



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

12 FEB 2016

USP004327-15

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

SUBJECT: Revise Nonrecurring Cost (NC) Charges for the 155MM Lightweight Towed
Howitzer, Models M777A2 and M777, DSCA Policy 16-06

The attached Finding, signed by the Director, Defense Security Cooperation Agency (DSCA), approves revised NC recoupment pro rata charges 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 Mr. Delonte Reid at (703) 697-9672; email: delonte.t.reid.ctr@mail.mil or the alternate point of contact is Ms. Susan Kidd at (703) 697-9673; email: susan.c.kidd.civ@mail.mil.

A handwritten signature in cursive script, reading "Michèle Hizon", is positioned above the typed name and title.

Michèle Hizon
Principal Director
Security Assistance and Equipping

Attachment:
As stated



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FINDING

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

CATEGORY II – GUNS AND ARMAMENT

ITEM DESCRIPTION	PREVIOUS NC CHARGE	NEW NC CHARGE
Howitzer, Lightweight, Towed, 155MM, M777A2 MASL: 1025994637551	\$530,469.00	\$272,596.24
Howitzer, LW Towed 155MM M777 MASL: 1025014450991	\$309,580.00	\$155,977.05

These items are major defense equipment based on a \$184M investment in nonrecurring research, development, testing, and evaluation costs. These NC recoupment charges are effective immediately.


for J. W. Rixey
Vice Admiral, USN
Director