

U.S. ARMY SECURITY ASSISTANCE COMMAND  
5001 EISENHOWER AVENUE  
ALEXANDRIA, VIRGINIA 22333-0001

USASAC POLICY STATEMENT NUMBER: 501.5

SUBJECT: Foreign Military Sales (FMS) Negotiation Team

POLICY: To be responsive to FMS customer requirements for major systems, it is the policy of USASAC to establish FMS Negotiation Teams as required. The team leader will be selected from either the Regional Directorate, MSC IL Directorate or Division Chief level and include representatives of legal, contracting officer, technical, financial, training, FMS personnel and the commercial contractor. The team will have authority to prepare a draft Letter of Offer and Acceptance (LOA) in CONUS and travel to the country concerned to negotiate a final LOA. The commercial contractor would address non-competitive contracts and be prepared to discuss offset considerations with the customer.

DISCUSSION: For major systems purchases, FMS customers are requesting offset programs. Current FMS policy states that the government not become directly involved in offset programs and requires the contractor to arrange the offset. Utilization of FMS negotiation teams provides all information required to satisfy the customer through FMS channels.

PROPONENT AREA: Security Assistance Policy (Mission)

PROPONENT: AMSAC-MP-P

SUPERSESSSION: This Policy Statement supersedes Policy No. 501.5, 1 April 1990.

WILLIAM A. FITZGERALD, JR.  
Major General, USA  
Commanding

OFFICIAL:

DONALD B. UBER  
Chief, Administration  
and Security Division