asylum and temporary refuge requests from foreign nationals while in territory under exclusive U.S. jurisdiction (including territorial seas, the Commonwealth of Puerto Rico, possessions, and territories under U.S. administration and on the high seas and in territories under foreign jurisdiction (including foreign territorial seas).

K. PROGRAM MANAGEMENT.

1. Presentation of Budget Year Waiver Items. SAOs will submit written waiver requests for policy exceptions to items outlined in paragraph D at the annual training Workshops. Requests will include appropriate justification, supporting rationale and detailed information and required Unified Command and MILDEP concurrence prior to DSAA review. Only those waiver requests that have been approved by DSAA will be accepted for programming at the Training Workshops.

2. Assignment of Budget Year Priority Codes. SAOs will assign priority codes A, B, and C for their Budget Year program using the Budget Year level at the annual training workshops. Priority codes A, B, and C should each equal approximately one third of the Budget Year level. Priority A is the highest priority. Priority C is the lowest priority and, if required, would be cut before priorities B and A. In addition, SAOs should assign priority codes D and E to other valid training requirements in excess of the budget level and to take place not earlier than the fourth quarter. Priority codes D and E should each comprise approximately one half of the training above the budget

level with priority D having the higher priority. Valid training priority coded D and E is defined as training in keeping with IMET policies and objectives, that MILDEPs can accommodate, for which the host country can provide qualified candidates and which has a dollar value that the SAO can reasonably expect to receive at mid-year/end-of-year if funds are available. In most cases, this should not exceed approximately 10 percent of the budget level. SAOs should code all training lines in a WCN series to reflect the code of the program line with the highest priority within that series.

3. Initial Funding of Current Year Training Program. As soon as the apportionment of IMETP funds is received from the Office of Management and Budget, DSAA will fund all priority codes A, B, and C within the apportioned funding/allocation level. SAOs should ensure that priority codes are appropriately adjusted so that the total of all priority A, B, and C training lines equals the allocation level. Adjustment of prioritization will be required if the apportionment level is less than the budget request level.

4. Additions/Increases to Current Year Program. If subsequent additions/increases to current year programs will cause the funded program to exceed the country allocation level, the SAO should simultaneously (1) submit deletions of funded lines sufficient to offset requested funding and/or (2) forward programming to lower the priority codes of selected funded lines to D or E. In the latter case, DSAA will withdraw funding of those lines and they will remain the program in an unfunded status.

5. Mid-Year Review of IMET Allocation Levels. Unified Commands will provide comments and recommendations concerning the status of individual country IMET allocation levels to DSAA by 15 May. Unified Commands will (1) identify those countries that will not be able to utilize all of their currently allocated IMET levels and recommend revised country allocation levels; (2) identify those country programs that have valid training requirements (as defined in paragraph 2 above) above currently allocated IMET levels and recommend corresponding increases to country allocation levels; and (3) those country programs that will require no change in allocation levels. Recommendations for increases will be prioritized within each Unified Command. Unified Commands will ensure that SAOs submit appropriate program additions/changes reflecting priority codes D or E and quarter availability no earlier than the fourth quarter for those countries that are recommended for increases.

6. End-of-Year Review of IMET Allocation Levels. Unified Commands will provide comments and recommendations concerning the final country IMET allocation levels to DSAA by 1 August. The same procedures used for the Mid-Year Review will apply.

L. PROGRAM DEVELOPMENT AND SUBMISSION.

1. Purpose. The following provides guidance and instructions governing the preparation and submission of detailed program data, including changes thereto, and the conversion of these data into approved and funded programs authorized for implementation by the MILDEPs. Further, more specific programming guidance is contained in paragraph K of this section.

2. Development Guidance.

a. Sources. In addition to guidance and instructions contained in this manual, the following documents provide information for the development of training programs: (1) The Military Articles and Services List (MASL), and (2) JSAT Regulation (AR 12-15, OPNAVINST 4950.1H, and AFR 50-29).

b. Refinements of Budget Year Program. The refinement of the budget year program should be accomplished at the training workshops. The workshops are hosted by the Unified Command, with representation from DSAA and MILDEPs for the purpose of determining training capability and to provide policy and procedural and technical advice concerning the programs proffered by the SAOs on behalf of their host countries. MILDEPs submissions of refined budget year and plan year training requirements resulting from the training workshop review will be completed and processed to DSAA by 15 April.

c. Availability of Detailed Data to MILDEPs. Detailed training data for the first plan year program will be made available by SAOs to MILDEPs for processing to DSAA by 15 September, or as may be directed.

3. General Programming Instructions. In addition to individual courses of instruction available from MILDEPs for foreign students, other categories of training assistance which may be required in developing the program are contained in the MASL in line-item detail. A summary of all categories of training N10 through N70 is shown in Appendix D, Table D-9 of this manual. This summary provides a reference for identifying specific training contained in the MASL.

4. Submission of Program Data. Training requirements under IMET will be recorded in the DSAA 1000 system. Training data for these programs will be maintained current by continual updating by the SAOs.

a. Channels of Submission. SAOs will submit initial budget year IMET requirements data and all subsequent changes thereto directly to the MILDEPs, with information copies to DSAA and the Unified Command. The MILDEPs will review submissions for availability of the training requested and transmit accepted requirements to DSAA.

b. Submission of Final Current Year Program Changes. Final current year program changes (increases and/or additions) to IMET program requirements must be submitted by SAOs to MILDEPs in proper program change format no later than 5 August and be forwarded by MILDEPs to arrive in DSAA not later than 15 August in order to be considered during the end-of-year closeout of that program on 30 September. To accomplish this, SAO program changes must arrive at the appropriate MILDEP agency no later than Monday of the week before 15 August. Only changes justified as an urgent requirement will be considered after the 15 August cutoff date. These must be approved prior to submission by DSAA and approval will be contingent upon sufficient time remaining to process the change and obligate funds by the end of the fiscal year.

c. SAO Submission Instructions. As a minimum, the following data will be submitted to the MILDEPs by an SAO when requesting/programming training. Enter the Country, IMET, and Program Year and WCN (when known) in the message subject line.

(1) Program Additions. "4" Card.

<u>Responsible Agency</u>	<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
SAO and MILDEP	1	Card Code	Must be filled. Enter "4".
MILDEP	2-5	Record Control Number	Leave blank or enter RCN.
SAO and MILDEP	14-20	Item ID Number	Must be filled. Enter IIN from the MASL.
MILDEP	21	Generic Code	Must be filled. Enter "N".
MILDEP	23-24	Reason for Change Code	Must be filled. See Appendix D for codes.
SAO and MILDEP	25	Student Code	Enter the appropriate code. See Appendix D for codes.
SAO and MILDEP	26-29	Quantity	Must be filled (leave blank for dollar value lines). Enter the number of students, or in the case of teams, the number of personnel on the team. Right justify units position in Column 29 and enter "0" in unused columns.
SAO and MILDEP	30	Program Originator	Must be filled. See Appendix D for codes.
SAO and MILDEP	31-32	Country/Activity Code	Must be filled. See Appendix D for codes.
SAO and MILDEP	33-34	Duration	Enter duration from the MASL. When MASL duration is variable (VA), enter number of weeks for students, number of man weeks for teams and number of man months for Field Training Services (FTS). Right justify units position in Column 34 and enter "0" in unused columns.
MILDEP	35	Type Assistance Code	Must be filled. See Appendix D for codes.

<u>Responsible Agency</u>	<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
MILDEP	36-43	Unit Price	Must be filled. (Leave blank for dollar value lines.) Enter MASL course cost. When not indicated in the MASL, enter MILDEP determined unit price. Right justify and enter "0" in unused columns.
SAO and MILDEP	45-46	Program Year	Must be filled. Enter last two digits of the appropriate fiscal year.
MILDEP	47-50	Funding Date/ Case	Enter the report or start date of training (whichever is earlier) by month/day (MM/DD) for all unfunded training lines with confirmed quotas. The date entered will be for the first course in a series of training courses for the same student. This data element entry will be eliminated by DSAA when funding occurs. For FMS training only, enter the FMS case designator (last three digits of the FMS case number) in columns 48-50.
SAO and MILDEP	51-56	Travel and Living Allowance	Enter TLA for each student or team member line when programming training with the Army. Air Force and Navy do not require the SAO to provide the TLA cost unless the data varies from SAMM computation procedures or data as known by the MILDEPs. See paragraph K for TLA computation procedures. Right justify units position in Column 56.
DSAA	57	Status Code	Leave blank.
MILDEP	58	DSAA Waiver Code	Must be filled. Enter "A" for training lines that do not require DSAA waiver or enter appropriate waiver code. See Appendix D for codes.
ARMY	60	TLA Command	(Optional) Entered by Army to indicate command receiving funding for TLA cost.

<u>Responsible Agency</u>	<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
SAO and MILDEP	61-65	Worksheet Control Number	<p>Must be filled. Enter WCN as assigned by SAO. In the units position (Column 65) enter sequential or follow-on courses in alphabetical sequence in the order in which training is to be conducted:</p> <p>1234L (language training) 1234A 1234B, etc.</p> <p>Use 1234Y, 1234Z for continuing sequential training funded in the new FY but originating in the previous FY, referred to as carryover training.</p> <p>Use 1234S for late cancellation.</p> <p>Use 1234T for attrition.</p> <p>Use 1234U for recycle or setback.</p> <p>Use 1234V for "no show".</p> <p>Where no sequential training is planned, leave the units position blank.</p>
SAO and MILDEP	66-68	Execution Agency Code	<p>Must be filled. Enter EXA identifier from the MASL. Where cross-service training is involved, enter the EXA identifier of the MILDEP that will conduct the majority of the training. See Table III of this chapter.</p>
MILDEP	69	Change Originator Code	<p>Must be filled. See Appendix D for codes.</p>
SAO and MILDEP	70	Availability/Report Quarter	<p>Must be filled. Enter "1", "2", "3", "4", or "5" (IMET only) to indicate the quarter in which the student is available. Codes should be adjusted if training schedule changes. All training lines within a WCN series will reflect the quarter availability</p>

<u>Responsible Agency</u>	<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
			of the first line in the sequence. Medical cost lines will have same quarter availability as earliest line.
DSAA	71	Fiscal Code	Leave blank.
SAO and MILDEP	72	Rqmts Priority Code	Must be filled. Enter "A", "B", "C", "D", or "E" as appropriate.
MILDEP	73-80	Total Cost	Must be filled. Enter total cost by multiplying the sum of entries in unit price (Columns 36-43) and travel and living allowance (Columns 51-56) times quantity (Columns 26-29). Right justify units position in Column 80.

(2) Program Changes. "Q" Card. Must include all revised data elements that have changed in addition to data elements listed below:

<u>Responsible Agency</u>	<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
SAO and MILDEP	1	Card Code	Must be filled. Enter "Q".
SAO and MILDEP	2-5	Record Control Number	Must be filled. See DSAA detail listing.
MILDEP	23-24	Reason for Change Code	Must be filled. See Appendix D for codes.
SAO and MILDEP	31-32	Country/Activity Code	Must be filled. See Appendix D for codes.
SAO and MILDEP	45-46	Program Year	Must be filled. Enter last two digits of the appropriate fiscal year.
MILDEP	47-50	Funding Date	Must be filled if training moves to a different quarter. If training has already been funded, a new funding date must be entered.
SAO and MILDEP	61-65	Worksheet Control Number	Enter (WCN) as it appears in the DSAA detail listing. If the WCN itself is being changed, enter the revised WCN.

<u>Responsible Agency</u>	<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
MILDEP	69	Change Originator Code	Must be filled. See Appendix D for codes.
SAO and MILDEP	70	Availability/Report Quarter	Must be filled. Enter the appropriate quarter.

(3) Program Deletions. "R" Card.

<u>Responsible Agency</u>	<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
SAO and MILDEP	1	Card Code	Must be filled. Enter "R".
SAO and MILDEP	2-5	Record Control Number	Must be filled. See DSAA detail listing.
MILDEP	23-24	Reason for Change Code	Must be filled. See Appendix D for codes.
SAO and MILDEP	45-46	Program Year	Must be filled. Enter last two digits of the appropriate fiscal year.
SAO	61-65	Worksheet Control Number	Must be filled. See DSAA detail listing.
MILDEP	69	Change Originator Code	Must be filled. See Appendix D for codes.

d. Data Submission Feedback. See Chapter 15, Section III for description of reports provided to MILDEPs via AUTODIN or hard copy. Also see Appendix D for additional data element definitions.

e. Results of DSAA 1000 System Weekly Update. DSAA will prepare and mail IMET Orders after each weekly update of the DSAA 1000 System File. IMET orders will be issued in accordance with paragraph M of this chapter for newly funded lines and changes to previously funded lines.

M. IMET PROGRAMMING INSTRUCTIONS.

1. Formal Training, U.S. (Generic Codes N1A-N1J). Formal training is programmed under generic codes N1A-N1J, see Appendix D, Table D-9 of this manual. Two elements of cost are involved in determining the Total Cost entry to be entered in columns 73-80 of cards 4 or Q for students who will train at U.S. schools and facilities. These cost elements are the IMET Unit Price and Travel and/or Living Allowance (TLA). Each of these two cost

elements is computed on a "per person space" basis. The Total Cost entry, columns 73-80 of cards 4 or Q, is obtained by multiplying the sum of the IMET Unit Price in columns 36-43 and the TLA in columns 51-56 by the Quantity (number of personnel spaces) in columns 26-29, i.e., (IMET Unit Price + TLA) x Quantity = Total Cost. The following is cost factor guidance for deriving the two elements of cost involved in the Total Cost:

a. IMET Unit Price (Columns 36-43). The course cost, where listed in the IMET Military Articles and Services List (MASL), will be entered in columns 36-43.

(1) Where the MASL indicates "N/C" (no charge), no charge is made by the MILDEP for the training. Leave columns 36-43 blank for these items.

(2) Where the MASL indicates "EST" (Estimate), a unit price estimate is to be made by the program originator, and entered in columns 36-43. A number of variables normally are related to unit price determination, such as the number of personnel spaces or the length of the OJT. The basis for estimating the unit price will be provided in supplementary guidance furnished by the MILDEPs.

b. IMET Travel and Living Allowance (Columns 51-56). The unit (per personnel space) TLA cost is comprised of three cost elements -- travel, living allowance while in a training status, and special factors.

(1) First Training Destination Known. Where the first training destination in the United States is known at the time of programming or can be provided by the MILDEP at or prior to the annual training workshop, travel costs will be calculated in accordance with paragraphs (2)(a) and (b), below; otherwise, a composite travel cost factor provided by the MILDEPs in their supplementary guidance may be used.

(2) Cost Included in Travel. Travel includes the cost of transportation to and from the U.S., within the U.S., and baggage and living allowances during travel unless the country declines the IMET living allowance, in which case no living allowance is authorized. Transportation by military or commercial aircraft (when authorized), ship, bus, rail, or other conveyance will be paid when the U.S. provides the transportation, as indicated in paragraph F.3. of this section. The following specific guidance is provided for calculating travel costs to and from the United States and within the United States.

(a) Travel to and from U.S. Round trip travel between the embarkation point in the recipient country and the gateway terminus (point of debarkation) in the U.S. will be programmed for all trainees, unless otherwise directed.

(b) Travel within CONUS. Round trip travel between the gateway terminus and the city nearest the training facility at which the initial training is to be conducted will be programmed for all trainees, unless otherwise directed. When the first destination is not known, an estimated cost will be added to cover the round trip travel, baggage and

living allowance while in a travel status. Note: In all cases students are required to travel over the most direct, least cost route.

(3) Living Allowances While in Training Status. A living allowance will be programmed for all trainees in a training status, unless otherwise directed, as indicated in paragraph F.4. of this section.

(4) Special Instructions.

(a) Cross Training, Sequence or Prerequisite Training. Cross training, sequence training, or prerequisite training is training following an initial course of instruction or preceding a course of instruction (prerequisite), without the trainee returning to home country between courses. When programming of this type is required, column 65 of cards 4 or Q is to be used by program originators to indicate whether the training is a single line item or whether cross training is involved. If cross training is programmed, the letter "A" will be entered in column 65 for the initial course, the letter "B" will be entered in column 65 for the second course, the letter "C" for the third course, and so on in alphabetic sequence. When English language is programmed as a prerequisite course, the worksheet control number suffix (column 65) will be the letter "L," and the courses following will have worksheet control number suffixes A, B, C, etc. Each course will be costed separately. Course "A" will be charged with the round trip trans-oceanic travel costs and the round trip CONUS costs. For sequential training conducted at another location, the best estimate of transportation costs will be programmed. When English language training is a prerequisite, the cost of round trip will be included in the "A" line computed on the basis of the location of the "L" line. The living allowance while in a training status will be costed separately for each course in accordance with paragraph 1b(3) above.

(b) Cross-Service Training. Cross-service training is a training series for a foreign student provided by more than one U.S. military service.

1. Training in Schools of Another Service. When a trainee from one foreign military service is selected for training exclusively within schools of another U.S. military service, such training will be requested in the program of, and administered by, the U.S. military service providing the training.

2. Training in Schools of More Than One Service. When a trainee is selected for training involving courses of more than one military service, the training will be programmed by the service providing the majority of the training (excluding English language training).

3. Orientation Tours to U.S. Installations of More Than One Service. Orientation tours to U.S. military installations of more than one military service will be programmed and administered by the U.S. military service corresponding to the military service of the trainee(s) or by the service having predominant interest.

4. Joint Service Courses. Joint service courses will be included in the program of the service having administrative agency responsibility for the course.

(4) Cancellation of Training - Penalty Charge. Rescheduling or cancellation requests must be received at least 60 days in advance of the scheduled course start date. In the event cancellation or rescheduling is requested less than 60 days prior to the scheduled start date, the country's IMET program will be charged 50% (100% of contract training cost) of the tuition rate for cancellations or a proportionate share of the tuition rate for trainees not completing a course of instruction, for courses which fall within that 60 day period. Penalty charges will be determined by MILDEPs and requests for waivers to these penalty charges should be addressed to the responsible MILDEP. The cancellation penalty will not be applied when (a) cancellation is due to the fault of the U.S. (deletion of classes, rescheduling, etc.), (b) cancellation is due to unavoidable circumstances within country, such as national disaster, or (c) cancellation entails no loss to the U.S. in terms of cost or training capability. These charges are to be programmed for applicable courses, and will be earmarked by an "S" in column 65 to indicate that a penalty fee was charged for that particular training line. MILDEPs may also use "T" for attrition, "U" for recycle or setback, and "V" for "no show."

(5) Orientation Tours.

(a) TLA Entries. The TLA entry for columns 51-56 should be computed as the composite cost of living allowances, transportation based on itinerary, and excess baggage. A total of 100 pounds is authorized.

(b) Escort Officers. An escort officer may be programmed for orientation tours. A factor of \$600.00 per man week will be used and entered under TLA in columns 51-56.

(c) Living Allowances for Participants in OCONUS Orientation Tours. A factor of \$100.00 per man week will be used to cover travel and living allowance in the overseas area where the tour is being conducted. The \$100.00 factor will be added to the cost of the round trip travel and the total amount per personnel space will be entered in columns 51-56 of cards 4 or Q.

(d) Observer Training. The procedures above do not apply to observer training. Observer training will be costed in the normal manner described in paragraph 1a. above.

(6) Temporary Duty Costs. A factor of \$1,000 per personnel space may be added to cover the cost of temporary duty travel for country liaison officer, when programmed.

2. Formal Training Overseas (O/S) (Generic Codes N1N - N1W). The same two cost elements described in paragraph 1 (IMET unit price and TLA), are involved in determining the total cost entry in columns 73-80 for students who will train at overseas schools and facilities. The course cost shown in the IMET MASL will be entered in columns 36-43 of cards 4 or Q. The TLA factors

for overseas training also differ from United States training and are described below, by Command.

a. U.S. European and Pacific Commands.

(1) Travel Costs.

(a) Trainees in Own Country. Each country will pay its own transportation for those trainees training in their home country.

(b) Training Costs for Sequential Training. Travel costs for courses subsequent to the original course will not be included; however, \$50.00 per trainee will be added for travel (including living allowance during travel) for courses which follow the initial course and are conducted at a different location.

(2) Living Allowance While in Training Status.

(a) Trainees Training in Their Own Country. Each country will pay its own living allowance rates for trainees training in their home country.

(b) Trainees Training Outside Their Own Country. If training is conducted at a location other than within their home country, the programming factor for living allowance while in training status will be computed at the applicable JTR rates.

(c) Sequential Training. In some cases students have a waiting period before entering a follow-on course. The living allowance is authorized for the waiting period, and will be included in the TLA for the follow-on course.

b. U.S. Southern Command.

(1) Living Allowances While in Training Status.

(a) Programming Factor, Panama Canal Area Military Schools (PACAMS). The programming factor for student living allowance for students while in training status at U.S. service schools in the Panama Canal Area Navy Small Craft Instruction and Technical Training School (SCIATTS) and Air Force Inter-American Air Forces Academy (IAAFA) will be computed at the rate of \$98.00 per week for officers and \$75.00 per week for enlisted personnel.

(b) Reimbursement to MILDEPs for Enlisted Personnel Services. Not all of the \$75.00 per week programmed for enlisted personnel is paid to the student. The rate of daily living allowance payment is shown in Table II of this chapter. The remainder is reimbursed to the appropriate MILDEP for student laundry and subsistence.

(c) PACAMS Trainees from the Republic of Panama. Panamanian trainees attending PACAMS or other training conducted in the Republic of Panama will be paid living allowances for periods of training only if they reside in quarters provided by the U.S. Government.

(2) Special Instructions.

(a) Foreign Guest Instructors (Panama Canal Area Military Schools). Costs incidental to the use of foreign guest instructors are to be included in the operating costs of activities utilizing guest instructors and included in course tuition costs.

(b) OJT/Observer Training. A living allowance while in a training status will be paid by IMET. Living allowances will be programmed in accordance with paragraph b.(1), above.

c. Third Country Training. Third country training should be encouraged, with the two participating countries making their own arrangements for the training and associated costs.

(1) Tuition Funding by the U.S. When it is considered necessary that tuition costs be funded by the U.S., the SAO, in coordination with the Chief of the Diplomatic Mission, should submit a request for offshore procurement certification, in accordance with DoD Directive 2125.1, to the Director, DSAA, with information copies to the appropriate MILDEP, Unified Commander, and Component Commander.

(2) Requests for Offshore Procurement Certification. The request for offshore procurement certification should include a detailed description of tuition costs and training services to be provided. In no case will costs include items acquired under the security assistance program by the country providing the services.

(3) Commitments for Third Country Training. No commitment to the third country offering the training will be made until the request for offshore procurement certification is approved. SAOs will use the fund citation contained in the student ITO to provide reimbursement of tuition costs to the country furnishing the training.

N. IMPLEMENTATION. Program implementation and the movement of trainees to training facilities and activities is authorized only after IMET orders, program directives, or other specific approvals are issued by DSAA. Such orders, directives, or approvals are required prior to the issuance of ITOs or the obligation of funds for programmed training. When necessary in cases of emergency, requests for approval to issue ITOs prior to receipt of IMET Orders will be submitted directly to DSAA, and authorized via message or telephone by DSAA Comptroller.

1. IMET Orders.a. Purpose.

(1) Definition. The term "IMET Order" is used to describe the document issued by DSAA which authorizes and directs the furnishing of military training to designated IMET recipients. It also identifies the fund source for each program line. For example, FY 1984 funding is indicated by a "4" in column 71 to indicate funding from the 1984 appropriation.

(2) Purpose. IMET Orders show additions, changes, and or deletions to funded Lines. Additions will be reflected as a program line in 4 card format, including the record control number (RCN). A deletion of a previously funded line will be shown as a single entry and identified by a "program year" and previous IMET Order number at the right of the program data under the heading "IO-AJ." A change to a previously funded line will be identified by a two-line entry, the first entry reflects the funding that was authorized in a prior order and will also reflect the order number and year it was issued under the "IO-AJ" heading. The second entry reflects the revised line and may be identified by a blank in the "IO-AJ" column.

b. Procedure.

(1) Country. A separate IMET Order will be issued for each country or activity, and the IMET Order number will include the appropriate country/activity code.

(2) Number. The number assigned to IMET Orders and amendments thereto will be composed of the Program Year, Implementing Agency, Country/Activity code, and a two-digit sequential number.

(3) Identification. The initial IMET Order issued for each country or activity for a given program (fiscal) year will be identified by sequential number 00. Subsequent IMET Orders for the program year will be issued as amendments to the initial IMET Order and will be numbered 01 through 99, followed by alpha-numeric characters, as necessary.

2. Implementation Instructions for the Invitational Travel Order (ITO) for Foreign Military Trainees (FMTs), DD Form 2285.

a. The Invitation Travel Order (ITO) (Figure 10-II-1) is the basic document for all training provided to foreign military trainees (FMTs) under Security Assistance Training Program (SATP) sponsorship in order to provide recognition of the status of the FMTs, and the applicable privileges therein.

b. DD Form 2285 is the only authorized document that will be used by SAOs for FMTs entering U.S. training under the Foreign Assistance Act of 1961, as amended, and the Arms Export Control Act. This form will not be alter nor shortened. If country desires, a native language translation may be attached to the DD Form 2285.

c. The ITO is the controlling document for authorized training, terms, conditions, and privileges. It is also the basic document used for accounting purposes and provides guidance to the appropriate agencies for determining which support is payable and which is not. The SAO is responsible for preparation of the ITO, in accordance with the guidance in this chapter, the Military Department regulations and the instructions below. When all prerequisites have been met, the SAO will issue individual ITOs for each FMT.

d. General Instructions:

(1) Typewrite.

(2) Starting at the left-hand corner, enter the following data at the top of each of the four pages: FMT's surname, rank, country code, WCN and ITO Number.

(3) Select applicable statement by placing "X" in Block.

Example: /X/

(4) Enter all dates as follows: Two digits for the day of month, three alphas for month of year, and last two digits of calendar year.

Example: 30JAN84

(5) If an item requires additional information, but contains no block that refers to Item 16 (Special Conditions), type the following statement after the title of the item--"See Item 16."

e. Instructions relating to specific items. (Items not addressed below are considered self-explanatory).

(1) Item 1, ITO Number. Number consecutively within each fiscal year. Also indicate the fiscal year, and, if required, a one-alpha suffix program originator for internal SAO control purposes. In large country programs, this suffix would preclude duplication of ITO numbers.

Example: 121-84, 39-84-B

(2) Item 5, IMET Order. Include entire IMET Order Number and date.

Example: 84A/XX/01, 01JAN84

(3) Item 7, Language Prerequisites.

a. Block "A" will be checked and statement completed for those countries that have not been granted waiver from in-country screening or are not exempt from all ECL testing.

b. Block "B" will be checked and statement completed only for those countries that have been granted waiver from in-country screening ECL testing. This waiver is granted on an annual basis by DSAA message, DTG of which will be cited as documentation.

Example: SECDEF Msg DTG 131329 OCT 83

c. Block "C" will only be checked by the five countries exempt from all ECL testing: Australia, Canada, Ireland, New Zealand, and United Kingdom. Cite annual DSAA message as documentation.

(4) Item 10A, US MILDEP Document. Indicate, as appropriate, MILDEP CPL, STATIS, and message, letter or other documentation authorizing implementation of training. If authority is granted by DSAA to issue an ITO prior to receipt of the IMET order, cite that document as authority.

(5) Item 14A-F(1), Authorized Training. RCN applies to IMET only. For FMS enter "N/A."

(6) Item 15A(3), Dependents. Block "(3)" will be checked only for those IMET FMTs, with authorized accompany dependents, that are attending ACSC, SOS, AWC, CGSC, NCC, NSC, AFIT graduate programs, MCC&SC, AWS, or PGS.

(7) Item 15B(2), Medical Services, Dependents. If Block 15A(1) has been checked, do not check any blocks under 15B(2). Enter "N/A" after the word "Dependents".

(8) Item 15C, Living Allowances. Block (1) will be checked for FMS countries and only those IMET countries participating in full cost-sharing of living allowances. Block (6) will be checked only for those countries for which Blocks 15C(1) through (5) do not apply in whole. Specific living allowance conditions will be outlined in detail in Item 16, Special Conditions.

(9) Item 15D, Travel. Block (1) will be checked for FMS countries and only those IMET countries participating in full cost-sharing of travel. Block (5) will be checked only for those countries for which Blocks 15D(1) through (4) do not apply in whole. Specific travel allowance conditions will be outlined in detail in Item 16, Special Conditions.

(10) Item 15E(1), Baggage. Block (1) will only be checked and statement completed for FMS countries and only those IMET countries participating in full cost-sharing of travel.

(11) Item 16, Special Conditions. If required, use this space to clarify or amplify information in Items 1 thru 14; to list any special conditions not covered in Item 15; or to list variations in conditions as listed in Item 15. Indicate the item numbers to which the information applies. Other desired information that is not applicable to any specific item (e.g., Embassy address and telephone number in Washington DC) will be entered last under the title of "Additional Information".

Examples of types of entries suitable under Item 16:

7A--Three-point waiver granted for direct entry by SATFA-TRADOC msg, ATFA-R, DTGXXXXXXA OCT 83.

15B(1)(C)(3) and (2)(A)2--Bills for medical care/hospitalization will be forwarded to Embassy in Washington, DC for payment.

15D(2)--FMT has been issued only one-way ticket from home country to Harrisburg, PA. Return transportation will be arranged by last training installation.

15(G)--Request for leave upon completion of training will be submitted directly by the FMT to his Embassy in Washington, DC. Written approval in English from the Embassy to the FMT will constitute approval for leave.

(12) Item 17, Distribution. New distribution lists will be provided separately by MILDEPS.

f. Amendments and Continuation Sheets. Amendments and continuation sheets should be prepared on plain bond paper, and must include the following information from the original ITO: Item 1 (the original ITO number), Items 2 through 6A, Items 10, 11, and the WCN. The Item Number and description of the information being continued or amended should also be included. Copies should be provided to applicable original ITO recipients, and other addressees required as a result of the change.

g. MILDEP-specific instructions will be provided in the MILDEP regulations and the Joint Security Assistance Training Regulation, when published. In the interim, consult the individual MILDEP HQ for further guidance on preparation of ITO, if any questions arise.

3. IMET Order Recipients. The recipients of an IMET Order and associated fund allocation are responsible for implementation of the order, including accounting and fiscal reporting, as prescribed by DoD Instruction 7290.1. The implementing agency will be identified in the IMET Order number. IMET Orders for training program lines will be issued to the MILDEP providing the training, except in the case of cross-service training. IMET Orders for entire Worksheet Control Number (WCN) sequences containing cross-service training will be issued to the MILDEP providing the majority of the training or designated as the cognizant MILDEP.

O. TRAINING ANNUAL INTEGRATED ASSESSMENT OF SECURITY ASSISTANCE (AIASA) REPORTS. IMET program resources requirements will be included in the training AIASA submitted for all security assistance recipients to the State Department to facilitate decisions as to the allocation of security assistance resources. Copies of these reports are required by DSAA as part of the planning process.

SECTION II - FOREIGN MILITARY SALES TRAINING
--

A. PURPOSE.

1. This section provides guidance and instructions for providing military training to eligible foreign countries and international organizations as authorized under the Arms Export Control Act (AECA).

2. Basic guidelines for FMS training are similar to those for IMET (see Section I). This section addresses training matters which are unique to FMS training or which require some change from IMET procedures. Detailed FMS training programming instructions are provided by each MILDEP.

B. BASIC GUIDELINES.1. AECA Provisions.

a. Nature of Training. Training includes both formal and informal instruction of foreign students in the United States or overseas by officers or employees of the United States, contract technicians, or contractors (including instruction at civilian institutions), or by correspondence courses; technical, educational, or information publications and media of all kinds; training aids, orientation, training exercises; and military advice to foreign military units and forces.

b. Prohibitions. Personnel providing defense services (including training) are prohibited from performing duties of a combatant nature by the AECA, Section 21(c). This precludes activity related to training and advising which may engage U.S. personnel in combat activities, outside the U.S., in connection with the performance of defense services. This prohibition is applicable only during hostilities involving the country where the training is taking place.

c. Reimbursement. The additional cost to the USG in furnishing FMS training must be paid by the foreign purchaser. Payment must be cash on acceptance, unless a determination is made in the national interest that payment be made prior to "performance" of the training. For billing purposes, formal training is considered "performed" on the date that the student enters the course or, in the case of Mobile Training Teams (MTTs) or Field Training Services (FTS), when a team member leaves his home station. At all times, there must be cash available to the DoD in advance of the performance of the training. Normally, a training case for the current fiscal year will not be used to fund any element of the training case for the following year.

d. Bilateral, Combined, or Multilateral Exercises. Bilateral, combined, or multilateral exercises conducted to test and evaluate mutual capabilities do not require authorization or funding under the AECA. Costs of foreign participation in these exercises may not be paid directly or reimbursed from DoD funds, including O&M funds. DoD funds may be used to pay just the costs of U.S. armed forces participation which would have been incurred in the absence of foreign participation in the exercise. The costs of any U.S.

support provided to the participating countries or international organizations for training exercises must be reimbursed under an FMS case. This is because providing exercise support is providing a defense service as defined in the AECA, Section 47(4) and Section 47(5).

e. Separate and Specific Statutory Authorization. Outside the context of an exercise, USG costs of providing training for foreign military or paramilitary personnel must be borne by the foreign government or international organization under an FMS case. If there is separate and specific statutory authorization for such training, as in the case of the senior ROTC program or U.S. service academies, this general rule may not apply. Existing authority and regulations do not permit formal or informal training on a non-reimbursable or quid-pro-quo basis. This includes orientation, observation, or familiarization tours, as opposed to short formal visits.

2. FMS Training Initiation and Program Development Sequence.

a. Initiation. The same general initiation and annual programming process applies to FMS training as applies to IMET. Foreign purchasers may initiate training requests through normal FMS channels as they would for any other defense service. Requests for establishing new FMS training programs in countries where no FMS training program previously existed should be made through the American Embassy to the Department of State, with a copy to the Secretary of Defense (DSAA). Foreign governments (host-country defense establishments), with the help of the SAO, are encouraged to develop annual FMS training programs.

b. Annual Country Program Review. Except for some countries with large, complex FMS programs, annual FMS training programs should be reviewed and, where appropriate, integrated with the country's IMET requirements during the unified command training workshop. Programs presented by the country representatives should be fully coordinated with host governments and, to the extent practical, represent the country's annual training requirements. FMS programs will be accepted for planning and for allocating quotas. When appropriate, programs may also be accepted as requests for LOAs. FMS training should be scheduled annually through regular workshop procedures.

c. Fund Deposits. A 25 percent deposit is normally required for annual training cases using open-end LOAs in excess of \$25,000. Full payment in advance is required on cases less than \$25,000, or where the training is less than 90 days duration. Countries having both IMET and FMS training programs should ensure that the programs complement each other.

d. Unprogrammed Requirements. Unprogrammed FMS training requirements, not included in the annual program, are handled on an exception basis. Unscheduled requirements have an adverse impact on the total training effort. This is particularly true in the case of courses where quota availability is a major constraint, for short notice assignment of MTT personnel from operational units for specialized requirements, or the preparation of tailored curricula. Unprogrammed training requirements distort planning and make forecasting ineffective. Annual training programs should, therefore, be adhered to as initially developed and reviewed at workshops, with add-ons by the host government during the program year being generally discouraged.

e. Program Finalization. The MILDEP conducting the training assigns an FMS case identifier, prepares the LOA and submits it to the host country representative for acceptance and initial deposit. The MILDEP will implement the case by authorizing the issue of ITOs only after the case has been accepted and funded, and after the Security Assistance Accounting Center (SAAC) provides obligation authority. Any exception to this must be approved by DSAA, Comptroller.

f. Program Amendments.

(1) Changes. After implementation, changes in the scope of definitive training requirements may be made by using DD Form 1513-1. Customer requested changes for additions or deletions of programmed students or courses to an already signed FMS case are not considered as substantial changes in scope, if the same general area of training and the number of students are not substantially changed. Substantial changes will be noted in amendments to the annual case when they occur. All changes which reflect an increase in price of \$50,000 or more must be coordinated with DSAA. For deletions and for changes not affecting scope, the DD Form 1513-2 should be used.

(2) Changes within Ceiling. Changes in requirements within the dollar ceiling of annual open-end training cases do not require the use of DD Form 1513-2. This type of change may be made administratively.

g. Fifth Quarter Planning. The IMET 5th quarter planning and programming concept is not applicable to FMS training.

3. Programming Training Under FMS. Requesting and programming training provided via an FMS case is the same general process as that used for IMET. Procedures for the provision of programming data by the SAO and the MILDEPs are the same as previously discussed for the IMET program. The only differences are in specific IMET data elements which do not apply to FMS training. See paragraph J in Section I of this chapter.

a. SAO Submission Instructions. As a minimum, submit the following data to the MILDEPs. Enter the country, FMS, and FMS case number in the message subject line.

(1) Program Additions, "4" Card. Only those procedures which differ from previous IMET submission instructions are indicated. (See IMET instructions in paragraph K.4.c.(1)).

<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
51-56	TLA	Do not enter. Pertains only to IMET.
72	Requirements Priority Code	Do not enter. Pertains only to IMET.

(2) Program Changes, "Q" Card.

<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
1	Card Code	Enter "Q"
2-5	RCN	Do not enter. Although an RCN is assigned for FMS training, MILDEP documentation available to the SAO may not contain the RCN.
14-20	Item Identification Number (MASL IIN)	Enter the IIN as it appears in MILDEP documentation. This will provide a cross reference in the event of an error in the following WCN.
61-65	Worksheet Control Number	Enter the WCN as it appears in MILDEP documentation. If the WCN itself is being changed, enter the revised WCN.

Changes: Make desired changes to specific data elements by identifying the data element and providing the revised data entry. Do not give the amount of the actual change.

(3) Program Deletions, "R" Card.

<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
1	Card Code	Enter "R".
2-5	RCN	Do not enter.
14-20	MASL IIN	Enter the IIN as it appears in MILDEP documentation.
61-65	WCN	Enter the WCN as it appears in MILDEP documentation.

b. MILDEP Submission Instructions.

(1) Program Additions, "4" Card. Only those procedures which differ from previous IMET instructions are indicated. (See IMET instructions in paragraph K.4.c.(1).)

<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
48-50	Case	Enter the FMS Case Designator (last three digits of the FMS Case Number).
51-56	TLA	Do not enter. Pertains only to IMET.
60	TLA Command	Do not enter. Pertains only to IMET.
72	Requirements Priority Code	Do not enter. Pertains only to IMET.

(2) Program Changes, "Q" Card. Only those procedures which differ from previous IMET instructions are indicated. See IMET instructions in paragraph K.4.c.(2).

<u>Card Column</u>	<u>Data Element</u>	<u>Instruction</u>
51-56	TLA	Do not enter. Pertains only to IMET.

(3) Program Deletions, "R" Card. Same as IMET instructions. See paragraph J.4.e. in Section I.

4. Training Requirements Related to Purchase of Major Equipment.

a. General. Training is an essential, key element in the successful introduction of a new piece of equipment or weapons system. The time required to conduct adequate training should be given careful consideration when requesting delivery dates of equipment. In developing an "introductory training plan," the needs of each country must be considered separately. While general training requirements can be determined for any item, the exact composition and duration of the training program associated with the introduction of a new system or item of equipment will vary, based on the unique requirements and capabilities of the country.

b. Planning Programs. Training programs must be planned realistically, taking into account the availability of personnel, the skills that must be developed, the background and experience of the individuals selected for the training, and the time required to plan, implement, and complete the program. In the final analysis, the success of any training program also depends on student capability and potential for success. The individual and collective performance of the students will set the pace and measure the true progress of a program. It is important to have a good, workable selection and screening process to make sure the right student is fitted into the right training program.

c. Use of IMET Funds. Training in support of FMS equipment purchases should normally be programmed as part of the overall FMS agreement. IMET funds should not be used to support major equipment purchases unless specifically approved by DSAA. Requests for exceptions to this policy should be referred to DSAA with appropriate justification on a case-by-case basis. In no event may a discrete training course, single training team, or a training aid be funded by both IMET and an FMS case.

C. ENGLISH LANGUAGE TRAINING. It is the responsibility of the purchaser to ensure that trainees meet the English Comprehension Level (ECL) required for direct entry into the DoD training system. If possible, in-country English Language Training Programs (ELTP) should be used. Countries without an adequate ELTP should be encouraged to develop a program to qualify trainees for direct entry or, as a minimum, for entry into the Defense Language Institute English Language Center (DLIELC). It should be noted that IMET funds, as well as FMS, may be used to establish and maintain in-country ELTPs. Letters of Offer and Acceptance for Foreign Military Sales cases which include provisions for English Language Training will be coordinated with DLIELC prior to negotiation.

D. FMS TRAINING TUITION RATES. FMS Training tuition rates will be priced in accordance with DoD 7290.3-M, Chapter 7, paragraphs 71001-71105. Other costs, associated with training, such as students' meals, custodial fees for quarters, medical care, and transportation, are not included in tuition rates. These costs must be paid by the purchaser.

E. CANCELLATION OF TRAINING-PENALTY CHARGE.

1. Rescheduling or Cancellation in Advance. Purchasers must submit rescheduling or cancellation requests at least 60 days in advance of the scheduled course start date. If cancellation or rescheduling is requested less than 60 days prior to the scheduled course start date, the FMS case will be billed for 50 percent of the cost of the course(s) which commence within that 60-day period. The date the request is received from the country by an appropriate U.S. representative (e.g., the SAO) will constitute an official notification date. The cancellation penalty will not be applied when:

a. Cancellation is the fault of the U.S. (deletion of classes, rescheduling, etc.);

b. Cancellation is due to unavoidable circumstances within the country (e.g., a natural disaster); or

c. Cancellation entails no loss to the U.S. in terms of cost or training capability. The 60-day penalty provisions will be effective when the LOA is signed by the country.

2. Failure to Complete Course. FMS countries will be charged a proportionate share, but not less than 50 percent of the tuition rate for trainees not completing a course of instruction.

F. TRAINING AT CIVILIAN INSTITUTIONS OR BY CONTRACTOR.

1. Civilian Institutions. The AECA, Section 47, defines training for defense purposes at civilian institutions as training that may be sold under FMS. This type of training is more appropriately handled by direct negotiation between the civilian institution and the purchasing country. Training at civilian institutions, therefore, generally will not be permitted under FMS. Requests for exceptions to this policy should be addressed to DSAA.

2. Training by Contractors.

a. Foreign military personnel receiving training directly negotiated between the purchasing country and a contractor may not use U.S. military facilities to support the training.

b. Administrative support for direct contractor training normally is not provided through an FMS case. Room and board, medical care and related support arrangements for students undergoing commercial, contractor training must be arranged between the contractor and the purchaser.

G. TRANSPORTATION AND TRAVEL.

1. Responsibility. The purchasing country is responsible for all transportation and travel costs for FMS students. These costs are not included in the LOA.

2. Mode of Travel. Use of U.S. civilian carriers is encouraged, although any desired mode of travel or carrier can be used. Trainees may be allowed to travel by Military Airlift Command (MAC) aircraft in their ITO. Reimbursement for MAC travel will be on a direct billing basis at the non-government rate.

3. Baggage. Since baggage shipping costs are paid by the purchasing country, no limitation is established; however, students are encouraged to limit baggage to a minimum. Baggage shipment costs are not included in the FMS case.

4. Student Retainable Instructional Material (RIM). Postage charges for mailing retainable instructional material to the SAO are included in the tuition cost, based on the weight allowances listed in Section I, paragraph F.5.a.(2). Mailing procedures and other provisions of the paragraph cited apply, as for IMET.

H. LIVING ALLOWANCES/PRIVILEGES.

1. Living Allowances. An FMS student's living costs are defrayed by the student or by his government. The purchaser should ensure that students receive sufficient allowances to meet all mandatory living costs and personal expenses. Allowance costs are not included in tuition course costs, nor are they included in the FMS case. SAOs should be particularly aware of the status of living allowance provisions for their host country's students. Any difficulties or anticipated problems should be aired immediately.

a. Subsistence. Officers and enlisted personnel will pay for meals taken in government dining facilities at the rate prescribed by the MILDEPs.

b. Quarters. All FMS training students who occupy military quarters must personally pay the service charge or custodial fee as established by the installation commander.

2. Privileges. Foreign military personnel involved in security assistance training, on competent orders (ITOs) authorized by the MILDEPs, and bona fide dependents, will be extended commissary, exchange and similar privileges ordinarily available to military personnel of the U.S. armed forces of similar rank. Equivalent rank assigned in the ITO must be based on U.S. armed forces grade structure, reflecting time in service, experience and age -- not the rank title of the foreign country.

3. Medical Care.

a. NATO personnel involved in security assistance training, on competent orders (ITOs) authorized by the MILDEPs, and bona fide dependents

are eligible for outpatient care in DoD medical (to include dental) facilities, on the same basis as U.S. military personnel and their dependents. In-patient medical care and emergency dependent dental care must be reimbursed at rates established by DoD.

b. Non-NATO personnel and their dependents and all associated civilian trainees and their dependents will be provided medical care on a space-available, reimbursable basis at rates established by DoD.

I. TRAINING OF CIVILIANS UNDER FMS.

1. Eligibility. Foreign civilian personnel may receive training provided they are Ministry of Defense (MOD) employees of eligible FMS countries, or employees of military agencies of eligible international organizations. Civilians must meet the normal course requirements, including having the proper security clearance.

2. Protocol Status. Civilians are generally afforded the same protocol status as their equivalent military counterparts, as stated in the ITO.

J. FMS ORIENTATION TRAINING COURSES AND VISITS.

1. Orientation training and visits are available to FMS purchasers on a fully reimbursable basis, including expenses for U.S. escort officer(s), CONUS travel of tour participants, local project officers, extraordinary expense and asset use charges. SAOs should plan orientation visits far enough in advance to permit adequate planning and should specify any unusual tour requirements early, as required by the cognizant MILDEP, as stated in the JSAT regulation.

2. Each orientation tour will be covered by a separate FMS case except when an open-end FMS training case exists under which the costs of the tour are covered with the consent of the country.

K. MOBILE TRAINING TEAMS AND FIELD TRAINING SERVICES. MTTs and FTSs (see Section I of this chapter) are available on a fully reimbursable basis in accordance with DoD 7290.3-M. MTTs and FTSs are separate training items.

L. TRAINING RELATIONS. SAOs have the same responsibilities for FMS training as for IMET. Where practical, foreign governments will be encouraged to be as self-sufficient as possible in supervising and administering their training programs (e.g., pre-departure student processing, briefing, etc.).

M. RESTRICTIONS OF TRANSFER OF TRAINING.

1. Purchasing governments may not transfer training related to the use of U.S. material or services to other countries or organizations, or to anyone not an officer, employee, or agent of the purchasing government, nor use or permit the use of such training for purposes other than those for which furnished, without the consent of the USG. Therefore, technical skills and information acquired through FMS training may not be used by the purchasing country to train personnel from a third country unless approved in advance. Requests to transfer training to third parties should be submitted via diplomatic note to the Department of State. Training transfer requests

received by the MILDEPs should be referred to DSAA for forwarding to the Department of State.

N. POLICE, INTELLIGENCE AND OTHER SENSITIVE TRAINING. DoD policy on police, intelligence, and other sensitive training is stated in Section I. Any questions should be referred to DSAA for resolution.

O. SECURITY ASSISTANCE MANAGEMENT TRAINING. Courses designed to train foreign personnel in the significant aspects of the foreign military sales (FMS) program, including U.S. legislation, policies and procedures, and management concerns of purchaser/recipient countries, and including MTTs of this nature, should be purchased via FMS procedures.

FIGURE 10-II-1
INVITATIONAL TRAVEL ORDER (ITO) FOR FOREIGN MILITARY TRAINEES (FMT)

INVITATIONAL TRAVEL ORDER (ITO) FOR FOREIGN MILITARY TRAINEES (FMT)		1. ITO NO.	2. COUNTRY	3. DATE (Day, month, year)
The U.S. Government hereby issues this ITO for the FMT herein named to attend the course(s) of instruction herein listed, subject to the terms and conditions contained herein, and as may be amended by competent authority. This ITO will be used and is valid only for FMT entering US training under the Foreign Assistance Act of 1961, as amended, or the Arms Export Control Act.				
4. ISSUING SAO				
a. NAME OF ORGANIZATION			b. ADDRESS (Mailing)	
5. FUNDING (Check one and complete statement)				
a. <input type="checkbox"/> IMET ORDER _____			b. <input type="checkbox"/> FMS CASE IDENTIFIER _____	
6. FMT INFORMATION				
a. NAME (Surname (ALL CAPS), First, Middle)				
b. RANK	c. US EQUIVALENT RANK	d. COUNTRY SERVICE	e. COUNTRY SERVICE NO.	
f. DATE OF BIRTH (Day, Month, Year)	g. PLACE OF BIRTH (City, Province/District, Country)			
7. LANGUAGE PREREQUISITES (Check one and Complete Statement)				
a. <input type="checkbox"/> FMT COMPLETED DLI ENGLISH LANGUAGE PROFICIENCY EXAMINATION _____ ON _____ (Exam No.) (Date - Day, Month, Year)				
WITH AN ENGLISH COMPREHENSION LEVEL (ECL) OF _____ FMT WILL TAKE THE CONUS COURSE (Score)				
ENTRY ECL TEST AT THE FIRST TRAINING INSTALLATION.				
b. <input type="checkbox"/> WAIVER OF IN-COUNTRY SCREENING ECL GRANTED BY AUTHORITY OF _____ (Documentation)				
FMT WILL TAKE THE CONUS COURSE ENTRY ECL TEST AT THE FIRST TRAINING INSTALLATION.				
c. <input type="checkbox"/> FMT IS EXEMPT FROM ALL ECL TESTING BY AUTHORITY OF _____ (Documentation)				
8. SECURITY (Check one and complete statement, if applicable)				
a. <input type="checkbox"/> US SECURITY SCREENING HAS BEEN ACCOMPLISHED. ALL TRAINING WILL BE CONDUCTED ON AN UNCLASSIFIED BASIS.				
b. <input type="checkbox"/> US SECURITY REQUIREMENTS HAVE BEEN COMPLIED WITH. THE GOVERNMENT OF _____ (Home Country)				
HAS GRANTED THE FMT A SECURITY CLEARANCE EQUIVALENT TO US _____ THIS OF ITSELF DOES NOT (Classification Level)				
PERMIT THE DISCLOSURE OF CLASSIFIED US INFORMATION. SUCH DISCLOSURE MUST BE SPECIFICALLY AUTHORIZED BY AN OFFICIAL DELEGATED AUTHORITY AND US FOREIGN DISCLOSURE REGULATIONS OR DIRECTIVES.				
9. IMET FUND CITE (Use only when the U.S. Government pays IMET living allowance and/or travel)				
THE FINANCE OFFICER EFFECTING DISBURSEMENT OF FUNDS UNDER THIS AUTHORITY WILL FORWARD ONE COPY OF THE EXECUTED VOUCHER TO THE ACCOUNTING STATION CITED IN THE APPROPRIATION AND OTHER ACTIVITIES AS REQUIRED BY APPROPRIATE US MILDEP REGULATIONS.				
10. IMPLEMENTING AUTHORITY				
a. US MILDEP DOCUMENT			b. DATE (Day, month, year)	
11. COMMAND LINE				
a. SIGNATURE OF US AUTHORITY AUTHENTICATING ORDERS			b. TITLE	

DD FORM 2285, 83 JAN

Page 1 of 4 Pages

FIGURE 10-II-1. Invitational Travel Order (ITO) for Foreign Military Trainees (FMT) (DD Form 2285) (page 1 of 4 pages).

12. TERMS

a. Prior to departure from home country, the FMT listed herein will be required to be medically examined and found physically acceptable in accordance with the health provisions of the Immigration and Nationality Act (8 U.S.C. 1182(a)(1)-(7)); Foreign Quarantine Regulations of Public Health Service, Department of Health, Education and Welfare, 42 CFR, Part 71; McCarran Act Sec. 212A, 1-7, Public Law 414, 82d Cong.; applicable US MILDEP regulations; and other US laws or DOD directives and regulations which may be enacted from time to time.

b. The home country will insure that the FMT has sufficient funds in United States dollar instruments to meet all expenses while enroute to, and for the first 30 days of training pending receipt of applicable pay and allowances by the FMT.

c. FMT will be responsible for custodial fees and personal debts.

d. The FMT will bring adequate uniforms and work clothing for field duty or technical work. U.S. fatigue uniform and foot wear will be purchased by the FMT in the event that the country work uniforms are inadequate. When flying training is involved, required special flight clothing and individual equipment will accompany the FMT, or provisions will be made by the home country or the FMT to obtain the use of all necessary equipment prior to start of training. The FMT will also possess adequate civilian clothing for off-duty wear.

e. The Government of the United States is responsible for FMT travel which is part of the training program and for which costs are part of the course tuition.

f. The FMT will comply with all applicable US MILDEP regulations.

g. The United States may cancel training and return to country FMTs who violate US law or MILDEP regulations or who are found otherwise unsatisfactory. The FMT's government will be alerted to such action in accordance with US MILDEP regulations.

h. The Government of the United States disclaims any liability or financial responsibility for injuries received by the FMT listed herein while in transit to and from the training installation, while undergoing training or while in leave status, and any liability or financial responsibility for personal injury claims or property damage claims resulting from the FMT's action.

13. INVITATION

THE SECRETARY OF _____ INVITES THE FMT LISTED IN ITEM 6, THIS ORDER, TO PROCEED ON OR _____
(US MILDEP)

ABOUT _____ FROM _____
(Date - Day, Month, Year) (Debarcation Point - Home Country)

TO _____ FOR PURPOSE OF COMMENCING TRAINING LISTED IN ITEM 14, BELOW.
(First Training Installation)

14. AUTHORIZED TRAINING (List in sequence of attendance)

a	(1) RCN	(2) WCN	(3) MASL IIN	(4) MASL DESCRIPTION	(5) MASL SERVICE ID NO.
	(6) TRAINING INSTALLATION			(7) LOCATION	(8) REPORT DATE (Day, month, year) (9) END DATE (Day, month, year)
b	(1) RCN	(2) WCN	(3) MASL IIN	(4) MASL DESCRIPTION	(5) MASL SERVICE ID NO.
	(6) TRAINING INSTALLATION			(7) LOCATION	(8) REPORT DATE (Day, month, year) (9) END DATE (Day, month, year)
c	(1) RCN	(2) WCN	(3) MASL IIN	(4) MASL DESCRIPTION	(5) MASL SERVICE ID NO.
	(6) TRAINING INSTALLATION			(7) LOCATION	(8) REPORT DATE (Day, month, year) (9) END DATE (Day, month, year)
d	(1) RCN	(2) WCN	(3) MASL IIN	(4) MASL DESCRIPTION	(5) MASL SERVICE ID NO.
	(6) TRAINING INSTALLATION			(7) LOCATION	(8) REPORT DATE (Day, month, year) (9) END DATE (Day, month, year)
e	(1) RCN	(2) WCN	(3) MASL IIN	(4) MASL DESCRIPTION	(5) MASL SERVICE ID NO.
	(6) TRAINING INSTALLATION			(7) LOCATION	(8) REPORT DATE (Day, month, year) (9) END DATE (Day, month, year)
f	(1) RCN	(2) WCN	(3) MASL IIN	(4) MASL DESCRIPTION	(5) MASL SERVICE ID NO.
	(6) TRAINING INSTALLATION			(7) LOCATION	(8) REPORT DATE (Day, month, year) (9) END DATE (Day, month, year)

NO ADDITIONAL TRAINING TO THAT SPECIFIED ABOVE WILL BE PROVIDED ON THE BASIS OF THIS ORDER.

15. CONDITIONS (Check appropriate block(s) for each condition listed)

a. DEPENDENTS

(1) NO DEPENDENTS ARE AUTHORIZED TO ACCOMPANY OR JOIN FMT. DEPENDENTS WILL NOT BE ISSUED ID CARDS OR PROVIDED ATTENDANT PRIVILEGES.

(2) DEPENDENTS ARE AUTHORIZED BY THE FMT'S HOME COUNTRY AND THE DOD SECURITY ASSISTANCE ORGANIZATION IN-COUNTRY TO ACCOMPANY FMT OR JOIN FMT WHILE IN TRAINING, BUT WILL NOT BE TRANSPORTED NOR SUBSISTED AT U.S. GOVERNMENT EXPENSE. IMET FMT IS NOT AUTHORIZED AN INCREASE IN LIVING ALLOWANCE DUE TO PRESENCE OF DEPENDENTS.

(3) IN ACCORDANCE WITH MASM PART II, CHAP 7, IMET FMT IS AUTHORIZED THE INCREASED "DEPENDENTS AUTHORIZED" LIVING ALLOWANCE. DEPENDENTS WILL NOT BE TRANSPORTED NOR SUBSISTED AT U.S. GOVERNMENT EXPENSE.

FIGURE 10-11-1. (Continued) (page 2 of 4 pages)

15. CONDITIONS (Continued)	
D. MEDICAL SERVICES	
(1) FMTS	
(a) <input type="checkbox"/> NATO FMTs UNDER IMET: CHARGES FOR ONLY INPATIENT CARE IN THE U.S. ARE CHARGEABLE TO THE IMETP.	
(b) <input type="checkbox"/> IMET FMTs: CHARGES FOR OUTPATIENT AND INPATIENT CARE, IMMUNIZATIONS, AND MEDICAL EXAMINATIONS ARE CHARGEABLE TO THE IMETP.	
(c) <input type="checkbox"/> NATO FMTs UNDER FMS: CHARGES FOR ONLY INPATIENT CARE IN THE U.S. WILL BE COLLECTED FROM (SELECT ONE)	
1 <input type="checkbox"/> FMS CASE	2 <input type="checkbox"/> FMT
3 <input type="checkbox"/> FOREIGN GOVERNMENT	
(d) <input type="checkbox"/> FMS FMTs: CHARGES FOR OUTPATIENT AND INPATIENT CARE, IMMUNIZATIONS, AND MEDICAL EXAMINATIONS WILL BE COLLECTED FROM (SELECT ONE)	
1 <input type="checkbox"/> FMS CASE	2 <input type="checkbox"/> FMT
3 <input type="checkbox"/> FOREIGN GOVERNMENT	
(2) DEPENDENTS	
(a) <input type="checkbox"/> AUTHORIZED ACCOMPANYING DEPENDENTS OF NATO FMTs: CHARGES FOR ONLY INPATIENT CARE IN THE U.S. WILL BE COLLECTED FROM (SELECT ONE)	
1 <input type="checkbox"/> FMT	2 <input type="checkbox"/> FOREIGN GOVERNMENT
(b) <input type="checkbox"/> AUTHORIZED ACCOMPANYING DEPENDENTS OF IMET AND FMS FMTs: CHARGES FOR OUTPATIENT AND INPATIENT CARE, IMMUNIZATIONS, AND MEDICAL EXAMINATIONS WILL BE COLLECTED FROM (SELECT ONE)	
1 <input type="checkbox"/> FMT	2 <input type="checkbox"/> FOREIGN GOVERNMENT
(3) <input type="checkbox"/> SEE ITEM 16, SPECIAL CONDITIONS.	
C. LIVING ALLOWANCES	
(1) <input type="checkbox"/> LIVING ALLOWANCE IS RESPONSIBILITY OF THE GOVERNMENT OF _____ (Home Country)	
(2) <input type="checkbox"/> IMET LIVING ALLOWANCE IS AUTHORIZED DURING PERIOD COVERED BY THIS ORDER, FROM DAY OF DEPARTURE FROM TO DAY OF RETURN ARRIVAL IN HOME COUNTRY, EXCLUDING PERIODS COVERED BY LEAVE, IN ACCORDANCE WITH MASM PART II, CHAP 7, AND IS CHARGEABLE TO THE IMET FUND CITE INDICATED IN ITEM 9, THIS ORDER.	
(3) <input type="checkbox"/> IMET LIVING ALLOWANCE IS AUTHORIZED FROM DAY OF DEPARTURE FROM TO DAY OF RETURN ARRIVAL IN _____, EXCLUDING PERIODS COVERED BY LEAVE, IN ACCORDANCE WITH MASM PART II, CHAP 7, AND IS CHARGEABLE TO THE IMET FUND CITE INDICATED IN ITEM 9, THIS ORDER. (Country - Other Than Home Country)	
(4) <input type="checkbox"/> IMET LIVING ALLOWANCE IS AUTHORIZED FROM DAY OF DEPARTURE FROM THE CONUS ENTRY PORT TO DAY OF RETURN ARRIVAL AT THE CONUS DEPARTURE POINT, EXCLUDING PERIODS COVERED BY LEAVE, IN ACCORDANCE WITH MASM PART II, CHAP 7, AND IS CHARGEABLE TO THE IMET FUND CITE INDICATED IN ITEM 9, THIS ORDER.	
(5) <input type="checkbox"/> IMET LIVING ALLOWANCE IS AUTHORIZED WHILE IN TRAINING STATUS ONLY IN ACCORDANCE WITH MASM PART II, CHAP 7, AND IS CHARGEABLE TO THE IMET FUND CITE INDICATED IN ITEM 9, THIS ORDER.	
(6) <input type="checkbox"/> SEE ITEM 16, SPECIAL CONDITIONS.	
A. TRAVEL	
(1) <input type="checkbox"/> TRAVEL IS RESPONSIBILITY OF THE GOVERNMENT OF _____ (Home Country)	
(2) <input type="checkbox"/> TRAVEL COVERED BY THIS ORDER, OVERSEAS AND CONUS, IS CHARGEABLE TO THE IMET FUND CITE INDICATED IN ITEM 9, THIS ORDER.	
(3) <input type="checkbox"/> TRAVEL TO AND RETURN FROM _____ IS THE RESPONSIBILITY OF THE (Country - Other Than Home Country) GOVERNMENT OF _____ . TRAVEL FROM _____ (Home Country) (Country - Other Than Home Country) TO CONUS AND RETURN IS CHARGEABLE TO THE IMET FUND CITE INDICATED IN ITEM 9, THIS ORDER.	
(4) <input type="checkbox"/> TRAVEL TO CONUS AND RETURN IS RESPONSIBILITY OF THE GOVERNMENT OF _____ (Home Country) TRAVEL WITHIN CONUS IS CHARGEABLE TO IMET FUND CITE INDICATED IN ITEM 9, THIS ORDER.	
(5) <input type="checkbox"/> SEE ITEM 16, SPECIAL CONDITIONS.	
A. BAGGAGE	
(1) <input type="checkbox"/> NO BAGGAGE WILL BE TRANSPORTED AT USG EXPENSE. BAGGAGE ALLOWANCES OUTLINED BELOW ARE TOTAL ALLOWANCES: EXCESS BAGGAGE BEING THE DIFFERENCE BETWEEN THE BAGGAGE PERMITTED BY THE TRANSPORTATION CARRIER AND THAT STIPULATED BELOW. BAGGAGE SIZES AND DIMENSIONS WILL CONFORM TO CARRIER STIPULATIONS. THESE ALLOWANCES APPLY FOR THAT PORTION OF TRAVEL WHOSE COSTS ARE PAID FROM U.S. FUNDS (SEE PARA 4, ABOVE) AND COST OF ANY EXCESS BAGGAGE IS CHARGEABLE TO THE IMET FUND CITE INDICATED IN ITEM 9, THIS ORDER.	
(2) <input type="checkbox"/> TRAINING LESS THAN 40 WEEKS IN TOTAL DURATION (OTHER THAN FLYING): IMET FMT AUTHORIZED 100 POUNDS, NOT TO EXCEED 3 PIECES OF CHECKED BAGGAGE.	
(3) <input type="checkbox"/> FLYING TRAINING LESS THAN 40 WEEKS IN TOTAL DURATION: IMET FMT AUTHORIZED 130 POUNDS (TOTAL FOR PERSONAL BAGGAGE AND ANY FLYING TRAINING EQUIPMENT), NOT TO EXCEED 4 PIECES OF CHECKED BAGGAGE.	
(4) <input type="checkbox"/> ALL TRAINING 40 WEEKS OR LONGER IN TOTAL DURATION: IMET FMT AUTHORIZED 160 POUNDS, NOT TO EXCEED 5 PIECES OF CHECKED BAGGAGE.	

Page 3 of 4 Pages

FIGURE 10-11-1. (Continued) (page 3 of 4 pages)

15. CONDITIONS (Continued)	
f. TRAVEL BY POV	
(1) <input type="checkbox"/>	FMT IS AUTHORIZED BY HIS GOVERNMENT TO TRAVEL BY POV BETWEEN TRAINING INSTALLATIONS.
(2) <input type="checkbox"/>	FMT IS NOT AUTHORIZED BY HIS GOVERNMENT TO TRAVEL BY POV BETWEEN TRAINING INSTALLATIONS.
g. LEAVE	
(1) <input type="checkbox"/>	UPON COMPLETION OF TRAINING, FMT IS NOT AUTHORIZED LEAVE, AND WILL PROCEED IMMEDIATELY AS DIRECTED TO HOME COUNTRY.
(2) <input type="checkbox"/>	UPON COMPLETION OF TRAINING, FMT IS AUTHORIZED _____ DAYS LEAVE AT NO COST TO THE USG OR IMETP. UPON (Number) COMPLETION OF LEAVE, FMT WILL PROCEED IMMEDIATELY TO HOME COUNTRY OR AS DIRECTED BY COMPETENT AUTHORITY.
h. PARTICIPATION IN HAZARDOUS DUTY	
(1) <input type="checkbox"/>	FMT IS PARACHUTE QUALIFIED AND AUTHORIZED TO PARTICIPATE IN JUMPS FROM U.S. AIRCRAFT.
(2) <input type="checkbox"/>	QUALIFIED FLYING FMTs ARE AUTHORIZED TO PARTICIPATE IN FLIGHTS AS CREW MEMBERS. THE GOVERNMENT OF _____ (Home Country) CERTIFIES THAT FMT IS PHYSICALLY, PROFESSIONALLY, AND ADMINISTRATIVELY QUALIFIED TO PARTICIPATE IN FLIGHTS IN HIS COUNTRY'S MILITARY AIRCRAFT AS _____ (Flight Crew Position) FMT MEETS MEDICAL CLEARANCE REQUIREMENT AS SPECIFIED BY THE APPROPRIATE U.S. MILDEP FLIGHT QUALIFICATION RECORDS ACCOMPANYING FMT.
(3) <input type="checkbox"/>	FMT IS AUTHORIZED TO PARTICIPATE IN FLIGHTS OF U.S. MILITARY AIRCRAFT AS REQUIRED IN CONNECTION WITH SCHEDULED COURSE(S) OF INSTRUCTION, OR AS SPECIFIED IN U.S. MILDEP REGULATIONS.
(4) <input type="checkbox"/>	FMT IS AUTHORIZED TO PARTICIPATE IN HAZARDOUS DUTY TRAINING.
(5) <input type="checkbox"/>	NOT APPLICABLE.
16. SPECIAL CONDITIONS (If Applicable)	
17. DISTRIBUTION	

Page 4 of 4 Pages

FIGURE 10-II-1. (Continued) (page 4 of 4 pages)

TABLE 10-II-1
PROGRAM CARD FORMATS

ADDITION CARD 4	CHANGE CARD Q	DELETION CARD R	COLUMN
Card Code	Card Code	Card Code	1
Record	Record	Record	2
Control	Control	Control	5
Number	Number	Number	6
Blank	Blank	Blank	13
Item Ident	Item Ident		14
Number	Number	Blank	20
Generic Code	Generic Code		21
Blank	Blank		22
Reason for	Reason for	Reason for	23
Change Code	Change Code	Change Code	24
Student Code	Student Code		25
			26
Quantity	Quantity	Blank	29
Program	Program		30
Originator	Originator		31
Country/ Activity	Country/ Activity	Country/ Activity	32
Code	Code	Code	33
Duration	Duration		34
Type of	Type of		35
Assistance	Assistance	Blank	36
			43
Unit Price	Unit Price		44
Blank	Blank		45
Program	Program	Program	46
Year	Year	Year	47
Funding	Funding		50
Date/Case	Date/Case		51
Travel and	Travel and		56
Living	Living		57
Allowance	Allowance	Blank	58
Blank	Blank		59
DSAA Waiver	DSAA Waiver		60
Blank	Blank		61
TLA Command	TLA Command		65
Worksheet	Worksheet		66
Control	Control		68
Number	Number		69
Execution	Execution		
Agency Code	Agency Code		
Change	Change	Change	
Originator	Originator	Originator	

TABLE 10-II-1. Program Card Formats.

<u>ADDITION CARD 4</u>	<u>CHANGE CARD Q</u>	<u>DELETION CARD R</u>	<u>COLUMN</u>
Avail	Avail		
Report Qtr	Report Qtr		70
Blank	Blank		71
Rqmts	Rqmts		
Priority Code	Priority Code		72
			73
Total Cost	Total Cost	Blank	80

 TABLE 10-II-1. (Continued)

TABLE 10-II-2

TABLE OF DAILY LIVING ALLOWANCES
FOR IMET FOREIGN MILITARY TRAINEES

	OFFICER AND CIVILIAN EQUIVALENTS	ENLISTED(1)
In Travel Status, Including Unscheduled Delays(2).....	Various	Various
In Training Status:		
Neither Quarters Nor Mess Available.....	\$33	\$33
Quarters Available, Mess Not(3).....	20	17
Mess Available, Quarters Not(3).....	23	19
Both Quarters and Mess Available(3),(8).....	14	7
Both Quarters and Mess Available, Free of Charge (Aboard Ship).....	7	7
Both Quarters and Mess Available Officers Charged for Mess (Aboard Ship).....	10	N/A
Dependent Authorized(4).....	33	N/A
On Leave(5).....	Various	Various
In Military Hospital(6).....	7	7
Orientation Tour Participants(7).....	23	N/A

NOTES:

- (1) Not applicable to enlisted foreign military trainees (FMTs) attending training at the Small Craft Instruction and Technical Training School (SCIATTS) or the Inter-American Air Forces Academy (IAAFA). The daily living allowance rate authorized for these enlisted FMTs is \$3.50 per day.
- (2) Travel allowance rate is authorized to include the day of arrival at, and day of departure from, training installation except for FMTs who receive no U.S. Government living allowance. Rates on travel status, including unscheduled delays, are based on rates equal to those in the JTR for U.S. personnel.
- (3) In overseas areas where U.S. Government quarters and mess are not available the rates authorized are equal to those authorized for U.S. personnel in the JTR. "Quarters Available" means that U.S. Government quarters were either furnished or made available. "Mess Available" means three meals per day were available in a U.S. Government mess, whether or not actually consumed. U.S. Government mess excludes open mess and is not considered available to officer FMTs except during maneuvers, field exercises, training in the field or when an officer's field ration mess is specifically available (e.g., officers field ration mess is available at Lackland AFB and Maxwell AFB, both with a heavy student load).

TABLE 10-II-2. Table of Daily Living Allowances for IMET FMTs.

MILDEPs will be reimbursed from IMETP funds for costs of meals and quarters furnished free of charge to eligible FMTs. All FMTs not authorized a U.S. Government living allowance will pay for their meals. Meals taken in other food service facilities will be paid for by the FMT at the menu rates.

- (4) This rate is authorized only for accompanied FMTs attending certain courses designated by the MILDEPs (AC&CS, SOS, AWC, CGSC, NCC, NSC, AFIT, MCC&SC, SWOS, PGS) and includes prerequisite courses, follow-on courses, and authorized leave periods. This rate is applicable regardless of availability of quarters and is payable whether FMT lives on or off post.
- (5) Living allowance for leave periods following termination of training is not authorized. Leave with living allowances may be granted during periods of class breaks, authorized holidays, between consecutive courses and delays at a port while awaiting transportation at the rate that is appropriate to the training status.
- (6) In those cases where an officer FMT is authorized an increased living allowance for accompanying dependents (see Note 4, above) and is subsequently hospitalized, an increased living allowance (\$33) shall apply during period of hospitalization rather than the reduced rate specified herein.
- (7) Meal allowance only. Cost of quarters to be paid from programmed funds by Class A agent/cashier escort officer.
- (8) Enlisted students from countries that participate in cost-sharing of travel and living allowances who are not entitled to meal cards may receive per diem in an amount greater than \$7. A higher rate is authorized as long as the programmed rate is less than \$7 plus the daily cost of mess hall meals. When the programmed rates reaches or exceeds \$7 plus the cost of meals, students will be issued meal cards and will be paid \$7 per day.

TABLE 10-II-2. (Continued)

TABLE 10-II-3

MILDEP EXECUTION AGENCY IDENTIFIER CODES

A. ARMY EXECUTION AGENCY (EXA) CODES.

The EXA code used by the Army is a three digit alpha numeric wherein the first alpha represents the Army (B), the second alpha the funding agency and the the third alpha or numeric the training agency. The following codes are to be used for Department of the Army IMET programming.

B. Department of the Army.

- A. U.S. Army Material Development and Readiness Command (DARCOM)
 - A. Army Logistics Management Center, Ft Lee, VA
 - B. Army Management Engineer Training Activity, Rock Island, IL
 - C. Army Defense Ammunition School, Savanna, IL
 - D. Joint Military Package Training Center, Aberdeen Proving Ground, MD
 - E. Army Tank-Automotive Command, Warren, MI
 - G. Army Depot Systems Command, Chambersburg, PA
 - H. Letterkenny Army Depot, Chambersburg, PA
 - K. Lone Star Ammunition Plant, Texarkana, TX
 - L. Army Test and Evaluation Command, Aberdeen Proving Ground, MD
 - M. New Cumberland Army Depot, New Cumberland, PA
 - N. Army Troop Support and Aviation Material Readiness Command, St. Louis, MO
 - P. Army Mobility Equipment Research and Development Command, Ft. Belvoir, VA
 - Q. Pueblo Army Depot, Pueblo, CO
 - R. Army Natick Research and Development Laboratories, Natick, MA
 - S. Army Electronics Research and Development Command, Adelphi, MD
 - T. Army Communications Electronics Command, Ft. Monmouth, NJ
 - U. Red River Army Depot, Texarkana, TX
 - V. Army Aviation Research and Development Command, St. Louis, MO
 - W. Tobyhanna Army Depot, Tobyhanna, PA
 - X. Tooele Army Depot, Tooele, UT
 - Y. Yuma Proving Ground, Yuma, AZ
 - 2. US Army Security Assistance Center (USASAC), Alexandria, VA
 - 3. Anniston Army Depot, Anniston, AL
 - 4. Dugway Proving Ground, Dugway, UT
 - 6. Corpus Christi Army Depot, Corpus Christi, TX
 - 7. Army Armament Research and Development Command, Dover, NJ
 - 8. Army Armament Material Readiness Command, Rock Island, IL

TABLE 10-II-3. MILDEP Execution Agency Identifier Codes.

- 9. Army Missile Command (MICOM), Redstone Arsenal, AL
 - 0. (Unidentified DARCOM Location)
- C. U.S. Army Training and Doctrine Command (TRADOC)
- A. Army Aviation School, Ft Rucker, AL
 - B. Army Training Support Center (Correspondence Courses), Ft Eustis, VA
 - C. U.S. Army War College, Carlisle, PA
 - D. Defense Language Institute, Monterey, CA
 - E. Army Engineer School, Ft Belvoir, VA
 - F. Army Field Artillery School, Ft Sill, OK
 - G. Army Infantry School, Ft. Benning, GA
 - H. Army Ordnance School, Aberdeen Proving Ground, MD
 - I. Defense Information School, Ft Benjamin Harrison, IN
 - J. Army Quartermaster School, Ft Lee, VA
 - K. Army Chemical School, Ft McClellan, AL
 - L. Army Soldier Support Center, Ft Benjamin Harrison, IN
 - M. Army Chaplain School, Ft Monmouth, NJ
 - N. Army Military Police School, Ft McClellan, AL
 - P. Army Signal School, Ft Gordon, GA
 - Q. Judge Advocate General School, Charlottesville, VA
 - R. Army Air Defense School, Ft Bliss, TX
 - S. Army Transportation School, Ft. Eustis, VA
 - T. Army Command and General Staff College, Ft. Leavenworth, KS
 - U. Army Intelligence School, Ft. Huachuca, AZ
 - V. Aviation Logistics School, Ft. Eustis, VA
 - W. Army Institute for Military Assistance, Ft. Bragg, NC
 - X. Army Missile and Munitions School, Redstone Arsenal, AL
 - Y. Army Armor School, Ft Knox, KY
 - Z. U.S. Army Organizational Effectiveness Training Center and School, Ft Ord, CA
 - 1. Ft Dix, NJ
 - 2. Ft Leonard Wood, MO
 - 3. Ft Jackson, SC
 - 7. TRADOC Security Assistance Training Field Activity (SATFA), Ft. Monroe, VA
 - 8. TRADOC Combined Arms Test Activity (TCATA), Ft Hood, TX
 - 9. HQ, TRADOC, Ft Monroe, VA
 - 0. (Unidentified TRADOC Location)
- E. Office, Chief of Engineers
- 0. (Unidentified Chief of Engineers Location)
- F. U.S. Army Finance and Accounting Center (USAFAC)
- A. USAID Training All Areas
 - B. Defense Intelligence Agency (DIA), Washington, DC
 - C. U.S. Coast Guard Training
 - D. Defense Logistics Agency (DLA), Washington, DC
 - E. Defense Systems Management College, Ft Belvoir, VA
 - F. National Defense College (Correspondence Course), Ft. McNair, Washington, DC

 TABLE 10-II-3. (Continued)

- M. U.S. Marine Corps Training
 - N. U.S. Navy Training
 - S. Defense Mapping Agency (DMA), Washington, DC
 - T. Defense Mapping School, Ft Belvoir, VA
 - X. U.S. Air Force Training
 - O. Training U.S. Map Personnel (N5B)
- G. U.S. Army Health Services Command (USAHSC)
 - A. Armed Forces Institute of Pathology, Washington, DC
 - B. William Beaumont Army Medical Center, El Paso, TX
 - F. Fitzsimmons Army Medical Center, Aurora, CO
 - H. Army Environmental Hygiene Agency, Aberdeen Proving Ground, MD
 - L. Letterman Army Medical Center, San Francisco, CA
 - M. Madigan Army Medical Center, Tacoma, WA
 - S. Academy of Health Sciences, Ft Sam Houston, TX
 - T. Tripler Army Medical Center, Honolulu, HI
 - W. Walter Reed Army Medical Center, Washington, DC
 - X. Medical Cost-CONUS (GC N7E)
 - Z. Army Institute of Dental Research, Washington, DC
 - O. (Unidentified USAHSC Location)
- H. Western Command (WESTCOM)
 - H. All Training in WESTCOM Schools or Units
 - I. Third Country Training in WESTCOM Areas
 - O. (Unidentified Pacific Command (PACOM) Location)
- I. U.S. Army Forces Command (FORSCOM)
 - A. 1st Infantry Division (Mechanized), Ft Riley, KS
 - B. 1st Cavalry Division, Ft Hood, TX
 - C. 2d Armored Division, Ft Hood, TX
 - D. 3d Armored Cavalry Regiment, Ft Bliss, TX
 - E. 4th Infantry Division (Mechanized), Ft Carson, CO
 - F. 5th Infantry Division (Mechanized), Ft Polk, LA
 - G. 7th Infantry Division, Ft Ord, CA
 - H. 9th Infantry Division, Ft Lewis, WA
 - I. 24th Infantry Division, Ft Stewart, GA
 - J. 82nd Airborne Division, Ft Bragg, NC
 - K. 101st Airborne Division, Ft Campbell, KY
 - L. 197th Infantry Brigade, Ft Benning, GA
 - M. 194th Armored Brigade, Ft Knox, KY
 - N. 193rd Infantry Brigade (Panama), Ft Clayton
 - P. 172nd Infantry Brigade (AK), Ft Richardson, AK
 - Q. 3d Corps Artillery, Ft Sill, OK
 - 9. HQ, FORSCOM, Ft McPherson, GA
 - O. (Unidentified FORSCOM Location)
- M. U.S. European Command (EUCOM)
 - M. All Training in U.S. Army Europe (USAREUR) Schools or Units
 - O. (Unidentified EUCOM Location)

TABLE 10-II-3. (Continued)

- S. U.S. Southern Command (SOUTHCOM)
 - A. School of the Americas
 - B. Inter-American Geodetic Survey School
 - S. Other Training in SOUTHCOM Areas
 - X. Medical Cost-Overseas (GS N7F)
- Z. Unidentified
 - Z. Unidentified Location, Worldwide (Used only for initial programming until correct EXA is determined)

B. NAVY EXECUTION AGENCY (EXA) CODE.

The EXA code used by the Navy is also a three digit alpha numeric wherein the first alpha represents the Navy (P), and the second and third alpha-numeric represent the major claimant or implementing command for the training. The following codes are to be used for Department of the Navy IMET programming.

P. Department of the Navy.

PBM NAVAL MEDICAL COMMAND
 PGC US COAST GUARD (COGARD)
 PCN CHIEF OF NAVAL OPERATIONS (CNO)
 PCL COMMANDER IN CHIEF, US ATLANTIC FLEET (CINCLANTFLT)
 PCP COMMANDER IN CHIEF, US PACIFIC FLEET (CINCPACFLT)
 PCT CHIEF OF NAVAL EDUCATION AND TRAINING (CNET)
 PMC COMMANDANT, US MARINE CORPS (CMC)
 PNM CHIEF OF NAVAL MATERIAL (CHNAVMAT)
 PNR CHIEF OF NAVAL RESERVE (CNAVRES)
 PBO DEPARTMENT OF THE ARMY (DA)
 PDO DEPARTMENT OF THE AIR FORCE (DAF)
 POO MISCELLANEOUS
 PSO COMMANDER IN CHIEF, US SOUTHERN COMMAND (USCINCSO)

C. AIR FORCE EXECUTION AGENCY (EXA) CODES.

The EXA code used by the Air Force is a three digit alpha numeric wherein the first alpha represents the Air Force (D), and the second alpha the implementing command, and the third alpha or numeric the major command conducting the training. The following codes are to be used for Department of the Air Force IMET programming.

D. Department of the Air Force

D. USAFE
 O Variable
 E England
 G Germany

F. LOGISTICS
 O AF Logistics Command

TABLE 10-II-3. (Continued)

J. FMTAG
O AF CONUS/Variable
B USAF Academy
C Aerospace Defense Command
H Air Force Systems Command
J Air Training Command
K Air University/AF Institute of Technology
Q Military Air Command
S Strategic Air Command
T Tactical Air Command
U USAF Security Service
Y AF Communications Service

L. USAFSO
O Variable
A IAAFA School

R. PACAF
O Variable
H Hawaii
C Clark AFB

TABLE 10-II-3. (Continued)

 E

EA	Expenditure Authority
ECL	English Comprehension Level
ECP	Engineering Change Proposal
EDA	Excess Defense Articles
EDD	Estimated Delivery Date
EOQ	Economic Order Quantity
EPG	European Participating Governments
ESF	Economic Support Fund
ETSS	Engineering and Technical Service Specialist

 F

FAA	Foreign Assistance Act of 1961, as amended
FAD	Force Activity Designator
FAMJT	Familiarization Job Training
FAPSS	Foreign Affairs Planning and Scheduling System
FAR	Federal Acquisition Regulation
F/F	Freight Forwarder
FFB	Federal Financing Bank
FLO	Foreign Liaison Office (located within CONUS)
FORDAD	Foreign Disclosure Automated Data Systems
FMS	Foreign Military Sales
FMSCR	Foreign Military Sales Credit
FMSMP	Foreign Military Sales Management Plan
FMSO I	Foreign Military Sales Order (stock level sales case)
FMSO II	Foreign Military Sales Order (requisition/consumption sales case)
FMT	Foreign Military Trainee
FOB	Free On Board
FSC	Federal Supply Classification
FSL	Foreign Service Local (Embassy Employee)
FSO	Foreign Service Officer (Department of State)
FST	Field Service Team
FTO	Foreign Training Officer (U.S.)
FTS	Field Training Service
FYDP	Five Year Defense Program

 G

GA	Grant Aid
GAO	General Accounting Office
GBL	Government Bill of Lading
GFAE	Government Furnished Aeronautical Equipment
GFE	Government Furnished Equipment
GSA	General Services Administration
GSE	Ground Support Equipment

H

[None at this time.]

I

IA	Implementing Agency
ICP	Inventory Control Point
IDCA	International Development Cooperation Agency
IL	International Logistics
ILCO	International Logistics Control Office
ILP	International Logistics Program
ILS	International Logistics Support
IM	Item/Inventory Manager
IMET	International Military Education and Training
IP	Informational Program
ISA	International Security Affairs
ISP	International Security Policy
ISSL	Initial Spares Support List
ITAR	International Traffic in Arms Regulations
ITO	Invitational Travel Order

J

JCS	Joint Chiefs of Staff
JFM	Joint Forces Memorandum
JMP	Joint Manpower Program
JSAM	Joint Security Assistance Memorandum
JSPD	Joint Strategic Planning Document (Document replacing the JSOP)
JSPDSA	Joint Strategic Planning Document Supporting Analysis (Portion of the JSPD, which will be submitted by the field)
JSPS	Joint Strategic Planning System

K

[None at this time.]

L

LOA	Letter of Offer and Acceptance
LOI	Letter of Intent
LOR	Letter of Request
LTD	Language Training Detachment

92. Travel and Living Allowance (TLA) - 1000 System. This data element is used in the IMET detail training records to record the dollar amount that is programmed (budgeted) to pay the travel and living allowance expense for an individual line of training. See Chapter 10 for the cost computation procedures.

93. Travel and Living Allowance (TLA) Command - 1000 System. A single digit code used by the Army to indicate the command to receive the TLA funds.

94. Transaction Type - 1200 System. (See Card Code/Transaction Type above.)

95. Type of Assistance Code - 1000 System. The type of assistance code is used in the MILSTRIP system to distinguish between various types of U.S. military assistance transactions. In MAP and IMET the code is used to distinguish the various types of military assistance, as well as to identify certain military assistance requirements programmed under special financing. (e.g., Code "C" denotes that the item has been programmed under Section 506 of the Foreign Assistance Act). (For a complete list of codes along with an explanation of each code see Table D-14 of this appendix.)

96. Under DoD Preparation Receipt Date (DSAA Operations) - 1200 System. A six position numeric code expressed in a YYMMDD format, which reflects the date of receipt in the DSAA, Operations Directorate of a 36(b) sale or a potential 36(b) sale.

97. Under DoD Preparation Receipt Date (DSAA Comptroller) - 1200 System. A six position numeric code expressed in a YYMMDD format, which reflects the date of receipt from the Military Department/IA of an advance Congressional notification of a potential 36(b) sale.

98. Unified Command Code - All Systems. Unified Command codes are not contained in cards or card images but are assigned as supplemental data in master program records for use in selecting and sorting program data by Unified Command. This code identifies the Unified Command having responsibility for each recipient, except non-regional, and is the key for segregating ADP listings and feedback card data by Unified Command.

<u>Code</u>	<u>Meaning</u>
C -----	Central Command
E -----	European Command
L -----	Atlantic Command
P -----	Pacific Command
S -----	Southern Command
N -----	Non-Regional

99. Unit of Issue - All Systems. See Table D-15 of this appendix for a list of approved unit of issue codes that can be used in both the 1000 and 1200 systems. This code designates the unit of measurement to be used in programming defense articles, services and training and in shipping items of supply.

100. Unit Price - 1000 System. This data element is used in the detail training records to indicate the unit price per student (team member, etc.) as listed in the training MASL or as determined by the Military Department.

101. Worksheet Control Number (WCN) - 1000 System. A five position alpha/numeric code used to designate a single item or sequence of training. The unit position is used to identify sequential training which is entered in alphabetical sequence, i.e., 1234, 1234A 1234B, and 1234C, etc. Where no sequential training is programmed the units position is blank.

102. 36(b) Indicator - 1200 System. A single digit alpha code used to identify a 36(b) case. The code "Y" indicates the record is a 36(b) case, and the code "N" indicates the record is a non-36(b) case.

103. Waiver Codes - 1000 System. This data element is used in the detail training records to indicate the type of IMET policy waiver granted. Following waiver codes apply: **

- "B" - Books and publications (non-English language)
- "C" - Civilian student
- "G" - Postgraduate/degree related training
- "H" - High cost training (flight training only when tuition cost exceeds \$25,000)
- "L" - Training with durations less than 8 weeks
- "M" - Mobile Training Teams (MTTs)
- "O" - Orientation Tours
- "R" - Other waivers
- "S" - Combined Strategic Intelligence Training Program (Air Force only)

TABLE D-4
COST CODE - 1000 SYSTEM

<u>Code</u>	<u>Cost Category</u>
I	Investment Cost - The term "Investment Cost" (Code I) is used to identify equipment, supplies, and services that will improve the forces' capabilities and includes such items as initial unit equipment, reserves of equipment and ammunition, concurrent spares and initial stockages of spare parts, replacement of obsolescent equipment to include that lost through attrition, overhaul and rebuild of equipment prior to initial issue, construction, equipment installed in facilities, projects such as communication systems, programmed as dollar value lines to facilitate implementation, and training associated with the introduction of new equipment or an improved capability.
0	Operating Cost - The term "Operating Cost" (code 0) is used to identify equipment, supplies, and services needed to train, operate, and maintain forces in being and includes such items as spare parts other than initial stockages, ammunition and missiles used in training or to replace such items consumed in training and operations, rebuild and overhaul (excludes overhaul modernization) of equipment subsequent to initial issue, training and other services that do not constitute investment costs, and administrative costs associated with overhaul program management administration.

The following examples are provided as guidance for the selected items listed below:

<u>Requirement</u>	<u>Investment</u>	<u>Operating</u>
<u>Material:</u>		
Ammo components or raw materials:		
For local manufacture tng ammo	-	X
For local manufacture W/R ammo	X	-
For Ammo maintenance	-	X
Class IV mods	-	X
Class V mods	X	-
Component of an aircraft, missile, Aircraft Control and Warning System (AC&W), fire control, communication or other system investment.	X	-
Equipment attachments		
Replacement of ships	X	-
Replacement of attrition losses	X	-
UN Forces support in Korea	-	X
<u>Services:</u>		
Contract technicians and contract services:		
Associated with introduction of investment items	X	-
Construction	X	-
Ship overhauls	X	-
<u>Training:</u>		
Training (Generic Codes N-10 through N-30)	X	-
Training Support (Generic Codes N-60 through N-70)	-	X

TABLE D-4. COST CODE - 1000 SYSTEM.

TABLE D-5
COUNTRY/ACTIVITY CODE - ALPHABETIC

Country	Code	Unified Command Cognizance	Area/Congres- sional Grouping
Afghanistan	AF	CE	NESA
Algeria	AG	EG	NESA
Andorra	AN	EU	EUR
Angola	AO	EU	AFR
Anguilla	AV	SO	AR
Antigua and Barbuda (UK)	AC	AT	AR
Argentina	AR	SO	AR
Australia	AT	PA	EAP
Austria	AU	EU	EUR
Bahamas	BF	SO	AR
Bahrain	BA	CE	NESA
Bangladesh	BG	PA	NESA
Barbados	BB	AT	AR
Belgium	BE	EU	EUR
Belize (UK)	BH	SO	AR
Benin	DA	EU	AFR
Bermuda (UK)	BD	SO	AR
Bhutan	BT	PA	NESA
Bolivia	BL	SO	AR
Botswana	BC	EU	AFR
Brazil	BR	SO	AR
British Virgin Islands (UK)	VI	SO	AR
Brunei	BX	PA	EAP
Bulgaria	BU	EU	EUR
Burma	BM	PA	EAP
Burundi	BY	EU	AFR
Cameroon	CM	EU	AFR
Canada	CN	NR	EUR
Cape Verde, Republic of	CV	EU	AFR
Cayman Islands (UK)	CJ	SO	AR
Central African Republic	CT	EU	AFR
Chad	CD	EU	AFR
Chile	CI	SO	AR
China	CH	PA	EAP
Colombia	CO	SO	AR
Comoros	CR	PA	AFR
Congo	CF	EU	AFR
Costa Rica	CS	SO	AR
Cuba	CU	SO	AR
Cyprus	CY	EU	EUR

TABLE D-5. COUNTRY/ACTIVITY CODE - ALPHABETIC. [Page 1 of 7]

Country	Code	Unified Command Cognizance	Area/Congres- sional Grouping
Oman	MU	CE	NESA
Pakistan	PK	CE	NESA
Panama	PN	SO	AR
Papua-New Guinea	PP	PA	EAP
Paraguay	PA	SO	AR
Peru	PE	SO	AR
Philippines	PI	PA	EAP
Pitcairn (UK)	PC	PA	EAP
Portugal	PT	EU	EUR
Qatar	QA	CE	NESA
Reunion (FR)	RE	EU	AFR
Romania	RO	EU	AFR
Rwanda	RW	EU	AFR
San Marino	SM	EU	EUR
Sao Tome and Principe	TP	EU	AFR
Saudi Arabia	SR	CE	NESA
Senegal	SK	EU	AFR
Seychelles	SE	PA	AFR
Sierra Leone	SL	EU	AFR
Singapore	SN	PA	EAP
Solomon Islands	BP	PA	EAP
Somalia	SO	CE	AFR
South Africa	UA	EU	AFR
Spain	SP	EU	EUR
Sri Lanka	CE	PA	NESA
St Christopher- Nevis (UK)	SC	AT	AR
St Helena (UK)	SH	EU	AFR
St Lucia	ST	AT	AR
St Pierre and Miquelon (UK)	SB	SO	AR
St Vincent & Grenadines	VC	AT	AR
Sudan	SU	CE	AFR
Suriname	NS	SO	AR
Swaziland	WZ	EU	AFR
Sweden	SW	EU	EUR
Switzerland	SZ	EU	EUR
Syria	SY	EU	NESA
Taiwan	TW	PA	EAP
Tanzania	TZ	EU	AFR
Thailand	TH	PA	EAP
Togo	TO	EU	AFR
Tonga	TN	PA	EAP
Trinidad-Tobago	TD	AT	AR
Tunisia	TU	EU	NESA

**

TABLE D-5. (Continued) [Page 4 of 7]

Country	Code	Unified Command Cognizance	Area/Congres- sional Grouping
Turkey	TK	EU	EUR
Turks and Caicos (UK)	TS	SO	AR
Tuvalu	TV	PA	EAP
Uganda	UG	EU	AFR
Union of Soviet Socialist Republics	UR	EU	EUR
United Arab Emirates	TC	CE	NESA
United Kingdom	UK	EU	EUR
Upper Volta	UV	EU	AFR
Uruguay	UY	SO	AR
Vanuata	NH	PA	EAP
Venezuela	VE	SO	AR
Vietnam	VS	PA	EAP
Western Samoa	WS	PA	EAP
Yemen (Aden)	YS	CE	NESA
Yemen (Sanaa)	YE	CE	NESA
Yugoslavia	YU	EU	FUR
Zaire	CX	EU	AFR
Zambia	ZA	EU	AFR
Zimbabwe	ZI	EU	AFR
Africa Region	R6	EU	AFR
American Republic Region	R5	SO	AR
Central Treaty Organization (CENTO)	T3	NR	NR
Department of Defense General Cost - MAP (GC-MAP)	00 22	NR NR	NR NR
East Asia/Pacific Region	R4	PA	EAP
European Participating Group F-16 Contract Administration Services (EPG F-16 CASEUR)	EP	NR	NR
European Region	R2	EU	EUR
International Civil Aviation Organization (ICAO HQ)	T7	NR	NR
International Civil Defense Organization (ICDO HQ)	T8	NR	NR
MAP ICP-U.S. Army Logistics Depot, Japan (USALDJ)	D4	PA	NR
MAP Owned Materiel (MAPOM)	M3	NR	NR

TABLE D-5. (Continued) [Page 5 of 7]