



DEFENSE SECURITY COOPERATION AGENCY

2800 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-2800

18 DEC 2025

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

SUBJECT: Defense Security Cooperation Agency Policy Memorandum 25-64, Reissuance of
Security Assistance Management Manual Chapter 5.6, Multinational Foreign
Military Sales [SAMM E-Change 720]

This policy memorandum supersedes [DSCA Policy Memo 20-39](#), C5.6. Multinational Foreign Military Sales (FMS), November 17, 2020, and revises formal guidance to [SAMM Chapter 5, Section C5.6. Multinational Foreign Military Sales](#).

This change will take effect immediately and the policy in the attachment is incorporated into the DSCA SAMM at <https://samm.dsca.mil>. If you have any questions concerning this guidance, please contact DSCA (Office of Strategy, Plans, and Policy, Execution Policy and Analysis Directorate (SPP/EPA)), dsca.ncr.spp.mbx.epa@mail.mil. Implementing Agencies should disseminate this policy to supporting activities.

A handwritten signature in black ink, reading "Hussam Bader", is positioned above the typed name.

Hussam H. Bader
Acting Assistant Director
Strategy, Plans, and Policy

Attachments:

- 1) SAMM E-Change 720 – SAMM Chapter 5.6 Multinational Foreign Military Sales
- 2) Figure C5.F20 - Request for Multinational FMS Blanket Retransfer Authorization

Attachment 1: SAMM E-Change 720 – SAMM Chapter 5.6 - Multinational Foreign Military Sales

C5.6. - Multinational Foreign Military Sales

C5.6.1. Overview. Multinational Foreign Military Sales (FMS) cases are designed to support multilateral procurement and support efforts in Europe and among North Atlantic Treaty Organization (NATO) Allies by benefiting from economies of scale, resulting in potential cost-savings and/or shortened delivery timelines. Multinational sales models result in ultimate delivery to participating countries for national use. The guidance in this section therefore does not apply to sales to NATO agencies for use by NATO. It is specific to two types of FMS sales models that involve ultimate delivery of defense articles or services to one or more FMS-eligible country(ies). Lead Nation FMS cases involve a sale, principally of defense articles rather than services, to a single FMS-eligible Lead Nation or FMS-eligible NATO International Organization (IO) (for ease of reference, “Lead Nation” should be understood to include instances in which the lead is either a country or a NATO IO); the intent of the Lead Nation Procurement model is that the Lead Nation will retransfer the defense articles on the case to a defined group of FMS-eligible recipient countries. Agent Sales involve sales directly to one or more FMS-eligible countries through a single case managed by one of two IOs authorized to act as an Agent. DSCA (Office of International Operations (IOPS)) Country Portfolio Directors (CPDs) and Implementing Agencies (IAs) may consult with DSCA (Office of Strategy, Plans, and Policy, Execution Policy and Analysis Directorate (SPP/EPA)) for guidance upon receipt of a Letter of Request (LOR) for either a Lead Nation Procurement or an Agent Sale.

Table C5.T18. Table of Legislative References

Legislation	Description
Arms Export Control Act (AECA), 3(d)(1) (22 U.S.C. 2753(d)(1))	Requirements for retransfer of defense articles and services sold through FMS.
AECA 3(d)(4)(C)(ii) (22 U.S.C. 2753(d)(4)(C)(ii))	Waiver for Congressional Notification (CN) of retransfer from a Lead Nation to Participating NATO Nations.
AECA 36(b)(1) (22 U.S.C. 2776(b)(1))	CN Criteria/Content/Classification
10 U.S.C. 2350(d)	Permits DoD to participate in and support NATO Support Partnership or Procurement Partnership Agreements provided that all conditions of the AECA are met.

C5.6.2. Lead Nation Procurements.

C5.6.2.1. Lead Nation Procurements are sales to an FMS-eligible NATO IO or to an FMS-eligible NATO Ally or European non-NATO nation Lead Nation with the intent that the defense articles sold will subsequently be retransferred to an identified group of Participating Nations, limited to FMS-eligible NATO Allies and European non-NATO nations. Lead Nation Procurements require articles and services to be delivered directly to the Lead Nation identified in the Letter of Offer and Acceptance (LOA), and therefore would not be a useful sale type for

services requiring delivery directly to the Participating Nations. The sale can be supported by a blanket retransfer arrangement, contingent upon receipt of end use, retransfer assurances submitted to the third party transfer team at Department of State, Bureau of Political-Military Affairs, Office of Regional Security and Arms Transfers (State (PM/RSAT)) (PM_RSAT-TPT@state.gov), designed to permit flexible sharing among the identified group of Participating Nations with terms that maintain accountability and adherence to statutory reporting requirements. A Lead Nation may separately conclude a Memorandum of Understanding (MOU) with the Participating Nation(s), which governs their interactions with one another. However, any MOU between a Lead Nation and a Participating Nation(s) would not alter either the Lead Nation's or the Participating Nation's(s') commitments to the U.S. Government.

C5.6.2.2. Letters of Requests.

C5.6.2.2.1. Participating Nations and Source of Funds. In addition to LOR requirements in [Section C5.1.](#), the LOR submitted by the Lead Nation must identify all Participating Nations that are potential transferees. Furthermore, the LOR submitted by the Lead Nation must identify the items requested and any applicable quantities, as well as which Participating Nation(s) is(are) receiving what items and how many of each, as applicable. National funds are required.

C5.6.2.3. Country Team Assessment and Combatant Command Endorsement. If the Lead Nation is a NATO IO, U.S. Military Group – Belgium and Luxembourg, acting on behalf of U.S. Mission to NATO (USNATO), will draft the initial Country Team Assessment (CTA), when required and in accordance with [Section C5.1.4.](#), and coordinate it with the Security Cooperation Organizations (SCOs) of the Participating Nations. However, if the Lead Nation is a NATO IO and there is only one Participating Nation on the case, the SCO of the Participating Nation will draft the CTA. If an individual country is the Lead Nation, the SCO of the Lead Nation will draft the CTA, when required and in accordance with [Section C5.1.4.](#), and coordinate it with the SCOs of the other Participating Nation(s). The same offices will work with United States European Command (USEUCOM) to develop any necessary Combatant Command (CCMD) Endorsement required in the respective situations described.

C5.6.2.3.1. Any CTA and/or CCMD Endorsement must identify the items requested and list the Participating Nation(s) in the case.

C5.6.2.4. Congressional Notification.

C5.6.2.4.1. CN thresholds and notification periods for sales to NATO+5 members apply if the Lead Nation and all Participating Nations are eligible for them. If a NATO IO or a non-NATO European country is included, NATO IO and/or non-NATO thresholds and notification periods apply as indicated in [Table C5.T19.](#)

Table C5.T19. Thresholds and Notification Periods

Lead Nation and Participants	Congressional Notification Threshold	Notification period
NATO IO with all NATO Participating Nations	\$14M MDE or \$50M Total Case Value (TCV)	15 days

Lead Nation and Participants	Congressional Notification Threshold	Notification period
NATO Ally with all NATO Participating Nations	\$25M MDE or \$100M TCV	15 days
Any Lead Nation with one or more European non-NATO Participating Nations	\$14M MDE or \$50M TCV	30 days

C5.6.2.4.2. The AECA Section 36(b)(1) ([22 U.S.C. 2776](#)) transmittal to Congress must identify the Lead Nation as the purchaser and list all approved Participating Nations. This is required to exempt the first retransfer from the Lead Nation to NATO Participating Nations from the potential requirement of a further CN, as permitted by AECA Section 3(d)(4)(C)(ii) ([22 U.S.C. 2753\(d\)\(4\)\(C\)\(ii\)](#)). Non-NATO Participating Nations do not qualify for the exemption, and State will be required to submit a separate CN pursuant to the requirements of AECA Section 3(d)(1) ([22 U.S.C. 2753\(d\)\(1\)](#)) prior to the first retransfer from the Lead Nation to any non-NATO Participating Nation, if the case otherwise requires congressional notification.

C5.6.2.4.3. After a case has been congressionally notified, any scope changes to that case, to include adding a Participating Nation, must be notified. Adding a Participating Nation is considered an enhancement or upgrade to the previous CN and the Implementing Agency is required to submit either a 36(b)(5)(A) or a 36(b)(5)(C) to DSCA for processing. Implementing Agencies may consult with DSCA (Office of International Operations, Global Execution Directorate (IOPS/GEX)) to determine which type of CN amendment is required.

C5.6.2.5. Case Development.

C5.6.2.5.1. LOAs in which the NATO Support and Procurement Agency (NSPA) purchases as the Lead Nation use Security Cooperation Customer Code (SCCC) N4. Sales in which a country serves as the Lead Nation are identified as national sales by that nation's SCCC. Pricing waivers are those available to the Lead Nation, which bears full responsibility for complying with all terms of that sale.

C5.6.2.5.2. Defense articles sold on a Lead Nation case must be releasable and provided in a configuration available to the Lead Nation and all Participating Nations listed on the case. Should there be any differences in requirements or releasability among the Lead Nation and/or Participating Nations, either the level of technology sold on the case shall be reduced to the lowest common denominator or separate cases shall be developed for countries with like requirements.

C5.6.2.5.2.1. Prior to LOA development, the Implementing Agency must consult the program office for any program of record on whether a potential case is feasible.

C5.6.2.5.3. A Lead Nation LOA shall identify by LOA line the items requested and any applicable quantities, as well as which Participating Nation(s) is(are) receiving what items and how many of each, as applicable.

C5.6.2.6. North Atlantic Treaty Organization Support Partnerships or Procurement Partnerships. [10 U.S.C. 2350\(d\)](#) permits DoD to participate in and support NATO Support Partnerships or Procurement Partnerships, provided that all conditions of the AECA are met. Under NATO Support Partnerships, sales are made to NSPA as Lead Nation Procurements, for retransfer to procuring members of the partnership as Participating Nations; all other requirements of Lead Nation Procurements also apply.

C5.6.2.6.1. In accordance with [DSCA Policy Memorandum 22-85](#), all current NATO Support Partnership cases are required to align with Lead Nation Procurements or Agent Sales. DSCA (SPP/EPA) will provide implementation guidance for this requirement to the IAs.

C5.6.2.6.2. NATO Support Partnership cases are permitted to be Agent Sales by exception, whether as a new basic case or as a realigned case under [DSCA Policy Memorandum 22-85](#).

C5.6.2.6.3. NSPA purchases for NATO Support Partnerships are permitted to use SCCC N4. To differentiate other purposes of this SCCC, cases that fall under N4 that are not Support Partnership cases or Lead Nation Procurements shall note in the case nickname field as follows: “NSPA Procurement for NSPA” or “NSPA Procurement for NATO,” as applicable.

C5.6.2.7. Special Notes and Formatting.

C5.6.2.7.1. “Lead Nation Procurement” is entered in the nickname field beneath the case identifier. Case line descriptions will indicate which Participating Nation will be receiving the items. Each basic case and any amendments and modifications shall include a version of the LOA note in [Figure C5.F16](#), developed by the IA and cleared by the DSCA (IOPS) CPD with DSCA (SPP/EPA) and DSCA (Front Office, Office of the General Counsel (FO/OGC)) within the Case Tracking System (CTS).

C5.6.2.7.2. Unsigned, completed copies of [Figure C5.F17](#), and [Figure C5.F18](#), shall be submitted with the basic case through the CTS. Upon LOA offer, the IA shall include the unsigned, completed copies as part of the LOA offer package. Signed copies of [Figure C5.F17](#), and [Figure C5.F18](#), shall be submitted with LOA acceptance and signature, and for any subsequent case amendments in the CTS. The signed copies must be signed at a level of authority to sign an LOA and will be retained with case files.

C5.6.2.7.3. If a Lead Nation Procurement is in support of a NATO Support Partnership, then [Figure C5.F19](#), must also be included in each new basic Lead Nation NATO Support Partnership case and all Lead Nation NATO Support Partnership case amendments. Prior to inclusion, the IA must certify that all countries and/or NATO IOs listed in [Figure C5.F19](#), are compliant with all requirements for receipt of any items (e.g., Targeting Infrastructure Policy (TIP), Enhanced End Use Monitoring (EEUM)), whether a country and/or NATO IO is the Lead Nation, a Participating Nation, or a NATO Support Partnership member.

Figure C5.F16. Standard Note in a Lead Nation Case

Note: No changes to existing figure.

Figure C5.F17. Basic Retransfer Assurances for Lead Nation

Note: No changes to existing figure.

Figure C5.F18. Basic Retransfer Assurances of Participating Nations

Note: No changes to existing figure.

Figure C5.F19. Note for Lead Nation North Atlantic Treaty Organization Support Partnership Cases

See Appendix 6 - [Note for Lead Nation North Atlantic Treaty Organization Support Partnerships Cases](#) for note text.

C5.6.2.8. Transportation and Delivery. As the Lead Nation LOA involves a sale to a single country or NATO IO, the Lead Nation must export the defense articles and may retransfer them to Participating Nations only once they have left U.S. Customs territory. The Lead Nation shall not transfer title to Participating Nations in the United States as they will not have an export authorization with which to clear U.S. Customs.

C5.6.2.9. Retransfer Authorization.

C5.6.2.9.1. Initial Retransfer. Although the Department of State approves the first retransfer from the Lead Nation to Participating Nations as part of the FMS sale, the Lead Nation shall not retransfer title or possession of the defense articles to a Participating Nation until 1) the Participating Nation has provided the Lead Nation with a signed copy of the required end use and retransfer assurances ([Figure C5.F18.](#)), 2) the Lead Nation has subsequently forwarded the Participating Nation's signed end use and retransfer assurances to the third party transfer team at State (PM/RSAT) (PM_RSAT-TPT@state.gov), and 3) the Lead Nation has also forwarded a signed copy of the required Lead Nation end use and retransfer assurances ([Figure C5.F17.](#)) to the third party transfer team at State (PM/RSAT) (PM_RSAT-TPT@state.gov).

C5.6.2.9.1.1. The Lead Nation must transfer title and possession of the defense articles to the Participating Nation(s) within six months of Lead Nation receipt for Night Vision Devices (NVDs) and all articles requiring a transportation plan, and within one year of Lead Nation receipt for all other items.

C5.6.2.9.2. Subsequent Retransfers.

C5.6.2.9.2.1. If a Participating Nation subsequently seeks to retransfer the defense articles among other Participating Nation(s) after the initial retransfer from the Lead Nation, the Lead Nation must submit [Figure C5.F20](#), with the required signed basic retransfer assurances to the State (PM/RSAT) third party transfer team (PM_RSAT-TPT@state.gov) for processing to receive blanket retransfer authorization, allowing subsequent retransfer among Participating Nations.

Figure C5.F20. Request for Multinational Foreign Military Sales Blanket Retransfer Authorization

Note: See Attachment 2 for new figure.

C5.6.2.9.2.2. After the Department of State has advised the Lead Nation that the blanket retransfer authorization has been approved, the Participating Nation(s) may retransfer the defense articles to one another in accordance with the terms of their end use assurances and any special terms of the LOA. National stocks of defense articles procured separately by the Participating Nations are subject to the individual terms and conditions of the export authorities (i.e., FMS, MOU, Excess Defense Articles (EDA), Direct Commercial Sales (DCS), or other security assistance programs) under which they were sold or transferred, and may not be commingled with any defense articles acquired through a Lead Nation case, including those defense articles in the common configuration for retransfer among the Participating Nations.

C5.6.2.9.2.3. The blanket retransfer authorization solely applies to the Participating Nations procuring in the LOA. If an additional Participating Nation is subsequently added to the LOA, the Lead Nation must submit a separate request to State (PM/RSAT) for the additional Participating Nation to be added to the blanket retransfer authorization in place.

C5.6.2.9.2.4. The Lead Nation is permitted to join the blanket retransfer authorization if the Lead Nation also procures for itself in the LOA. Otherwise, the Participating Nations procuring in the LOA will be the sole participants eligible to take part.

C5.6.2.9.2.5. If the Original Acquisition Value (OAV) of the defense articles being retransferred to a particular Participating Nation does not exceed the CN values identified for it in [Table C5.T17](#), and in the end use assurances, the owning country may retransfer the defense articles and report the details of the retransfer to the Lead Nation for quarterly forwarding to State (PM/RSAT).

C5.6.2.9.2.6. If the OAV would exceed the NATO threshold for retransfers to NATO member countries, or the non-NATO threshold for retransfer to NSPA or a non-NATO country, the transferring country must seek prior consent from State (PM/RSAT) before making the retransfer. Such retransfer will require CN consistent with the notification periods identified in [Table C5.T17](#).

C5.6.2.9.2.7. Should any Participating Nation wish to change the end use of the defense articles or to retransfer permanently or temporarily any defense articles sold on the case to any entity outside of the identified and approved group of Participating Nations, it must seek prior USG consent from State (PM/RSAT) in accordance with the Transferee Terms and Conditions using the retransfer process described at <https://www.state.gov/third-party-transfer-process-and-documentation/>.

C5.6.2.10. Defense Articles Requiring Enhanced End Use Monitoring. Defense articles requiring EEUM may be purchased on Lead Nation FMS cases. EEUM accountability procedures and responsibilities are outlined in [Section C8.4](#). EEUM requirements specific to Lead Nation cases are detailed in this section.

C5.6.2.10.1. Site Surveys/Certification of Storage Facilities. If the Lead Nation or a Participating Nation does not maintain a U.S. Military Department (MILDEP)-approved storage facility at the appropriate Security Risk Category for the EEUM-designated defense article(s), the appropriate U.S. MILDEP must conduct a pre-delivery site survey and issue a site certification prior to any transfer taking place, as outlined in [Section C8.4.3](#). A site certification is mandatory for Lead Nation cases as they involve certification services provided directly to the Participating Nation(s). Neither the Lead Nation nor any Participating Nation is permitted to retransfer EEUM-designated defense articles until the U.S. MILDEP issues a site certification for the receiving nation's or NATO IO's storage facility, and State (PM/RSAT) issues a memorandum authorizing the transfer.

C5.6.2.10.2. Reporting in the Security Cooperation Information Portal. For Lead Nation sales of defense articles designated EEUM, copies of the Lead Nation's quarterly reports of transfers by it or other nations identified on the LOA must be provided with serial numbers to dsca.eumhelpdesk@mail.mil for input into the Security Cooperation Information Portal (SCIP)-End Use Monitoring (EUM) database at the same time the information is provided to PM_RSAT-TPT@state.gov. DSCA EUM Helpdesk will manually edit the SCIP-EUM database to identify the receiving country when it receives notification from the Lead Nation. DSCA makes an exception to the monthly reporting requirement in [Table C8.T2](#) for retransfer reporting on Lead Nation cases to align with State Department's quarterly reporting requirements.

C5.6.2.11. Amendments and Modifications.

C5.6.2.11.1. Additional Participating Nations may be added to a Lead Nation Procurement through an amendment. It will not be possible to add an additional Participating Nation to a Lead Nation Procurement through a modification.

C5.6.2.12. Case Files.

C5.6.2.12.1. Implementing Agencies are required to keep a repository of all Multinational FMS case files, in accordance with [Section C6.2.4](#).

C5.6.3. Agent Sales.

C5.6.3.1. The Agent Sale is designed to facilitate multinational procurement and lifecycle support of services and high value and technologically sensitive defense articles to a greater

degree than is possible through Lead Nation Procurement. Section 3(a)(2) of the AECA ([22 U.S.C. 2753\(a\)\(2\)](#)) allows an Agent to purchase defense articles and services through FMS on behalf of FMS-eligible NATO and European non-NATO countries (known as “Principals”). Defense articles or services provided through an Agent Sales LOA must be provided directly to the Principal(s), allowing for tailored solutions for individual Principals. It is possible in an Agent Sale for an Agent to act on behalf of multiple co-Principals, making individual national sales through a single LOA. This type of sale does not provide for subsequent blanket retransfers among the participants as is possible through a Lead Nation Procurement.

C5.6.3.1.1. State permits NSPA and the [Organisation Conjointe de Coopération en matière d'Armement](#) (or Organization for Joint Armament Cooperation, known by its French acronym OCCAR) to act as Agents.

C5.6.3.2. Letters of Request and Principal Letters Assigning an Agent.

C5.6.3.2.1. An LOR submitted by the Agent must identify the defense articles and services requested and any applicable quantities, as well as which Principal(s) is(are) receiving what defense articles and/or services and how many of each, as applicable.

C5.6.3.2.2. In addition to the normal process for LOR acceptance, an LOR supplied by the Agent must be accompanied by a letter from the Principal(s), FMS-eligible NATO or European non-NATO country(ies) indicating that NSPA or OCCAR will act on the behalf of the country(ies) as its/their Agent. The letter from the Principal(s) (see [Figure C5.F21.](#)) will describe and confirm the specific purchase the Agent is being empowered to make, and will recognize the commitment of the Principal(s) to abide by any terms and conditions of any LOA entered into by the Agent on its(their) behalf, including full financial responsibility. The letter must be signed at a level of authority to sign an LOA and must also be included in every basic case for review in CTS, as well as any subsequent amendments or modifications.

Figure C5.F21. Principal’s Letter Assigning an Agent

Note: Existing figure C5.F20. renamed C5.F21. No other changes to existing figure.

C5.6.3.3. Country Team Assessment and Combatant Command Endorsement. DSCA CPDs will provide the Agent’s LORs to the Principal(s)’ SCO(s) and to U.S. Military Group – Belgium and Luxembourg, acting on behalf of USNATO. If there is one Principal on the case, the SCO will draft the CTA, when required and in accordance with [Section C5.1.4.](#) If there are multiple co-Principals on the case, U.S. Military Group – Belgium and Luxembourg will draft and coordinate the CTA with the Principals’ SCO offices. The same offices will work with USEUCOM to develop any necessary CCMD Endorsement required in the respective situations described, in accordance with [Section C5.1.4.](#) or in support of technology release requirements.

C5.6.3.3.1. Any CTA and/or CCMD Endorsement must identify the defense articles and services requested and list the Principal(s) in the case.

C5.6.3.4. Congressional Notification.

C5.6.3.4.1. As the Agent is not the actual purchaser, notification thresholds and periods are those that apply to the Principal(s). Thresholds and notification periods for NATO+5 members apply if all Principals are eligible for them. If non-NATO Principals are included, non-NATO thresholds and notification periods apply to the CN.

C5.6.3.4.2. The notification to Congress will identify the Agent and list the Principal(s) as the purchaser(s). If there are multiple co-Principals, separate sections of the transmittal will list the defense articles and services intended for each Principal and their values. Separate policy justifications will also be provided relevant to each Principal.

C5.6.3.4.3. Defense articles listed in the Sensitivity of Technology section shall be listed by item and need not be listed by country.

C5.6.3.4.4. After a case has been congressionally notified, any scope changes to that case, to include adding a co-Principal, must be notified. Adding a co-Principal is considered an enhancement or upgrade to the previous CN and the IA is required to submit either a 36(b)(5)(A) or a 36(b)(5)(C) to DSCA for processing. IAs may consult with DSCA (IOPS/GEX) to determine which type of Congressional Notification amendment is required.

C5.6.3.5. Case Development.

C5.6.3.5.1. Security Cooperation Customer Code. NSPA purchases as an Agent using SCCC W7 exclusively for such sales. OCCAR, which may purchase on behalf of other countries only as an Agent, uses SCCC 7B.

C5.6.3.5.2. Letter of Offer and Acceptance Special Notes and Formatting. For all Agent Sales cases, the term “Agent Sale Procurement” is entered in the case nickname field. The Case Description shall include language derived from [Figure C5.F22.](#)

Figure C5.F22. Draft Case Description

Note: Existing figure C5.F21. renamed C5.F22. No other changes to existing figure.

Pursuant to the Arms Export Control Act (AECA), the Government of the United States (USG) offers to sell to the Government(s) of [country name(s)] through [Agent’s name and address], acting as its Agent, the defense articles or defense services (which may include defense design and construction services) collectively referred to as "items," set forth herein, subject to the provisions, terms, and conditions in this Letter of Offer and Acceptance (LOA).

C5.6.3.5.2.1. The IA will include a note in each basic case and any subsequent amendments and modifications (See [Figure C5.F23.](#)) to outline terms and conditions relating to the Agent.

Figure C5.F23. Note Text Agent

Note: Existing figure C5.F22. renamed C5.F23. No other changes to existing figure.

1. Pursuant to [22 U.S.C. 2753\(a\)](#), the parties certify that the Foreign Military Sales (FMS) Customer(s) has(have) provided DSCA or the Implementing Agency (IA) with documentation establishing [Agent's name] as its(their) Agent for purposes of this transaction, and the FMS Customer(s) further agree(s) that it(they) will abide by any terms and conditions entered into by the Agent on its(their) behalf.
2. Any defense articles or services under this Letter of Offer and Acceptance (LOA) may be provided directly to the Agent or to the Principal(s) for which they have been identified in this LOA. No defense article or service identified for one Principal in this LOA may be delivered or transferred to another Principal without prior USG consent.
3. [Agent's name] further agrees that it will abide by Conditions [2.3.-2.7.](#) of the Standard Terms and Conditions while the defense articles or services provided under this LOA are temporarily under its control or possession.

C5.6.3.5.2.2. Case lines will be organized in groups, first of defense articles, then defense services, and finally training. In each group, lines will be further grouped by Principal and the Principal identified for each line. An Agent Sale LOA shall identify by LOA line the articles and services requested and any applicable quantities, as well as which Principal(s) is(are) receiving what articles and/or services and how many of each, as applicable.

C5.6.3.5.3. It is possible for defense articles sold on an Agent Sales case to be provided in different configurations between Principals, in accordance with the Principal's(s') requirements.

C5.6.3.5.3.1. Prior to LOA development, the Implementing Agency must consult the program office for any program of record on whether a potential case is feasible.

C5.6.3.6. Financial Terms and Conditions.

C5.6.3.6.1. Only national funds may be used on Agent Sales cases. Neither Foreign Military Financing (FMF) nor any other U.S. grant or appropriated funds may be used for Agent Sales.

C5.6.3.6.2. Single Principal. Financial terms in cases involving a single Principal are the terms available to the Principal.

C5.6.3.6.3. Multiple Co-Principals.

C5.6.3.6.3.1. Contract Administration Services (CAS) is an above-the-line cost but is applied at the case level by Defense Security Assistance Management System (DSAMS). CAS waivers will apply only if all Principals are eligible for the same level of waiver. If there are differences, the lowest common denominator applicable to the Principals will be applied to the case. An Individual Pricing Component (IPC) remark must be included in DSAMS that notes the common portions that can be waived.

C5.6.3.6.3.2. Financial Responsibility. Each Principal bears full financial responsibility for defense articles and services it purchases. Each line will be for a single Principal. Each Principal will be responsible for all accessorial charges for its defense articles and services.

C5.6.2.6.3.3. Terms of Sale. Dependable Undertaking (DU) status can be provided only if all Principals included in the LOA are eligible for DU; otherwise, the term of sale will be cash with acceptance.

C5.6.3.6.3.4. Termination Liability Charges for Sales from Procurement. Termination Liability (TL) will be included in the payment schedule for Agent Sales with a DU term of sale. TL Reserve will be collected via cash and funds will be set aside in the NSPA W7 or OCCAR 7B TL reserve account.

C5.6.3.6.3.5. Termination. Each Principal pays its own TL costs. Should one or more Principals decide to terminate a line, an amendment or modification will be made to adjust the lines on the case and the change reported to the Agent. If there are corresponding price increases to the other countries, they are billed to each Principal in lines identified for them on the case just as a price increase would be billed on a standard country case. Any compensation of the other Principals by the withdrawing Principal arising as a result of its decision to withdraw will be addressed by agreement among the co-Principals and not through the LOA.

C5.6.3.6.3.6. Nonrecurring Cost Waivers. Nonrecurring Cost (NC) Waivers must be requested in the LOR and are applicable at the line level.

C5.6.3.6.3.7. Case-funded Manpower. Case-funded manpower will be specific to each Principal if applicable, but may need to be applied more generally to the effort involved in a case of this type. In the latter case, the Agent will assign the costs among the Principals. For example, a line for a site survey would be for the Principal involved. More general services such as dedicated case management support when requested may be on a single line assigned to the Agent, which will assign these costs among the Principals on the LOA.

C5.6.3.6.3.8. Supply Discrepancy Reports. Supply Discrepancy Reports (SDRs) may be submitted directly by the Principal or indirectly through the Agent (preferably the latter).

C5.6.3.6.3.9. Payments. Payment may be made to the NSPA W7 or OCCAR 7B account by individual Principals or by the Agent on their behalf. The Principal must inform the USG of which method it will use.

C5.6.3.7. Transportation and Delivery. Separate transportation plans and delivery instructions are required as necessary. Delivery Term Codes (DTCs) shall be the same as in a single purchaser, non-Agent Sales or Lead Nation FMS case, and the case costs for transportation will apply below-the-line. Depending on the specific circumstances, DTC 4 or 5 shall be used for freight forwarder moves, DTC 7 or 9 for movement by the Defense Transportation System (DTS), or DTC 8 for a “pilot pick-up” from a DoD-controlled facility. Further general guidance is outlined in [Section C7.4](#).

C5.6.3.7.1. Freight Forwarding and Export. Export authorization is to each of the participating Principals with the Agent able to act on behalf of each. Principals may use their

own freight forwarders for their individual shipments. A Principal may not export defense articles identified on the case as being sold to another Principal even with the other Principal's consent. The Agent may use its freight forwarder to receive and export shipments on behalf of any Principal named in the LOA.

C5.6.3.7.2. Transportation Plans. [Title 32 Code of Federal Regulations \(CFR\) Part 117 National Industrial Security Program Operating Manual \(NISPOM\)](#), [DoD Manual \(DoDM\) 5100.76 "Physical Security of Sensitive Conventional Arms, Ammunition, & Explosives \(AA&E\)"](#), and National Security Agency (NSA)/Central Security Service Manual 3-16 "Control of Communications Security (COMSEC) Material" (not for public release), require the development and maintenance of Transportation Plans for each LOA containing AA&E, classified materiel, and COMSEC. One Transportation Plan for each Principal, when required, will need to be maintained by the IA and the Principal, either directly or through the Agent as its authorized representative.

C5.6.3.7.2.1. At no time is the Agent permitted to take title or possession of defense articles sold on an Agent Sales case.

C5.6.3.8. Defense Articles Requiring Enhanced End Use Monitoring. Defense articles requiring EEUM may be purchased on Agent Sales FMS cases. EEUM accountability procedures and responsibilities are outlined in [Section C8.4](#). EEUM requirements specific to Agent Sales cases are detailed in this section.

C5.6.3.8.1. Site Surveys/Certification of Storage Facilities. If a Principal does not maintain a U.S. MILDEP-approved storage facility at the appropriate Security Risk Category (SRC) for the EEUM-designated defense article(s), the appropriate U.S. MILDEP must conduct a pre-delivery site survey and issue a site certification prior to any transfer taking place, as outlined in [Section C8.4.3](#). A site certification is mandatory for Agent Sales cases as they involve certification services provided directly to the Principal(s). A Principal is not permitted to transfer EEUM-designated defense articles unless or until 1) the U.S. MILDEP issues a site certification for the Principal's storage facility, 2) that Principal has received third party transfer approval from State (PM/RSAT), and 3) State (PM/RSAT) issues a memorandum authorizing the transfer.

C5.6.3.8.2. Reporting in the Security Cooperation Information Portal. The Military Departments will comply with all DoD EUM responsibilities for Agent Sales of defense articles designated EEUM. These responsibilities are outlined in [Table C8.T2](#).

C5.6.3.9. Amendments and Modifications.

C5.6.3.9.1. Amendments. In a case with multiple co-Principals, each Principal, working through the Agent, may separately amend the lines relevant to it. The Agent will attempt to consolidate amendments by individual Principals to the extent possible.

C5.6.3.9.1.1. Co-Principals may be added to an Agent Sales case through an amendment. It will not be possible to add co-Principals to an Agent Sales case through a modification.

C5.6.3.9.2. Modifications. Principals will be informed of modifications through the Agent.

C5.6.3.10. Other Standard Terms and Conditions.

C5.6.3.10.1. All other LOA standard terms and conditions continue to apply to the Principal or multiple co-Principals as if each had entered into an LOA directly with the United States without an Agent.

C5.6.3.11. Case Files.

C5.6.3.11.1. Implementing Agencies are required to keep a repository of all Multinational FMS case files, in accordance with [Section C6.2.4.](#)

Attachment 2: Figure C5.F20 - Request for Multinational Foreign Military Sales Blanket Retransfer Authorization

Step-By-Step Process for Receiving a Blanket Retransfer Authorization for a Lead Nation Foreign Military Sale Case

The Lead Nation will forward the following documents to the third party transfer team at the Department of State, Bureau of Political-Military Affairs, Office of Regional Security and Arms Transfers (State (PM/RSAT)): PM_RSAT-TPT@state.gov.

1. A copy of the Letter of Request (LOR).
2. A copy of the completed Standard Questionnaire (provided below).
3. A signed copy of the Letter of Offer and Acceptance (LOA) Foreign Military Sale (FMS) case.
4. Signed end-use assurances from each Participating Nation country included in the LOA, whether or not they are purchasing at the time. This allows the Department of State to complete the blanket retransfer approval in one action.

Standard Questions for Requests to the U.S. For Authority to Retransfer Government-Origin Defense Articles

1. Who is the Lead Nation?

EXAMPLE: North Atlantic Treaty Organization (NATO) Support and Procurement Agency (NSPA)

2. What commodity/equipment/service/technical data is to be transferred?

EXAMPLE: N4-D-YAB Attached

3. How did the divesting country originally acquire the defense article(s)?

Please note the FMS case designator:

EXAMPLE: N4-D-YAB Attached

4. Why does that government wish to divest itself of the equipment?

Default: National security purposes

5. Who are the Participating Nations?

EXAMPLE: The Governments of Belgium, Denmark, Finland, Greece, Hungary, Italy, Netherlands, Norway, Poland, Portugal, Spain, and the United Kingdom

6. Is this a temporary or permanent transfer to the proposed recipients?

Default: May be either

7. What is the planned end-use for the articles (please provide as much detail as possible)?

Default: National and NATO operations

8. Does the proposed recipient currently possess this model of equipment?

Default: All proposed recipients are authorized for release by the USG

9. Is there a certain date requested for approval? If so, please indicate the date and provide the relevant details.

First deliveries are expected in Quarter _ of Calendar Year (CY) ____

10. Please provide point of contact (POC) details for the divesting governments, the proposed recipients, and any intermediaries.

Primary POC:

Alternate POC:

Name

Name

Title

Title

Agency

Agency