



DEFENSE SECURITY COOPERATION AGENCY

WASHINGTON, DC 20301-2800

APR 2 2007

In reply refer to:  
I-07/001979-POL

MEMORANDUM FOR SEE DISTRIBUTION

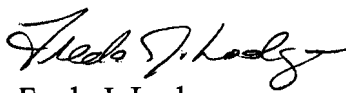
SUBJECT: Correction of Security Assistance Management Manual (SAMM) Table AP1.T5., DSCA 07-08 [SAMM E-Change 72]

To be considered as Major Defense Equipment (MDE), defense articles must both be identified on the U.S. Munitions List (USML) as Significant Military Equipment (SME) and have a nonrecurring research and development cost of more than \$50,000,000 or a total production cost of more than \$200,000,000. Appendix 1 of the SAMM lists Nonrecurring Cost (NRC) Recoupment Charges for MDE items by USML Category. Table AP1.T5. for USML Category V, which includes Propellants, Explosives, and Incendiary Agents, incorrectly states, "Items In This Category, Which Meet The Dollar Value Criteria To Be Listed As MDE, Are Not SME As Defined In The USML." In fact, a number of defense articles in Category V are identified as SME, and NRC recoupment charges should be established for those that meet the dollar value to be listed as MDE. The proposed change below deletes the inaccurate language and notes that no USML Category V items are currently identified as MDE. MILDEPs should review their records and submit paperwork for any items in Category V that may meet the MDE criteria.

TABLE AP1.T5. CATEGORY V  
PROPELLANTS, EXPLOSIVES AND INCENDIARY AGENTS

Item Description	Approved Nonrecurring Cost (NC) Charge	Effective Date
Items In This Category, Which Meet The Dollar Criteria For Major Defense Equipment, Are Not Significant Military Equipment As Defined In The U.S. Munitions List. <i>No Items Currently Identified</i>		

This change will be incorporated in the automated version of the SAMM found on the DSCA webpage, [www.dsca.mil](http://www.dsca.mil), as SAMM E-change 72. If you have any questions concerning this change, please contact Mike Slack, DSCA/STR-POL, at (703) 601-3842 or e-mail: [michael.slack@dsca.mil](mailto:michael.slack@dsca.mil).

  
Freda J. Lodge  
Principal Director  
Strategy

## DISTRIBUTION LIST

DEPUTY ASSISTANT SECRETARY OF THE ARMY  
DEFENSE EXPORTS AND COOPERATION (DASA-DEC)  
DEPARTMENT OF THE ARMY

DEPUTY ASSISTANT SECRETARY OF THE NAVY  
INTERNATIONAL PROGRAMS (NAVIPO)  
DEPARTMENT OF THE NAVY

DEPUTY UNDER SECRETARY OF THE AIR FORCE  
INTERNATIONAL AFFAIRS (SAF/IA)  
DEPARTMENT OF THE AIR FORCE

DIRECTOR, DEFENSE LOGISTICS AGENCY

DIRECTOR, NATIONAL GEOSPATIAL-INTELLIGENCE AGENCY

DIRECTOR, DEFENSE THREAT REDUCTION AGENCY

DIRECTOR, DEFENSE REUTILIZATION AND MARKETING SERVICE

DIRECTOR, DEFENSE CONTRACT MANAGEMENT AGENCY

DIRECTOR, DEFENSE INFORMATION SYSTEMS AGENCY

DIRECTOR, DEFENSE LOGISTICS INFORMATION SERVICE

DEPUTY DIRECTOR FOR INFORMATION ASSURANCE,  
NATIONAL SECURITY AGENCY

DEPUTY DIRECTOR FOR SECURITY ASSISTANCE,  
DEFENSE FINANCE AND ACCOUNTING SERVICE - DENVER CENTER

cc: STATE/PM-RSAT  
USDP/ISP  
DISAM  
USASAC  
SATFA TRADOC  
NAVICP  
NETSAFA  
AFSAC  
AFSAT  
JFCOM  
SOCOM  
EUCOM  
CENTCOM  
NORTHCOM  
PACOM  
SOUTHCOM