



DEFENSE SECURITY COOPERATION AGENCY

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

22 OCT 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 26-40, Accountability
Procedures for Defense Articles Being Refurbished or Repaired Using Ukraine Security
Assistance Initiative Authorities [SAMM E-Change 780]

This policy memorandum establishes accountability procedures concerning Ukrainian
titled defense articles being refurbished or repaired using Ukraine Security Assistance Initiative
(USAI) Authorities, and for USAI funded defense articles being used in such refurbishment or
repair. This policy memorandum is in response to issues discovered in the [DoDIG-2025-152](#)
“Evaluation of DoD Processes to Provide Repair Parts to Support Ukrainian Armed Forces.”
The policy is incorporated into the SAMM at <https://samm.dsca.mil>. If you have questions
concerning this guidance, please contact DSCA (Office of Strategy, Plans, and Policy, Execution
Policy and Analysis Directorate (SPP/EPA)) at dsca.ncr.spp.mbx.epa@mail.mil.

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

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

Attachment:
Security Assistance Management Manual E-Change 780

Attachment: Security Assistance Management Manual E-Change 780

1. Add Sections AP8.USAI.2.9. “Refurbishment and Repair of Defense Articles” (and subsections) and Figure USAI.F1. “Ukraine’s Request for Services for Refurbishment or Repair of Ukraine Titled Defense Articles and Requesting Authority’s Endorsement”:

USAI.2.9. Refurbishment and Repair of Defense Articles. When USEUCOM supports the provision of refurbishment or repair services for Ukrainian titled defense articles using USAI funding (to include USAI-Prioritized Ukraine Requirements List (USAI-PURL), Ukraine may submit a request per the conditions set forth in [Figure USAI.F1](#). The effort may require the USG to gain custody.

USAI.2.9.1. Ukraine’s Request and Requesting Authority Endorsement. Ukraine’s request must be consistent with [Figure USAI.F1](#). Since USAI requirements are established by USEUCOM, a representative from USEUCOM must endorse Ukraine’s request as a valid BPC requirement and confirm that USEUCOM will accomplish all required actions for BPC planning and requirements definition.

Figure USAI.F1. Ukraine’s Request for Services for Refurbishment or Repair of Ukraine Titled Defense Articles and Requesting Authority’s Endorsement

Ukraine’s Request for Refurbishment or Repair Services

To: [\[DSCA Program Manager\]](#)

[\[Elements that must be included\]:](#)

1. On behalf of the Government of Ukraine, I respectfully request the below described Ukraine Security Assistance Initiative (USAI) refurbishment and/or repair services for defense articles owned by the Government of Ukraine. [\[add information as applicable\]](#)
 - i. [\[Description of the defense articles \(or categories if blanket in nature\) and type of refurbishment and/or repair that is necessary\].](#)
 - ii. [\[Transportation requirements if applicable\].](#)
 - iii. [\[Describe status and location of the defense articles.\]](#)
2. The Government of Ukraine agrees to hold the U.S. Government harmless for any loss or damage to the above-described Government of Ukraine titled property and indemnify the U.S. Government from any third-party claims which result from Ukraine’s use of any returned defense articles.
3. The Government of Ukraine acknowledges and agrees that in the event that the U.S. Government cannot refurbish or repair some or all of the above-described Government of Ukraine’s titled defense articles (either the defense articles are beyond economic repair, grant funds have been expended without a new source, or Ukraine’s program has been

suspended or cancelled), and the U.S. Government informs the Government of Ukraine’s representative who submitted this request of the need to regain physical custody of the provided Ukraine’s titled defense articles located at a specific location by a certain date, the Government of Ukraine acknowledges and agrees that that Ukraine may be solely financially responsible for funding any necessary transportation costs to ship Ukraine’s defense articles from that specific location to Ukraine’s representative. The Government of Ukraine also acknowledges and agrees that if Ukraine fails to regain physical custody of their titled property by the U.S. Government specified return date, that the Government of Ukraine may also be solely financially responsible for any resulting storage costs that accrue after the U.S. Government specified return date.		
4. The Government of Ukraine acknowledges that any U.S. Government expenditure of USAI funds to attempt or accomplish the requested refurbishment and/or repair services qualifies as provided military assistance for the purpose of the Agreement between the Government of the United States of America and the Government of Ukraine on the Establishment of a United States-Ukraine Reconstruction Investment Fund, dated May 23, 2025.		
Ukrainian Signature Block:		
_____ Printed Name	_____ Signature	_____ Date
Requesting Authority Signature Block:		
United States European Command (USEUCOM) Representative Endorsement: On behalf of USEUCOM, I confirm that the USEUCOM will be responsible for accomplishing any applicable planning and requirements definition for the above Ukrainian requested BPC support.		
_____ Printed Name	_____ Signature	_____ Date

2. Add Sections AP8.USAI.4.3. “Ukraine Security Assistance Initiative Funded Refurbishment or Repair Services for Ukrainian Owned Defense Articles” (and subsections):

USAI.4.3. Ukraine Security Assistance Initiative Funded Refurbishment or Repair Services for Ukrainian Owned Defense Articles.

USAI.4.3.1. For defense articles being provided on a Building Partner Capacity (BPC) Letter of Offer and Acceptance (LOA) (also known as a BPC case) for a repair effort of Ukrainian title defense articles (see [Section USAI.2.9.](#)), the IA will indicate these items are not intended to be shipped to Ukraine by adding the following statement to the case line note: “This line contains defense articles that are not intended to be shipped to

Ukraine.” See [Section C5.6.1.2.1](#). Care must be made to ensure these articles are not title transferred to Ukraine erroneously.

USAI.4.3.2. Funding Responsibility. The IA must take into consideration the period of availability for BPC case funds (see [Section C15.5.2.](#)) and other general fiscal law limitations associated with the program authority and appropriation, using mechanisms such as cross fiscal year funding, procurement contracts, and project orders to ensure there is a proper amount of time to complete the repair. It is strongly encouraged to use procurement contracts or USG project orders (see [Section C15.3.10.3.](#)) to complete these efforts.

USAI.4.3.2.1. If the USG will not be completing a requested repair or refurbishment effort with U.S. appropriated funds, Ukraine would be responsible for any costs that cannot be covered by the USG for the storage, disposal, or return shipment of Ukrainian titled property. Ukraine requires USG approval if disposal is desired (see [Section C8.7.](#) and [Section C8.8.](#)). If the lack of U.S. appropriated funding is the reason for USG’s inability to complete the requested repair or refurbishment, Ukraine can submit a Letter of Request to use their national funds to complete the repair or refurbishment via Foreign Military Sales support.

3. Add Section AP8.USAI.6.4. (and subsections) and Figure USAI.F2. “U.S. Custody Transfer & Receipt Document for Ukrainian-Owned Defense Articles”:

USAI.6.4. The USG must follow strict accountability procedures during the execution of refurbishment and repair of titled defense articles (see [Section USAI.4.3.](#)).

USAI.6.4.1. Custody Transfer and Receipt Document for Ukrainian Titled Defense Articles. To accept temporary custody of Ukrainian-titled defense articles for refurbishment or repair, the U.S. Military Group (MILGP) or another USG employee and the Ukrainian representative will sign a Custody Transfer and Receipt document (see [Figure USAI.F2.](#)) in which the USG accepts physical custody of the provided defense articles and an acknowledgement by Ukraine of continuing legal ownership of the provided defense articles. The custody transfer document must include a reference to the applicable BPC case and will be retained as a permanent record by the MILGP in the Security Cooperation Information Portal (SCIP), and a copy will be provided to Ukraine.

USAI.6.4.1.1. The IAs performing the services are responsible for accountability of the Ukrainian titled defense articles, to include when another organization within their Defense Agency or Military Department has possession of the defense articles. When USG transports Ukrainian titled items, the USG transportation support must comply with all applicable import and export laws (domestic and foreign).

USAI.6.4.1.2. Required Custody Transfer and Receipt Document for Defense Articles Returned to Ukraine. When USG refurbished or repaired Ukrainian-titled defense articles are physically returned to Ukraine, the MILGP or another USG employee will complete a custody transfer and receipt document with Ukraine. The custody transfer

and receipt document, along with enclosures of all supporting documentation (shipping and customs documents. etc.), will be retained as a permanent record by the MILGP in SCIP, and a copy will be provided to Ukraine (see [Figure USAI.F2.](#)).

Figure USAI.F2. U.S. Custody Transfer & Receipt Document for Ukrainian-Owned Defense Articles

SUBJECT: Record of [U.S. Custody / U.S. Return] of Ukrainian Titled Defense Articles		
Date: [DD/MM/YYYY]		
This memorandum documents the U.S. Government [accepting / returning] physical custody of Ukrainian titled defense articles for Ukrainian requested repair or refurbishment effort.		
[Include if the U.S. Government is gaining custody] - While the U.S. Government will have physical custody of the defense articles, the U.S. Government is not accepting legal ownership of the provided defense articles and U.S. Government acceptance does not constitute a U.S. Government commitment to accomplish the requested repair or refurbishment.		
Identification and Condition of Defense Articles	[National Stock Number (NSN) if applicable, manufacturer, model number, serial number, quantity, and a detailed description of the article's condition. The U.S. Military Group (MILGP) or appointed U.S.-designated official coordinates with the IA that sourced the defense article to assess the condition to determine suitability to transfer custody to the USG since the articles will be shipped "as is." Photos should be included to confirm item description and condition. If photos cannot be included, provide as much information as possible.]	
Legal Authority and Implemented BPC Case	[Citation of the specific legal authority (and/or USAI program and the BPC case identifier and line number as applicable) which may fund the potential repair or refurb efforts.]	
Points of Contact	[Name, title, and contact information for both the U.S. Government and Ukrainian representatives responsible for the custody transfer.]	
Location of Custody	[The specific, unclassified location where the defense articles are expected to be stored during U.S. Government custody.]	
U.S. Military Group (MILGP) or appointed U.S. designated official signature block.		
_____ Printed Name _____ Signature _____ Date		

Ukrainian Representative signature block

Printed Name

Signature

Date

USAI.6.4.1.3. Implementing Agency Procedures to Maintain Accountability of Defense Articles. When Ukrainian defense articles being repaired or refurbished (or being used to accomplish the repair or refurbishment) are in USG physical custody, stringent storage and accountability procedures must be implemented to ensure proper management and prevent unauthorized use while the defense articles are in USG custody. The USG entity with physical custody should segregate the defense articles. The articles do not have to be physically segregated from other inventory, but the inventory manager must be able to maintain accurate accountability of the defense articles and apply the same accountability and physical security procedures that they do to their own inventory. These practices also apply to defense articles as described in [Section USAI.4.3](#).