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

19 NOV 2026

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 26-129, Clarification to Nonrecurring Costs Waiver Note on Letters of Offer and Acceptance [SAMM E-Change 890]

Reference: DSCA Policy Memorandum 25-23 Recoupment of Nonrecurring Costs on Foreign Military Sales Cases, June 11, 2025

This memorandum updates the SAMM Appendix 6 Nonrecurring Cost (NC) recoupment charge waiver note added to Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs). This updated note will be applied to all LOAs that include waivers to NC charges, whether the waiver was fully approved or partially approved in accordance with the reference. As each waiver request is reviewed case-by-case, the LOA note includes a reference to the DSCA approval memorandum for identification of the amount waived. The policy in the attachment is incorporated into the DSCA SAMM at https://samm.dsca.mil.

If you have questions on this memorandum, please contact DSCA (Office of Business Operations, Financial Policy & Regional Execution Directorate, Financial Policy Division (OBO/FPRE/FP)) at dsca.ncr.obo.list.fpre-fp@mail.mil. Please reference the DSCA policy number and memorandum subject. For general questions about the SAMM, please contact

DSCA (Office of Strategy, Plans, and Policy, Execution Policy and Analysis Directorate (SPP/EPA)) at dsca.ncr.spp.mbx.epa@mail.mil.



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

Attachment: SAMM E-Change 890 - Clarification to Nonrecurring Costs Waiver Note on Letters of Offer and Acceptance

Security Assistance Management Manual E-Change 890

Clarification to Nonrecurring Costs Waiver Note on Letters of Offer and Acceptance

1. Update SAMM Appendix 6 Note:

Nonrecurring Costs - Waiver ~~Partially~~ ~~Approved~~ Applied

Building Partner Capacity:	No
Foreign Military Sales:	Yes
Note Input Responsibility:	CWD
Date Range of Use:	All
References:	See Section C9.6.3.
Note Usage Instructions for Documents:	
Mandatory for Foreign Military Sales (FMS) Letters of Offer and Acceptance (LOAs) when a Nonrecurring Cost (NC) charge applies but has been ~~partially~~ waived. Mandatory for Amendments and Modifications when lines are added and an NC charge applies to the new lines and has been waived; or quantities are increased on line~~s~~ items and NC charge applies and has been waived. The note should identify the DSCA Correspondence and Task Management System (CATMS) Task Identification (ID), which currently begins with the Office of Under Secretary of Defense for Policy (OUSD/P) component name acronym USP, and date of all NC waivers that have been granted against the case.	
Note Text:	
"Nonrecurring Costs (NC) charges apply to line(s) [insert numbers] of this Letter of Offer and Acceptance (LOA). The purchaser's request to waive these charges has been ~~partially~~ approved by Defense Security Cooperation Agency (DSCA) memorandum ["subject" and "tracking number"], dated [insert date]. Therefore, the amount of the NC charges as identified in that DSCA memorandum ~~these costs~~ have not been included in this case."	