



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

27 SEP 2012

MEMORANDUM FOR DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY
DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE
DIRECTOR, DEFENSE INFORMATION SYSTEMS AGENCY
DIRECTOR, DEFENSE THREAT REDUCTION AGENCY
DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY
DIRECTOR, MISSILE DEFENSE AGENCY
DIRECTOR, DEFENSE LOGISTICS AGENCY
DIRECTOR, DEFENSE LOGISTICS INFORMATION SERVICE
DIRECTOR, DEFENSE LOGISTICS AGENCY DISPOSITION
DEPUTY DIRECTOR FOR INFORMATION ASSURANCE,
NATIONAL SECURITY AGENCY
DEPUTY ASSISTANT SECRETARY OF THE ARMY FOR
DEFENSE EXPORTS AND COOPERATION
DEPUTY ASSISTANT SECRETARY OF THE NAVY FOR
INTERNATIONAL PROGRAMS
DEPUTY UNDER SECRETARY OF THE AIR FORCE FOR
INTERNATIONAL AFFAIRS

SUBJECT: Revision to Security Assistance Management Manual (SAMM) Chapter 15 on Building Partner Capacity (BPC) Program Management and Execution, DSCA Policy 12-41 [SAMM E-Change 205]

DSCA is committed to providing clear, useful guidance in the Security Assistance Management Manual (SAMM) for the management and administration of security cooperation programs. In the attached list of changes to the E-SAMM, clarifications are made to improve the guidance provided in the SAMM Chapter 15, Building Partner Capacity (BPC) Programs. Policy guidance for several aspects of BPC case management is expanded to address questions recently raised by the community and a brief explanation for each E-Change is included.

These changes are effective 10 days following the signature of this memo. If you have any questions concerning this guidance, please contact Ms. Marie Kokotajlo, DSCA-STR/POL, marie.kokotajlo@dscamilitary.com, (703) 604-1107.

A handwritten signature in cursive script that reads "Scott Schless".

Scott R. Schless
Principal Director
For Strategy

Attachment:
As Stated

cc:

AFRICOM

CENTCOM

EUCOM

NORTHCOM

SOUTHCOM

PACOM

TRANSCOM

SOCOM

STATE/PM-RSAT

USASAC

SATFA

TRADOC

NAVSUP WSS

NETSAFA

AFSAC

AFSAT

DISAM

MARCOR IP

SCETC

USCG International Affairs (G-CI)

Attachment 1

Security Assistance Management Manual (SAMM), E-Change 205

1) Insert Chapter 15, C15.1.4.9:

C15.1.4.9. Transitional Authorities for East Africa and Yemen (Section 1207(n)). The Transitional Authorities for East Africa and Yemen are funded by the Defense-Wide Operation and Maintenance (DW O&M) Appropriation. The Secretary of Defense, with the concurrence of the Secretary of State, may provide equipment, supplies, training, and assistance for minor construction, (1) to enhance the capacity of national military forces in Djibouti, Ethiopia, Kenya, and Yemen to conduct counter-terrorism operations against al Qaeda, al Qaeda affiliates, and al Shabaab, and (2) to enhance the capacity of national military forces participating in the African Union Mission in Somalia. The use of DW O&M for unspecified minor military construction under Section 1207(n) is subject to 10 U.S.C. sec 2805(c) which restricts the use of funds to projects costing not more than \$750,000, or \$1,500,000 for projects intended solely to correct a deficiency that threatens life, health, or safety. Funds obligated for Section 1207(n) programs before the termination of the authority are available until completion of the projects. CCMDs and IAs develop and execute Section 1207(n) program requirements using procedures applicable to the Section 1206 Program. See Section C15.1.4.4.

2) Renumber Chapter 15 Figures as follows:

- C15.F1. (Number reserved)
- C15.F2. Guidance for Sole Source Justification
- C15.F3. Case Advisory
- C15.F4. Example Notice of Delivery
- C15.F5. Transfer & Receipt Document

3) Change Chapter 15, C15.2.2. to read as follows:

C15.2.2. BPC Programs and Authorities. Implementation of BPC programs and execution of appropriated funds must comply with authorizing legislation. To accurately track the use of funds in support of specific authorization, DSCA assigns a unique 2-digit program code to each BPC program and applicable appropriation. Table C15.T2. lists each BPC program administered by DSCA with its public law authorities and assigned program codes. Table C15.T2, Fund Source column, provides the fund source associated with each code and indicates whether the funds are from DoD or are from a non-DoD agency, and provided via a Foreign Assistance Act (FAA), Section 632(b) Memorandum of Agreement (MOA). The Appropriation Authority, Expiration Date and Cancelling FY columns indicate the fiscal year that the appropriation was signed into law and its timeline. As appropriations cancel, BPC program codes associated with them are removed from the table.

C15.2.2.1. DoD Appropriation Timeline. DoD funding for BPC programs is available for new obligations for a period of time specified by law, generally a one- or two-year

period. At the end of this period, on September 30th, funds expire and remain available only for adjustment to or expenditure of obligations which were entered into during the appropriation's period of availability. Five years after the end of the period of availability, on September 30th, the appropriation cancels and funds are no longer available for any purpose.

C15.2.2.2. Non-DoD Appropriation Timeline. Non-DoD funding for BPC programs is available for new obligations for a period of time specified by law, generally a one- or two-year period. These funds are considered obligated by the Funding Authority upon signature of an FAA Section 632(b) MOA, after which the funds are transferred to DSCA. The IA must subsequently obligate non-DoD funds in accordance with the DoD FMR, Volume 3. The Funding Authority will normally specify a required period of performance for funds obligation in the MOA. For example, DOS obligated PCCF funds, which would have expired at the end of FY12, via signature of an MOA on February 2, 2011; the MOA specifies that the IA must obligate the funds before the end of FY14.

- 4) Change SAMM Chapter 15, C15.2.3 to read as follows:

C15.2.3. International Agreements and Treaties in Force. Requesting Authorities will plan and execute BPC programs in accordance with applicable bilateral and multilateral international agreements and arrangements. Specific agreements and arrangements are made with each Benefitting Country. Table C15.T3. provides a listing of some of the more common agreements. The SCO will maintain copies of these documents, as applicable, and be familiar with their contents. Copies should be shared with the CCMD, USG planners and Benefitting Country Ministry of Defense (MoD) counterparts, as necessary, to ensure all contributors are cognizant of their contents. The SCO may obtain a copy of its country's Section 505 Agreement (as amended by any diplomatic notes) from the Pol/Mil Officer within the U.S. Embassy or from the DSCA CPD.

- 5) Revise Program Code information listed in Chapter 15, C15.T2 as follows:

C15.T2. BPC Program Codes and Authorities

Program	Pgm Cde	Program Authority	Purpose	Fund Source	Appropriation Authority	Expiration Date	Cancelling FY
ASFF	B2	P.L. 109-163	Provide assistance to the Afghanistan national security forces	21 6/7 2091	P.L. 109-234 FY06	2007	2012
	B6	P.L. 109-364		21 7/8 2091	P.L. 109-289 and P.L. 110-28 FY07	2008	2013
	E3	P.L. 110-181		21 8/9 2091	P.L. 110-161 and P.L. 110-252 FY08	2009	2014
	E5	P.L. 110-181		21 9 2191	P.L. 110-252 FY09	2009	2014
	E6	P.L. 110-417		21 9/10 2091	P.L. 111-32 FY09	2010	2015
	G5	P.L. 111-84		21 10/11 2091	P.L. 111-118 and P.L. 111-	2011	2016

Program	Pgm Cde	Program Authority	Purpose	Fund Source	Appropriation Authority	Expiration Date	Cancelling FY
					212 FY10		
	G6	P.L. 111-383		21 11/12 2091	PL. 112-10 FY11	2012	2017
	C5	P.L. 111-212		21 X 2091 FY__ (insert year of contribution)	Contribution (obtain data from CFD)	N/A	N/A
	H5	P.L. 112-81		21 12/13 2091 (Army)	P.L. 112-74 FY12	2013	2018
PCCF	G9	P.L. 111-73	Build and maintain the counterinsurgency capability of Pakistan's military and Frontier Corps	FAA 632(b) MOA 2/3/2011, 1911_1210830 000	P.L. 111-242 FY11	2012 (IA may obligate funds through 2014)	2021
PKO and GPOI	S4	FAA Section 551 (22 U.S.C. Section 2348)	Build international peacekeeping capacity and promote regional security operations	FAA Sec 632(b) MOA and Amendments (Various--use appropriation on MOA provided)	P.L. 109-102 and P.L. 109-234 FY06	2006	N/A
					P.L. 110-5 FY07	2007	
					P.L. 110-92 and P.L. 110-161 FY08	2008	
					P.L. 110-329 FY09	2009	
					P.L. 111-117 FY10	2010	
					P.L. 112-10 FY11	2011	

6) Change Chapter 15, C15.2.5. to read as follows:

C15.2.5. Feasibility Assessment. The IA will conduct a feasibility assessment to verify that requirements are actionable and funds can be obligated within time and budget constraints. Feasibility assessments identify any documentation needed to complete the MOR package, such as a Country Team Assessment and CCMD endorsement; definition of requirements; technology security and foreign disclosure releases; accurate equipment, training, and support cost estimates; transportation plans; and special contracting requirements.

C15.2.5.1. Funds Execution Planning. The IA will verify that all case funds can be obligated before the expiration date provided in Table C15.T2. If funds for a required effort cannot be obligated before the period of availability for new obligations expires, the IA will identify this to the Requesting Authority and the DSCA CPD. Similarly, the IA will consider materiel shipment requirements and ensure that sufficient transportation funds are identified in the MOR and collected below-the-line on the LOA.

7) Change Chapter 15, C15.3.3.6. to read as follows:

C15.3.3.6. Procurement. The unit cost restrictions contained in [10 U.S.C. 2245a](#) and the annual appropriations act for DoD enacted by Congress do not apply to the use of Operations and Maintenance (O&M) funds for procurement of defense articles in support of BPC programs unless specifically applied by Congressional authorization. Refer to the DSCA Office of General Counsel (OGC) for more information. The IA does not need an Offshore Procurement Waiver to contract with non-U.S. contractors in support of a BPC program.

C15.3.3.6.1. Buy American Act. The provisions of the various Buy American Acts may not themselves apply to all BPC programs; however, similar provisions under the Balance of Payments Program (BPP) regulations will generally apply. These require DoD to purchase only U.S. domestically produced end-products (as defined by BPP regulations). The IA should consult with its Contracting Offices and Program Offices to ensure compliance with the requirements of Buy America, BPP and other non-domestic procurement laws.

8) Change Chapter 15, C15.3.3.7. to read as follows:

C15.3.3.7. Training. The IA will apply Rate D for tuition-based training funded with BPC program funds (see DoD FMR Volume 15, Chapter 7). For training requiring dedicated resources, the full cost of the training will be applied (excluding military pay and civilian unfunded retirement). The IA will enter all BPC training in the DSAMS Training Module, to include training provided by Mobile Training Teams (MTTs). The SCO will record all Benefitting Country student information in the Security Cooperation Training Management System (SC-TMS) prior to the training start date. See Section C10.4.2.

9) Change Chapter 15, C15.3.3.10. to read as follows:

C15.3.3.10. Travel and Living Allowances (TLA) for Training. The IA will coordinate with the DSCA CPD to ensure CONUS or OCONUS training is appropriate before including such training in the Pseudo LOA. The IA may include appropriate TLA charges on the Pseudo LOA according to guidance provided in Section C10.7.5.1. and Table C10.T12., Daily Supplemental Living Allowance for International Military Students (IMS). Prior approval from DSCA (Programs Directorate) to include TLA charges on the LOA is not required. Refer to Section C15.3.4. to ensure that projected training schedules comply with period of performance restrictions applicable to the BPC program.

C15.3.3.10.1. Medical Expenses. The IA may add a separate line to the LOA to cover unforeseen medical expenses in the event that the student does not possess medical insurance. If funds on the case are insufficient to cover unforeseen medical expenses, the case may be amended and BPC program funds may be added to the case.

C15.3.3.10.2. Dependent Travel. Dependents may accompany the student to BPC training in CONUS or OCONUS at the dependents' expense, if they possess adequate personal healthcare insurance and the training facility is listed in Table C10.T11.

10) Change Chapter 15, C15.3.4.1. to read as follows:

C15.3.4.1. Contractor Services. Contractor services are categorized as either severable or non-severable, according to the definition provided in [DoD FMR, Volume 3, Chapter 8, section 080303.C](#). Each category of service is subject to separate period of performance restrictions which the IA must comply with to avoid Anti-Deficiency Act violations.

11) Change Chapter 15, C15.3.4.1.1. to read as follows:

C15.3.4.1.1. Severable contractor services are generally performed within the year of funds availability. However, the period of performance for severable services may begin in the year of funds availability and end in the subsequent year, provided the contract period does not exceed 12 months (absent other legal authority). Option years on a contract are treated as new contracts.

12) Change Chapter 15, C15.3.4.2. to read as follows:

C15.3.4.2. U.S. Government-sourced Services. The IA may use current year BPC funds to pay for training and services to be executed by U.S. Government sources, such as U.S. Government civilian and military personnel, as long as the funds are fully obligated prior to their expiration. See Section C15.5.2. This generally requires that civilian and military personnel funded with BPC program funds must cease program-related activities no later than funds expiration unless programs are specifically authorized to continue by legislation.

13) Change Chapter 15, C15.3.4.3. to read as follows:

C15.3.4.3. Section 1206 Cross Fiscal Year Authority. Congress has provided the Section 1206 Program with “cross-fiscal year” authority, applicable to both contracted and government-sourced services which are funded with Section 1206 program funds (see FY09 NDAA, P.L. 110-417, Section 1206(b)). This authority provides a time-limited exception to the bona fide needs rule which requires that appropriated funds be used only for goods and services during the period of availability for new obligations. Pursuant to the cross-fiscal year authority, amounts available for a fiscal year may be used for programs that begin in such fiscal year but end in the subsequent fiscal year. Services and training are considered to begin when the case funds are obligated, even though actual conduct of the activity may occur later. This authority does not extend the period of availability for new obligations; all Section 1206 funds providing support must be obligated prior to the end of the period of availability. Performance of program services may extend through the end of the subsequent fiscal year (to include services such as travel and government civilian services as they pertain to TDY that is properly chargeable to the program). Funded civilian personnel are not required to cease their Section 1206-related activities at the end of the appropriation fiscal year. If military pay is part of the reimbursable expense (i.e., under contingency operations), it may be reimbursed from Section 1206 funds.

14) Insert as Chapter 15, C15.3.4.5:

C15.3.4.5. Section 1207(n) Period of Performance. Funds obligated in support of Section 1207(n) efforts during the period of their availability are available for expenditure against those obligations in subsequent fiscal years for the duration of the efforts, even if the duration spans multiple years. The performance of severable services under 1207(n), to include government oversight and project management may also extend for the duration of the effort. This authority does not extend the period of availability for new obligations for the Section 1207(n) appropriation; all funds providing support through subsequent fiscal years must be obligated prior to the end of the appropriation fiscal year.

15) Change Chapter 15, C15.3.6. to read as follows:

C15.3.6. Notes. Notes on a Pseudo LOA do not represent the terms and conditions of an international agreement, but rather they communicate case information necessary for proper handling of the case and case materiel. Appendix 6 lists standard notes applicable to BPC cases. The IA is responsible for adding non-standard notes, as required. Line item description notes for training, service, or technical assistance lines will include an explanation of the category of service (severable or non-severable) along with the expected period of performance for services.

16) Change Chapter 15, C15.3.7. to read as follows:

C15.3.7. Case Advisory. Benefitting Countries should understand U.S. Government expectations in advance of receiving BPC assistance. The Case Advisory, prepared by the IA, is a notification to the Benefitting Country that a BPC case is being considered and alerts the Benefitting Country of expectations that will accompany the transfer of training and equipment. Only cases that transfer title of defense articles or services to a Benefitting Country require a Case Advisory. Since title to CRSP equipment does not transfer to the Benefitting Country, a Case Advisory is not required for a case that provides only CRSP equipment. After delivery to the U.S. Army Central Command (ARCENT) warehouse in Afghanistan, CRSP equipment is loaned to the Benefitting Country as theater-provided equipment and returned to the warehouse upon completion of the loan period for reconstitution, reissue or final disposition.

C15.3.7.1. Preparation. The IA will prepare the Case Advisory during the Case Development phase using the template provided in Figure C15.F3.

C15.3.7.1.1. Program and Case Information. The IA will enter the name of the Benefitting Country in the Case Advisory header, followed by program and case information. The FAA Section 505 Agreement information will generally remain constant for every Case Advisory that a Benefitting Country receives. In the Case Unique Information section of page 2, the IA will select/include only those paragraphs that apply to the case.

C15.3.7.1.2. Transmittal to the SCO. The IA will send the Case Advisory document to the SCO before the case is implemented. If a change in scope occurs after the Case Advisory has been sent that differs substantially from the information provided in the

first paragraph of the Case Advisory or that would require additional case-unique information, a new Case Advisory should be prepared by the IA and forwarded to the SCO. A change that is not relevant to the Benefitting Country does not require a new Case Advisory.

C15.3.7.1.3. Attachments. Before providing the Case Advisory to a representative of the Benefitting Country, the SCO will attach specific documents: a sample (un-filled) Transfer and Receipt document (See Figure C15.F5.); the Benefitting Country’s Section 505 Agreement with the United States; and any Diplomatic Notes amending the Agreement.

C15.3.7.2. Presentation. The SCO will provide the Case Advisory to the appropriate Benefitting Country representative during Case Development and will ensure the representative is aware of the USG’s purpose and expectations. The SCO will make it clear that the Case Advisory does not guarantee provision of program materiel and does not obligate the Benefitting Country or the USG in any way. The Benefitting Country representative should be encouraged to share the document with others in his or her government. If the Benefitting Country representative believes their government will be unable to meet the expectations as stated, the SCO will relay this to the DSCA CPD before materiel is shipped.

C15.3.7.3. Documentation. The Case Advisory does not require signature from the Benefitting Country representative. The SCO will indicate the name and title of the Benefitting Country representative who received the document at the top of the front page and provide a copy of the annotated Case Advisory to the IA for inclusion in case files.

17) Change Chapter 15, C15.3.8.1. to read as follows:

C15.3.8.1. Submittal to DSCA CWD. The IA will make every effort to submit Pseudo LOA documents to DSCA CWD early in the fiscal year so they can be Implemented at the earliest opportunity. If the LOA will be funded via FAA Section 632(b), a copy of the 632(b) MOA (and any amendments thereto) will be attached to the LOA package. At the latest, the IA should place the LOA in Writing status in DSAMS with at least 60 days before the BPC program funds expire for new obligation.

18) Change Chapter 15, Figure C15.T5, line 4, to read as follows:

C15.T5 LOA Instructions

#	Item	Use
4	Offer Expiration Date (OED)	The recommended OED to meet USG requirements is 30 days (25 days for administrative processing and 5 days for DSCA review) unless the DSCA CPD requests a longer period.

19) Change Chapter 15, C15.4.4. to read as follows:

C15.4.4. Implementation. The Defense Integrated Financial System (DIFS) automatically sends the Financial Implementation (FINIMP) Milestone for a BPC case to

DSAMS when (1) the Basic case or Amendment Amount Due with Acceptance is received in the FMS Trust Fund (or the funds are available in the BPC Program holding account) and placed on the case; (2) the Basic Case or amendment is implemented in DIFS; and (3) the DIFS Total Case Value equals the sum of all the DIFS Total Line Values. The BPC case is Implemented in DSAMS when the FINIMP Milestone is received and obligation authority has been approved by the IA, when required.

20) Insert as Chapter 15, C15.5.2.1.1. and C15.5.2.1.2:

C15.5.2.1.1. Funding Civilian Pay. BPC program funds may be used to reimburse civilian pay expenses consistent with period of performance restrictions (See Section C15.3.4.) and in accordance with the DoD FMR. DSCA does not direct the use of a particular funds obligation vehicle. Each IA should verify with its Financial Management organization(s) which document is most appropriate to use as a valid obligating document.

C15.5.2.1.2. Funding Military Pay. BPC program funds are generally not used to reimburse military salaries, but there are circumstances where reimbursement of military salaries can be made under the Economy Act and in accordance with provisions in the DoD FMR. BPC program funds provided via an FAA Section 632(b) MOA may not be used to reimburse military salaries.

21) Change Chapter 15, C15.5.4. to read as follows:

C15.5.4. Delivery of Materiel and Services. The IA has overall responsibility for transportation of BPC case materiel and will ensure that requirements and schedules are communicated appropriately to the transportation provider and the SCO. The IA will assist the SCO in obtaining appropriate shipment documentation prior to materiel delivery, in accordance with Section C7.6.3. The SCO will provide shipping documents and bills of lading to the Benefitting Country representative so that materiel off-load, Customs clearance, storage, onward movement, security, staging, and integration can be arranged. The IA will confirm that the SCO and Benefitting Country are ready to receive the materiel before delivery, and if any classified or sensitive cargo is on the manifest, confirm that proper arrangements have been made to receive and secure the cargo.

22) Change Chapter 15, C15.5.4.5. to read as follows:

C15.5.4.5. Arrival. BPC case materiel will be delivered to the Mark For address (or text address) available at the time of booking. The SCO should provide the IA with any corrections to this information as soon as they are known. BPC materiel will normally be processed through Customs by Benefitting Country officials upon arrival and before being released into the SCO's custody. With Benefitting Country Customs Office approval, materiel may be released to the SCO's custody in advance of Customs procedures if that will facilitate processing. The SCO will report the receipt date of BPC materiel to the DSCA CPD or in the Enhanced Freight Tracking System (EFTS). Charges related to detention and demurrage will be funded with current year BPC program funds, either as a separate line on the BPC case or under a Transportation case.

23) Change Chapter 15, C15.5.4.6. to read as follows:

C15.5.4.6. Joint Inventory. The SCO and the Benefitting Country representative will conduct a joint materiel inventory using the shipper’s manifest while the materiel remains in the custody of the SCO. The SCO will inform the IA of any materiel suspected to be missing, to verify that it has not been included in a subsequent delivery.

24) Insert as Chapter 15, C15.5.4.7:

C15.5.4.7. Discrepancy Reporting. BPC materiel that is confirmed to be missing will be reported by the SCO on a Transportation Discrepancy Report (TDR) and items that are damaged or defective will be reported by the SCO on a Supply Discrepancy Report (SDR), in accordance with guidance for FMS purchasers. See Section C6.4.10.

25) Change Chapter 15, C15.5.5. and insert Figure C15.F6. to read as follows:

C15.5.5. Transfer and Receipt of Materiel and Services. The SCO will retain title and custody of the BPC equipment until the Benefitting Country is ready to receive the equipment. A Transfer and Receipt document (or a comparable form established for this purpose) is used to record the title transfer and serves as a reminder to the Benefitting Country of their obligations regarding the use, disposition, and security of the defense articles and services in accordance with the Foreign Assistance Act (FAA) Section 505 Agreement. See Figure C15.F5.

C15.5.5.1. Preparation. The Transfer and Receipt document will be prepared by the SCO. The Transfer and Receipt document will not be used for Coalition Readiness Support Program (CRSP) equipment because CRSP equipment is loaned to the Benefitting Country and title is not transferred. See Section C15.3.7.1.

C15.5.5.2. Attachments. The SCO will attach a materiel inventory list to the Transfer and Receipt document, similar in content and format to the template provided in Figure C15.F6. The SCO will also attach a copy of the annotated Case Advisory. See Section C15.3.7.3.

C15.F6. Materiel Inventory

Case ID	Line #	Part/Document #	Item Description	NSN/Serial Number	Qty	Notes

C15.5.5.3. Presentation. When title transfer is appropriate, or when defense services are ready to begin, the SCO and the Benefitting Country representative will sign the Transfer and Receipt document, acknowledging that the Benefitting Country is assuming title, custody, and responsibility for the items or services being transferred.

C15.5.5.4. Documentation. The SCO will provide a copy of the signed Transfer and Receipt document to the IA. The IA will retain this documentation in case files, and provide it to the DSCA CPD upon request. If the Benefitting Country representative does not sign the Transfer and Receipt document, the SCO will provide an explanatory memo to the IA, along with the unsigned document and attachments. The SCO and the Benefitting Country will track and conduct End Use Monitoring (EUM) inspections as required by the DoD Golden Sentry program and guidance in Chapter 8, maintaining appropriate records of EEUM items within the SCIP EUM community.

26) Insert as Chapter 15, C15.6.3.2:

C15.6.3.2. Closing a case with open contracts. A BPC case may be closed even when an underlying contract remains open as long as the contract lines pertaining to the BPC case are closed and there are no unliquidated obligations.