



DEFENSE SECURITY COOPERATION AGENCY

201 12TH STREET SOUTH, STE 203  
ARLINGTON, VA 22202-5408

SEP 20 2013

Reply in refer to:  
USP007221-13

MEMORANDUM FOR OFFICE OF THE ASSISTANT SECRETARY FOR FINANCIAL  
MANAGEMENT AND COMPTROLLER, DEPARTMENT OF THE  
AIR FORCE

ATTN: SAF/FMCE (MR. STEPHEN CONNAIR)

SUBJECT: Establish Nonrecurring Cost (NC) Charge –Airborne Warning and Control System  
(AWACS) Block 40/45 Mission Computing Upgrade (MCU) and the Next  
Generation Identify Friend or Foe UPX-40 Upgrade, DSCA Policy Memo 13-48

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

The NC charges listed in the Finding will be included in the next update of Appendix 1 of the automated version of the Security Assistance Management Manual found on the DSCA Web Page.

Department of Defense (DoD) NC recoupment charges are required to be reimbursed to DoD within 30 days following delivery or purchaser acceptance (whichever comes first) of each item sold or produced; and all recoupments will be recorded under DSCA(Q) 1112 Report. In accordance with the Arms Export Control Act, any country requesting a waiver of NC charges must request the waiver in writing prior to finalization of the purchase, if it is to be approved. The point of contact for additional information is Ms. Susan Kidd at (703) 602-2017, e-mail: susan.kidd@dscamail or Ms. Marypat Moller at (703) 604-6625, e-mail: marypat.moller.ctr@dscamail.

Jennifer Zakriski  
Principal Director  
Programs

Attachment:  
As stated





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**FINDING**

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

**CATEGORY VIII - AIRCRAFT AND ASSOCIATED EQUIPMENT**

<b>ITEM DESCRIPTION</b>	<b>NC CHARGE</b>
Airborne Warning and Control System (AWACS) Block 40/45 Mission Computing Upgrade (MCU) MASL: 589500BLK4045	\$24,540,146
Next Generation Identify Friend or Foe UPX-40 Upgrade MASL: 589500ANUPX40	\$2,116,886

These NC recoupment charges are effective immediately.

*Richard A. Gravelle*  
FOR J. W. Rixey  
Vice Admiral, USN  
Director

