



DEFENSE SECURITY COOPERATION AGENCY

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

07 AUG 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 26-80, Letter of Offer and Acceptance Modifications for Foreign Military Financing [SAMM E-Change 850]

References: Security Assistance Management Manual (SAMM), [Section C6.7.3. Modifications](#)

This memorandum updates policy to allow adding the Foreign Military Sales (FMS) Credit (Repayable) and/or Foreign Military Financing (FMF) Guarantee Terms of Sale (ToS) to a Letter of Offer and Acceptance (LOA) via modification vice amendment. To add FMS Credit (Repayable) and/or an FMF Guarantee to an LOA, the partner must submit a written request to DSCA to initiate the modification. Changes to existing ToS on an LOA are not authorized. This policy is intended to facilitate partner access to financing more efficiently and on expedited timelines. In accordance with the above reference, FMS Credit (Repayable) and FMF Guarantee will be added to the list of allowable changes under [Table C6.T7](#), "Modification for Foreign Military Sales Cases." The attached policy is incorporated into the 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.

WATFORD.BRIA
N.T.

Digitally signed by
WATFORD.BRIAN.T.
Date: 2026.08.07 15:09:02 -04'00'

Brian Watford
Acting Chief Operating Officer and Chief Financial Officer
Defense Security Cooperation Agency

Attachment: SAMM E-Change 850 - Letter of Offer and Acceptance Modifications for Foreign Military Financing

Security Assistance Management Manual E-Change 850

LETTER OF OFFER AND ACCEPTANCE MODIFICATIONS FOR FOREIGN MILITARY FINANCING

1. Add row 14 to Table C6.T7.:

#	Allowable Changes
14	Upon written partner request, adding an FMS Credit (Repayable) or Foreign Military Financing (FMF) Guarantee Term of Sale, along with associated changes to the Type of Assistance (TA) Code.

2. Update Section C6.7.3.2.2.:

From:

C6.7.3.2.2. The cases, when considered together, must not include a significant scope change (e.g. adding or deleting SME). New Terms of Sale or types of grant assistance cannot be added on Concurrent Modifications (e.g. adding an FMF financing Terms of Sale, or new Excess Defense Article (EDA) grant or EDA sales lines). However, existing FMF funds can be transferred from one FMS case to another FMS case through Concurrent Modifications.

To:

C6.7.3.2.2. The cases, when considered together, must not include a significant scope change (e.g. adding or deleting SME). New Terms of Sale or types of grant assistance, with the exception of FMS Credit (Repayable) or Foreign Military Financing (FMF) Guarantee, cannot be added on Concurrent Modifications (e.g. ~~adding an FMF financing Terms of Sale, or~~ new Excess Defense Article (EDA) grant or EDA sales lines). ~~However, E~~existing FMF funds can be transferred from one FMS case to another FMS case through Concurrent Modifications.